

Houston Office Market Snapshot Greenspoint / North Belt

Grubb & Ellis Research
Fourth Quarter 2008



VACANCY INCHES UPWARD The Greenspoint/North Belt submarket posted 31,434 square feet of negative net absorption during the fourth quarter as the year-end figure settled at 83,964 square feet of growth. The quarterly space loss was attributed to Class B and C properties posting 9,342 and 35,219 square feet of negative absorption, respectively. Meanwhile, Class A properties recorded 13,127 square feet of growth during the survey period as the year-end figure rose to 150,007 square feet of black absorption ink. Consequently, overall vacancy increased by 90 basis points to 12.4 percent during the fourth quarter.

OVERALL ASKING RENTS INCREASE During the fourth quarter of 2008, overall full-service asking rents increased by \$0.19 to \$18.83 per square foot per year. Class B full service asking rents rose by \$0.17 to \$18.64 while Class C asking rents improved by \$0.40 to \$15.11 per square foot per year. On the other hand, Class A asking rents fell by \$0.21 to \$22.78 per square foot per year.

OPPORTUNITIES AWAIT TENANTS The area's close proximity to Houston's Bush Intercontinental Airport makes Greenspoint an excellent location for businesses. With overall full-service asking rents sitting \$7.73 per square foot below the citywide average of \$26.56 per square foot per year, tenants may have the opportunity to lock in more favorable deals compared to other submarkets where vacancy sits below 10 percent.

