



Morrison & Head

PROPERTY TAX CONSULTANTS OF TEXAS  
AUSTIN | HOUSTON | DALLAS

# Property Tax Benchmark Report

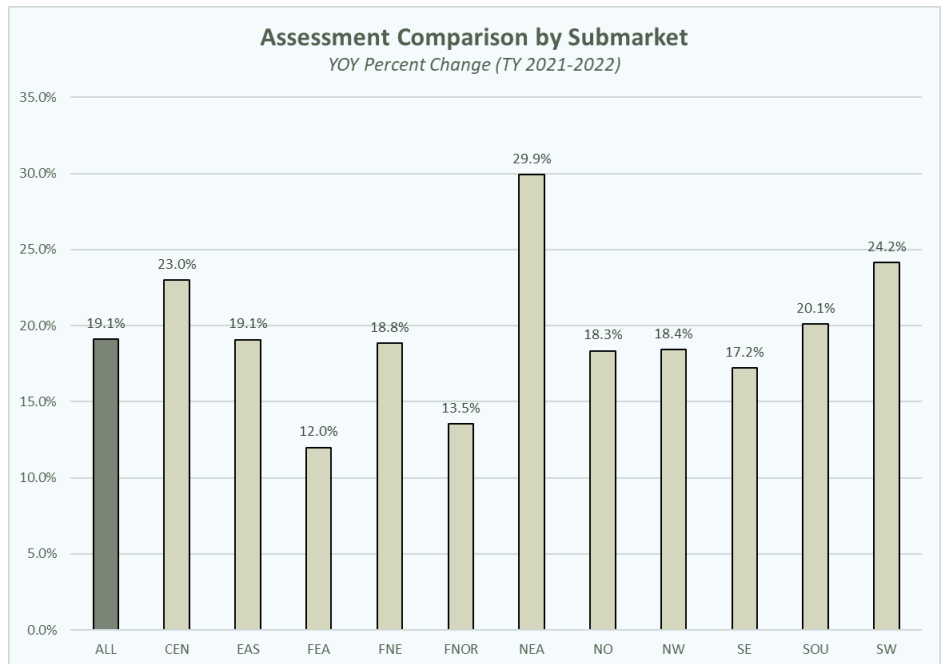
Austin - Industrial

# 2022

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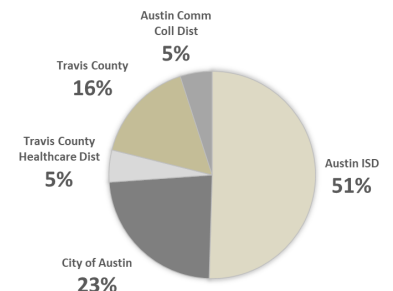
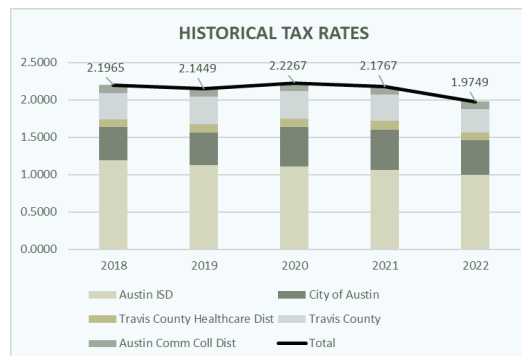
## Assessment Trends

In 2022, industrial property valuations increased by an average of 19.1% county wide, outpaced only by multifamily product. Since 2015, the industrial sector has seen an average increase of more than 17% per year.



## Property Tax Rates

Each year local taxing entities set tax rates and levy taxes on real property and business personal property. Texas has no state property tax. The total tax rate is the sum of the rates of all applicable taxing units including cities, counties, schools and special districts.



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## 2022 Industrial Property Tax Benchmark

There are many factors that contribute to an industrial property's tax valuation. One of the most significant attributes is the amount of office finish out a property has. TCAD describes a "bulk warehouse" as an industrial property with less than 25% office finish out, an "office warehouse" contains 25-50% finished out space and a "flex warehouse" is defined as having greater than 50% office/R&D space. In 2022, flex space saw an average valuation of \$212.29 per square feet, an assessed value approximately 70% greater than the average bulk industrial warehouse valuation which was \$124.38 per square feet. The industrial sector as a whole, no matter the space type, saw a similar year-over-year increase of roughly 19%, though submarkets' valuation increases varied between 13-30%.

### Submarket

Submarket	Property Count	Total NRA	Total Value	Average Property Value	Average Value \$/SF	Total Taxes	Average Property Tax	Tax \$/SF	YOY % Diff (Value)	YOY % Diff (Prop Tax)
CEN	10	609,914	\$132,112,719	\$13,211,272	\$216.61	\$2,609,124	\$260,912	\$4.28	23.0%	11.6%
EAS	41	1,972,427	\$309,794,888	\$7,555,973	\$157.06	\$6,118,210	\$149,225	\$3.10	19.1%	8.0%
FEA	21	1,149,399	\$129,011,355	\$6,143,398	\$112.24	\$2,529,186	\$120,437	\$2.20	13.1%	6.1%
FNE	12	1,155,063	\$173,544,300	\$14,462,025	\$150.25	\$3,859,208	\$321,601	\$3.34	18.8%	9.5%
FNOR	108	9,835,898	\$1,438,226,734	\$13,316,914	\$146.22	\$28,648,788	\$265,267	\$2.91	13.5%	3.2%
NEA	132	14,198,665	\$1,840,546,590	\$13,943,535	\$129.63	\$40,971,236	\$310,388	\$2.89	29.9%	20.2%
NO	182	10,851,707	\$1,845,581,281	\$10,140,556	\$170.07	\$36,966,774	\$203,114	\$3.41	18.4%	7.3%
NW	18	695,450	\$112,898,788	\$6,272,155	\$162.34	\$2,189,578	\$121,643	\$3.15	18.4%	8.5%
SE	167	14,684,259	\$2,442,969,593	\$14,628,560	\$166.37	\$51,143,326	\$306,247	\$3.48	17.1%	8.4%
SOU	51	2,233,168	\$344,514,756	\$6,755,191	\$154.27	\$6,691,495	\$131,206	\$3.00	20.3%	9.5%
SW	30	964,835	\$182,080,628	\$6,069,354	\$188.72	\$3,255,563	\$108,519	\$3.37	24.2%	15.3%
<b>ALL</b>	<b>772</b>	<b>58,350,785</b>	<b>\$8,951,281,632</b>	<b>\$11,594,924</b>	<b>\$153.40</b>	<b>\$184,982,488</b>	<b>\$239,615</b>	<b>\$3.17</b>	<b>19.1%</b>	<b>9.5%</b>

### Space Type

Space Type	Property Count	Total NRA	Total Value	Average Property Value	Average Value \$/SF	Total Taxes	Average Property Tax	Tax \$/SF	YOY % Diff (Value)	YOY % Diff (Prop Tax)
Bulk	385	30,658,691	\$3,813,308,145	\$9,904,696	\$124.38	\$78,345,925	\$203,496	\$2.56	19.4%	10.5%
Office	169	13,396,216	\$2,103,159,361	\$12,444,730	\$157.00	\$43,463,429	\$257,180	\$3.24	19.6%	9.8%
Flex	218	14,295,878	\$3,034,814,126	\$13,921,166	\$212.29	\$63,173,134	\$289,785	\$4.42	19.9%	9.6%
<b>ALL</b>	<b>772</b>	<b>58,350,785</b>	<b>\$8,951,281,632</b>	<b>\$11,594,924</b>	<b>\$153.40</b>	<b>\$184,982,488</b>	<b>\$239,615</b>	<b>\$3.17</b>	<b>19.1%</b>	<b>9.5%</b>

### Local Market Expertise

Morrison & Head represents more than \$1.5 billion (17%) of the large industrial property valuations in Travis County. In today's industrial market, it is more important than ever to have knowledgeable and experienced representation.

With 400+ years of cumulative commercial valuation and property tax experience, and multiple MAI and CCIM designated consultants on staff, no other local, regional or national firm matches the level of experience and expertise of Morrison & Head. With offices in Austin, Dallas and Houston, Morrison & Head's focus lies exclusively in the state of Texas. Morrison & Head's team is proficient in a full range of property tax services including budgeting, due diligence reports, valuation analysis, property tax appeal representation and litigation support.

*Disclaimer: The information contained herein has been obtained from a variety of sources, including public records furnished by the Travis Central Appraisal District and the Travis County Tax Office. Although believed to be reliable, Morrison & Head, LP and their affiliated entities make no representation or warranty, either expressed or implied, as to the completeness or accuracy of the information herein. Data set includes industrial properties over 18,000 square feet as identified by TCAD data. Properties are listed by TCAD submarket unless otherwise noted.*

#### Contact Us

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