

# LANDRY COMMERCIAL MEDICAL

## 2ND QUARTER NEWSLETTER

*Here's what you should know:*

### **A healthy rebound is occurring throughout the DFW office market after the impact of the pandemic.**

Over the past year, net annual absorption is 2.3 million SF as compared to -5.7 million in the previous year.

**12 Month Net  
Absorption in SF**

**2.3 M**

**12 Month  
Deliveries in SF**

**5.6 M**

### **Construction activity has been relatively constrained.**

During the past year, 4.3 million SF were delivered, and 7.9 million SF of space is currently under construction. Frisco/The Colony and DFW/Freeport Coppell submarkets are leading the charge.

The number of starts in 2Q22 have declined to 633,000 SF as compared to 1.9 million SF in 4Q21.

### **Subleasing activity has increased and so has sublet space.**

Vacancy rate is currently 17.8%, the highest it has been since 2010, although still lower than found in many markets.

Sublet space has increased by 4 million SF since 2020, reaching 10.9 million.

**Vacancy Rate**

**17.8%**

**12 Month  
Rent Growth**

**2.5%**

### **Rents are showing signs of recovery and sales have been resilient.**

Over the last 12 months, rent growth has been positive at 2.5%.

The average rent is currently \$29.00/SF.

Solid economic underpinnings and continued interest from companies in more expensive coastal markets have generated increased interest in the metroplex.

At \$240/SF, the metroplex is still relatively affordable with lower barriers to entry than many major markets. Cap rates have remained relatively stable at 6.7%.

### **The economy is in expansion mode**

275,000 jobs were added last year, growing 7.4% and fully recovering from the recession. As of June 2022, the economy has reached 3.9 million jobs and an unemployment rate of 3.2%

Household incomes continue to rise for north Texans, with about 4% growth annually over recent years and now tracking near \$80,000.

The DFW region is averaging 103,000 new residents every year, becoming more diversified and representative of the broader US economy.

Companies are relocating, including Caterpillar from Illinois to Irving, engineering giant AECOM from Los Angeles to Dallas, and MD7 LLC consultancy firm from San Diego to Allen, bringing billions in capital investment and creating jobs.

**Total Jobs**

**3.9 M**



**2005 W PARK DR,  
IRVING, TX 75061**

For Lease  
Medical Office Space  
2,000 - 17,408 SF Available  
Class A Medical On-Campus  
Building



**270-272 S. COLLINS RD  
SUNNYVALE, TX 75182**

For Sale  
Two Medical Office Buildings +  
Three Lots  
11,492 SF  
Opposite of Baylor Sunnyvale  
Hospital



**274 S. COLLINS RD,  
SUNNYVALE, TX 75182**

For Sale  
Fully Leased Dental Office  
Building  
3,531 SF  
On Hwy 352, opposite of Baylor  
Sunnyvale Hospital



**370 W HIGHWAY 121  
COPPELL, TX 75019**

For Sale: 8,288 SF  
For Lease: 2,711 SF  
Fully Built Out, Established  
Medical/Dental Building



**7700 LAKEVIEW PKWY  
ROWLETT, TX 75088**

For Lease/Sale  
Medical Office Space  
2,400 - 14,600 SF Available  
Shell Condition  
Close to Lakepoint Hospital



**2109 W. SPRING CREEK  
PKWY, PLANO, TX 75023**

For Lease/Sale  
Medical Office Space  
2,780 SF Available  
Frontage to Spring Creek  
Parkway, Easy Access to  
Highway 75



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**1320-1324 N.  
GALLOWAY AVE  
MESQUITE, TX 75149**

For Lease

Medical Office Space  
2,700 SF Available

Down the street from Dallas  
Regional Hospital and Baylor  
Scott & White Sunnyvale



**18640 LBJ FREEWAY,  
MESQUITE, TX 75150**

For Lease

Medical Office Space  
2,107 SF Available

Adjacent to Town East Mall,  
direct exposure to I-635



**182 S. COLLINS RD  
SUNNYVALE, TX 75182**

For Lease

Medical Office Space  
1,940 SF Available  
Suite 700

On Highway 352 with great  
access to Highway 80 and I-635



**270-272 S. COLLINS RD,  
SUNNYVALE, TX 75182**

For Lease

Professional Office Building  
1,689 SF Available

Ivy Dental, Plum Pediatrics,  
Behavioral Transformations,  
and Sunnyvale Smile tenants in  
place



**100 W MIMOSA LN  
MESQUITE, TX 75149**

For Sale

1 Lot  
1.2 AC Available

Across from Dallas Regional  
Hospital, close proximity to I-  
635 and Hwy 80



**5520 INDEPENDENCE  
PKWY, FRISCO, TX**

For Lease

Medical Office Space  
+/- 2,300 SF Available  
Second Generation Medical  
Office Space for Lease  
In Medical Office Hub close to  
Highway 121



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**2095 N. COLLINS RD  
RICHARDSON, TX  
75080**

**7301 MILLER RD  
ROWLETT, TX 75088**

**11655 INDEPENDENCE  
PWKY, FRISCO, TX**

For Lease  
Professional Office Building  
2,435 SF Available  
Restaurants within walking  
distance, close proximity to  
Highway 75

For Sale  
Land  
2 AC Available  
Near the corner of Miller Rd and  
Chiesa Rd, Planned Development  
Zoning

For Lease  
Medical Office Space  
986 SF Available  
Suite 240  
Brand new build-out and  
finishes



**255 W. LEBANON RD  
FRISCO, TX 75034**

**757 & 763 EAST HWY 80  
FORNEY, TX 75126**

**PEACHTREE MEDICAL  
MESQUITE, TX 75149**

For Lease  
Medical Office Space  
2,896 SF Available  
Suite 132  
Second Generation Medical  
Office Space

For Sale  
Land  
1.29 AC  
Adjacent to Baylor Scott &  
White Emergency Care Center

For Sale  
0.75-3.5 AC Available  
Right off Highway 635 next to  
Walmart, Restaurants, and  
Hotels  
Zoning Industrial and  
Commercial Land

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