

**2004 COMPARATIVE STATISTICS OF INDUSTRIAL & OFFICE REAL ESTATE MARKETS**

EL PASO, TEXAS: INDUSTRIAL

THE SOCIETY OF INDUSTRIAL & OFFICE REALTORS - SIOR



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**INVENTORY DATA**

Inventory sf	
Total 2002	53,377,449
Vacant 2002	7,706,837
Occupied 2002	45,670,612
Total 2003	54,306,550
Vacant 2003	8,381,022
Occupied 2003	45,925,528
Net Absorption 2003	254,916
Vacancy Rate 2003	15.43%
Construction 2003	929,101

**Site Prices \$/sf**

**Improved Sites**

Less than 2 acres	\$ 3.00
2 to 5 acres	\$ 2.75
5 to 10 acres	\$ 1.75
More than 10 acres	\$ 1.50

**Unimproved Sites**

Less than 10 acres	\$ .75
10 to 100 acres	\$ .50
More than 100 acres	\$ .20

	<b>Sales Prices \$/sf</b>	<b>Lease Prices \$/sf</b>	<b>Construction \$/sf</b>	<b>Vacancy Indicators</b>
Less than 5,000 sf	\$ 30.00-32.00	\$ 5.00-6.00	\$ 35.00-40.00	Moderate Shortage
5,000 to 19,999 sf	\$ 28.00-29.00	\$ 3.25-4.50	\$ 31.00-35.00	Moderate Shortage
20,000 to 39,999 sf	\$ 27.50-28.50	\$ 3.25-3.75	\$ 28.00-31.00	Balanced Market
40,000 to 59,999 sf	\$ 25.50-26.50	\$ 3.25-3.75	\$ 25.00-28.00	Balanced Market
60,000 to 99,999 sf	\$ 23.50-24.50	\$ 2.95-3.50	\$ 23.00-25.00	Balanced Market
100,000 to 250,000 sf	\$ 23.00-24.00	\$ 2.75-3.50	\$ 21.00-22.00	Balanced Market
250,000 sf or more	\$ 22.00-23.00	\$ 2.75-3.50	\$ 20.00-21.00	Balanced Market

**Warehouse & Factories**

Real Estate Taxes	\$ .45 - .75
Insurance (Fire & Liability)	\$ .15
Structural & Roof Maintenance	\$ .05
Common Area Maintenance	\$ .15 - .45

**Mortgage Money Supply:**  
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**Prime Source Financing:**  
 Insurance Companies, Commercial Banks  
 & Pension Funds

**2003 Review:**

2003 was a slow year in El Paso, Texas. Vacancy, historically is in the low single digits; in 2003 it was at 15.4 percent. However, expansion and build-to-suit construction finished up at 929,101 square foot. Toro, Murpac, Action Systems/V&A, Visteon, Sumitomo, and Square D all did large build-to-suits or expansions. As the world economy continued its slow down, so did manufacturing in Mexico, causing a slowdown in El Paso's support and distribution functions. Speculative construction continued its slow down and lease rates continued to be competitive offering companies many advantages. An abundance of highly trained workers sought employment. With more than eight million square feet of vacancy, lease prices softened, providing companies an excellent choice of available facilities.

**2004 Forecast**

As the economy in the USA improves, so should the manufacturing sector in Juarez, Mexico, and the support and distribution functions in El Paso. Mexico is a significant producer of auto parts, accounting for 28 percent (\$14.5 billion) of U.S. imports. Mexico is the leading supplier of television receivers and video monitors in the U.S., accounting for 59 percent (\$5.1 billion) of U.S. imports. El Paso sits on the shoulder of Mexico and is a major distribution center of goods into and from Mexico. El Paso is also a major east / west and north / south hub in the U.S. with U.S. Interstates 10, 25 and 54. As the world economy improves, so will El Paso's industrial sector.