



# Commercial Property Market Overview

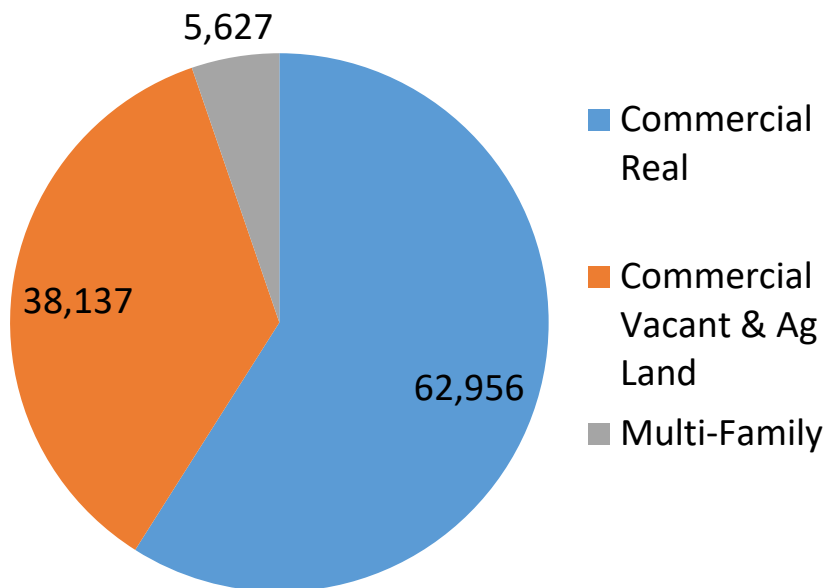
Tax Year 2019



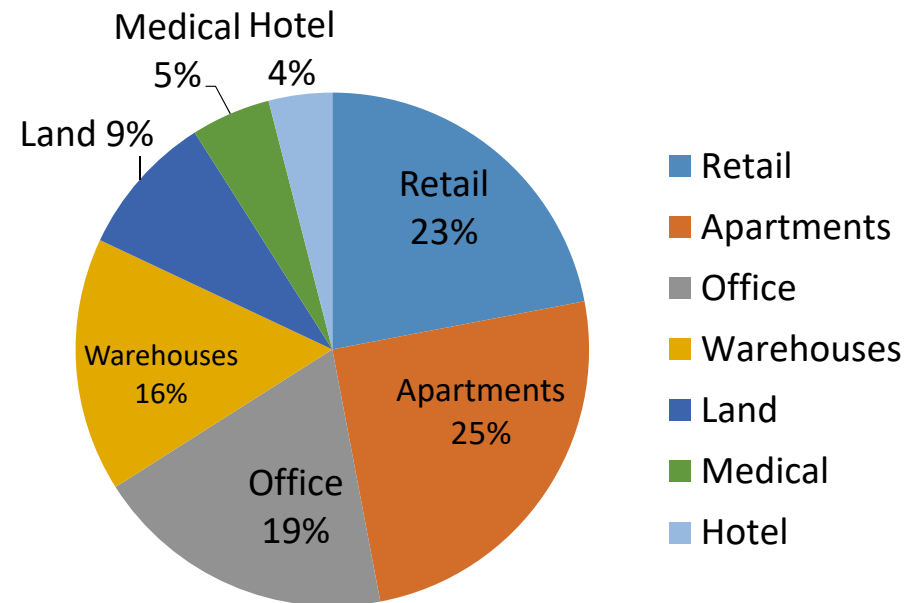
we value our community

# Commercial Overview

## Allocation by State Class

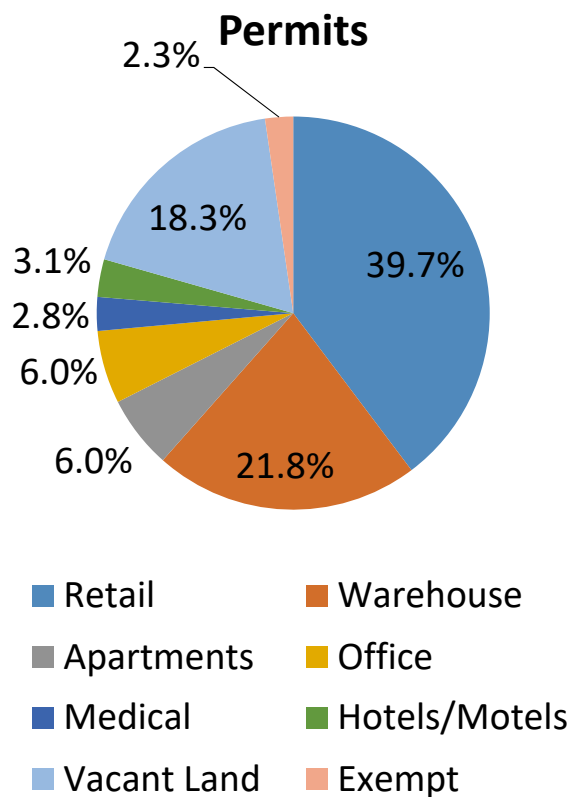


## Allocation by Property Type

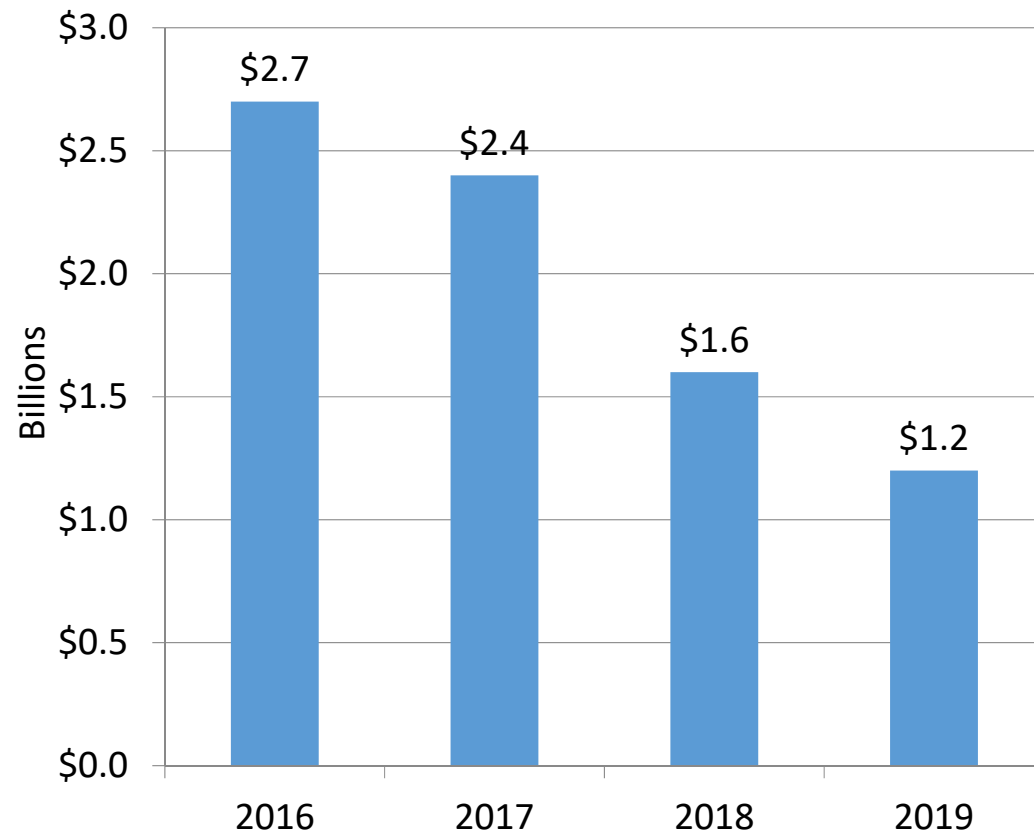




# New Construction



## New Construction Value





# Land

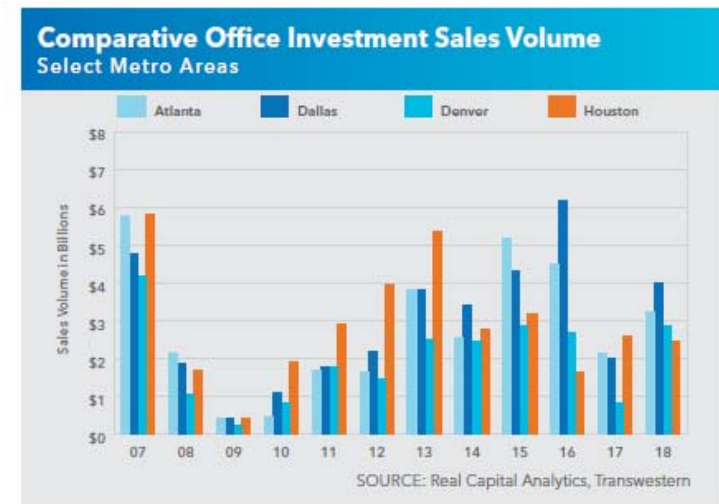
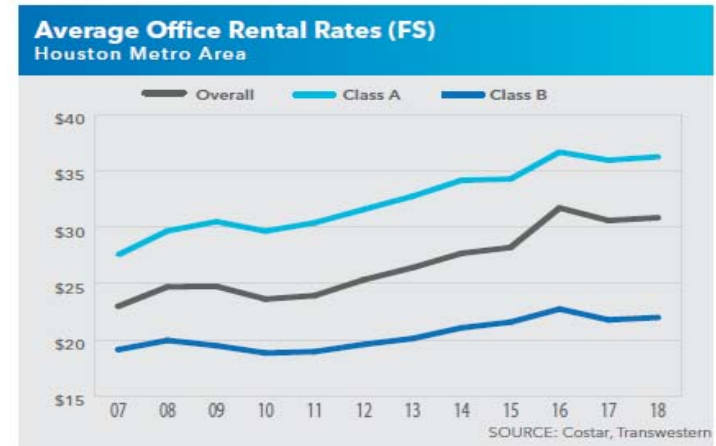
- Strongest demand concentrated in or near:
  - Northwest School Districts
    - Klein
    - Tomball
    - Spring
  - Southeast Districts
  - Houston ISD
- Notable projects underway
  - Sheldon – Redemption Square
  - Cy-Fair – Fairfield Market Place
  - Klein – Glennloch Crossing





# Office: Closes Year On A Strong Note

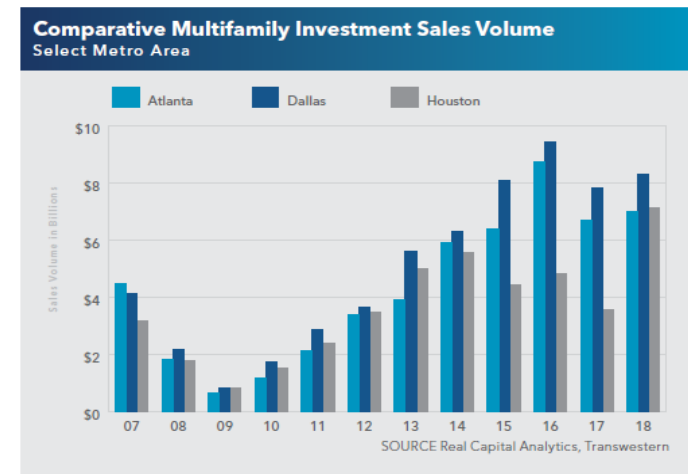
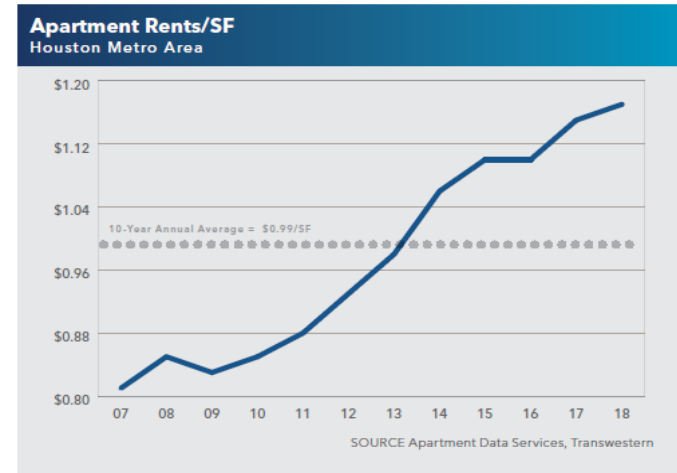
- New construction: 1.8 million sq.ft.
  - Previous year: 3.2 million sq. ft.
- Under construction year end: 3.1 million sq. ft.
  - Previous year: 2.4 million sq. ft.
- Absorbed: 1.3 million sq. ft.
  - Class A 1.6 million sq. ft.
- Overall asking rental rates: flat
- Overall occupancy: 83.5%
- Sales volume: \$1.2 billion (\$198.97 psf)
  - Previous year: \$1.5 billion (\$227.50 psf)





# Apartment: Multifamily Slows Post Harvey Boost

- Delivered: 5,076 units
  - Previous year: 13,719 units
- Under construction year end: 12,813 units
  - Previous year: 9,600
- Absorbed: 7,966 units
  - Previous year: 17,108
- Rental rates at year end: 1.2% increase
- Overall occupancy: 89.6%
- Sales volume: \$7.4 Billion (\$109,000 per unit)
  - Previous year: \$719.9 million (\$81,000 per unit)

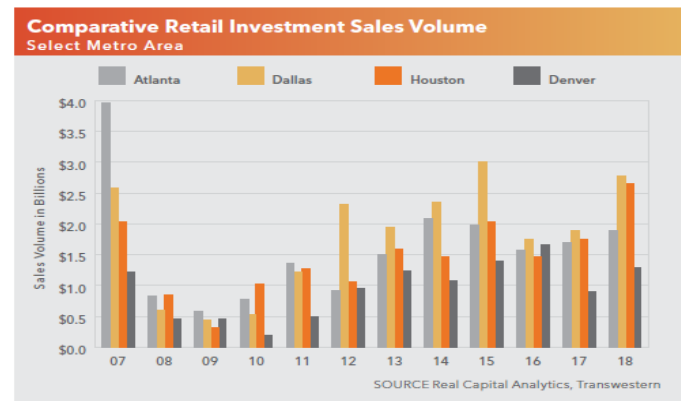
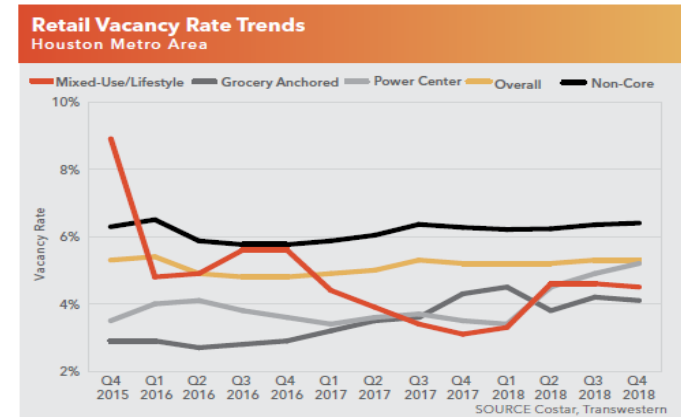




# Retail:

## Core Property Types Continue To Perform Well

- New construction: 4.3 million sq. ft.
- Under construction year end: 4.1 million sq. ft.
- Absorbed: 4 million sq. ft.
- Quoted rates: 5% increase over 12-month period
- Occupancy rates: 95% (*record high levels*)
  - 98% for prime class A product
- Sales volume: \$289,482,287 (\$187.29 psf)
  - Previous year: \$371,755,698 (\$174.44 psf)



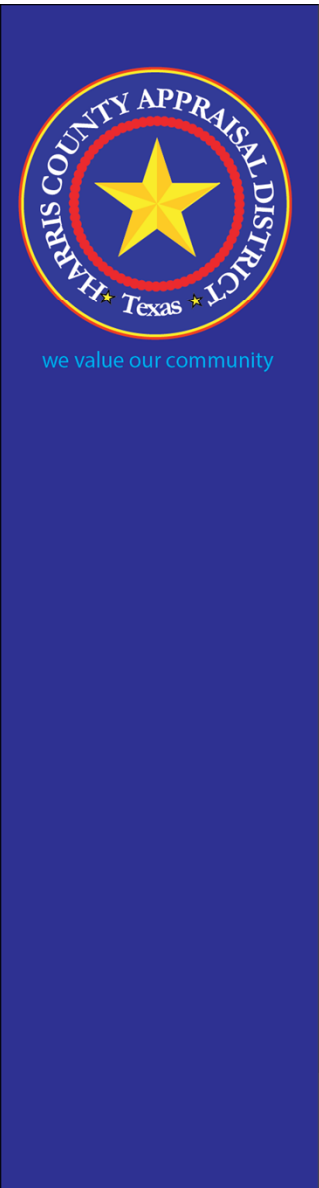


# Warehouse: Construction Pipeline Remains Robust

- New construction: 11.6 million sq. ft.
  - Previous year: 8.8 million sq. ft.
- Under construction year end: 12.4 million sq. ft.
  - 43% pre-leased
  - Previous year: 6.4 million sq. ft.
- Absorbed: 7.2 million sq. ft.
  - Previous year: 6.7 million sq. ft.
- Quoted rates: 1.3% increase over 12- month period
- Occupancy rates: 95%
- Sales volume: \$289,482,287 (\$187.29 psf)
  - Previous year: \$371,755,698 (\$174.44 psf)







2019 Commercial Tax Base: Percent Change, Increase, Decrease,  
No Change  
*(as of March 8<sup>th</sup>)*

Parcels	2018 Certified Value	2019 Noticed Value	Percent Change
106,793	\$164,881,222,943	\$191,213,568,470	16%

Parcels	No Change	Increase	Decrease
106,793	24,778	65,217	16,798
	23.2%	61.0%	15.7%