

HOUSTON INDUSTRIAL Monthly Market Snapshot

NOVEMBER 2017

Market Highlights

Market and sales activity. The vacancy rate stood at 5.5% midway into the fourth quarter, with year-to-date net absorption at 6.4 million sq. ft. and deliveries at 8.4 million sq. ft. The amount of space under construction during 2017 has remained steady, currently standing at 5.2 million sq. ft., with about half of that space available for lease.

Real Capital Analytics data reports year-to-date industrial sales volume in the Houston area at \$984 million, resulting in a year-over-year change of 127%. The buyer composition is made up of 36% private, 38% institutional, 12% public listed/REITs, and 10% cross-border.

One of the country's largest freight companies to build facility in Conroe.

FedEx plans to spend \$18.1 million to build a 78,000-sq.-ft. distribution center on a 45-acre site at Conroe Park North Industrial Park in the North submarket. The new facility will create 96 new full-time and 35 new part-time jobs. Construction on the project is expected to be complete by December 2018.

Processing facility to nearly double its size.

Goya Foods, one of the largest Hispanic-owned food companies in the U.S., is planning an expansion to its processing facility in Brookshire, just north of Interstate 10 and west of Katy. The company will add 324,000 sq. ft. of production/distribution warehouse space to the existing 380,000-sq.-ft. facility at 30602 Goya Road. Goya expects the project to complete in 2018 with 29 new dock doors.

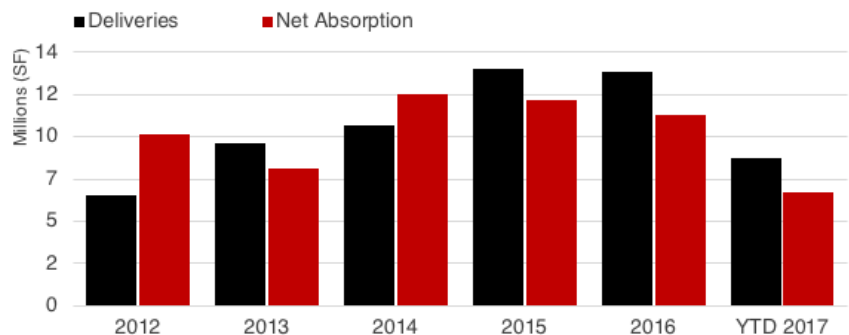
Current Employment Statistics.

The Houston-The Woodlands-Sugar Land metro area created 43,200 jobs in October, according to the Texas Workforce Commission. That's the largest single-month job gain on record. This followed three consecutive monthly losses totaling 35,200 jobs. The record-setting growth reflects the aftereffects of Hurricane Harvey plus an expected post-summer improvement, not a surge in economic activity.

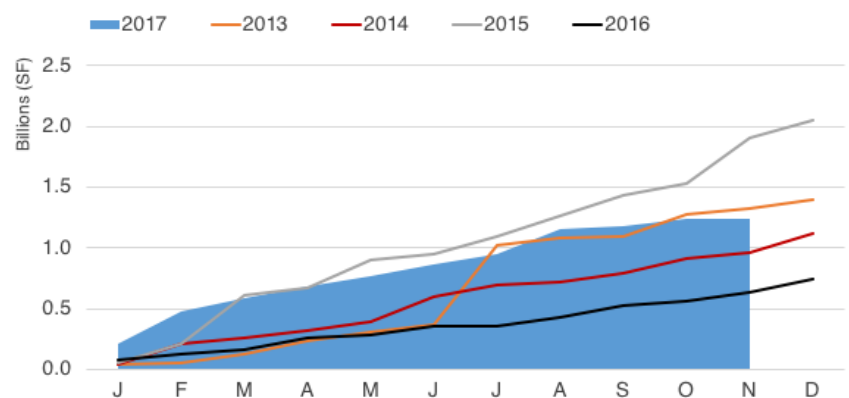
Market Activity

	YTD 2017
Vacancy	5.5%
Availability	9.1%
Net Absorption (SF)	6,430,528
Leasing Activity (SF)	20,147,654
Deliveries (SF)	8,382,958
Under Construction (SF)	5,242,389
Avg Asking NNN Rent (PSF)	\$6.78

Supply & Demand



Cumulative Monthly Sales Volume



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