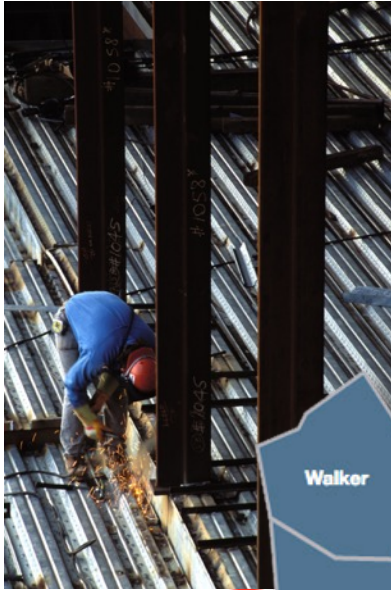


Regional Industrial Development & Rental Cost Information



This information is provided courtesy of The Greater Houston Partnership (GHP) and the WCEDP. It is a general guideline on regional costs associated with building or renting industrial facilities and may change without prior notice. Contact our office if you have any questions or need assistance locating a site in Waller County.

Opportunity happens here



WCEDP

Waller County Economic
Development Partnership
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979-921-9059
info@wallercounty.org
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WCEDP Industrial Developers, Construction, & Development Partners

WCEDP is a public-private partnership. As such we are supported by members that can assist you with your project.



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Houston, Texas 77057
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Area Business Parks



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West 10 Business Park
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Industrial Space Lease Rates

Houston offers a wide variety of industrial spaces at reasonable rates.

ANNUAL AVERAGE RENTAL RATES Asking Price Per Square Foot Third Quarter 2016					
Sub-Market	Manufacturing	Flex	Warehouse/ Distribution	Total Sq. Ft.	Vacancy Rate
Average for Houston Area	\$5.65	\$7.64	\$6.04	398,217,339	6.7%
Central Business District	N/A	\$12.00	\$6.60	895,836	3.3%
North - Near	N/A	\$4.74	\$2.20	7,740,564	5.6%
North - Middle	\$6.43	\$3.47	\$4.08	8,093,067	4.8%
North - Far	\$8.90	\$5.72	\$6.06	40,555,521	15.6%
Montgomery County	N/A	\$12.17	\$7.30	5,833,503	5.2%
Northeast - Near	\$3.58	N/A	\$4.79	18,963,776	3.9%
Northeast - Far	\$4.44	N/A	\$4.58	6,962,432	5.4%
Southeast - Near	\$3.70	N/A	\$3.83	37,823,576	4.3%
Southeast - Middle	\$5.88	N/A	\$6.08	12,410,885	4.3%
Southeast - Far	N/A	\$12.44	\$6.04	37,327,415	3.8%
South - Near	\$5.28	\$5.58	\$7.78	25,191,013	4.2%
South - Far	\$4.77	\$7.80	\$7.91	11,229,907	7.0%
Southwest - Near	N/A	\$12.50	\$4.66	5,956,435	1.4%
Southwest - Far	\$6.99	\$7.75	\$6.04	38,636,554	8.3%
West - Far	\$7.61	\$6.79	\$7.06	27,734,345	6.9%
Northwest - Near	\$9.26	\$7.23	\$6.07	30,696,921	4.0%
Northwest - Far	\$6.14	\$8.03	\$6.39	82,165,589	7.6%
<p>Note: Asking rents are per square foot per year, triple net where all costs including, but not limited to, real estate taxes, insurance and common area maintenance are borne by the tenant on a pro rata basis. Rates for each building are weighted by the amount of available space within the building.</p> <p>Source: Cushman & Wakefield, MarketBeat – Industrial Snapshot – Q3/2016, Houston, TX</p>					

Industrial Space Cost Comparison

Quality industrial space is abundant in the Houston region and is competitively priced among other major U.S. markets.

INDUSTRIAL SPACE COSTS				
Quoted Rental Rates (Price per Square Foot per Year)				
Fourth Quarter 2016				
Metro Market	Warehouse/ Distribution	Bulk Space	Flex/Service Center	Tech/R&D
U.S. AVERAGE	\$5.24	\$4.80	\$9.16	\$10.19
Atlanta, GA	\$3.76	\$3.59	\$8.65	\$11.03
Baltimore, MD	\$5.38	\$4.73	\$10.38	\$12.27
Chicago, IL	\$4.75	\$4.42	\$9.60	N/A
Charleston, SC	\$3.80	\$4.75	\$14.01	N/A
Dallas/Ft. Worth, TX	\$3.75	\$3.60	\$8.25	\$11.25
Denver, CO	\$7.26	\$5.75	\$10.51	\$11.99
Ft. Lauderdale, FL	\$8.31	\$7.86	\$10.17	\$8.31
Houston, TX	\$6.78	\$5.45	\$11.44	\$12.69
Jacksonville, FL	\$3.92	\$3.65	\$9.68	N/A
Kansas City, MO-KS	\$4.57	\$4.15	\$8.41	\$7.62
Long Island, NY	\$10.79	\$10.79	\$12.25	N/A
Los Angeles, CA	\$8.13	\$6.55	\$10.69	\$13.79
Memphis, TN	\$2.87	\$2.82	\$5.54	\$9.75
Miami, FL	\$10.43	\$9.57	\$23.74	N/A
Minneapolis/St. Paul, MN	\$4.72	\$4.64	\$6.95	\$7.65
Nashville, TN	\$4.85	\$4.33	\$9.67	\$9.37
Oakland, CA	\$8.52	\$10.56	\$9.72	\$22.20
Orange County, CA	\$9.12	\$8.03	\$14.75	\$11.25
Philadelphia, PA	\$4.95	\$5.00	\$7.55	\$11.25
Phoenix, AZ	\$6.30	\$5.08	\$12.64	\$12.70
Portland, OR	\$7.54	\$6.75	\$12.38	\$10.82
San Diego, CA	\$10.08	\$8.88	\$12.24	\$19.08
San Francisco, CA	\$15.00	\$13.20	\$37.32	\$37.32
San Jose, CA	\$10.49	\$10.20	\$12.73	\$23.97
Savannah, GA	\$4.00	\$3.85	\$7.25	\$10.50
Seattle/Puget Sound, WA	\$7.28	\$5.98	\$15.61	\$16.56
Washington, DC	\$8.06	\$7.53	\$12.63	\$15.76
Source: Colliers International, <i>United States Research Report Industrial Market Outlook</i> , Fourth Quarter 2016				

Industrial Market Comparison

Houston has one of the largest concentrations of industrial space in the nation and is continuing to expand to meet future demand.

U.S. INDUSTRIAL MARKETS				
Second Quarter 2016				
Metro Area	Existing Inventory (Sq. Ft.)	Under Construction (Sq. Ft.)	Vacancy Rate (%)	Sales Price (U.S. \$ per Sq. Ft.)*
U.S. Total/Average	15,254,478,354	203,494,259	6.0%	\$82
Atlanta, GA	645,213,532	17,325,856	7.6%	\$52
Baltimore, MD	238,561,144	1,052,916	8.9%	\$60
Charleston, SC	35,357,005	3,903,243	7.0%	\$44
Chicago, IL	1,345,504,375	16,758,838	6.9%	\$65
Dallas/Ft. Worth, TX	775,601,024	22,028,848	7.0%	\$55
Denver, CO	223,296,782	3,575,505	4.4%	\$93
Ft. Lauderdale, FL	112,712,861	755,352	5.6%	\$94
Houston, TX	523,577,141	11,936,070	5.5%	\$71
Jacksonville, FL	124,909,413	123,201	5.4%	\$45
Kansas City, MO-KS	243,552,484	7,016,886	6.6%	\$75
Long Island, NY	157,179,100	366,912	3.4%	\$90
Los Angeles, CA	896,585,300	3,650,100	1.4%	\$129
Memphis, TN	233,313,736	3,762,420	8.4%	--
Miami, FL	216,777,234	2,397,088	4.6%	\$78
Minneapolis/St. Paul, MN	245,853,578	3,110,678	5.8%	\$97
Nashville, TN	193,044,818	0	4.7%	\$51
Oakland, CA	143,409,822	637,938	1.8%	\$105
Orange County, CA	182,795,900	41,700	3.0%	\$125
Philadelphia, PA	427,680,568	8,724,983	7.7%	\$81
Phoenix, AZ	290,140,880	2,844,799	10.8%	\$79
Portland, OR	198,885,508	2,871,451	4.7%	\$88
San Diego, CA	188,475,815	1,698,858	4.8%	\$138
San Francisco, CA	39,505,720	0	1.3%	\$303
San Jose, CA	249,939,618	1,059,424	5.0%	\$212
Savannah, GA	47,955,950	2,282,000	1.9%	\$45
Seattle/Puget Sound, WA	270,676,522	1,100,000	3.7%	\$204
St. Louis, MO	228,333,341	4,207,533	6.9%	\$45
Washington, DC	228,705,047	2,848,049	9.0%	\$137
Source: Colliers International, <i>United States Industrial Market Outlook</i> , Q2 2016 (*Sales Price 2Q 2016)				

Utilities: Natural Gas Rates

Businesses will find natural gas to be abundant and inexpensive along the Texas Gulf Coast.

AVERAGE NATURAL GAS PRICES DOLLARS PER THOUSAND CUBIC FEET						
	2014 Average		2015 Average		2016 Average	
	Texas	U.S.	Texas	U.S.	Texas	U.S.
City Gate ¹	5.77	5.71	4.19	4.26	4.09	3.73
Commercial Customer	8.26	8.90	6.95	7.91	6.87	7.25
Industrial Customers	4.71	5.62	2.89	3.91	2.65	3.51
Residential Customers	11.16	10.97	10.62	10.38	NA	10.07

¹ Point at which a transmission or pipeline company, such as El Paso, delivers gas to a distribution company, such as CenterPoint.
Source: Energy Information Administration

- Consumers inside city limits must purchase their gas from the company granted the franchise to serve the city. In Houston, that company is CenterPoint Energy.
- CenterPoint services an area encompassing 5,000 square miles to 76 communities in the Houston area.
- Consumers outside the Houston city limits (or other city limits) may purchase natural gas from any producer with available supply. XTO Energy (a subsidiary of Exxon Mobil), Devon Energy, Chesapeake Energy, Anadarko and EOG Resources are the five largest gas producers in the state. (Source: Railroad Commission of Texas)
- Large consumers may purchase gas on the spot market or negotiate long-term contracts for the supply of natural gas. Contract rates depend on a number of factors, including proximity to a major pipeline, customer's overall demand, current market conditions, anticipated market conditions, and other factors. Spot market prices depend mainly on the current supply and demand.
- Natural gas supplies remain abundant in Texas. The state has 7,880,530 million cubic feet of natural gas reserves. Texas has more than the next two states combined and more than eleven times the amount in the Federal offshore reserves. (Source: Energy Information Administration)
- Texas has consistently been a leading producer of natural gas. In 2015, the state's natural gas production accounted for over 27 percent of U.S. marketed natural gas production. (Source: Energy Information Administration)