

# AUSTIN RETAIL MONTHLY MARKET SNAPSHOT | FEBRUARY 2022

Austin retail posts strong start with highest January leasing activity since 2013

## MARKET HIGHLIGHTS

AN ANALYSIS OF ACTIVITY DURING THE FIRST MONTH OF THE YEAR—JANUARY 2022 COMPARED TO JANUARY 2021.

### VACANCY RATE SHRINKS TO 3.8%

One month into 2022, overall vacancy in the Austin retail market has tightened to 3.8%, dropping 80 basis points from this time last year. Availability is at 5.1%, down 110 basis points from January 2021. The difference between this figure and the vacancy rate reflects expected future move-outs. January 2022 marks the highest amount of leasing activity in January since 2013 for the Austin retail market. 310,000 sq. ft. of leasing activity comprised of both new leases and renewals was recorded, while net absorption (move-ins minus move-outs) is at 9,800 sq. ft., down significantly year-over-year from 264,000 sq. ft.

### AVERAGE RETAIL NNN ASKING RENTS AT ALL-TIME HIGH

Positive trends in leasing activity have driven average retail asking rents higher. The Austin metro NNN average asking rent is at an all-time high of \$22.00 per sq. ft., up 5.2% from \$20.92 this time last year. With one of the strongest economies in the country over the past decade, retail landlords in Austin have significantly benefited.

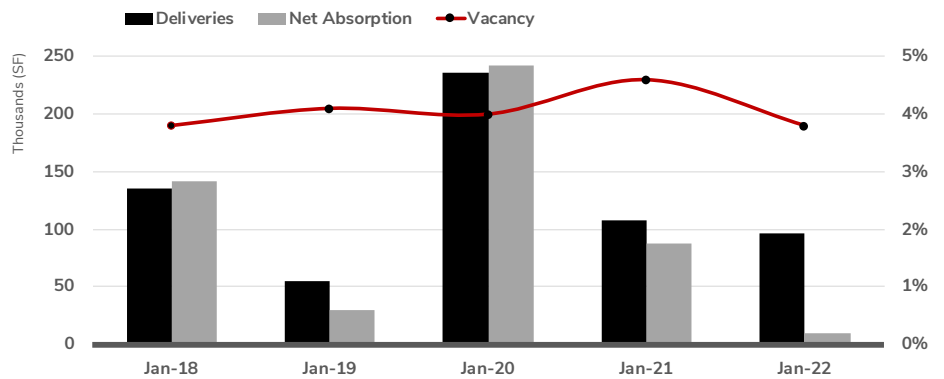
### RETAIL AND ROOFTOPS

In January, the Austin-Round Rock MSA housing market experienced an overall decline in closed sales compared to January 2021 as the number of closed listings fell 5.8% to 2,295, according to the Austin Board of REALTORS®. In January, the median sales price rose 30.4% to \$476,000, a record for January—and sales dollar volume rose to 18.2%. New listings decreased 10.1% to 2,614 as active listings also dropped 0.7% to 1,351. Pending listings increased 3.8% to 3,352, as months of inventory stayed flat at 0.4 months. Homes spent an average of 28 days on the market, down six days from January 2021. Even with the slight downtick in closings and new listings, the metro housing market is coming off two consecutive record-setting years with great enthusiasm looking towards 2022.

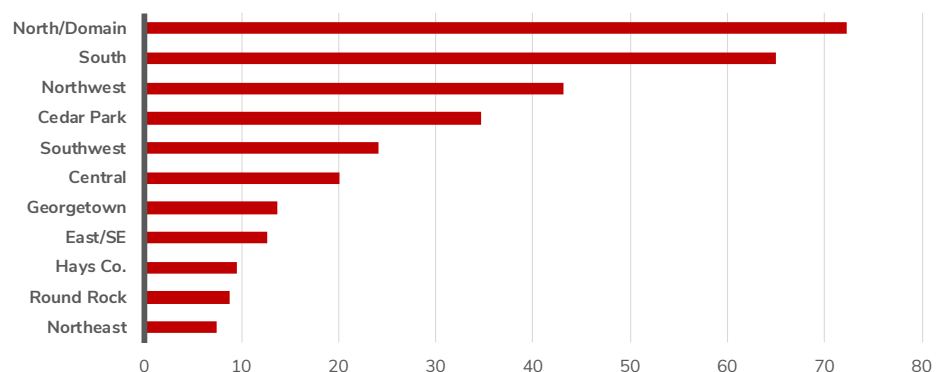
## MARKET ACTIVITY

	JANUARY 2022	vs	JANUARY 2021
Vacancy	3.8%	↓	4.6%
Availability	5.1%	↓	6.2%
Under Construction SF	928,692	↓	1,029,496
NNN Avg Asking Rent	\$22.00	↑	\$20.92
Net Absorption SF YTD	9,789	↓	264,120
Leasing Activity SF YTD	310,461	↑	208,978
Deliveries SF YTD	96,391	↓	107,397

## SUPPLY & DEMAND | JANUARY - YEAR OVER YEAR



## LEASING ACTIVITY | JANUARY 2022 | YEAR TO DATE



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