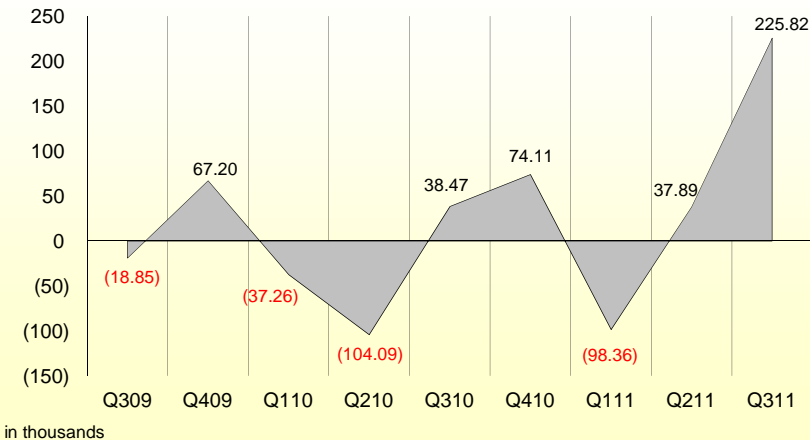


# Houston Office Market Snapshot - Greenway Plaza

Grubb & Ellis Research  
Third Quarter 2011



### Net Absorption

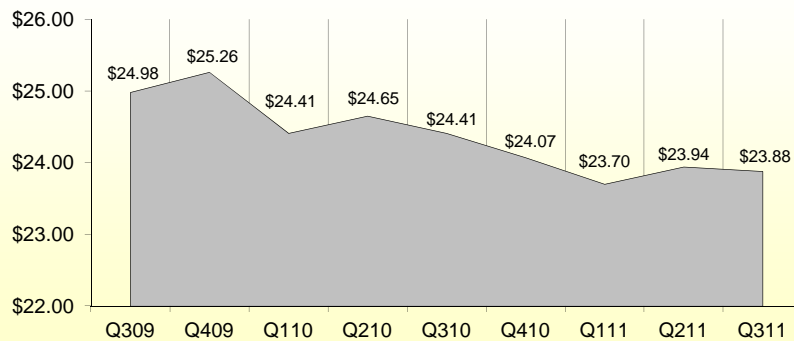


**NET ABSORPTION ON THE RISE** The Greenway Plaza submarket saw a sharp increase in demand, posting 225,817 square feet of positive net absorption during the third quarter of 2011. This marks the second consecutive quarter that the submarket has seen positive demand. Class A properties were responsible for this increase, posting 249,345 square feet of positive net absorption, as The Art Institute of Houston occupied 104,000 square feet at 4140 Southwest Freeway, and Oxy leased 81,000 square feet at 5 Greenway Plaza this quarter. Class B and C properties, however, posted a net loss of 20,541 and 2,954 square feet, respectively. As a result of new tenants moving into the area, vacancy decreased by 210 basis points to 13.8%- reaching its lowest level since 2007.

**ASKING RENTS DECREASE SLIGHTLY** Overall full-service asking rents saw a slight decrease this quarter, dropping by \$0.06 to \$23.88 per square foot. Class A asking rents stand at \$28.27 per square foot while Class B and C asking rents are \$21.27 and \$16.96 per square foot, respectively.

**MARKET SHIFTS** With net absorption on the rise and vacancy on the decline, space demand in the Greenway Plaza submarket is shifting away from the soft environment witnessed earlier this year. As a result, the area is returning to a balanced leasing environment.

### Average Asking Rent



### Vacancy Rate

