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FOR IMMEDIATE RELEASE

Deal Sikes & Associates: Strong Economy Ignites Boom in Texas Retail Center Valuations

HOUSTON, TEXAS, Monday, October 7, 2013 — Exceptional job growth, population gains and improved retail fundamentals have significantly elevated the sales prices for shopping centers in Texas over the last year, according to Deal Sikes & Associates, a Houston-based real estate valuation and counseling firm.

Some retail properties have increased in value more than 20 percent in 2013, compared to last year, said Matthew Deal, principal at Deal Sikes & Associates.

“The residential market has improved significantly in recent years and that has increased the demand for shopping center space to serve the growing population,” Deal said. “Construction of new retail space has been very modest over the last three or four years. This imbalance in supply and demand has been pushing up the values of existing retail-oriented real estate.”

Houston has seen several major retail announcements in recent months, including a major expansion of The Galleria, the \$126 million sale of Meyerland Plaza and the ongoing construction of several mixed-use projects.

“Landlords have been able to achieve notable gains in rental rates, the highest in five years in Houston-area shopping centers. Occupancy rates are very high in most well-located centers, well over 90 percent in many cases,” said Mark Sikes, principal at Deal Sikes & Associates. “A number of grocery retailers and medical providers have been expanding rapidly, leasing new space and backfilling in older projects.”

Deal Sikes & Associates is a Houston-based firm providing real estate valuation and counseling for commercial real estate companies, governmental agencies, law firms, estates and corporate clients across the nation.

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