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## **HOUSTON INDUSTRIAL: CONSTRUCTION UPTICK INDICATES MARKET STRENGTH**

HOUSTON (CB Richard Ellis) – An increase in building activity marked the strengthening of Houston's industrial market in fourth quarter 2011, according to CB Richard Ellis' latest market analysis.

The report showed that 4.1 million sf of active building was taking place at the end of 2011, up 14 percent from the end of the third quarter and more than 450 percent over the end of 2010.

Industrial vacancy rates have declined over the past two years. The overall vacancy rate dropped to 5.6 percent in the fourth quarter from 5.9 percent in the previous quarter and 6.5 percent in fourth quarter 2010.

At the end of fourth quarter 2011, Houston's industrial market posted 25 million sf of vacant space alongside 2.1 million sf of positive net absorption, pushing year-to-date absorption to 3.8 million sf.

In its report, CB Richard Ellis says "employment now exceeds its prerecession peak in several sectors — oil and gas extraction, food and beverage stores, utilities, and trucking to name a few. The recovery has been rough, and job growth will repeat that trend with only construction and real estate showing signs of significant improvement next year."