



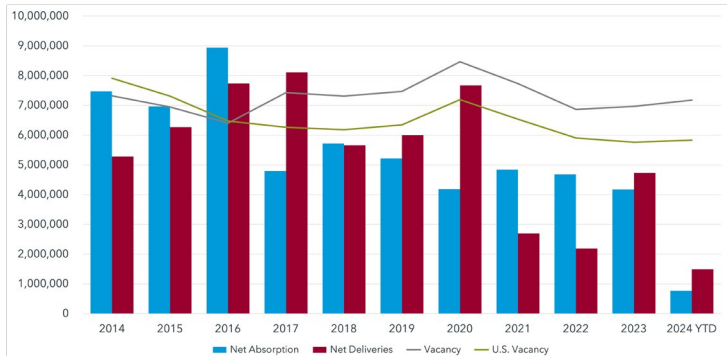
RETAIL MARKET OVERVIEW

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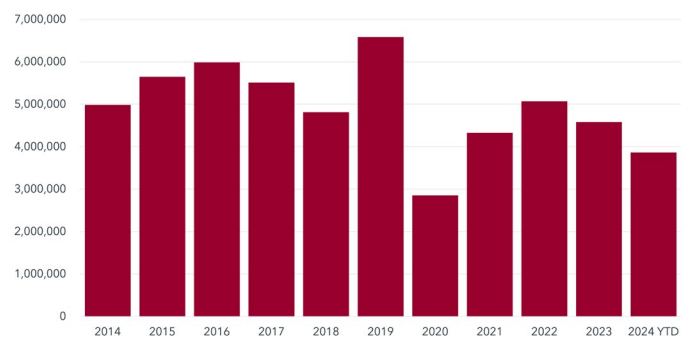
Houston's MSA, with a population of 7.22 million, continues to retain its position as the fifth-largest city in the U.S. The retail market continues to show its ability to withstand challenges. Leasing activity for Q2 2024 amounted to 2,307,208 square feet while absorbing 3,094,445 square feet. Strip centers and malls emerged as the largest property types during Q2 2024. Despite the national vacancy rate average reported at 4.1%, Houston's vacancy rate stayed steady at 5.0%. We are still seeing similar trends with square feet under construction declining each quarter, suggesting that developers are continuing to be cautious due to interest rates and high construction costs.

MARKET INDICATORS	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
▼ 12 Mo. Net Absorption SF	3,094,445	3,508,101	4,174,234	3,417,915	3,488,405
◀▶ Vacancy Rate	5.0%	5.0%	4.9%	4.9%	4.9%
▼ Avg NNN Asking Rate PSF	\$23.54	\$23.64	\$23.54	\$23.36	\$23.11
▼ SF Under Construction	3,862,568	4,140,951	4,578,998	4,716,325	4,665,639
▲ Inventory SF	440,699,489	440,144,565	439,191,760	437,784,954	436,805,577

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
12523-12589 Westheimer Road Houston, TX	141,498 SF	Undisclosed	Song Jong M Wu Properties	Multi-Tenant
9300 Emmett F Lowry Expressway Texas City, TX	120,669 SF	Undisclosed	Investor Loan Source JMK5 Holdings	Multi-Tenant
1409-1539 Little York Road Houston, TX	117,786 SF	Undisclosed	Undisclosed RTC Retail	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
12655 West Rd/ Hwy 290 Houston, TX	50,000 SF	Keller Williams Realty	Good Car People	Dealership
10515 Katy Freeway Houston, TX	47,423 SF	SmithCo Development	Undisclosed	Clothing Store
5000 Katy Mills Circle Katy, TX	44,987 SF	Simon Premium Outlets	Slick City	Amusement Center

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