

# Austin Retail

## Monthly Market Snapshot | December 2022

Austin retail market is leading the way with deals, foot traffic, and leasing.

### Market Highlights

An analysis of activity during the eleven months of the year—November 2022 compared to November 2021.

#### Vacancy rate tightens to 3.3%

Eleven months into 2022, the overall vacancy in the Austin retail market is at a tight 3.3%, dropping 40 basis points from last year's 3.7%. Availability is 4.5%, down 70 basis points from November 2021 at 5.2%. The difference between this figure and the vacancy rate reflects expected future move-outs. Leasing activity comprised of new leases and renewals was less year-over-year at 2.1 million sq. ft. versus 2.5 million sq. ft., while net absorption (move-ins minus move-outs) is at 1.3 million sq. ft., down 21% year-over-year from 1.6 million sq. ft.

Encouraging trends in leasing and absorption have driven average retail asking rents higher

The Austin metro NNN average asking rent is \$24.44 per sq. ft., up 13% from \$21.63 last year. Among the largest leases in 2022, Brookshire Brothers signed a 43,000 sq. ft. lease in Lago Vista; Ashley Home Store signed a 40,000 sq. ft. lease at Stone Creek Crossing in San Marcos; HOME Family Thrift inked a deal for 36,888 sq. ft. at The Shops at Wells Branch in the North/Domain submarket, and AutoZone moved into 33,000 sq. ft. in Southridge Plaza in South Austin.

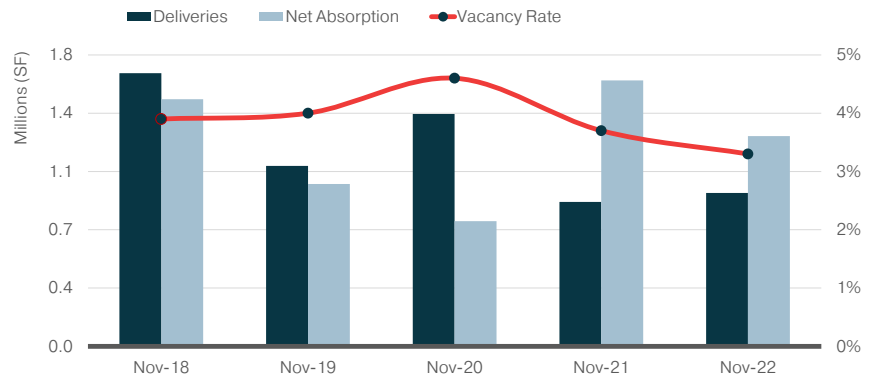
#### Retail and rooftops

For the first time since February 2019, median home prices in the Austin-Round Rock MSA experienced a 0% year-over-year increase, according to the Austin Board of REALTORS® November 2022 Central Texas Housing Market Report. As housing inventory and days on the market continue to increase steadily across the MSA, the report indicates normal market activity could be here to stay as Austin's housing market maintains its trajectory toward balance and sustainability. For the first time since the spring of 2020, no records were broken for home sales or median price in either the MSA or City of Austin.

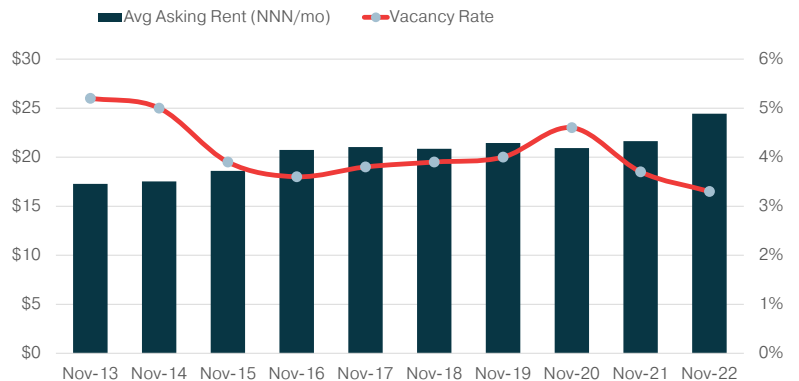
### Market Activity

	November 2022	vs	November 2021
Vacancy	3.3%	↓	3.7%
Availability	4.5%	↓	5.2%
Under Construction SF	2,160,844	↑	1,132,649
NNN Avg Asking Rent/MO	\$24.44	↑	\$21.63
Net Absorption SF YTD	1,298,840	↓	1,642,834
Leasing Activity SF YTD	2,066,482	↓	2,463,029
Deliveries SF YTD	947,241	↑	892,033

### Supply & Demand | November - Year Over Year



### Rent & Vacancy | November - Year Over Year



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