

GLOBAL SPOTLIGHT

Dallas, Texas



Dallas is a hub for economic activity all over the Southwestern United States.

- Dallas continues to thrive, largely due to its central location and the transportation hub of one of the busiest airports in the world. Dallas has plenty of land, limited barriers to entry and an extremely competitive commercial development market. This helps keep real estate lease rates competitive and makes Dallas a favorite for corporate headquarter relocations in the U.S.
- Healthy absorption and rising rents are leading to new construction of new office buildings, especially in the CBD. Construction has begun on new headquarter buildings for The Southland Corporation (7-Eleven) and Hunt Realty. The Victory development near downtown completed construction on the adjacent W Hotel and Residences and has begun two speculative office buildings.
- The Dallas Industrial market has also shown increased activity and improved absorption. There is a large supply of product greater than 50,000 SF but space of less than 50,000 SF is hard to find. Lease rates are flat and incentives (free rent, etc.) have declined in many submarkets. Although there is positive absorption, there is enough new construction coming online to keep the vacancy rate flat. There is currently about 10 million SF of speculative new development under construction.
- The Dallas retail market continues to show strong activity and increased occupancy. The Far North submarkets are active and continue to grow, most notably with the opening of a 350,000 SF IKEA in Frisco. Bass Pro Shops opened a 120,000 SF store in Northeast Dallas as well. Vacancy rates are close to an all-time low. The overall retail market in Dallas remains positive and should bring further new construction.

Dallas At A Glance

Population	1,250,280 (2007)
Location	Third largest city in the state of Texas
Interest	4.49% (US 10yr Treasury Note)
Unemployment	4.4%

Property	Rent/SF/Year Low	High	Effective Avg.	Vacancy Rate
Downtown Office Class A	\$16.80	\$36.47	\$20.86	26%
Suburban Office Class A	\$15.99	\$28.97	\$23.27	20%
Industrial Bulk Warehouse	\$2.00	\$8.39	\$3.82	42%
Retail Downtown	\$2.00	\$12.95	\$3.94	38%

NAI Robert Lynn offers local market expertise in Dallas and its surrounding counties.

About NAI Global:

NAI Global is one of the world's leading providers of commercial real estate services. We bring together people and resources wherever needed to deliver outstanding results for our clients.

At A Glance

350	Offices
45	Countries
5,000	Professionals
\$40 billion	Annual Transaction Volume
200	MSF of Property Management

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