

# HOUSTON INDUSTRIAL Monthly Market Snapshot

JUNE 2017

## Market Highlights

There is 4.3 million sq. ft. in the Houston industrial construction pipeline, with about 29% available for lease.

A 500,000-sq.-ft. build-to-suit distribution facility is being developed in Baytown, to be occupied by Vinmar International, a petrochemical marketer and distributor.

Port Houston continues to thrive, handling nearly 13 million tons of cargo for the year, an increase of 9% over last year. Total container volumes have also grown, by 12%, as reported by the Port Commission.

Land is being cleared for one of the Houston area's biggest warehouses and job-growth projects so far in 2017—the 1 million-sq.-ft. Amazon distribution center in Katy.

Leasing activity is at 7.6 million sq. ft. year-to-date, taking place across 560 deals in the Houston metro.

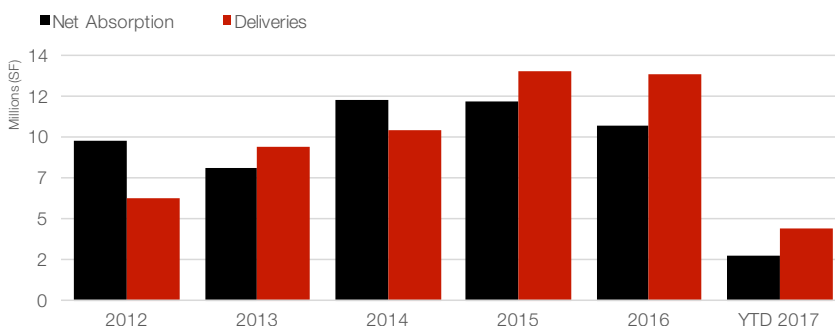
Kuraray America, Inc. recently signed a lease at Bayport Logistics Park, a 185-acre industrial complex in Pasadena. The long-term lease is for 465,851 sq. ft. and will occupy two buildings across 30.5 acres, both of which will be build-to-suit.

Net absorption for the overall industrial market is at 2.7 million sq. ft. year-to-date. For full-year 2016, total net absorption was 10.3 million sq. ft. Direct space absorbed 11.3 million sq. ft., more than enough to balance the negative 1 million sq. ft. from sublease space.

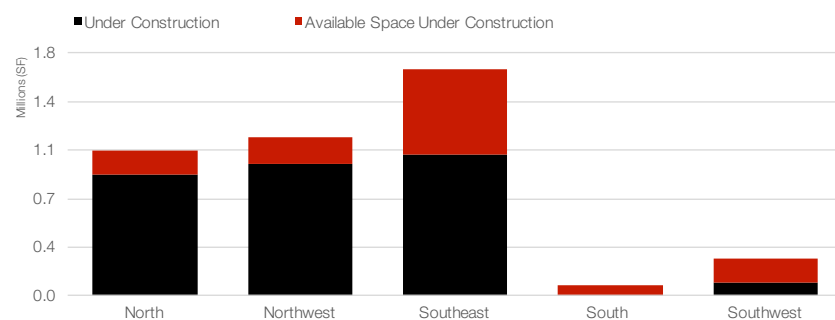
## Market Activity

	YTD June 1, 2017
Vacancy Direct	5.3%
Vacancy w/Sublease	5.5%
Available Direct	8.7%
Available w/Sublease	9.5%
Net Absorption (SF)	2,687,318
Leasing Activity (SF)	7,641,519
Deliveries (SF)	4,234,278
Under Construction (SF)	4,295,984
Avg Asking NNN Rent (PSF)	\$6.86

## Supply & Demand



## Under Construction



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