



2024 Market Trends and Reappraisal



Noticing Timeline

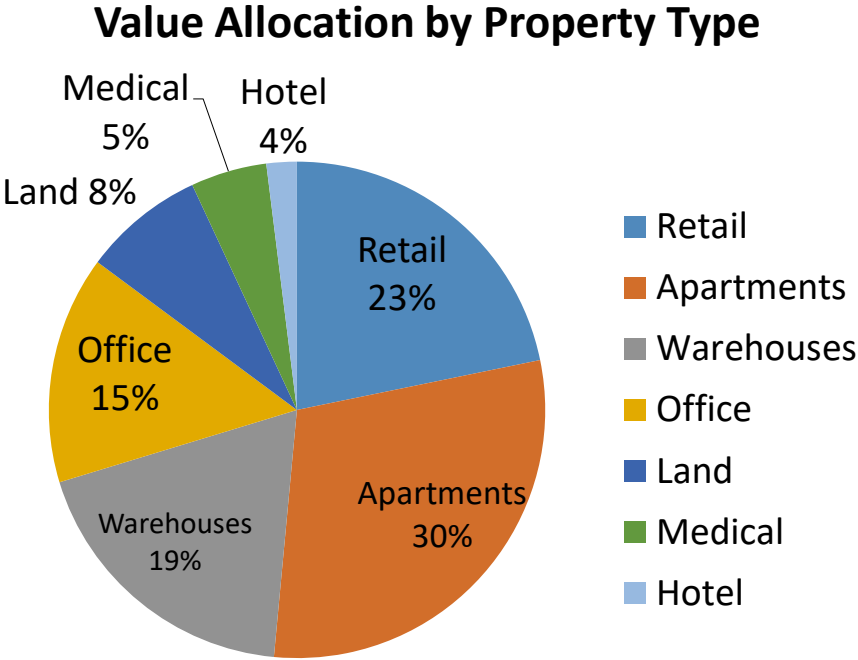
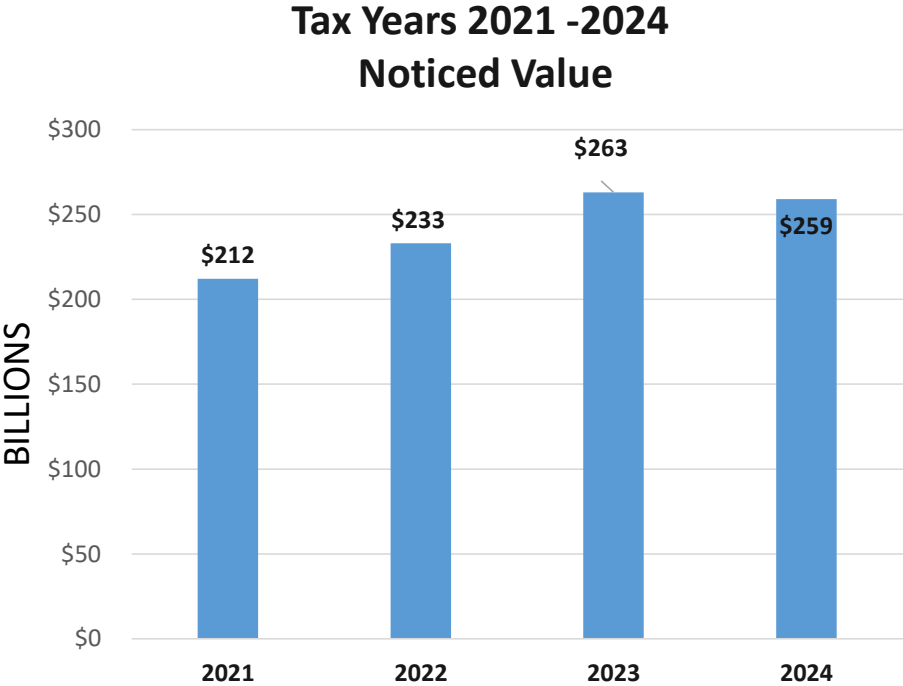
- Residential:
 - Selected March 15th
 - Letter dated April 19th
- Commercial:
 - Selected March 15th
 - Letter dated April 19th
- Industrial Real & Dealer Inventory
 - Selected March 15th
 - Letter dated April 19th
- Other Personal Property:
 - Selected March 15th
 - Letter dated April 19th



Commercial Property Market Overview

Tax Year 2024

Commercial Overview



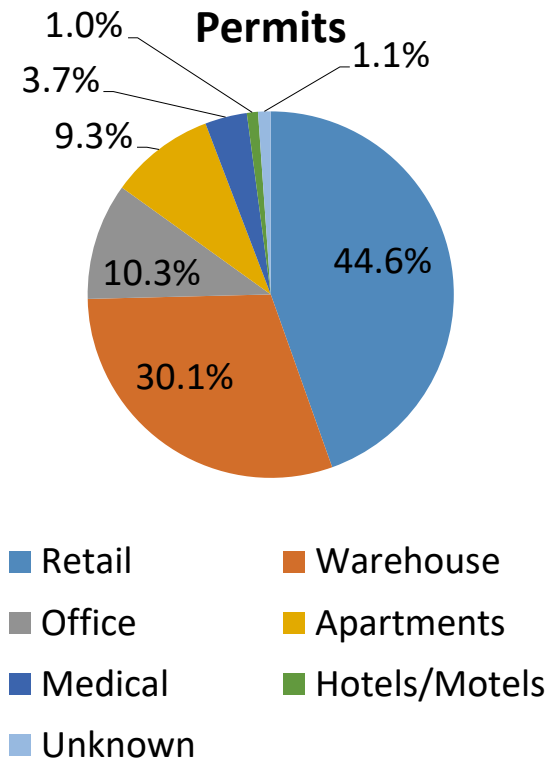


Reappraisal: Commercial Values

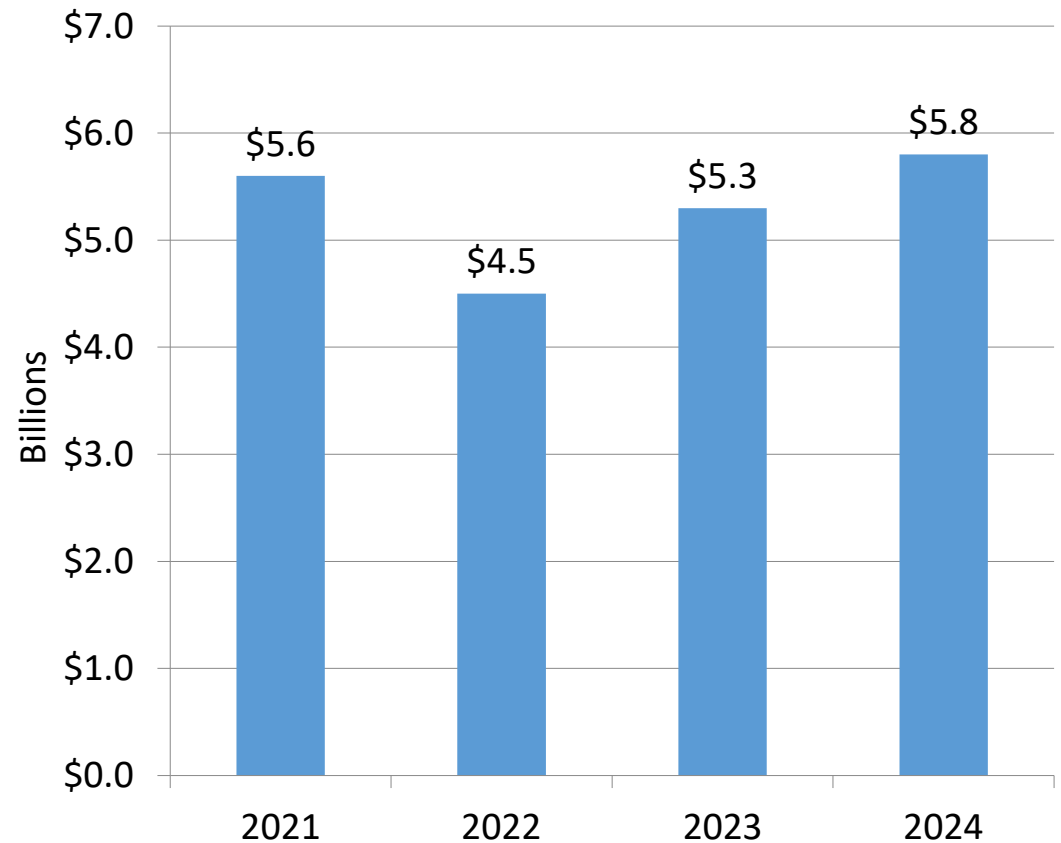
Type	2023 Certified Value	2024 Noticed Value Est.	Percent Change
Land and Auxiliary	\$19,138,356,315	\$20,431,480,656	6.8%
Apartment	\$71,344,635,974	\$72,206,670,032	1.2%
Hotel/Motel	\$4,965,383,302	\$4,965,383,302	0.0%
Medical	\$10,702,134,688	\$11,891,727,894	11.1%
Office	\$34,663,975,243	\$36,962,814,131	6.6%
Retail	\$51,414,485,883	\$57,649,996,211	12.1%
Warehouse	\$48,100,946,771	\$53,079,006,851	10.3%
Grand Total	\$240,329,918,176	\$257,186,779,077	7.0%

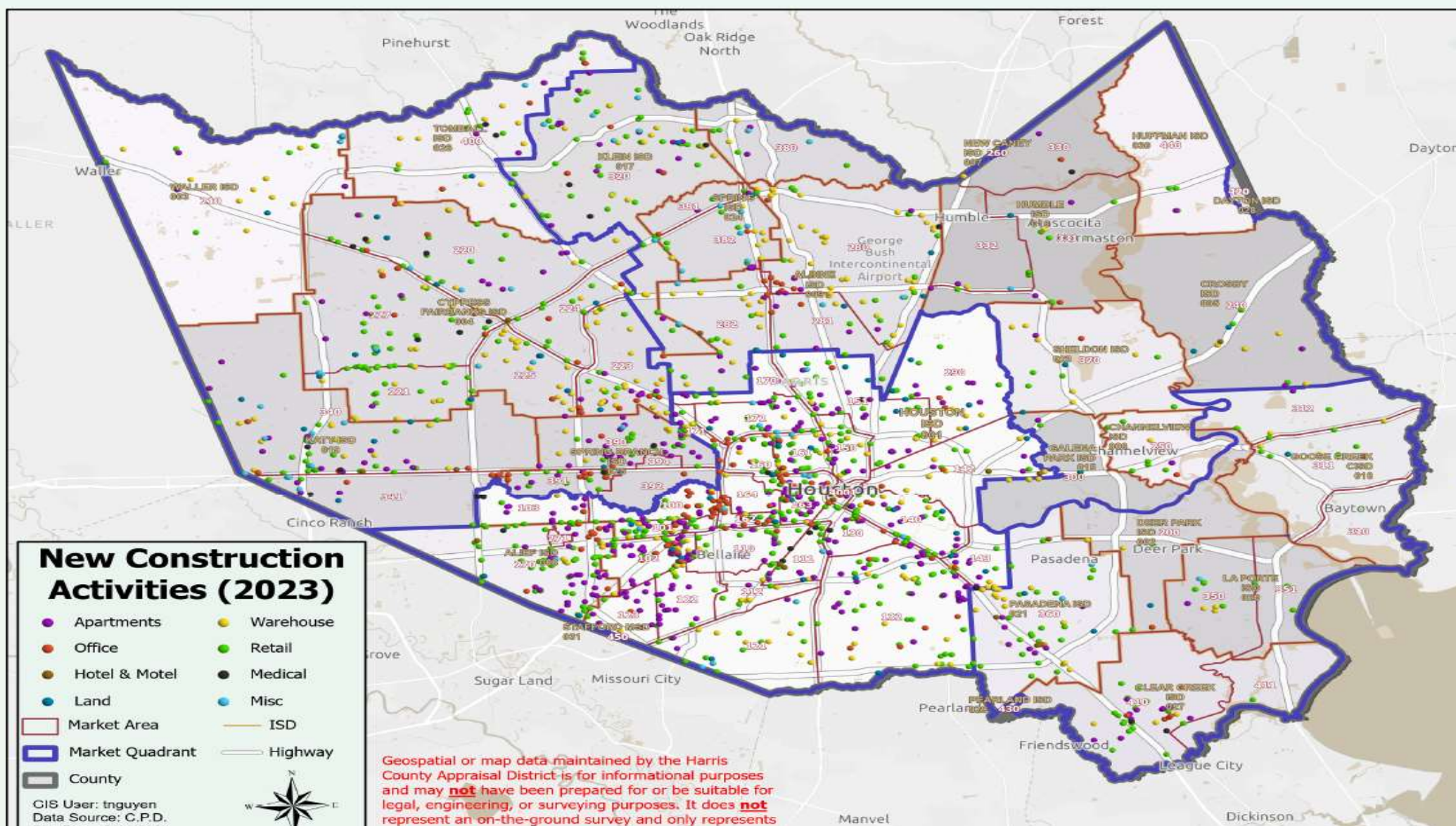
Type	2023 Noticed Value	2024 Noticed Value Est.	Percent Change
Land and Auxiliary	\$19,900,757,290	\$20,431,480,656	2.7%
Apartment	\$77,376,417,809	\$72,206,670,032	-6.7%
Hotel/Motel	\$5,567,522,385	\$4,965,383,302	-10.8%
Medical	\$11,547,821,153	\$11,891,727,894	3.0%
Office	\$38,838,258,181	\$36,962,814,131	-4.8%
Retail	\$55,156,021,729	\$57,649,996,211	4.5%
Warehouse	\$51,470,616,087	\$53,079,006,851	3.1%
Grand Total	\$259,857,414,634	\$257,186,779,077	-1.0%

New Construction



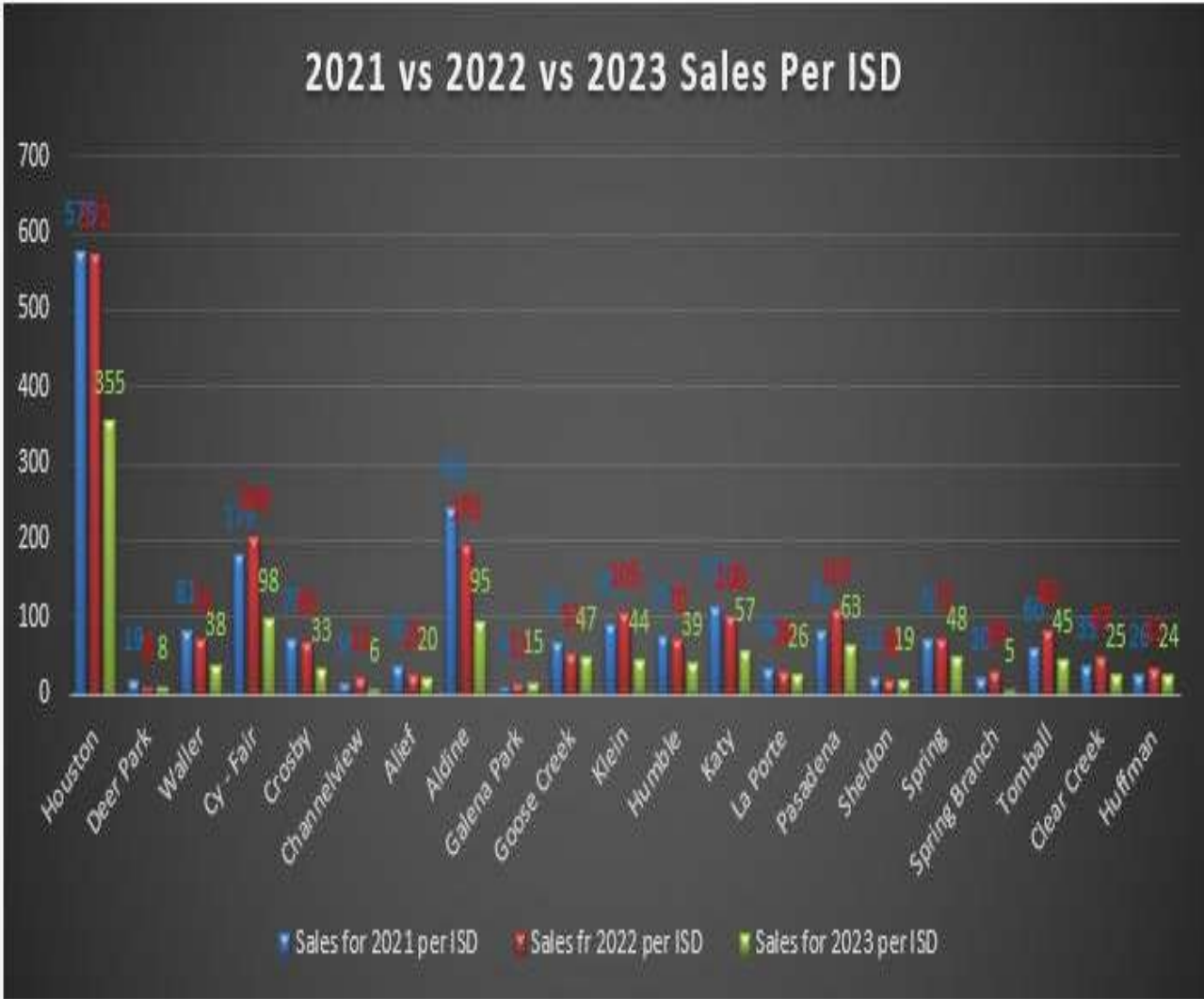
New Construction Value





Land

- HISD sales activity
 - **2023**: 355 sales
 - **2022**: 458 sales
- Strongest demand concentrated in:
 - Houston ISD
 - Cy-Fair
 - Aldine

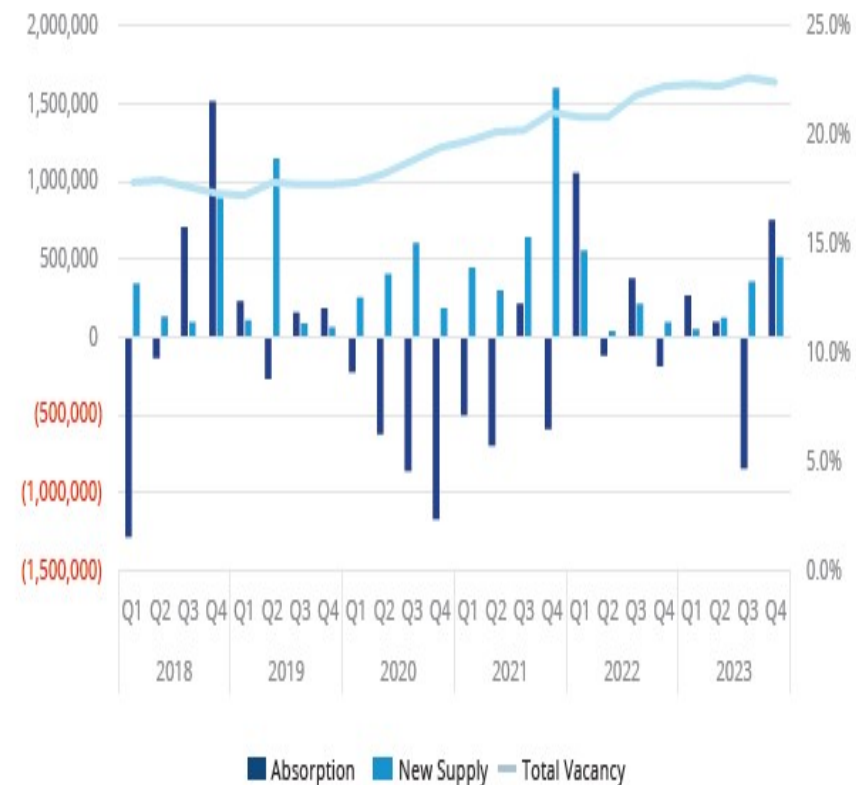




Office: Office Market Continues To Adjust To Changes Brought On By The Pandemic

- New construction deliveries: 1.07 million sq. ft.
 - Previous year: 830,789 sq. ft.
- Under construction year end: 721,503 sq. ft.
 - Previous year: 1.9 million sq. ft.
- Absorbed: 301,014 sq. ft.
 - Previous year: 284,877 sq. ft.
- Overall asking rental rates: Relatively flat
- Vacancy rates: 22.5%
 - Previous year: 23.2%

Market Fundamentals

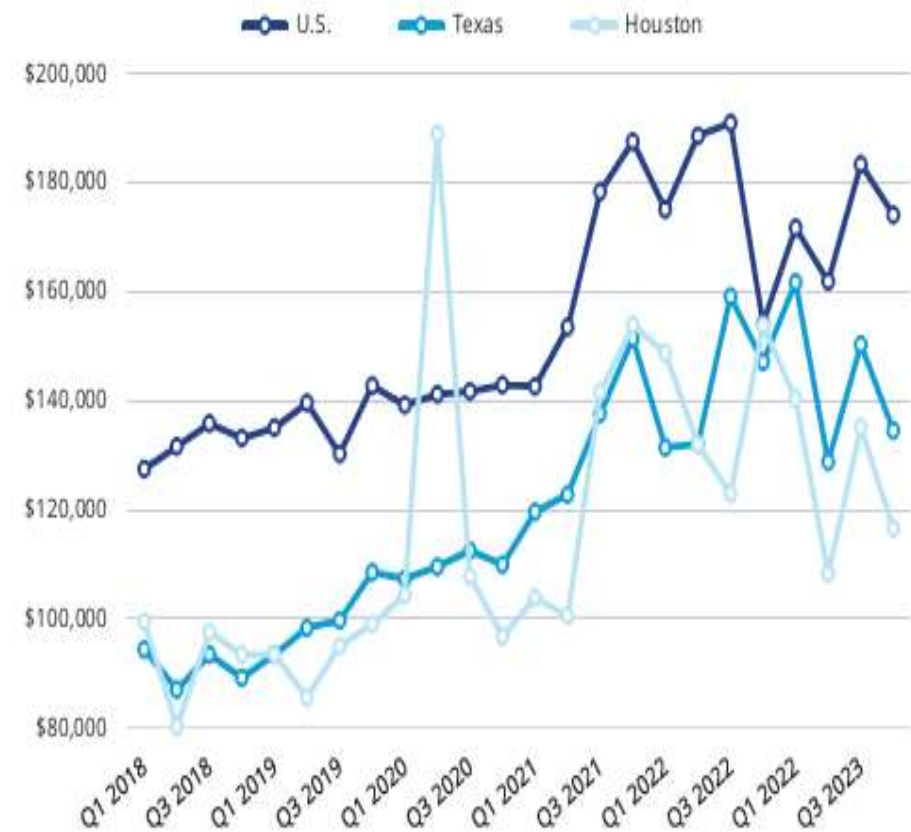




Apartment: Apartment Market Finished 2023 With Positive Absorption

- New Construction Deliveries: 22,251 units
 - Previous year: 15,780 units
- Under construction year end: 23,323 units
 - Previous year: 20,700 units
- Absorbed: 10,805 units
 - Previous year: 4,602 units
- Rental rates at year end: 0.6%
 - 5.1% increase prior year
- Overall occupancy: 89%
 - Previous year 90.6%
- Median sales price per unit: \$116,544
 - Previous quarter: \$135,097

Median Price per Unit



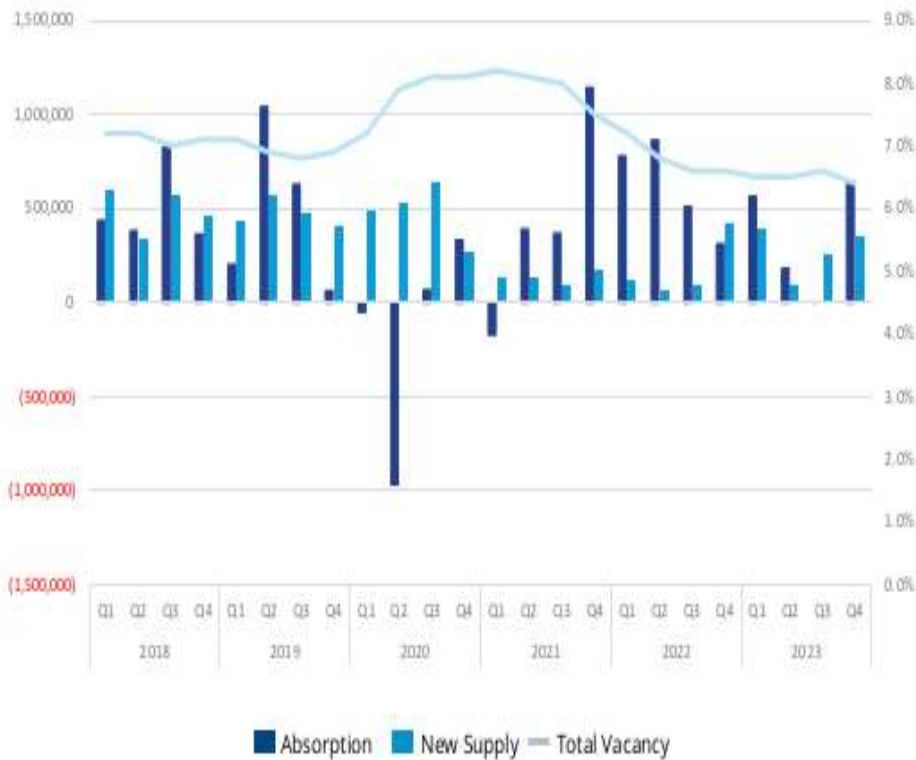
Source: MSCI Real Capital Analytics

Retail:

Houston Retail Sector remains On Top, Despite Uncertainty

- New construction deliveries: 1.0 million sq. ft.
 - Previous year: 1.8 million sq. ft.
- Under construction year end: 655K sq. ft.
 - Previous year: 2.3 million sq. ft.
- Absorbed: 1.5 million sq. ft.
 - Previous year: 3.9 million sq. ft.
- Quoted rates: Averaged 4.4%
 - Previous year Average 4.4%
- Vacancy rates: 6.4%
 - Previous year: 6.6%

Market Fundamentals





Warehouse: Industrial Construction Levels Showed Signs of Slowdown

New construction deliveries: 31.6 million sq. ft.

Previous year: 24.2 million sq. ft.

Under construction year end: 21.1 million sq. ft.

Previous year: 33.6 million sq. ft.

34.3% pre-leased

Absorbed: 17.3 million sq. ft.

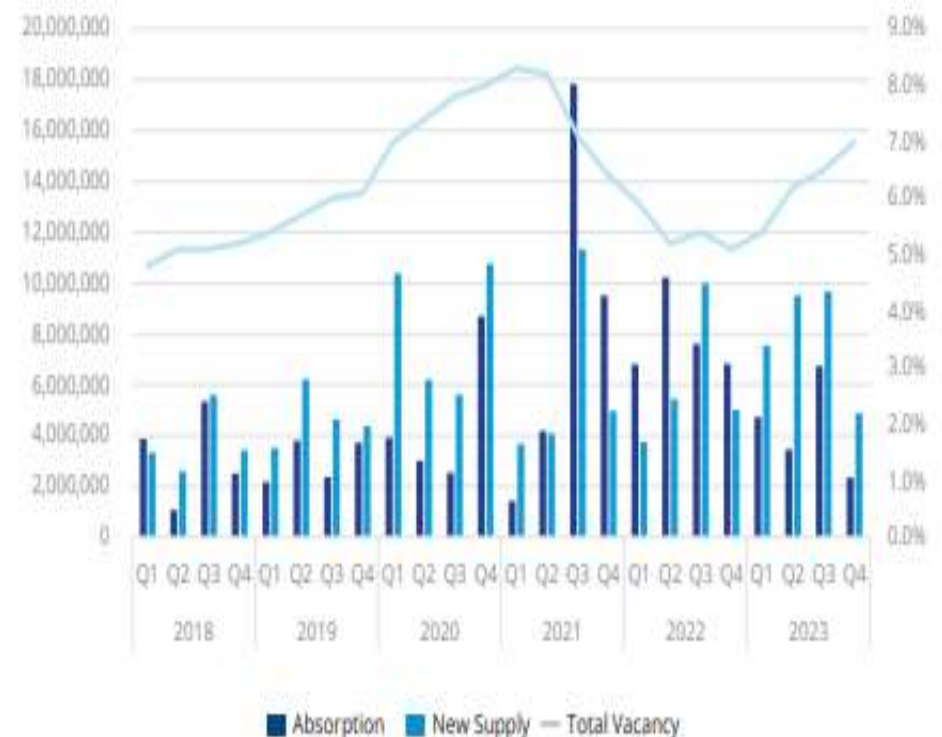
Previous year: 28.9 million sq. ft.

Quoted rates: Increased 11% year-over-year

Vacancy rates: 7.0%

Previous year: 5.2%

Market Fundamentals



2024 Commercial Tax Base: Percent Change, Increase, Decrease, No Change

(as of March 26th)

Parcels	2023 Certified Value	2024 Noticed Value Est.	Percent Change
107,680	\$240,329,918,176	\$257,186,779,077	7%

Parcels	No Change	Increase	Decrease
107,680	29,798	55,832	22,050
	27.7%	51.8%	20.5%