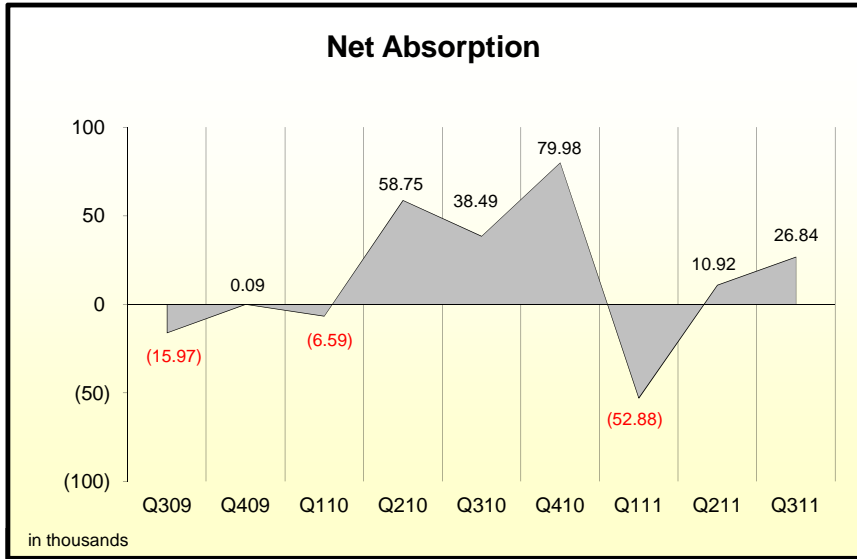


Houston Office Market Snapshot - Far Southwest

Grubb & Ellis Research
Third Quarter 2011



POSITIVE DEMAND FOR THE SUBMARKET The Far Southwest submarket posted 26,842 square feet of positive net absorption during the third quarter of 2011, marking the fifth quarter that the submarket has seen positive demand in the last six quarters. The quarterly space gain was attributed to Class B properties, bringing in 40,796 square feet of positive net space as The Willis Group leased 12,473 square feet at 9700 Bissonnet. Class C properties, however, saw a net loss of 13,954 square feet. As a result of the positive net increase in demand, vacancy for the area decreased by 40 basis points to 17.4% for the quarter.

OVERALL ASKING RENTS DECREASE During the third quarter, overall full-service asking rents slightly decreased by \$0.03 to \$16.38 per square foot. Class B asking rents fell by \$0.05 to \$17.47 while Class C asking rents improved by \$0.02 to \$13.49 per square foot.

NEW EMPLOYMENT OPPORTUNITIES COMING Amerigroup Corp. leased 50,000 square feet for its West Regional Service Center at 5959 Corporate Dr. The company will add 300 to its statewide workforce when its new facility ramps up this summer. The facility is now 75% leased and can offer up to 75,000 square feet of contiguous space on the same floor.

