

# HOUSTON INDUSTRIAL MONTHLY MARKET SNAPSHOT

Houston industrial overall vacancy at 9.1%

## June 2021

### MARKET HIGHLIGHTS

#### VACANCY AT 9.1%

Overall vacancy in the Houston industrial market is at 9.1%, up from 8.0% year-over-year in May 2020. The year-over-year increase in vacancy is due in part to the 32.7 million sq. ft. delivered during 2020, with an occupancy rate of 63.3%. In addition, there is 14.8 million sq. ft. currently under construction, with 37.7% of that space available for lease. The vacancy rate for Class A properties is at 18.1%, up from the prior period at 17.4%. The Houston industrial market has recorded 19.5 million sq. ft. of leasing activity—which is comprised of both new leases and renewals—compared to this time last year at 15 million sq. ft. The asking price for industrial properties is currently at an average monthly rate of \$0.64 per sq. ft., up from this time last year at \$0.63 per sq. ft., due primarily to the new product added to the market.

#### CUSTOM GOODS TAKING OCCUPANCY OF 353,600 SQ. FT.

Custom Goods, a warehousing and logistics company, has completed an industrial lease for 353,600 sq. ft. to occupy the entire building at 9431 Bay Area Blvd. in the Southeast submarket. The tenant took occupancy of the space in June, which is part of Bay Area Business Park, a 3.3 million-sq.-ft., 232-acre master-planned industrial development.

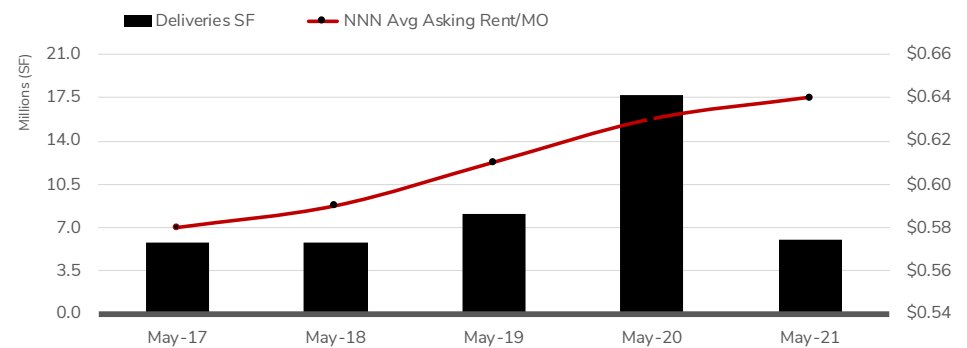
#### PORT HOUSTON RECORDS BEST MAY EVER

Container twenty-foot equivalent units (TEUs) in May showed a 30% increase, with 288,127 TEUs compared to last year's 222,250 TEUs for the same month. Year-to-date, Port Houston container terminals have recorded an increase of 8% over last year. This comes after a record-breaking 2020 for TEUs through Port Houston, surpassed the 3 million mark for the first time. General cargo also saw gains this month, contributing to a total tonnage increase of 8%. Steel imports, auto imports, and notably, commodities like lumber, machinery, plywood and bagged foods increased, indicating a comeback of industries hard hit by the pandemic.

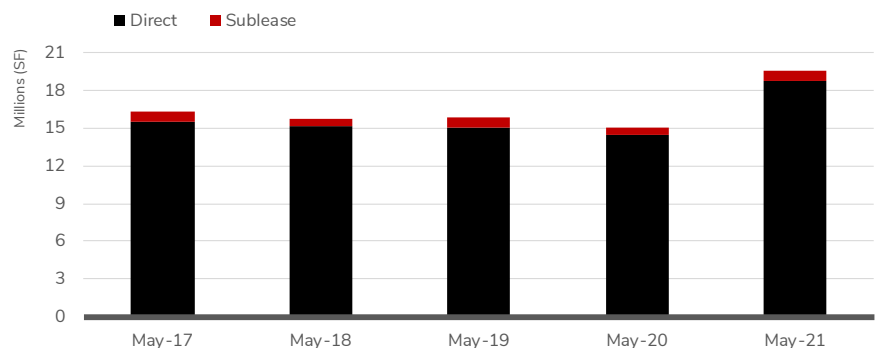
### MARKET ACTIVITY

	MAY 2021		MAY 2020
Vacancy	9.1%	▲	8.0%
Availability	11.4%	▲	11.2%
Under Construction SF	14,858,684	▼	17,914,725
NNN Avg Asking Rent/MO	\$0.64	▲	\$0.63
Net Absorption SF YTD	2,805,654	▼	7,471,241
Leasing Activity SF YTD	19,569,609	▲	14,997,628
Deliveries SF YTD	5,960,360	▼	17,696,590

### DELIVERIES & RENT | MAY - YEAR OVER YEAR



### LEASING ACTIVITY | MAY - YEAR OVER YEAR



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