

SURVEY REPORT

SHOPPING CENTER

2019

REVIEW & FORECAST

TEXAS' MOST IN-DEPTH
AND RESPECTED RETAIL
MARKET INSIGHT

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A dark, monochromatic photograph of the Austin skyline. The image shows several high-rise buildings, including the prominent Leaning Tower of Austin, and a large bridge with multiple arches spanning a river in the foreground. The scene is dimly lit, creating a moody atmosphere.

AUSTIN

The information contained herein was obtained from sources deemed reliable; however, Weitzman makes no guarantees, warranties or representations as to the completeness or accuracy thereof. The presentation of this real estate information is subject to errors or omissions.



PARTY CITY AND OLD NAVY OPENED IN ADJACENT SPACES AT **SOUTHPARK MEADOWS** IN AUSTIN

AUSTIN OCCUPANCY, STILL HIGH, TAKES A STEP BACK

Austin, the longtime home to the healthiest major-metro retail market in Texas, continued to maintain that position despite softening in its overall occupancy levels.

As of year-end 2018, the Austin-area retail market shows an overall occupancy rate of approximately 95.8 percent, down from 96.1 percent at mid-year due to the store closings from outmoded legacy retailers.

The market's largest vacancy spaces are found in box stores that closed due to the nationwide problems of legacy retailers Sears and Toys "R" Us. A truer picture of the health of the market can be seen in Austin-area retail projects, which are maintaining some of their highest occupancy rates on record due to steady tenant demand at a time when the construction of new retail space remains near record lows. The vacancy also is mitigated by new construction that opened significantly leased, as well as the backfilling of existing space, all of which accounted for hundreds of thousands of square feet of occupancy in 2018.

Weitzman reviews an Austin-area retail space inventory of 49.5 million in retail projects with 25,000 square feet or more.

Even with the increase in vacant space, Austin remains the strongest major-metro retail market in Texas, and one of the strongest in the United States, in terms of occupancy.

During 2018, the market saw Sears anchor stores close, including a Sears Grand store at IH-35 and Parmer Lane, and traditional Sears anchor stores at Lakeline Mall, Barton Creek Mall and Hancock Center. These stores, each totaling between 172,000 and 185,000 square feet, now represent the largest single source of vacancy in the Austin area.

Austin also saw four metro-area locations of Toys "R" Us and Babies "R" Us close. The retailer closed three area "Toys" stores totaling approximately 116,500 square feet of GLA, as well as a 29,960-square-foot location for Babies "R" Us in Sunset Valley.

In terms of smaller concepts, Mattress Firm closed more than a dozen area locations. However, the outlook for these vacancies is positive, as a number of retailers are already in the works to backfill these well-located, well-positioned former mattress stores.

The best-located of these vacancies are attracting tenant interest, and there is a possibility that some or all of the locations will be redeveloped and/or subdivided for multiple tenants. For example, a portion of the vacant Sears Grand will open in 2019 as a multi-screen cinema. In a market as tight as Austin's, the vacancies can represent opportunity in a market that not only reports low vacancy, but also little additional new space.

This period of low construction is reflected in the numbers. Over the past six years, from 2013 through 2018, the market has added a total of approximately 5.2 million square feet. That total is not much more than the 4.2 million square feet added in 2007 – just one year. During 2008, when the market was first entering the great recession, new space totaled 2.8 million square feet.



KEY CONCEPTS BACKFILL VACANCIES IN 2018

OLD NAVY	AMC
PARTY CITY	PETCO
MARSHALLS	H MART
99 RANCH MARKET	PUNCH BOWL SOCIAL

For calendar year 2018, the market added approximately 670,000 square feet of retail space in new and expanded projects. The total is exceptionally low, especially for a major metro area that reports high retail occupancy, a strong housing market and the lowest major-metro unemployment rate in Texas. The 2018 construction total is a slight increase compared to the 640,000 square feet added in 2017, which itself was historically low for the market.

99 RANCH MARKET BACKFILLED SPACE AT THE CRESCENT FOR ITS FIRST AUSTIN LOCATION

These findings are based on a review of retail market conditions for the greater Austin area as of year-end 2018 by Weitzman, a statewide retail-focused commercial real estate services firm. The market's occupancy rate is based on an inventory of approximately 49.5 million square feet of retail space in projects with 25,000 square feet or more.

The market's healthy occupancy is aided by demand-based new construction that came online significantly or fully occupied and a redevelopment project that created a multi-tenant retail center at the site of a closed home furnishings superstore in Round Rock. Details on new and redevelopment construction can be found later in this report.

BACKFILLED OR REDEVELOPED RETAIL SPACE INCLUDES:

- **Old Navy** and **Party City**, which opened in the space in South Park Meadows previously occupied by Sports Authority;
- **Marshalls**, which leased a space formerly occupied by Staples in the Shops at Arbor Trails, a center anchored by Costco and Whole Foods Market;
- **St. Elmo Public Market**, which is developing and redeveloping space in a formerly industrial area in the

area served by Ben White Boulevard, South Congress Avenue and St. Elmo Road. The first phase of retail, which represents the redevelopment of a mid-century industrial building and totals approximately 40,000 square feet, is set for 2019. Additional phases of mixed-use space are planned for the project;

- **Crossing Point**, a multi-tenant shopping center that represents the redevelopment of a former Garden Ridge at IH-35 and SH-45 in Round Rock. Concepts including Crunch Fitness and Altitude Trampoline Park have opened at the project;
- **Petco**, which leased 13,108 square feet in Center of the Hills, a community center anchored by H-E-B at 7010 W. Highway 71;
- **99 Ranch Market**, which backfilled former Big Lots and Asian Oriental Market spaces for its first Austin location. 99 Ranch Market is the anchor for The Crescent, located on Airport Boulevard at IH-35 in North Austin, which includes a number of other popular Asian concepts;
- **H Mart**, which backfilled two adjacent boxes totaling nearly 69,000 square feet in a center located at 11301 Lakeline Boulevard. The Asian grocery store, the first in Austin for the chain, opened in early 2018;



- **The Blueprint Building**, a 36,000-square-foot, four-story restaurant and entertainment project at 501 W. Sixth Street at the site of a former commercial building. The location is now home to several restaurants and popular Austin entertainment-bar concept The Goodnight;
- **Fareground at One Eleven**, a food hall that opened in early 2018 in former plaza and lobby space at 111 Congress Avenue, directly across from the J.W. Marriott, in downtown Austin. The food hall, considered the first in the city, opened with several distinct concepts from well-known local operators;
- **Spec's Wine Spirits and Finer Food**, which backfilled an 11,000-square-foot junior-anchor box at 12611 Hymeadow Drive, near Lakeline Mall;
- **Ulta Beauty**, along with **Hibbett Sports**, **Zoës Kitchen** and others, which leased existing space in Georgetown's Wolf Ranch Town Center, at IH-35 and University Avenue;
- **AMC**, which in 2019 will open a 45,000-square-foot cinema in part of a Sears department store that closed in 2018 at N. IH-35 and Parmer Lane;
- A former Bealls, which closed in early 2018, in Windsor Village retail center on Berkman Drive in northeast Austin. The former anchor store is being redeveloped for multi-tenant space;
- **Punch Bowl Social**, an entertainment concept that plans to redevelop 22,000 square feet of street-level and below-ground retail space in the Scarbrough Building in downtown Austin for its second Austin location. The space formerly was occupied by Brooks Brothers and Gold's Gym;
- **High 5**, an entertainment concept that backfilled the former Goodnight space, 15,000 square feet on W. Anderson Lane;
- **Tuesday Morning**, which leased a long-vacant space adjacent to HomeGoods in a former Borders Books location at Great Hills Station, located at the northeast corner of Great Hills Trail and U.S. Highway 183.

RESTAURANT MARKET

The Austin area's restaurant market remains extremely active, and if concepts close, their spaces are typically re-leased quickly if they are in strong locations.

Active concepts range from quick-serve to white tablecloth. Many redevelopment projects, including **Plaza Saltillo**, **The Blueprint Building** and **Fareground at One Eleven**, have heavy restaurant tenancy.

AUSTIN RENTAL RATES

Rental rates in the Austin area retail market are steady while maintaining the rate increases of previous years. Gross rental rates, which incorporate base rent and triple nets, are showing higher increases on average than asking rents. Triple nets, representing tenants' negotiated pro-rata share of operating expenses, and sharp increases in appraised property valuations continue to increase, in some cases doubling.

Further, increasing construction and labor costs typically mean that new projects are required to charge rental rates higher than market averages to meet pro formas, which limits the amount of new space coming onto the market and, ironically, keeps rents at current high levels.

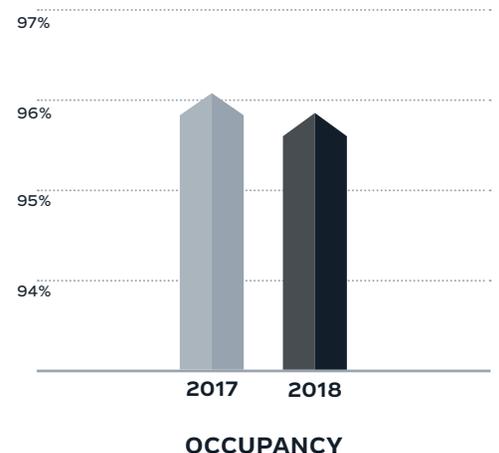
For all classes of space, actual rates for specific centers and spaces can go notably lower or higher than the rates listed here due to factors including anchors, traffic, demographics and location within a center.

- For small-shop space in anchored Class A projects, rates range from the lower to mid-\$30s per square foot per year to \$40 per square foot or higher for the best-located centers with strong traffic and co-tenancy. However, small-shop space in well-located new construction is reaching rates that are considerably higher, often in the \$50-per-square-foot range or more;
- Averages for Class B small-tenant rates are posting from the low-to-high-\$20-per-square-foot per year range;
- Averages for Class C rates for small-tenant in-line spaces typically range from the teens to the low \$20s on a per-square-foot-per-year basis.

OUTLOOK FOR CONTINUED GROWTH.

The greater Austin market currently reports one of the strongest economies in the country, with an extremely low unemployment rate of under 3 percent,

a strong single- and multi-family housing market and an investment market that the prestigious Urban Land Institute dubbed the best overall real estate investment and development market in the U.S. Based on this economic strength and the continued balance of supply and demand, all signs point to continued health for the Austin-area retail market.





DALLAS - FORT WORTH

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FULL PARKING LOTS GREETED THE NEW WINCO FOODS AT **TRINITY VALLEY SHOPPING CENTER** IN CARROLLTON AFTER THE GROCER OPENED IN 2018 AT THE SITE OF A FORMER TARGET

D-FW RETAIL MOMENTUM CONTINUES EVEN AS SEVERAL ANCHORS CLOSE

MARKET SEES RECORD HIGH OCCUPANCY STREAK

Dallas-Fort Worth's retail market ended 2018 with 92.4 percent occupancy, on par with 92.4 percent at year-end 2017. The occupancy remained stable despite numerous closings from legacy retailers Sears and Toys "R" Us. The stability is mainly a result of strong leasing in existing retail centers and a conservative development climate that has focused on demand-based new retail construction.

The results of the survey show that D-FW is enjoying one of its longest periods of retail real estate stability since Weitzman first surveyed the market in the early 1980s, with this past year representing the fifth consecutive year of D-FW retail occupancy above 90 percent.

During 2018, construction in new and expanded retail centers totaled only 3,501,897 square feet, which is especially low for a market that is a national economic leader in both jobs and

population growth. Specifically, the 2018 space deliveries declined when compared to 2017, when 4,225,728 square feet came online.

By keeping new development on pace with demand and adding little if any speculative space, the market has avoided the overbuilding that marked previous periods of strong retail market performance.

The 2018 Survey & Forecast is based on Weitzman's review of a total D-FW retail market inventory of approximately 199.3 million square feet of space in projects with 25,000 square feet or more – the largest retail inventory for any metro area in Texas. Weitzman surveys more than 1,400 centers in 42 submarkets, of which 30 submarkets are in the Dallas-area market, and 12 submarkets are in the Fort Worth-area market.

For year-end 2018, the occupancy rate in the Dallas area was 92.2 percent (92.4 percent at year-end 2017). The rate is based on a review of 993 projects with a total market inventory of 137.4 million square feet.

The occupancy rate in the Fort Worth area improved to 92.9 percent, compared to 92.5 percent at year-end 2017. The rate is based on 426 retail projects with a total inventory of 61.9 million square feet.

OCCUPANCY BY CENTER CATEGORY

Community Centers – 94.1 percent (compared to 92.7 percent at year-end 2017) based on an inventory of 74.7 million square feet.

- This category, typically anchored by a grocer, is the market's largest in terms of inventory, which makes its strong occupancy especially important. The market saw large vacancies backfilled, such as a former Target in Carrollton now occupied by WinCo Foods and a former Albertsons in Dallas now occupied by Central Market. The market's small-shop leasing, plus fully occupied new construction, helped offset the closings by a handful of Tom Thumb and Albertsons locations.
- Additionally, community centers continued to see healthy demand for small-shop space from active



categories like restaurants, services, fitness, health, beauty and medical tenants designed to serve community needs.

Neighborhood Centers – 90.1 percent (89.0 percent at year-end 2017) based on an inventory of 41.0 million square feet.

- Neighborhood centers are typically unanchored centers of 25,000 square feet to 100,000 square feet or more. The category has benefited from demand for restaurant, service and boutique fitness tenants, among others, and in 2018 saw its strongest occupancy in recent memory.
- The 90.1 percent occupancy represents the first time in more than two decades that occupancy in the category has reached or exceeded the 90-percent mark.

Power Centers – 93.8 percent (94.3 percent at year-end 2017) based on an inventory of 42.7 million square feet.

- The Power category, anchored by big-box category-killer power retailers, reports an overall healthy occupancy rate. However, that occupancy declined in 2018 compared to 2017 due to the failure of Toys “R” Us. Fortunately, two of the closed toy retailer’s boxes have now been re-leased, and a 45,000-square-foot box left vacant by Gander Mountain also was re-tenanted. These backfills, along with the healthy

performance of the remaining tenants in the category and a lack of new construction, have created stability for the Power category.

Mixed-use – 94.0 percent (94.5 percent at year-end 2017) based on an inventory of 8.3 million square feet of retail space in projects with other commercial and residential space.

- The Mixed-use category, representing mixed-use projects with significant retail space, is one of the more active categories in terms of new construction. Mixed-use projects surveyed by Weitzman feature retail space of 25,000 or more in a configuration with residential, office, hospitality or entertainment uses.

While all of the above shopping center categories reported stability, we did survey a notable rise in vacancy for one category: Malls.

Malls – The mall category, which incorporates 23.8 million square feet in regional and super-regional malls, saw occupancy decline to 87.5 percent, down from 93.3 percent at year-end 2017. The bankruptcy of Sears is largely responsible for the decline in occupancy, as the department store’s closures resulted in vacancy increases in A and B malls, not just at weaker malls. Reduced shopper traffic from anchor closings could lead to increased shop vacancies.

The mall market did report bright spots. The successful redevelopment of a vacant anchor store at the Shops of Willow Bend represents a way forward for the mall category. The redevelopment

created an open-air, chef-driven restaurant district, along with experiential retail like The Crayola Experience.

ABSORPTION REMAINS STRONG

The occupancy in D-FW is able to maintain near-record healthy levels due to strong absorption, which is a measure of net leasing. In a nutshell, absorption measures net leasing demand by using a formula to determine the net change in occupancy for existing plus new space.

For 2018, the market reported 2,813,414 square feet of net leasing (absorption). Though the total is a slight decline over the 3.2 million square feet absorbed in 2017, it still represents one of D-FW’s stronger leasing periods over the past two decades.

A total of 1,341,248 square feet of space was absorbed in the Dallas area, and in the smaller Fort Worth-area retail market, a strong 1,472,166 square feet of space was absorbed.

IN A LOW CONSTRUCTION MARKET, DEVELOPERS TURN TO REDEVELOPMENTS

With the continued growth in established neighborhoods, developers increasingly have turned to redevelopments to create modern shopping environments that will attract expanding tenants.

One notable redevelopment in 2018 involved Victory Park, a major mixed-use development that created a new retail environment for a number of restaurants and a new entertainment anchor, luxury cinema Cinépolis.

THE BANKRUPTCY OF **SEARS** LED TO A RISE IN VACANCY IN MALLS, BUT CREATIVE REDEVELOPMENTS ARE LEADING THE WAY TOWARDS MORE EXPERIENTIAL RETAIL IN THIS CATEGORY



Other anchors expanding in existing space include WinCo Foods, which in January 2018 opened a new 85,000-square-foot store at the site of a closed Target at Trinity Valley Shopping Center in Carrollton. Adjacent to Trinity Valley, the 1970s-era center Trinity Plaza was completely redeveloped in 2018.

The improved health and occupancy of existing centers is a major reason that the D-FW market continues to report its highest occupancy rates in years.

EXAMPLES OF REDEVELOPMENTS AND BACKFILLED VACANCIES INCLUDED:

- Costco, which is redeveloping a long-vacant big-box store on Park Lane near Greenville Avenue for its second location in Dallas proper. The new Costco is backfilling a 133,000-square-foot Sam's Club, which closed in 2011 to relocate to a new shopping center nearby;
- Central Market, which in 2018 opened in a renovated former Albertsons at Northwest Highway and Midway Road in the Preston Hollow area of Dallas. The grocer also plans a major mixed-use tower with approximately 150,000 square feet of retail space at the site of a closed grocery store at McKinney Avenue and Lemmon Avenue in Uptown Dallas;
- Target, which opened its first area small-format store in Preston Center, located at Preston Road and Northwest Highway in Dallas. The 54,700-square-foot store opened in space previously occupied by a discount apparel retailer;
- Living Spaces, a California-based furniture superstore, which took an existing 882,000-square-foot industrial building on West Pioneer Parkway in Grand Prairie. The building, the former Restoration Hardware distribution center, will be used for a large retail showroom by Living Spaces, as well as for warehouse and other uses;
- Fitness Connection, which backfilled a 73,000-square-foot former grocery

store space at Square 67, a shopping center on Highway 67 in the Red Bird Area of Dallas;

- Owens Home Furnishings, which backfilled a 26,000-square-foot space at 904 North Central Expressway in Plano that previously housed Bassett Furniture;
- Salvation Army, which opened its largest retail location in a 30,000-square-foot space on E. Round Grove Road in Lewisville that previously was occupied by Office Depot;
- Zion Market, a California-based Korean grocery, which acquired the 15,000-square-foot former Sears store at Music City Mall in Lewisville for a Korean supermarket and large restaurant component;
- Bowlero, a New York-based bowling venue, which opened in 25,000 square feet formerly occupied by Splitsville in Fairview Town Center, a regional retail project in the Allen submarket;
- Punch Bowl Social, which took a 12,500-square-foot space at 1100 Foch Street in Fort Worth's West Seventh district; the space previously was occupied by Times Ten Cellar, which closed in 2018;
- Urban Air, which opened in a 37,000-square-foot space in McKinney previously occupied by Stein Mart;
- Sketchers, which opened in an approximately 19,000-square-foot location that was created by subdividing a former Sports Authority at Caruth Plaza at North Central Expressway and Park Lane in Dallas;
- Ollie's Bargain Outlet, a Pennsylvania-based retailer, which backfilled two former Toys "R" Us locations, in Mesquite and Lewisville. The Mesquite store opened in 2018, and the Lewisville store is set to open in 2019.
- Ulta Beauty, which in 2019 will open in a junior anchor space in Casa Linda Plaza, a landmark retail center located at Buckner Boulevard and Garland

Road in East Dallas. The approximately 11,400-square-foot space previously housed Just Fitness.

CONSTRUCTION DECLINES AFTER POSTING GAINS IN 2017

For calendar-year 2018, D-FW retail construction reported a decline compared to the previous year. During 2018, space in new and expanded projects totaled 3,451,897. Construction in 2017 totaled 4.2 million square feet.

In terms of new construction, the market drivers included grocery stores like Walmart, Market Street and Kroger; entertainment-focused anchors; and a limited number of traditional power box retail concepts.

Entertainment was especially active in 2018, with new space coming from the Texas Live project in Arlington; AMC and Pinstripes at the Shops at Clearfork in Fort Worth; Cinemark in McKinney; Flix Brewhouse at Main Marketplace in Frisco/Little Elm; Alamo Drafthouse in Irving and Denton; and Cinépolis at Victory Park in Dallas.

Several large centers also opened with line-ups dominated by traditional box users, including Walmart Supercenter, T.J. Maxx, PetSmart and others at Gates of Prosper; Old Navy and Forever 21 Red at Glade Parks in Euless; Costco, Petco, Hobby Lobby, Stein Mart and others along W. University Drive in McKinney; Academy and At Home at The Shops at Broad in Mansfield; and Academy, Marshalls, Burlington and others at High Point Crossing in Dallas.

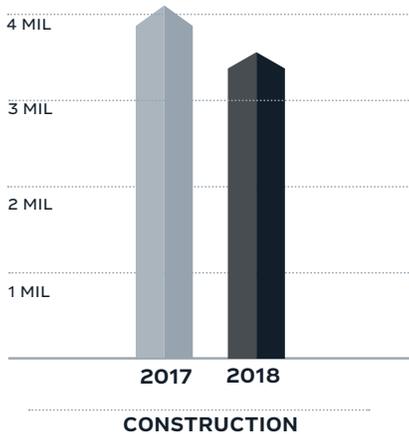
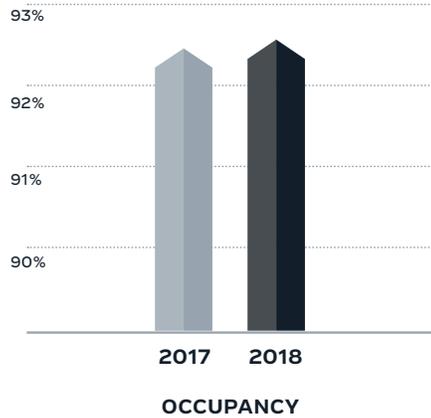
For 2019 and beyond, several major new projects are in the works, but we expect most of these centers to come online in phases, which will help ensure strong occupancy and keep overbuilding in check.

The D-FW retail market activity, especially retail leasing demand and store growth, is boosted by the metro area's economy, which ranks as one of the strongest in the U.S. In terms of population and job growth.

	PROPERTIES	2018 GLA	2018 VACANCY	2018 % VACANCY	2018 ABSORPTION
Neighborhood	688	40,970,588	4,057,929	9.90%	441,080
Mixed-Use	43	8,267,389	492,429	5.96%	784,633
Malls	19	23,844,709	2,976,661	12.48%	-882,586
Power	143	42,653,040	2,645,941	6.20%	966,855
Community	476	74,745,488	4,411,033	5.90%	1,463,163

D-FW RENTAL RATES

RENTAL RATES TABLE REFLECTS ASKING RATES BEFORE CONCESSIONS FOR TYPICAL SMALL SHOP SPACE. TOTALS ARE NOT WEIGHTED

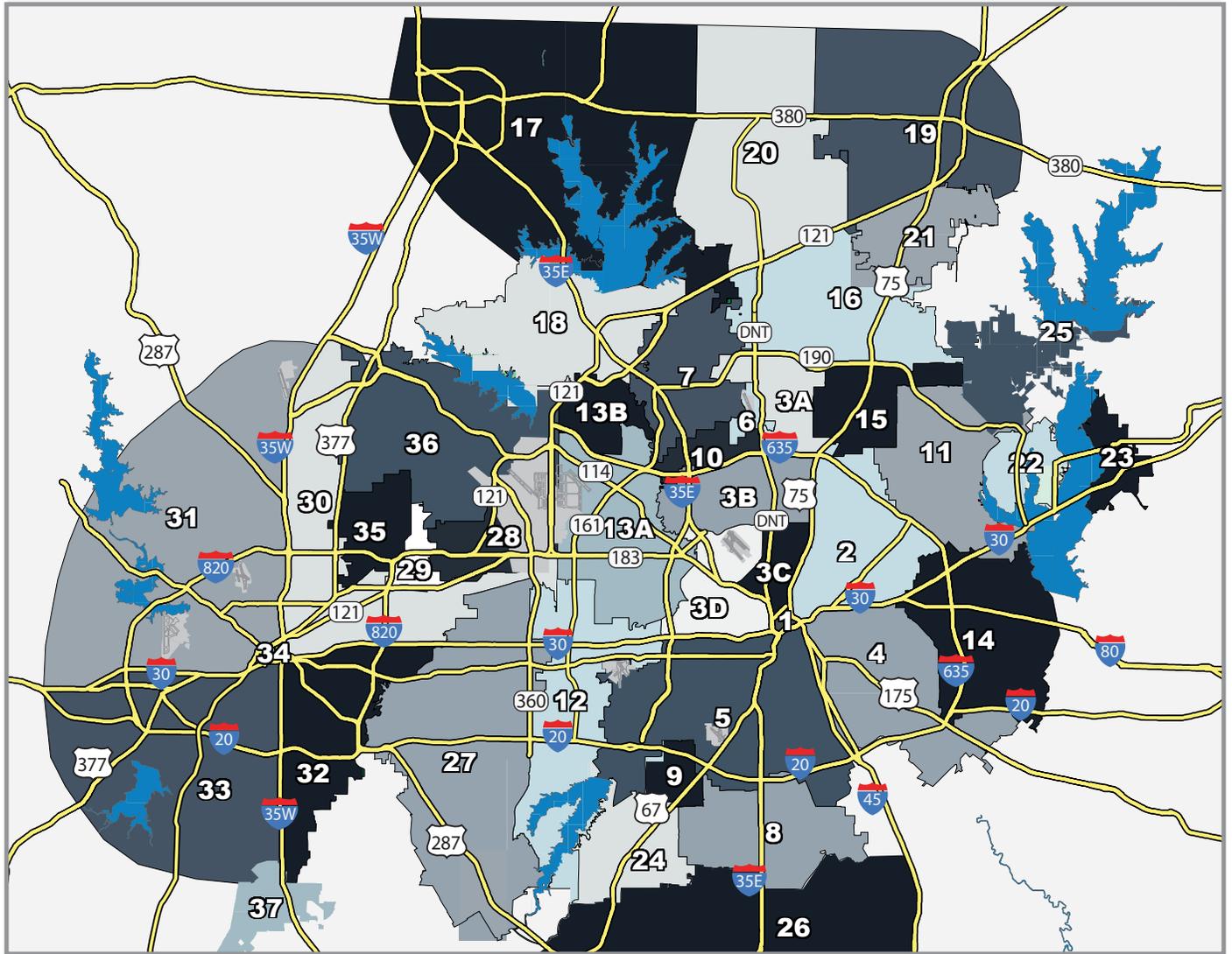


SECTOR	NAME	CLASS A	CLASS B	CLASS C
1	Dallas CBD	\$38	\$24	\$12
2	Northeast Dallas	\$33	\$23	\$10
3A	Far North Dallas	\$27	\$19	\$14
3B	North Dallas	\$43	\$26	\$17
3C	Park Cities/Oak Lawn	\$62	\$30	\$24
3D	West Dallas	\$32	\$18	\$10
4	Southeast Dallas	\$15	\$10	\$7
5	Southwest Dallas	\$20	\$14	\$7
6	Addison	\$34	\$22	\$11
7	Carrollton	\$30	\$18	\$12
8	DeSoto/Lancaster	\$18	\$10	\$6
9	Duncanville	\$15	\$10	\$7
10	Farmers Branch	\$30	\$17	\$10
11	Grand Prairie	\$32	\$18	\$10
12	Irving	\$32	\$16	\$11
13A	Coppell	\$32	\$22	\$12
13B	Mesquite/Balch Springs	\$25	\$16	\$10
14	Richardson	\$32	\$22	\$12
15	Plano	\$44	\$30	\$12
16	Denton	\$32	\$23	\$12
17	Lewisville/Flower Mound	\$32	\$23	\$12
18	McKinney	\$35	\$24	\$15
19	Frisco	\$38	\$25	\$17
20	Allen	\$33	\$20	\$12
21	Rowlett	\$29	\$15	\$9
22	Rockwall	\$32	\$19	\$11
23	Cedar Hill	\$30	\$16	\$11
24	Murphy/Wylie/Sachse	\$29	\$18	\$10
25	Garland	\$32	\$20	\$11
26	Northern Ellis County	\$32	\$16	\$10
DALLAS AVERAGE		\$32	\$19	\$11
27	Arlington	\$28	\$22	\$12
28	Bedford/Euless	\$30	\$20	\$12
29	Hurst	\$29	\$15	\$10
30	Northeast Fort Worth	\$29	\$16	\$8
31	Northwest Fort Worth	\$28	\$16	\$9
32	Southeast Fort Worth	\$18	\$14	\$7
33	Southwest Fort Worth	\$35	\$23	\$12
34	Fort Worth CBD	\$32	\$22	\$13
35	North Richland Hills	\$28	\$19	\$8
36	Northeast Tarrant County	\$38	\$25	\$15
37	Burleson	\$24	\$18	\$12
38	Weatherford	\$25	\$16	\$8
FORT WORTH AVERAGE		\$29	\$19	\$11
DFW AVERAGE		\$30	\$19	\$11

DALLAS-FORT WORTH SUBMARKET SUMMARY

	NAME	YE 2017 (GLA (SF))	YE 2017 VACANCY (SF)	YE 2017 % VACANCY	YE 2018 GLA (SF)	YE 2018 VACANCY (SF)	YE 2018 % VACANCY
1	Dallas CBD	542,204	100,784	18.59%	627,204	91,717	14.62%
2	Northeast Dallas	9,542,238	719,550	7.54%	9,722,238	838,995	8.63%
3A	Far North Dallas	6,911,520	552,090	7.99%	6,851,857	617,316	9.01%
3B	North Dallas	5,774,464	164,043	2.84%	5,774,464	245,530	4.25%
3C	Park Cities/Oak Lawn	3,280,505	69,290	2.11%	3,280,505	109,947	3.35%
3D	West Dallas	550,849	48,413	8.79%	550,849	32,344	5.87%
4	Southeast Dallas	1,861,017	78,310	4.21%	1,861,017	50,471	2.71%
5	Southwest Dallas	7,408,032	739,805	9.99%	7,408,032	1,098,360	14.83%
6	Addison	1,316,634	238,774	18.14%	1,316,634	272,227	20.68%
7	Carrollton	3,142,455	294,874	9.38%	3,142,455	178,105	5.67%
8	DeSoto/Lancaster	2,127,606	130,430	6.13%	2,055,606	172,640	8.40%
9	Duncanville	1,444,174	225,255	15.60%	1,444,174	178,550	12.36%
10	Farmers Branch	1,086,528	81,600	7.51%	1,085,977	34,777	3.20%
11	Garland	7,247,263	592,731	8.18%	7,309,852	579,625	7.93%
12	Grand Prairie	3,983,058	140,493	3.53%	4,108,058	64,935	1.58%
13A	Irving	7,578,691	897,772	11.85%	7,621,028	994,241	13.05%
13B	Coppell	853,480	42,352	4.96%	853,480	98,102	11.49%
14	Mesquite/Balch Springs	5,402,539	536,480	9.93%	5,228,846	474,707	9.08%
15	Richardson	4,100,976	327,513	7.99%	4,100,976	197,865	4.82%
16	Plano	16,044,767	1,721,644	10.73%	16,313,767	1,716,654	10.52%
17	Denton	6,556,889	351,084	5.35%	6,750,689	151,492	2.24%
18	Lewisville/Flower Mound	10,650,753	895,324	8.41%	10,650,753	1,100,740	10.33%
19	McKinney	4,258,385	202,197	4.75%	4,708,385	101,335	2.15%
20	Frisco	7,619,107	295,748	3.88%	8,048,583	474,207	5.89%
21	Allen	5,116,221	381,117	7.45%	5,116,221	443,805	8.67%
22	Rowlett	1,423,235	84,430	5.93%	1,423,235	55,538	3.90%
23	Rockwall	2,149,019	59,353	2.76%	2,149,019	62,995	2.93%
24	Cedar Hill	2,665,273	106,494	4.00%	2,665,273	118,234	4.44%
25	Murphy/Wylie/Sachse	2,332,287	129,418	5.55%	2,460,765	110,144	4.48%
26	Northern Ellis County	2,607,364	119,886	4.60%	2,761,240	107,781	3.90%
	DALLAS	135,577,533	10,327,254	7.62%	137,391,182	10,773,379	7.84%
27	Arlington	13,861,626	967,047	6.98%	14,444,294	1,156,270	8.01%
28	Bedford/Euless	3,037,406	220,369	7.26%	3,217,406	49,458	1.54%
29	Hurst	3,756,360	250,121	6.66%	3,756,360	233,232	6.21%
30	Northeast Fort Worth	4,280,456	385,192	9.00%	4,470,049	358,845	8.03%
31	Northwest Fort Worth	6,913,305	425,039	6.15%	6,913,305	459,645	6.65%
32	Southeast Fort Worth	1,736,560	147,955	8.52%	1,736,560	197,842	11.39%
33	Southwest Fort Worth	10,270,625	956,160	9.31%	10,605,625	843,830	7.96%
34	Fort Worth CBD	391,800	44,768	11.43%	391,800	45,434	11.60%
35	North Richland Hills	3,249,011	495,552	15.25%	3,247,744	477,217	14.69%
36	Northeast Tarrant Co	9,382,109	545,884	5.82%	9,381,490	430,629	4.59%
37	Burleson	2,078,016	53,267	2.56%	2,078,016	40,652	1.96%
38	Weatherford	1,676,770	75,050	4.48%	1,676,770	86,559	5.16%
	FORT WORTH	60,634,044	4,566,404	7.53%	61,919,419	4,379,613	7.07%
	GRAND TOTAL	196,211,577	14,893,658	7.59%	199,310,601	15,152,992	7.60%

DALLAS/FORT WORTH SUBMARKET MAP



Shopping Center Sectors

- | | | | |
|--|-------------------------------|--|--------------------------------|
| | 1 - Dallas CBD | | 18 - Lewisville / Flower Mound |
| | 2 - Northeast Dallas | | 19 - McKinney |
| | 3A - Far North Dallas | | 20 - Frisco |
| | 3B - North Dallas | | 21 - Allen |
| | 3C - Park Cities / Oak Lawn | | 22 - Rowlett |
| | 3D - West Dallas | | 23 - Rockwall |
| | 4 - Southeast Dallas | | 24 - Cedar Hill |
| | 5 - Southwest Dallas | | 25 - Murphy / Wylie / Sachse |
| | 6 - Addison | | 26 - Northern Ellis County |
| | 7 - Carrollton | | 27 - Arlington |
| | 8 - DeSoto / Lancaster | | 28 - Bedford / Euless |
| | 9 - Duncanville | | 29 - Hurst |
| | 10 - Farmers Branch | | 30 - Northeast Fort Worth |
| | 11 - Garland | | 31 - Northwest Fort Worth |
| | 12 - Grand Prairie | | 32 - Southeast Fort Worth |
| | 13A - Irving | | 33 - Southwest Fort Worth |
| | 13B - Coppell | | 34 - Fort Worth CBD |
| | 14 - Mesquite / Balch Springs | | 35 - North Richland Hills |
| | 15 - Richardson | | 36 - Northeast Tarrant County |
| | 16 - Plano | | 37 - Burleson |
| | 17 - Denton | | 38 - Weatherford* |

*not shown on map

DALLAS-FORT WORTH - ABSORPTION & CONSTRUCTION

	NAME	2018 ABSORPTION (SF)	2018 CONSTRUCTION* (SF)
1	Dallas CBD	94,067	85,000
2	Northeast Dallas	60,555	180,000
3A	Far North Dallas	-124,889	
3B	North Dallas	-81,487	
3C	Park Cities/Oak Lawn	-40,657	
3D	West Dallas	16,069	
4	Southeast Dallas	27,839	
5	Southwest Dallas	-358,555	
6	Addison	-33,453	
7	Carrollton	116,769	
8	DeSoto/Lancaster	-114,210	
9	Duncanville	46,705	
10	Farmers Branch	46,272	
11	Garland	75,695	100,000
12	Grand Prairie	200,558	125,000
13A	Irving	-54,132	50,000
13B	Coppell	-55,750	
14	Mesquite/Balch Springs	-138,196	50,000
15	Richardson	129,648	
16	Plano	273,990	269,000
17	Denton	393,392	193,800
18	Lewisville/Flower Mound	-205,416	
19	McKinney	550,862	450,000
20	Frisco	251,017	429,476
21	Allen	-62,688	
22	Rowlett	28,892	
23	Rockwall	-3,642	
24	Cedar Hill	-11,740	
25	Murphy/Wylie/Sachse	147,752	128,478
26	Northern Ellis County	165,981	153,876
	DALLAS	1,341,248	2,214,630
27	Arlington	393,445	582,674
28	Bedford/Euless	350,911	180,000
29	Hurst	16,889	
30	Northeast Fort Worth	215,940	189,593
31	Northwest Fort Worth	-34,606	
32	Southeast Fort Worth	-49,887	
33	Southwest Fort Worth	447,330	335,000
34	Fort Worth CBD	-666	
35	North Richland Hills	17,068	
36	Northeast Tarrant Co	114,636	
37	Burleson	12,615	
38	Weatherford	-11,509	
	FORT WORTH	1,472,166	1,287,267
	GRAND TOTAL	2,813,471	3,501,897

* New construction of 25,000 square feet or more; some construction represents expansion space



AUTUMN CREEK VILLAGE
 IN FRIENDSWOOD PLANS A
 SMALL-SHOP EXPANSION IN
 2019. CENTER EXPANSIONS
 ARE A SIGNIFICANT
 COMPONENT OF NEW
 CONSTRUCTION

HOUSTON MAINTAINS HEALTHY RETAIL OCCUPANCY AS WELL-LEASED NEW SPACE AND EXISTING-CENTER LEASING OUTPACE STORE CLOSINGS

Houston's retail market as of year-end 2018 reports an occupancy rate of 94.0 percent, a healthy rate that remains in line with the year-end 2017 rate of 95.0 percent rate, despite a number of store closings from junior anchors and anchors.

Strong leasing in existing centers, as well as new construction that opened significantly leased, helped lessen the impact of the newly vacant stores, largely from failed or struggling outmoded legacy retailers like Toys "R" Us and Sears.

Despite some softening during 2018, the occupancy rate remains one of the highest on record for the market and is considered extremely healthy, even with hundreds of thousands of vacant square feet left behind by closed stores.

- Toys "R" Us closed 18 stores for a total of nearly 675,000 square feet of space, or about 0.4 percent of the market inventory;
- Sears closed its 200,000-square-foot Memorial City Mall store and its 152,000-square-foot store at San Jacinto Mall. The stores are likely to be redeveloped, but the retailer's bankruptcy could delay any re-tenanting and redevelopment plans;
- Grocery store Randalls closed seven stores in 2018, although nearly half of the locations already have been leased.

Fortunately, Houston has a great track record of finding new tenancy for retail vacancies, especially in light of healthy demand and limited new retail construction.

Examples of backfilled retail real estate during 2018 included:

- Gander Outdoors, which took an 87,596-square-foot vacancy at 19302 IH-45 that was previously occupied by Gander Mountain, which closed stores after it filed for Chapter 11 bankruptcy protection in 2017;
- Nordstrom Rack, which in the first quarter of 2018 opened in a 27,252-square-foot space in Portofino Shopping Center, located on IH-45;
- Life Time Athletic, which in 2019 will open an approximately 89,000-square-foot facility in the former Houston City Club in Greenway Plaza;
- Kids Empire, an expanding children's indoor activity center, which backfilled approximately 9,500 square feet of existing space in The Gardens Center, located at IH-45 North and Barren Springs Drive;
- Megacenter Willowbrook, designed for flex, self-storage and other uses, a 236,000-square-foot project that represents the redevelopment of a former Walmart Supercenter at 7075 FM 1960 near Willowbrook Mall. The redevelopment will also include a 114,000-square-foot fitness facility;



- Total Wine, which opened a 24,500-square-foot store at 7640 Cypress Creek Parkway in Pearland in late 2018. Total Wine's location occupies a portion of a former Kohl's department store;
- Duluth Trading Co., a retailer of casual and workwear, which leased existing space at Baybrook Mall in Friendswood, as well as space in Katy Ranch Crossing in Katy, for its first Houston-area stores;
- El Rancho Supermercado, which backfilled a 47,000-square-foot former furniture store vacancy at 11210 North Freeway for its first Houston-area

location. El Rancho opened two new stores in former Randalls locations that closed in Garden Oaks and Stafford during the first half of 2018. Additionally, El Rancho is taking a Randalls that closed in December 2018 at North Fry and Morton Roads in Katy;

- Star Furniture & Mattresses, which will open a store in 2019 in a 70,000-square-foot former Randalls that closed in mid-2018;
- Urban Air Adventure Park, which backfilled a former 100,000-square-foot Home Depot located at 20251 Gulf Freeway in Webster. The concept will open at the site in 2019;
- El Ahorro, a specialty grocer, which took the space at Airline Drive and Parker Road that was vacated by Kroger in 2017;
- Aldi, which leased a former Hancock Fabrics store at El Camino Real and Bay Area Boulevard in the Clear Lake market. Aldi also took space in Garden Oaks Shopping Center, a renovation project at North Shepherd at 38th Street;
- Gordmans, a discount department store concept operated by Stage Stores, which entered the Houston market with three locations, in Rosenberg, Spring and Atascocita (Humble). The Houston-area stores average approximately 27,000 square feet each;
- The former Sears Midtown, which closed in January 2018 and was quickly acquired for the site of the

main campus of Houston's innovation district;

- Urban Air Adventure Park, which leased 37,000-square-feet in the Sam Moon Center at 17943 IH-45 S. The space was formerly occupied by two Sam Moon concepts;
- Salons by JC, which is in the works to backfill a portion of a 25,7000-square-foot former Whole Foods at 11145 Westheimer Road in the Westchase District. The old Whole Foods was vacated when the store moved to a larger location across the street in 2016;
- A mixed-use development with approximately 45,000 square feet of retail space, which is planned for the site of a vacant Toys "R" Us building off of IH-10, just east of Bunker Hill. Completion is set for the second half of 2019;
- Sixty Vines, a popular Dallas-based restaurant, which leased an 8,703-square-foot space formerly occupied by Gymboree at 2540 University Boulevard;
- Flying Biscuit Café, which is opening new Houston-area locations, including one in backfilled space in Memorial City, as well as one in 2850 Fannin, a new high-rise residential development in Midtown;
- Snooze, An A.M. Eatery, with new area locations opening at 5000 Westheimer in Houston in space formerly occupied by Arcodoro and at 245 Research

KEY CONCEPTS BACKFILL VACANCIES IN 2018

GANDER OUTDOORS	TOTAL WINE
LIFE TIME ATHLETIC	ALDI
NORDSTROM RACK	STAR FURNITURE
	KIDS EMPIRE
EL RANCHERO SUPERMERCADO	

FLYING BISCUIT CAFÉ
LEASED A FORMER PIZZERIA
FOR ONE OF THEIR FIRST
TWO LOCATIONS IN THE
HOUSTON AREA





RESTAURANT, SERVICE AND SHOP SPACE HAVE PRELEASED AT PLANNED RETAIL CENTER **ALIANA**

Forest Drive in The Woodlands in space formerly occupied by Corner Bakery;

- A number of destination restaurants, including Nobu, Fig & Olive, Musaafer, Spice Route and Blanco Tacos + Tequila, in the multi-tenant redevelopment of the former Saks Fifth Avenue at The Galleria;
- The Outlet at West Oaks, which replaced the 243,337-square-foot former Macy's at West Oaks Mall with an outlet concept;

In terms of new space in new and expanded projects, the Houston-area retail market added approximately 2.7 million square feet of retail space. The new construction brings Houston's retail market inventory to approximately 160.5 million square feet.

The 2018 construction is on par with the 2.7 million square feet that opened in 2017, although both years represent a decline from the market's recent high of 3.4 million square feet added in 2016. The market considers conservative, demand-based construction as a key way to keep supply and demand in balance.

GROCCERS, ENTERTAINMENT, MIXED-USE PROJECTS DRIVE NEW CONSTRUCTION

For 2018, new space brought online a number of projects anchored by grocers and large-format entertainment or fitness concepts, as well as retail space in new and redeveloped mixed-use projects. Construction in 2019 also should remain

active, but total new-space deliveries are likely to decline compared to 2018. New retail for 2018 and beyond is listed in this report in Appendix C.

RENTAL RATES

Demand for Class A space, especially inside the Loop, can result in small-shop rates in the best-located and newly constructed projects going as high \$50 to \$70 per square foot per year in the strongest and most affluent retail submarkets.

For small-shop in-line space in well-located, anchored projects:

- Class A rates ranged from \$30 to the high \$30s on a per-square-foot-per-year basis, with rates for quality space inside the Loop typically rising above \$40 per square foot or more.
- Class B small-shop space average rates ranged from the low to the high \$20-per-square-foot-per-year range.

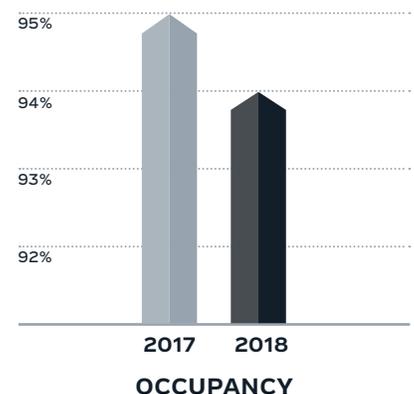


- Class C small-shop rates typically were in the \$15- to \$20-per-square-foot-per-year range.

These rates are average small-shop asking rates, and rates at specific centers can be notably higher or lower depending on location, anchors, type of tenant, specific-space sizes and demographics.

OUTLOOK REMAINS POSITIVE

Going into 2019, the outlook for the Houston-area retail market remains strong. Leasing demand continues to backfill vacancies that come onto the market, with the only exception being poorly located or outmoded space. And with the outlook for economic growth remaining positive, we expect to see a continuation of Houston's healthy retail market.





SAN ANTONIO

The information contained herein was obtained from sources deemed reliable; however, Weitzman makes no guarantees, warranties or representations as to the completeness or accuracy thereof. The presentation of this real estate information is subject to errors or omissions.



A NEW PHASE OF RETAIL WILL BEGIN CONSTRUCTION IN 2019 AT **BOERNE STAGE CROSSING** ADJACENT TO WALMART

SAN ANTONIO RETAIL MARKET MAINTAINS HEALTHY OCCUPANCY IN THE FACE OF ANCHOR CLOSINGS

San Antonio's retail market as of year-end 2018 maintained a healthy occupancy rate of 94.0 percent, which ranks among the highest recorded for the market. However, multiple anchor closings, including those from failed or struggling legacy retailers like Toys "R" Us and Sears, resulted in an overall increase in marketwide vacancy.

The vacancy created by the closed stores was partly offset by continued small- and large-format tenants that are absorbing existing vacancies in a market with extremely scarce new-space options and limited new construction that comes online basically fully occupied. As a result, the majority of Class A and B+ centers report occupancies of 95 percent or higher, with small-shop spaces of 1,000 to 3,000 square feet particularly in short supply.

NEW SPACE REACHES RECORD LOWS

In terms of new space, San Antonio in 2018 reported one of its lowest annual construction totals ever. While several major retail centers are under construction or in the works, they are not scheduled for completion until 2019 or later.

All told, only about 275,000 square feet of new retail space – not even a 1 percent addition to the market's total inventory – opened during 2018 in new and expanded projects.

For 2018, the largest projects involved entertainment and large-format single-focus retail. The largest new retail projects scheduled for 2018 are detailed in Appendix D.

The market's previous construction low point was 301,000 square feet added during the recessionary year of 2011. The 2018 total also came in below retail construction of 360,000 square feet in 2017, another year of extremely conservative construction, especially for a market with high occupancy and a healthy overall economy.

EXISTING CENTER LEASING REDUCES VACANCY

The market is well positioned to absorb any additional vacancy due to the above-mentioned lack of major new construction at a time when retail demand remains in the healthy range and the strongest intersections report a lack of available space.

Examples of well-known concepts opening in existing space include:

- Burlington, with a new store in the H-E-B-Plus-anchored Stone Ridge Market, located at U.S. Highway 281 at Evans Road in Stone Oak. Burlington backfilled a 42,000-square-foot former Sports Authority;
- Cavender's Boot City, which leased a vacant Walgreens location at Culebra and Loop 1604;
- Panera, which backfilled a former TGI Friday's at The Rim. The location will be Panera's new format with a drive-thru;
- Concepts including Aldo's Ristorante and Orangetheory Fitness, which opened in late 2018 in existing space in Dominion Ridge, at IH-10 and Stonewall Parkway;



- 54th Street Restaurant and Drafthouse, which in 2019 is expected to open its fifth area location on IH-10 near Wurzbach Parkway. The Missouri-based chain is demolishing a former bank site to build the new 8,600-square-foot restaurant;

- Legoland Discovery Center and SEA LIFE Aquarium, which together will occupy approximately 65,000 square feet when they open in mid-2019 at Rivercenter Mall in downtown San Antonio.

- Pluckers Wing Bar, a chicken restaurant with locations in Texas and Louisiana, which opened its first area location in a freestanding building in Forum Pointe, along IH-35 in Selma. A second location, at North Loop 1604 and IH-10, is scheduled to open in 2019.

KEY CONCEPTS BACKFILL VACANCIES IN 2018

BURLINGTON CVS
 CAVENDER'S LEGOLAND
 BOOT CITY DISCOVERY CENTER

 SPEC'S PANERA

 54TH STREET RESTAURANT &
 DRAFTHOUSE

Expanding retailers today are often in categories like restaurants, service, fitness or medical-dental, which all can be considered largely Internet-resistant. Key new retail locations include:

- Walk-On's Bistreaux & Bar, which opened a 10,000-square-foot location in Heubner Oaks Center on IH-10 West in second-generation space. The location is the second in the market for the concept;
- CVS, which leased nearly 10,000 square feet of street-level space in an apartment building located at 1915 Broadway Street. The location, the first in the market with two stories for CVS, is set to open in 2019;
- Spec's, which opened in part of a former JCPenney HomeStore at Ingram Festival, a center peripheral to Ingram Park Mall;

- F45 Training, which leased space for a new fitness studio at 22015 IH-10 W in Leon Springs;
- HOTWORX, a boutique fitness studio, which opened in the fourth quarter at 19141 Stone Oak Parkway in Stone Oak;
- 9Round, a boxing-focused fitness concept, which opened new area locations in 2018, including one on IH-10 in Dominion Springs;
- First American Title, which took existing space in Four Oaks Plaza in Schertz;
- Torchy's Tacos, the popular Austin-based concept, which opened at The Rim;
- Snooze, a casual brunch concept, with locations at The Strand at Huebner Oaks and at The Vineyard. Hopdoddy, an Austin-based better-burger concept, also located at The Vineyard;
- Buddy V's Ristorante, which opened a 7,500-square-foot location at The Shops at La Cantera at 15900 La Cantera Parkway;

STORE CLOSINGS IMPACT OCCUPANCY, BUT OUTLOOK IS POSITIVE FOR SPACES TO BE BACKFILLED OR REDEVELOPED

The pace of closings during 2018 did not approach what the market experienced during the financial crisis and subsequent recession in 2008-2010, but it does represent the largest number of closings in a single year since that period, as well as a gross increase in vacancy of more than 2 percent. Strong leasing during the year, as well as well-leased new space coming onto the market, helped reduce the net increase in vacancy.

Store closings during 2018 include a decades-old, 145,000-square-foot Sam's Club at 12919 San Pedro; a Target store at Woodlake Crossing, at 7914 W. FM 78; Walmart Neighborhood Market, which closed three of the market's small-format Walmart stores (leaving it with six in the market) that together totaled slightly more than 120,000 square feet; four local Toys "R" Us and/or Babies "R" Us stores, which created about 220,000 square feet of anchor vacancy; and Sears, which closed a 214,000-square-foot Sears at Park North and a 150,000-square-foot store at Ingram Park Mall.

SAN ANTONIO'S RETAIL MARKET IS NOTABLY HEALTHIER

San Antonio's retail market has improved its performance and overall strength

SPEC'S WINE, SPIRITS & FINER FOODS OPENED IN MORE THAN 18,000 SF AT INGRAM FESTIVAL





ORANGETHEORY FITNESS AND ALDO'S ITALIAN RESTAURANT BACKFILLED SPACE AT **DOMINION RIDGE** IN SAN ANTONIO

during the past decade, largely thanks to conservative construction, steady leasing and a healthy metro economy.

In 2008, the Alamo City reported a retail market inventory of 35.6 million square feet. The occupancy rate was 91.5 percent, which was in the healthy range. During 2008, new space added to the market totaled 3.6 million square feet in major projects including The Shops at La Cantera, Alamo Ranch and a new power-retail phase at The Rim.

A decade later, in 2018, the market's retail inventory totals 46.1 million square feet. New construction over the past decade has averaged slightly more than 1 million square feet annually, and that demand-based construction has resulted in a larger market with stronger occupancy: 46.1 million square feet and 94.0 percent occupancy today versus 35.6 million square feet and 91.5 percent a decade ago.

So despite the significant inventory increase, as well as the 2018 store closings, today's occupancy is notably higher than 10 years ago. One reason is that tenancy and demand are more in line with construction and inventory.

The low construction environment drives demand to existing retail projects. This is a key reason we expect to see the market maintain healthy occupancy, even in the face of some high-profile closings.

RENTS REMAIN STEADY BUT INCREASED TRIPLE-NET COSTS RAISE EFFECTIVE RATES

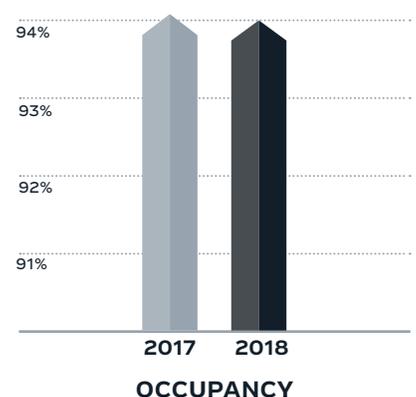
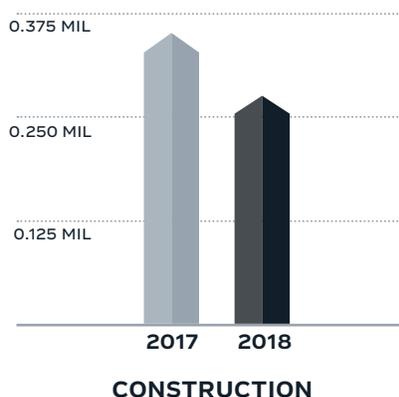
San Antonio, which currently reports its highest-ever average retail rents, is maintaining the increase gained over the past two years. In 2018, overall rents remained steady compared to a year ago, although the best-located spaces saw increases due to demand at a time of scarce supply. Rates, exclusive of triple nets, for centers by grade:

- Average Class A asking rents for small-shop in-line spaces in the market's strongest centers, including new construction, ranged from \$28 to \$38 per square-foot per year, and reached into the \$40s for endcap spaces in the best centers. These rates are for small-shop space in the newest and/or strongest anchored projects;
- Class B asking rates typically were in the \$18-to-\$25-per-square-foot range;

- Class C asking rates were in the \$12-to-\$16-per-square-foot range.

The reported rates are average asking rates and do not take into consideration concessions or triple nets. Higher property valuations and higher property taxes can significantly increase triple-net costs for tenants, which raises effective rates. Asking rates can be higher or lower depending on location, co-tenancy, center condition and other factors.

Going into 2019, we expect another steady market for San Antonio, although new construction will increase considerably due to the new IKEA and the Dove Creek power center. Further increases in new construction are on track for 2020, when the first phases of major retail projects like Live Oak Town Center begin to deliver space.



APPENDIX A: AUSTIN CONSTRUCTION

KEY NEW RETAIL FOR 2018

Belterra Village I & II

US-290 at Nutty Brown Rd
Dripping Springs

The 200,000-square-foot center, completed in early 2018, has a line-up that includes Sky Cinemas, Torchy's Tacos, Breed & Co. hardware, Hat Creek Burger Company and others.

Oak Meadows Marketplace

Jim Hogg Rd & Williams Dr
Georgetown

The Marketplace, an approximately 77,000-square-foot community center anchored by Randalls and featuring small-shop tenants like Great Clips, opened in Georgetown.

Living Places

SH-45 & Heatherwilde Blvd
Pflugerville

The big-box furniture concept opened a 500,000-square-foot facility in Pflugerville. The project's retail store footprint covers 150,000 square feet and includes retail pad sites.

Costco

SH-130 & SH-45N
Pflugerville

The warehouse club opened a 150,000-square-foot new store in Pflugerville during the second half of 2018.

Lantana Place

Southwest Pkwy & William Cannon
Austin

A first phase of the retail center, anchored by a 39,000-square-foot Moviehouse & Eatery, opened during the second quarter of 2018. The project features additional retail, restaurant and medical space that will total approximately 60,000 square feet, with opening set for early 2019.

Presidio

West Parmer Ln, S of RM 1431
Cedar Park

The first phase of retail space, with approximately 25,000 square feet of retail and restaurant space, opened in 2018. First-phase retail includes Mandola's Italian Kitchen.

KEY NEW SPACE ANNOUNCED FOR 2019 OR LATER

Plaza Saltillo

5th St between IH-35 & Onion St
Austin

This mixed-use project in East Austin near Downtown includes retail space anchored by a 30,000-square-foot 365 by Whole Foods store. The project also has a notable number of restaurant concepts, including Pinch Boil, a San Antonio-based seafood concept. Completion is set for 2019.

Wolf Crossing

IH-35 & West University Ave
Georgetown

This 25,000-square-foot mixed-use project is under construction in Georgetown. The retail component will include Olive Garden, Jason's Deli, Mama Fu's and Salons by JC. Completion is set for late 2019.

H-E-B South Congress

S Congress Ave near Slaughter Ln
Austin

This new location for the grocer is currently under way and slated to open during the second half of 2019.

South Congress Station

S Congress Ave near Slaughter Ln
Austin

This project, peripheral to the South Congress H-E-B with Gold's Gym and Pet Supermarket, has an estimated delivery to tenants during 2019.

Music Lane

S Congress Ave near Academy Dr
Austin

This 163,000-square-foot project is set to open in 2019 and has announced a line-up that includes Equinox, a high-end gym, and Soho House, an upscale, members-only club.

Presidio

West Parmer Ln, S of RM 1431
Cedar Park

The first phases of this mixed-use project include office space and residential lofts, as well as a retail component that opened in 2018 with Mandola's Italian Kitchen. A second phase of retail with 45,000 square feet is under way for 2019, and entertainment anchor Alamo Drafthouse is scheduled for a summer 2020 opening.

APPENDIX A: AUSTIN CONSTRUCTION

LA Fitness

S Bagdad & FM 1431
Cedar Park

The gym plans to open a new 34,000-square-foot facility in Cedar Park Plaza, a retail project located at Whitestone Boulevard and Bagdad Road, by mid-year 2019.

The Grove at Shoal Creek

45th St & Bull Creek Rd
Austin

This mixed-use project will include residential and office space, with plans for approximately 140,000 square feet of retail space. Phase I should open in 2019, with the project's retail component coming online in 2020.

The Lyndon Springtown

Springtown Way at Thorpe Ln
San Marcos

This mixed-use project's retail space, part of a project with student housing, opens in 2019 with approximately 32,000 square feet of retail space.

iSports Training & Performance Center

US-183A toll road & Scottsdale Dr
Cedar Park

This sports- and entertainment-focused project, which will total 157,000 square feet and include entertainment, retail, restaurant and multispecialty sports space, is set for completion in 2019.

The District

SH-45 & N Greenlawn Blvd
Round Rock

This planned mixed-use project is designed to incorporate office, residential, hospitality and retail space and could total 1 million square feet upon completion. No completion date has been set.

Arbor Park Shopping Center

NEC FM 1431 (Whitestone Blvd) &
Scottsdale Dr
Cedar Park

This planned retail center with multiple small-shop buildings is shadow-anchored by a Walmart Supercenter and also features pad sites.

APPENDIX B: DALLAS-FORT WORTH CONSTRUCTION

KEY NEW RETAIL FOR 2018

<p>Gates of Prosper US 380 & Preston Rd Prosper</p>	<p>A major new phase was added to a 2017 phase that brought online Dick's Sporting Goods and Field & Stream. For 2018, tenants included a 194,000-square-foot Walmart Supercenter, T.J.Maxx, PetSmart and Kirkland's.</p>
<p>Glade Parks 2701 Rio Grande Blvd Eules</p>	<p>Glade Parks added approximately 180,000 square feet for a line-up including Forever 21 Red, Hopdoddy, Francesca's, DXL, Thirsty Lion Gastropub, Total Wine, Imperial Hibachi and Old Navy.</p>
<p>McKinney Retail 3550 W University Dr McKinney</p>	<p>This major new center's regional-draw line-up includes Stein Mart, Costco, Petco, Hobby Lobby, 24 Hour Fitness and Cinemark.</p>
<p>Texas Live! 1650 E Randol Mill Rd Arlington</p>	<p>The entertainment-focused mixed-use retail project opened with a line-up including Arlington Backyard, Taco Joint, Live Arena, Lockhart Smokehouse, Pudge's Pizza, Miller Tavern, Troy's restaurant and others.</p>
<p>Kroger Marketplace 5101 W Sublett Rd Arlington</p>	<p>Kroger's 123,000-square-foot large-format superstore opened during the second half of 2018 in the Arlington Kennedale market.</p>
<p>Walmart Supercenter 5336 Golden Triangle Blvd Fort Worth</p>	<p>The 183,000-square-foot Walmart Supercenter opened on Golden Triangle Boulevard near Park Vista Boulevard.</p>
<p>The Shops at Willow Bend 6121 W Park Blvd Plano</p>	<p>The mall redeveloped a former anchor space for a restaurant district and other uses, including The Crayola Experience.</p>
<p>Broad Street Marketplace 3145 E Broad St Mansfield</p>	<p>The community center is anchored by an 80,000-square-foot Market Street grocery.</p>
<p>Shops at Broad 1574 E Broad St Mansfield</p>	<p>The new center opened its first phase with At Home and Academy Sports + Outdoors.</p>
<p>High Point Crossing 6375 E Northwest Hwy Dallas</p>	<p>This approximately 180,000-square-foot center opened at the site of a closed automobile dealership with Academy Sports + Outdoors, Marshalls, Five Below, Burlington and others.</p>
<p>At Home 3002 Fire Wheel Pkwy Garland, 5540 SH-121 Plano</p>	<p>The home furnishings superstore opened 100,000-square-foot stores in Garland, peripheral to Firewheel Town Center, and in Plano. As noted above, a Mansfield store also opened in Shops at Broad.</p>
<p>The Shops at Clearfork Expansion 5188 Monahans Ave Fort Worth</p>	<p>The open-air mixed-use project, with a luxury line-up anchored by Neiman Marcus, expanded in 2018 with AMC Clearfork 8 (36,000 square feet) and Pinstripes (30,000 square feet).</p>
<p>Irving Music Factory Expansion 316 W Las Colinas Blvd Irving</p>	<p>The music- and entertainment-focused mixed-use project, adjacent to the Irving Convention Center, added Alamo Drafthouse in 2018.</p>
<p>Victory Park Expansion 2365 Victory Park Ln Dallas</p>	<p>The major mixed-use project, anchored by American Airlines Center arena, redeveloped and expanded with new retail and restaurant space anchored by luxury cinema, Cinépolis.</p>

APPENDIX B: DALLAS-FORT WORTH CONSTRUCTION

Rayzor Ranch Expansion

3220 Town Center Dr
Denton

The project, located along Highway 380, expanded with Alamo Draffthouse, Marshalls, Rooms to Go and entertainment concept Andy B's.

Grandscape Expansion

5600 Nebraska Furniture Mart Dr
The Colony

The regional-draw project, anchored by Nebraska Furniture Mart, continued to expand in 2018 with multiple restaurants, including Truck Yard.

Main Marketplace

1690 FM 423
Little Elm/Frisco

The approximately 84,000-square-foot center opened with an entertainment anchor, Flix Brewhouse.

Town East Mall Expansion

2063 Town East Mall
Mesquite

Dick's Sporting Goods opened in approximately 50,000 square feet as the fifth anchor for the super-regional mall.

The Epic

2960 Epic Place
Grand Prairie

The 125,000-square-foot entertainment-focused project includes the 80,000-square-foot Epic waterpark, as well as a fitness center, pub, movie theater and café.

NEW CONSTRUCTION FOR 2019 OR LATER

Grandscape Expansion

5600 Nebraska Furniture Mart Dr
The Colony

The mixed-use project in The Colony, referred to in the 2018 construction section, will continue to expand in 2019 and beyond. For 2019, concepts including Akira Back Steak, Thirsty Lion, Walk-On's Bistreaux and Bar, and Andretti Indoor Karting & Games are set to join the line-up. The following year will see the completion of Scheels, which is underway with a 325,000-square-foot supersized sporting goods store near Nebraska Furniture Mart;

Alamo Draffthouse

8380 Davis Blvd
North Richland Hills

The cinema plans a 42,000-square-foot location with eight screens for a site in North Richland Hills.

Trophy Club Town Center

SH-114
Trophy Club

This long-planned mixed-use project along SH-114 in the affluent Trophy Club market is underway with plans to open 35,000 square feet of retail, as well as apartment and hotel space, by year-end 2019.

Stacy Green

US 75 and Stacy Rd
Allen

This mixed-use project underway at US-75 and Stacy Road in Allen is scheduled to open its first phase in 2019 with a retail line-up dominated by restaurants. The project will open across the street from Allen Premium Outlets.

Stonebriar Centre

SH-121 and Dallas North Tollway
Frisco

The mall is adding the entertainment concept Kidzania. The 80,000-square-foot experiential learning experience for children has set its opening for spring 2019.

The Realm at Castle Hills

SH-121 near Josey Ln
Lewisville

This mixed-use project in the Castle Hills market is under way with work on two phases. It will include approximately 50,000 square feet of street-level retail situated beneath office and multi-family space.

The Union

2300 North Field St
Dallas

The mixed-use project at the edge of downtown Dallas, with restaurant and shop space anchored by Tom Thumb, will open in early 2019.

Tom Thumb

Live Oak St & Texas St
Dallas

An urban Tom Thumb store will open near downtown Dallas in late 2019. The 55,000-square-foot store will occupy street-level retail space in a 10-story apartment tower.

Central Market

McKinney Ave & Lemmon Ave
Dallas

The redevelopment of a long-closed Albertsons for a high-rise office development will incorporate approximately 150,000 square feet of retail space anchored by grocer Central Market.

APPENDIX B: DALLAS-FORT WORTH CONSTRUCTION

The Crossing

6080 North Central north of
Mockingbird Ln
Dallas

This planned mixed-use project located near Dallas' landmark Mockingbird Station, is designed to have approximately 90,000 square feet of street-level retail space lining a central plaza.

Spring Creek Frisco

SH-121 & W. Spring Creek Parkway
Frisco

This mixed-use project will include a mix of uses including 80,000 square feet of retail space.

Market Station

US-75 & Haskell Ave
Dallas

This planned retail project will include approximately 200,000 square feet of retail and entertainment space in the Cityplace area of Dallas.

Shops at Chisholm Trail Ranch

SEC Chisholm Trail Pkwy & McPherson
Blvd
Fort Worth

This power center is designed to have approximately 225,000 square feet of retail space for concepts including Studio Movie Grill, Ross, Old Navy, Marshalls, Ulta, Petco and several others. The project is slated for a 2020 opening.

Fireside Square

US-380 & Boorman Ln
Princeton

The retail component of the mixed-use Princeton Crossroads located at the southwest and southeast corners of US-380 and Boorman Lane in Princeton, is designed to incorporate more than 400,000 square feet of retail space to be built in phases. No timing has been set for completion.

Buffalo Creek Plaza

US-287 Bypass & Brown St
Waxahachie

This proposed project in Waxahachie is designed to have as much as 150,000 square feet of retail space.

Red Oak Crossing

SH-342 & Ovilla Rd
Red Oak

The proposed project at the southeast corner of SH-342 and Ovilla Rd in Red Oak is designed to have more than 100,000 square feet of retail space in its first phase, with additional retail planned.

APPENDIX C: HOUSTON CONSTRUCTION

KEY NEW RETAIL FOR 2018

H-E-B Richmond Market 23500 Berry Pkwy Richmond	An approximately 100,000-square-foot store opened in Richmond in January 2018.
H-E-B NWC of Fulshear Dr and FM 1463 Fulshear	The store anchors the first phase of The Market at Cross Creek and totals approximately 140,000 square feet.
H-E-B Market at Gosling FM 2920 at Gosling Rd Spring	A 105,000-square-foot store opened in the second quarter of 2018 in Spring. The center also includes small-shop space.
H-E-B Mont Belvieu IH-10 & Eagle Dr Mont Belvieu	A grocery store with approximately 87,000 square feet opened in Mont Belvieu. The store anchors Mont Belvieu Crossing, which upon completion will total 287,000 square feet.
H-E-B 5130 Cedar Bellaire	A 70,000-square-foot two-level store opened during the first half of 2018 at the site of a smaller H-E-B that was demolished in March 2017.
Joe V's Smart Shop 4203 Red Bluff Rd Pasadena	H-E-B's value-oriented concept opened a 61,000-square-foot store in Pasadena in late 2018. The store is the ninth in the Houston market for the concept.
Yale Marketplace IH-610 & Yale Houston	This 61,000-square-foot center is anchored by a 365 by Whole Foods Market, which opened in 2018.
336 Marketplace Loop 336 and IH-45 Conroe	336 Marketplace includes a 125,000-square-foot Kroger Marketplace, as well as Marshalls and HomeGoods, Ross Dress for Less, Michaels and others. The project is designed to have as much as 700,000 square feet of retail space upon completion.
The Village at Riverstone University Blvd and LJ Pkwy Sugar Land	The 165,000-square-foot center, anchored by a 100,000-square-foot Kroger, opened during the second half of the year.
LaCenterra at Cinco Ranch 23501 Cinco Ranch Blvd Katy	A new phase at this center features a 37,000-square-foot Alamo Drafthouse Cinema which opened in the second half of 2018.
Crossing at Katy Fulshear FM 1093 & FM 1463 Katy	Anchor Walmart Supercenter, with approximately 190,000 square feet, and a 52,000-square-foot Xscape Theaters opened in fall 2018. An LA Fitness is planned for the location in 2019. Xscape Theaters also opened a 52,000-square-foot location at 16051 Old Conroe Rd, near FM 1488, in Conroe.
At Home 3000 Kirby Dr Pearland	The home decor superstore opened a 108,000-square-foot store in Pearland.
Katy Ranch Crossing Phase 4 IH-10 and Katy Fort Bend Rd Katy	The final phase of the 750,000-square-foot center includes Floor & Decor, with 73,000 square feet; IRace with 60,000 square feet; PGA Tour Superstore, with 35,000 square feet; and Duluth Trading CO., with 16,000 square feet.
Pet Supplies Plus Highland Knolls Dr & Westgreen Blvd Katy	The pet supplies retailer opened in a newly constructed 9,000-square-foot location in retail anchored by Walmart .
The Crossing at Telfair SH-6 and US 90 Sugar Land	This project opened a new small-shop phase adjacent to H-E-B with phased openings in 2018 and 2019. Tenancy includes restaurants, beauty concepts and other small tenants.

APPENDIX C: HOUSTON CONSTRUCTION

NEW CONSTRUCTION FOR 2018

Costco

Gulf Freeway near FM 528
Webster

The warehouse store opened as retail anchor for a mixed-use project called Odyssey Park. Costco also plans a future store near US-290 and Cypress Rosehill Road in Cypress.

The Shoppes of Kemah

Deke Slayton Hwy near SH 146
Kemah

This 79,000-square-foot center's tenant mix includes Marshalls, ULTA, Petco, Ross Dress for Less and others.

Katy Asian Town

23119 Colonial Pkwy
Katy

This community center near Grand Parkway and IH-10 is anchored by a 40,000-square-foot H Mart Asian grocery store.

Lifetime Fitness

9922 Fry Rd
Cypress

A 248,000-square-foot fitness complex in Cypress opened during the first half of the year, and a 123,000-square-foot facility in Friendswood opened during the second half of the year.

19250 Gulfbrook Dr
Friendswood

Hobby Lobby

10247 W Grand Pkwy S
Richmond

The craft retailer opened a new 55,000-square-foot store in Richmond.

The Rustic

1836 Polk St
Houston

This music-focused entertainment concept opened its first Houston location. The 25,000-square-foot downtown venue features live music, dining and a full bar with a wide beer selection.

NEW CONSTRUCTION FOR 2019 OR LATER

H-E-B Meyerland Plaza

W Loop 610 & Beechnut Dr
Houston

A two-story Inner Loop store in the historic Meyerland Plaza, which first opened in the 1950s. The new store, set to start construction in 2019, will replace an H-E-B at Chimney Rock and South Braeswood that flooded in Hurricane Harvey.

H-E-B in the Heights

2300 N Shepherd Dr
Houston

A 92,000-square-foot store will open in 2019 in Houston's urban Heights neighborhood.

Stableside at Falcon Landing

Gaston Rd and Falcon Landing Blvd
Katy

Phase II of this project comprises approximately 270,000 square feet with concepts including a 121,000-square-foot VillaSport Athletic Club and Spa.

University Commons Phase II

US 59 and University Blvd
Sugar Land

A 109,000-square-foot expansion of this center will include a 30,000-square-foot Sprouts Farmers Market set to open in early 2019.

Lake Woodland Crossing

Lake Woodlands Dr & Grogan's Mill Rd
The Woodlands

The tenant mix of this planned 62,565-square-foot center inside The Woodlands Town Center includes a 25,000-square-foot Total Wine and several others.

The Hub at Harvest Green

Grand Pkwy and W Airport Blvd
Fort Bend County

The first entertainment anchor announced at this upscale project will be the first Houston-area location for Flix Brewhouse, a cinema and microbrewery concept.

Creekside Park West

Creekside Forest Dr & W Harmony Place
The Woodlands

This new retail project will be anchored by an approximately 42,000-square-foot Moviehouse & Eatery. The first phase of the development, with the first Houston-area location for Austin-based Moviehouse & Eatery, is set for completion in late 2019.

APPENDIX C: HOUSTON CONSTRUCTION

Brazos Town Center

IH-69 (US-59) and FM 762
Rosenberg

The center, one of the largest non-mall centers in the Houston market, will expand for a 12,500-square-foot Old Navy.

District West

Westpark Tollway near Peek Rd
Katy

The center will open its first phase in 2019 with concepts such as Star Cinema Grill, Los Cucos, Gauchos Do Sul and others. The project is designed for as much as 500,000 square feet of mixed-use retail, office, healthcare and other space.

H-E-B Buffalo Heights

Washington Ave and S Heights Blvd
Houston

This urban store will open in 2019 as part of the mixed-use Buffalo Heights project. The 96,000-square-foot store will anchor the street-level retail in the multi-family first phase of Buffalo Heights District development.

Kingwood Place

US 59 & Northpark Dr
New Caney

The retail portion of this planned 145,000-square-foot center, which will also feature multi-family space, will be anchored by a 103,000-square-foot H-E-B.

City Place at Springwoods Village

IH-45 North & Grand Pkwy
Spring

The first phase of retail space is now underway at this mixed-use project adjacent to the new ExxonMobil corporate campus. The first phase, set for completion in 2019, includes a 10-screen Star Cinema Grill and a 38,000-square-foot 24 Hour Fitness, as well as small-shop space. Upon build-out, the project will have approximately 400,000 square feet of retail space.

Grand Morton Town Center

Grand Pkwy & Morton Ranch Rd
Spring

The center is expanding with approximately 66,000 square feet of retail space for Michaels, Petco, HomeGoods and others, set to open in 2019.

Cypress Marketplace

Barker Cypress Rd & US-290
Cypress

Work began in late 2018 on an 80,000-square-foot At Home home furnishings superstore at the northwest corner of Barker Cypress Road and the Northwest Freeway.

Katy Grand

Grand Pkwy & Katy Fwy
Katy

The center is slated to open a new 36,000-square-foot phase in early 2019. Tenancy includes 85C Bakery, Walk-On's Bistreaux & Bar, Kinokuniya, a Japanese bookstore, and Kula Revolving Sushi. Katy Grand is anchored by Cinemark.

MetroPark Square

IH-45 & SH-242
Shenandoah

Entertainment options set to open during 2019 at this mixed-use entertainment-focused project include an AMC 10-screen cinema and Dave & Buster's.

Park Air 59

US-59 near Will Clayton Pkwy
Humble

This mixed-use development in Humble will include an 80,000-square-foot Floor & Décor building.

American Furniture Warehouse

IH-10 and Pin Oak Rd
Katy

IH-45 near NASA Bypass
Webster

American Furniture Warehouse, a large-format furniture retailer, plans area stores in Katy and Webster. The Katy showroom will be approximately 500,000 square feet and the Webster facility will be approximately 355,000 square feet. American Furniture Warehouse facilities have one-site warehouses attached to retail showrooms of around 100,000 square feet each.

The Market at Houston Heights

N Shepherd Dr
Houston

This approximately 30,000-square-foot urban project at the site of a used car lot, among other uses, is underway in the Heights. The small-shop specialty center should open in summer 2019.

M-K-T

North Shepherd St at 6th & 7th Sts.
Houston

This urban redevelopment project in the Heights is designed to transform aging warehouse buildings into a 200,000-square-foot mixed-use project that will have a significant retail and restaurant component, as well as office space. The project is set for completion in 2020.

APPENDIX D: SAN ANTONIO CONSTRUCTION

KEY NEW RETAIL FOR 2018

Andretti Indoor Karting and Games

5527 N Loop 1604 W
San Antonio

This entertainment concept is located adjacent to TopGolf near IH-10. The 100,000-square-foot indoor entertainment facility also includes small-shop space.

Living Spaces

N Loop 1604 W
San Antonio

The California-based furniture store opened a Northwest San Antonio location in late 2018. The retailer, which operates large showrooms of around 150,000 square feet, also has a new Austin-area store.

KEY NEW SPACE ANNOUNCED FOR 2019 OR LATER

IKEA

Live Oak Town Center
IH-35 & Loop 1604
Live Oak

IKEA is scheduled to open its 289,000-square-foot store (its first in South Texas) in February 2019. The store will serve as the anchor for a 2020 regional retail project, Live Oak Town Center.

The Shops at Dove Creek

Potranco Rd & Loop 1604
San Antonio

The first phase at this power-focused retail center in Far West San Antonio is under construction. The center, adjacent to a Walmart Supercenter, is designed for power-center anchor tenants including T.J.Maxx, HomeGoods, Ross Dress for Less and others.

Cibolo Crossing

Wiederstein Rd & IH-35
Cibolo

The retail anchor for this mixed-use project at the southeast corner of this Cibolo intersection will be a Santikos entertainment complex with a 12-screen cinema, bowling, a bar and an arcade. With the development of Wiederstein Ranch (below), the intersection is on track to be a regional entertainment destination.

Wiederstein Ranch

Wiederstein Rd & IH-35
Cibolo

This mixed-use development at the northeast corner of this intersection will be anchored by EVO Entertainment and EVO Live.

Sprouts

Bulverde & E Evans Rd
San Antonio

A Spouts-anchored center on the Northeast Side of San Antonio is scheduled to open in the first quarter of 2019. The project also will include small-shop space.

Stevens Ranch

Potranco Rd & SH-121
San Antonio

This retail project will be completed in 2019 with tenancy that includes services and dental users.

Flix Brewhouse

345 Loop 1604
San Antonio

Flix Brewhouse plans to open a 39,000-square-foot cinema and brewery in 2019.

Shops of Potranco

Potranco Rd east of Loop 1604
San Antonio

Shops of Potranco, a 25,000-square-foot center set to open in 2019, will feature a neighborhood-focused line-up.

University Village

IH-10 & UTSA Blvd
San Antonio

This mixed-use project on the Northwest Side is designed with approximately 57,000 square feet of retail. Construction on the first phase of the project, designed for multi-family, office and hotel uses, is now underway.

Boerne Stage Crossing

IH-10 W & Boerne Stage Rd
Boerne

A new phase of retail is expected to start in 2019 with completion set for 2020. The center is anchored by an existing Walmart Supercenter.

Century Heights

US-281 & Loop 410
San Antonio

This mixed-use office redevelopment project includes three retail buildings totaling approximately 28,000 square feet. The retail space is scheduled for a 2020 opening.

MAJOR TEXAS METROS 2018

AUSTIN MSA

POPULATION OVERVIEW

2017 population: 2.1 million
2022 population (est.): 2.4 million
2000-2017 growth: 69.3%

RETAIL MARKET OVERVIEW

Retail inventory: 49.5 million SF*
Occupancy rate: 95.8%
2018 construction: 670,000 SF*

*Multi-tenant 25,000-SF-plus



D-FW MSA

POPULATION OVERVIEW

2017 population: 7.4 million
2022 population (est.): 8.2 million
2000-2017 growth: 41.8%

RETAIL MARKET OVERVIEW

Retail inventory: 199.3 million SF*
Occupancy rate: 92.4%
2018 construction: 3.5 million SF*

*Multi-tenant 25,000-SF-plus



HOUSTON MSA

POPULATION OVERVIEW

2017 population: 6.9 million
2022 population (est.): 7.7 million
2000-2017 growth: 47.4%

RETAIL MARKET OVERVIEW

Retail market: 160.5 million SF
Occupancy rate: 94.0%
2018 construction: 2.7 million SF*

*Multi-tenant 25,000-SF-plus



SAN ANTONIO MSA

POPULATION OVERVIEW

2017 population: 2.5 million
2022 population (est.): 2.8 million
2000-2017 growth: 44.8%

RETAIL MARKET OVERVIEW

Retail market: 46.1 million SF
Occupancy rate: 94.0%
2018 construction: 275,000 SF*

*Multi-tenant 25,000-SF-plus



DEFINITIONS

NEIGHBORHOOD SHOPPING CENTER

Concept	Convenience
SF	25,000-100,000
Acreage	3-15
Typical Retailers	Convenience store, services, QSR

COMMUNITY SHOPPING CENTER

Concept	General merchandise
SF Including Anchors	100,000-300,000
Acreage	10-40
# of Typical Anchors	1 or more
Typical Retailers	Grocery store, discount department store, drugstore, home improvement, large specialty discount apparel

MALLS

REGIONAL SHOPPING MALL

Concept	General merchandise. fashion (mall, typically enclosed)
SF Including Anchors	400,000-800,000
Acreage	40-100
# of Typical Anchors	2 or more
Typical Retailers	Full-line department store, junior department store, mass merchant, fashion apparel, restaurants

SUPER-REGIONAL SHOPPING MALL

Concept	Similar to regional center but has more variety
SF Including Anchors	800,000+
Acreage	60-120
# of Typical Anchors	3 or more
Typical Retailers	Full-line department store, junior department store, mass merchant, fashion apparel, restaurants

POWER SHOPPING CENTER

Concept	Category-dominant anchors, with an evolving mix of uses
SF Including Anchors	250,000-800,000
Acreage	25-80
# of Typical Anchors	3 or more
Typical Retailers	Category killer, home improvement, discount department store, warehouse club, off-price, fitness, entertainment

MIXED-USE RETAIL

Concept	Retail in a multi-use projects along with multi-family, office, hotel or other uses
SF	Typically 25,000-300,000
Typical Retailers	Destination restaurant, entertainment, service uses, health, wellness and beauty

OUTLET SHOPPING CENTER

Concept	Manufacturers' outlet stores
SF Including Anchors	50,000-400,000
Typical Retailers	Manufacturers' outlet stores

COMPANY OVERVIEW



Weitzman, one of the largest retail-focused commercial real estate services firms based in Texas, offers a full range of services, including general brokerage, tenant representation, project representation, investment sales, property management, asset management and development services. Weitzman operates offices in Dallas-Fort Worth, Austin, Houston and San Antonio.

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METHODOLOGY OVERVIEW

Each market is reviewed for conditions relating to occupancy, leasing, new and expansion construction, tenant and user activity, rental rates and historical comparisons.

Note: Results prior to 2018 may reflect adjustments made to previous reports.

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