

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 (per Square Foot per Year) | | | |
| Third Quarter 2018 | | | |
| Metro Market | Manufacturing | Flex/Service Center | Warehouse/Distribution |
| U.S. Total | \$5.49 | \$11.96 | \$5.65 |
| Atlanta, GA | \$4.55 | \$9.32 | \$4.20 |
| Baltimore, MD | \$2.74 | \$10.95 | \$5.18 |
| Charleston, SC | \$3.38 | \$9.57 | \$5.48 |
| Chicago, IL | N/A | N/A | \$5.14 |
| Dallas-Ft. Worth, TX | \$4.64 | \$10.77 | \$4.66 |
| Denver, CO | N/A | \$11.98 | \$7.77 |
| Fort Lauderdale, FL | \$8.24 | \$13.28 | \$8.07 |
| Houston, TX | N/A | \$9.61 | \$7.09 |
| Kansas City, MO | \$4.17 | \$9.10 | \$4.42 |
| Long Island, NY | \$21.02 | \$17.74 | \$12.37 |
| Los Angeles, CA | N/A | N/A | \$9.38 |
| Memphis, TN | N/A | \$6.33 | \$3.17 |
| Miami, FL | \$10.42 | \$21.00 | \$11.00 |
| Minneapolis-St. Paul, MN | \$4.88 | \$5.04 | \$4.67 |
| Nashville, TN | \$4.41 | \$10.51 | \$5.73 |
| Orange County, CA | N/A | N/A | \$11.15 |
| Philadelphia-Lehigh Valley, PA | \$4.25 | \$9.72 | \$5.29 |
| Phoenix, AZ | \$6.40 | \$12.65 | \$6.13 |
| Raleigh-Durham, NC | N/A | \$14.56 | \$5.98 |
| San Diego, CA | \$11.47 | \$20.77 | \$10.86 |
| San Francisco Bay Area, CA ¹ | \$11.76 | \$24.50 | \$9.61 |
| Savannah, GA | \$4.41 | \$7.27 | \$5.36 |
| Seattle-Puget Sound, WA | \$10.00 | \$17.80 | \$8.39 |
| St. Louis, MO | \$6.37 | \$5.89 | \$4.75 |
| Washington, D.C. | \$7.79 | \$12.35 | \$8.22 |
| ¹ San Francisco Bay Area includes East Bay, Fairfield, San Francisco Peninsula and Silicon Valley Source: Colliers International, <i>United States Research Report Industrial Market Outlook, Q3 2018</i> | | | |