



Regional Focus on the Sunbelt: Texas retail markets continues to shine

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Texas' major retail markets show continued strength in terms of occupancy, retailer demand and demand-based construction, due in part to economies that report strong gains in the housing sector, as well as positive job growth.

By market:

Austin at mid-year 2005 showed an occupancy rate of 95 percent, based on a total retail inventory of 29 million square feet. The market sees new and expanding retailers such as Wal-Mart Supercenter and Cabela's, an outdoors superstore. As a result, the market will add 2 million square feet this year.

In **Dallas/Fort Worth**, the retail market as of mid-year shows an occupancy rate of 90.6 percent, based on a retail inventory of 153 million square feet. Retailers both large and small are expanding in the market, which will add 4 million square feet of new space this year. This construction includes Firewheel Town Center, D/FW's first open-air mall.

In **Houston**, the market achieved occupancy of 87 percent, its highest level this decade, based on a retail inventory of 130 million square feet. Retailers including Wal-Mart Supercenter, Home Depot, Best Buy and JCPenney anchor new projects. This year, despite the effects of Hurricane Rita, the market will be adding 2 million square feet of new construction.

In **San Antonio**, the market benefits from an economy that is adding job drivers such as Toyota. The market's occupancy reached 89 percent at mid-year, based on a retail inventory of 32 million square feet. Several major projects are opening, including The Shops at La Cantera, anchored by Neiman Marcus, Nordstrom, Foley's and Dillard's. All told, the market will add 3 million square feet of retail space this year.