



## Prices for Retail Land Surging as Houston's Inner Loop Population Grows

HOUSTON – Growth in the Inner Loop of Houston has set the stage for a significant price surge – perhaps more than 50 percent — for shopping center development sites and parcels that can be re-adapted for retail use, according to the Deal Sikes & Associates valuation firm.

“Land for urban retail development close to downtown is in high demand and there’s an extremely tight supply of sites for developers of big-box retail or even for smaller strip centers and freestanding stores,” said Matthew Deal, principal of Houston-based Deal Sikes. “The values for top-quality Inner Loop retail sites could double over the next few years.”

Multifamily developers have constructed thousands of apartment units in mid-rise and high-rise residential buildings in recent years and some 10,000 units are under construction in the Inner Loop of Houston.

Prices for Inner Loop apartment development sites jumped significantly in value since 2010. The old saw “retail follows rooftops” is holding true and retailers are looking sites not far from downtown Houston.

“In Houston’s Inner Loop market, the momentum is rotating into real estate for retail development,” Deal said. “We are projecting significant price gains in this sector in 2013 and beyond.”