



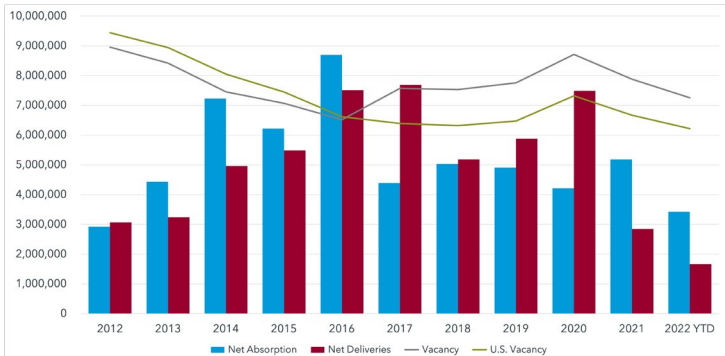
RETAIL MARKET OVERVIEW

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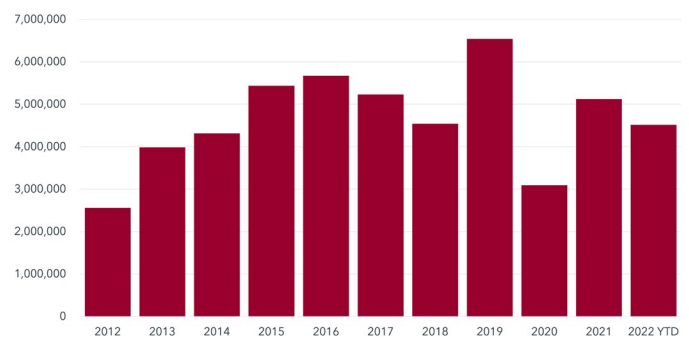
Strong market fundamentals continue to reinforce positive growth in the Houston Retail Market. Q322 has been defined as a period of unwavering optimism as low vacancy rates ranging from 5%-6%, high absorption of existing product and an increase in consumer spending continue to illustrate the resiliency of the Houston Market. New restaurant concepts continue to express great interest and desire to gain a foothold in Houston which is one of the strongest leaders in the bustling sunbelt states. Economic factors such as Texas' exponential growth, out of state residents relocating to suburbs, The Port of Houston, and friendly business practices have solidified incremental growth in the retail sector.

MARKET INDICATORS	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
▼ 12 Mo. Net Absorption SF	5,202,321	5,811,297	5,850,554	5,184,577	5,263,270
▼ Vacancy Rate	5.04%	5.20%	5.37%	5.52%	5.83%
▲ Avg NNN Asking Rate PSF	\$22.14	\$21.87	\$21.54	\$21.39	\$21.15
▼ SF Under Construction	4,550,439	4,637,988	4,730,030	5,121,307	4,655,771
▲ Inventory SF	422,948,625	422,783,192	422,193,434	421,302,336	420,996,216

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
4000 North Shepard Drive Houston, TX	177,252 SF	Undisclosed	Seritage Growth Properties Sears/Kmart	Single-Tenant
3331-3341 Telephone Road Houston, TX	156,763 SF	Undisclosed	JBL Asset Management, LLC Kimco Realty Corporation	Multi-Tenant
3839 Wesleyan Street Houston, TX	151,311 SF	Undisclosed	Kin Properties, Inc. Weinreb Ventures	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2765-2785 Gulf Freeway South League City, TX	36,390 SF	InvenTrust Properties Corporation	UTMB Health	Healthcare
12400 Westheimer Road Houston, TX	36,000 SF	Mila Properties	Christ United Ministries	Religious Establishment
11703 Eastex Freeway Houston, TX	35,309 SF	Dairy Queen	Planet Fitness	Recreation

