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REAL ESTATE INVESTMENT SERVICES

# RETAIL
## MARKET REPORT
### DALLAS-FORT WORTH, TX

BY THE NUMBERS
*Last 12 Months*
*Source: CoStar Group*

VACANCY RATE
4.4%

RENT GROWTH
4.6%

DELIVERIES
3.6M SF

SALES VOLUME
$513M

CAP RATE
5.9%

# MARKET OVERVIEW

Thanks to consistent demand, Dallas-Fort Worth's retail market is proving resilient. Overall available space has fallen to the lowest share on record, sitting at roughly 24.1 million square feet. Big box retailers, national and regional grocers, discounters, and food and beverage tenants continue to drive demand. The lack of available space controls leasing volume in the market.

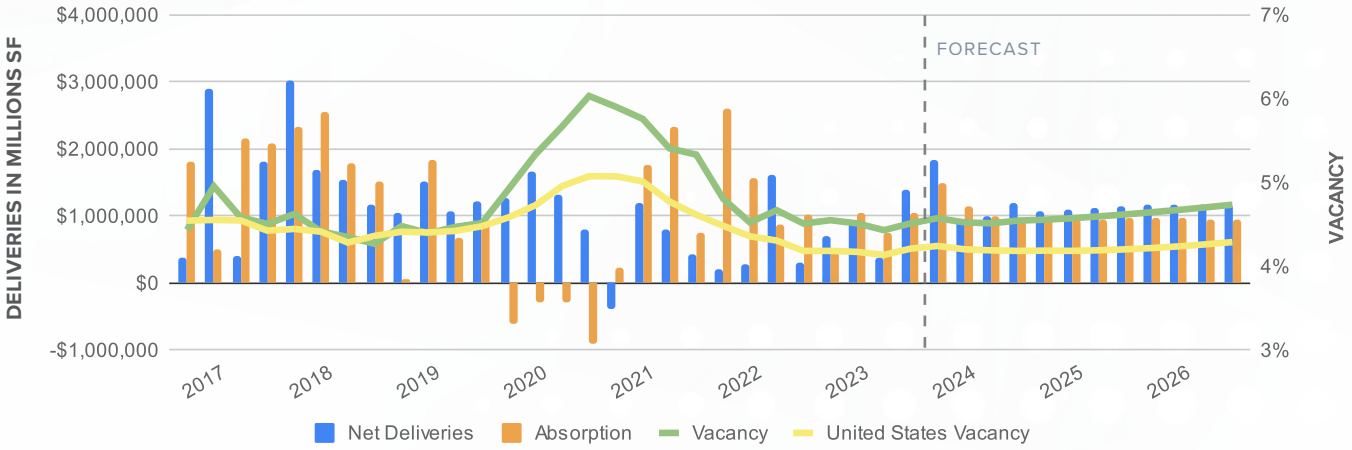
**OVER THE PAST TWO YEARS, LEASING IN DALLAS-FORT WORTH HAS BEEN CONSISTENT WITH PRE-PANDEMIC NORMS, PLACING THE MARKET AS THE NATIONAL LEADER FOR NET ABSORPTION.**

# MARKET PERFORMANCE

Outpacing the national average, rent growth in Dallas-Fort Worth has outperformed due to tepid construction and tightening space availability. The metro averaged over 3.0% annual rent growth over the past five years, consistently outstripping the U.S. norm. Through Q3 2023, vacancy and availability rates trended near or below pre-pandemic norms. The volume of space underway in Dallas-Fort Worth accounts for less than 1.0% of inventory; developers contributed 3.6 million square feet last year, the lowest level since 2011. On par with pre-pandemic annual averages, retail deal volume is tracking lower to $4.5 billion over the past year. Although volume is down compared to the peak of mid-2022, which was $7.1 billion, investors remain interested in pursuing shopping centers.

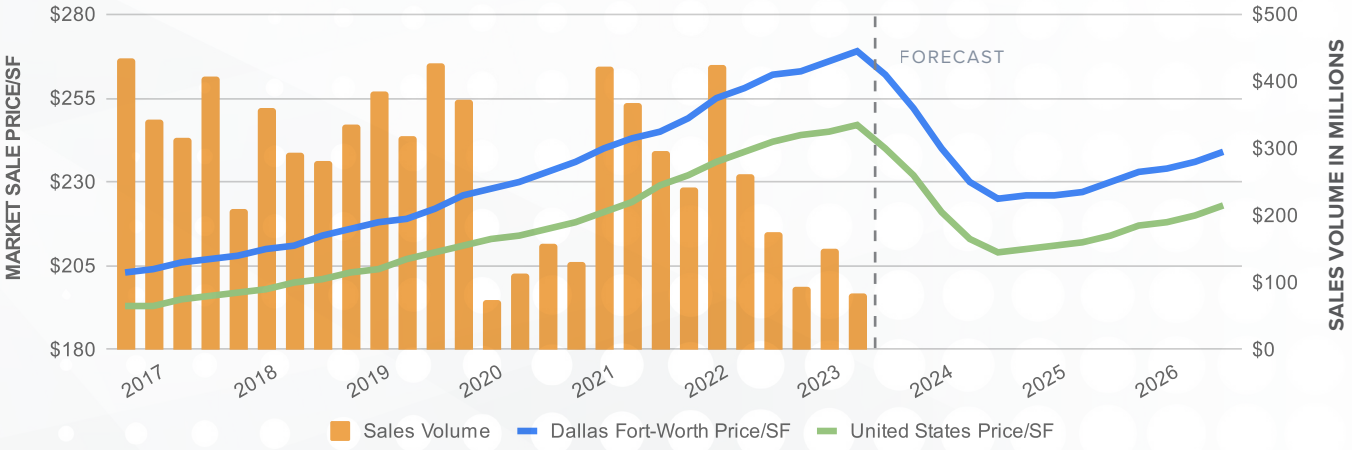
## NET ABSORPTION, NET DELIVERIES & VACANCY

SOURCE: COSTAR GROUP




## SALES VOLUME AND SALE PRICE PER SF

SOURCE: COSTAR GROUP



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