



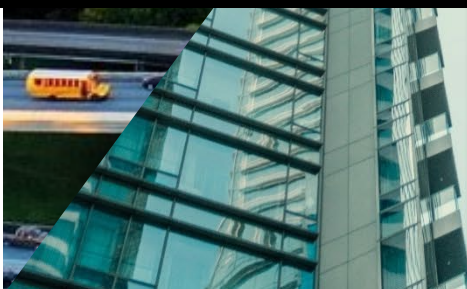
HOUSTON



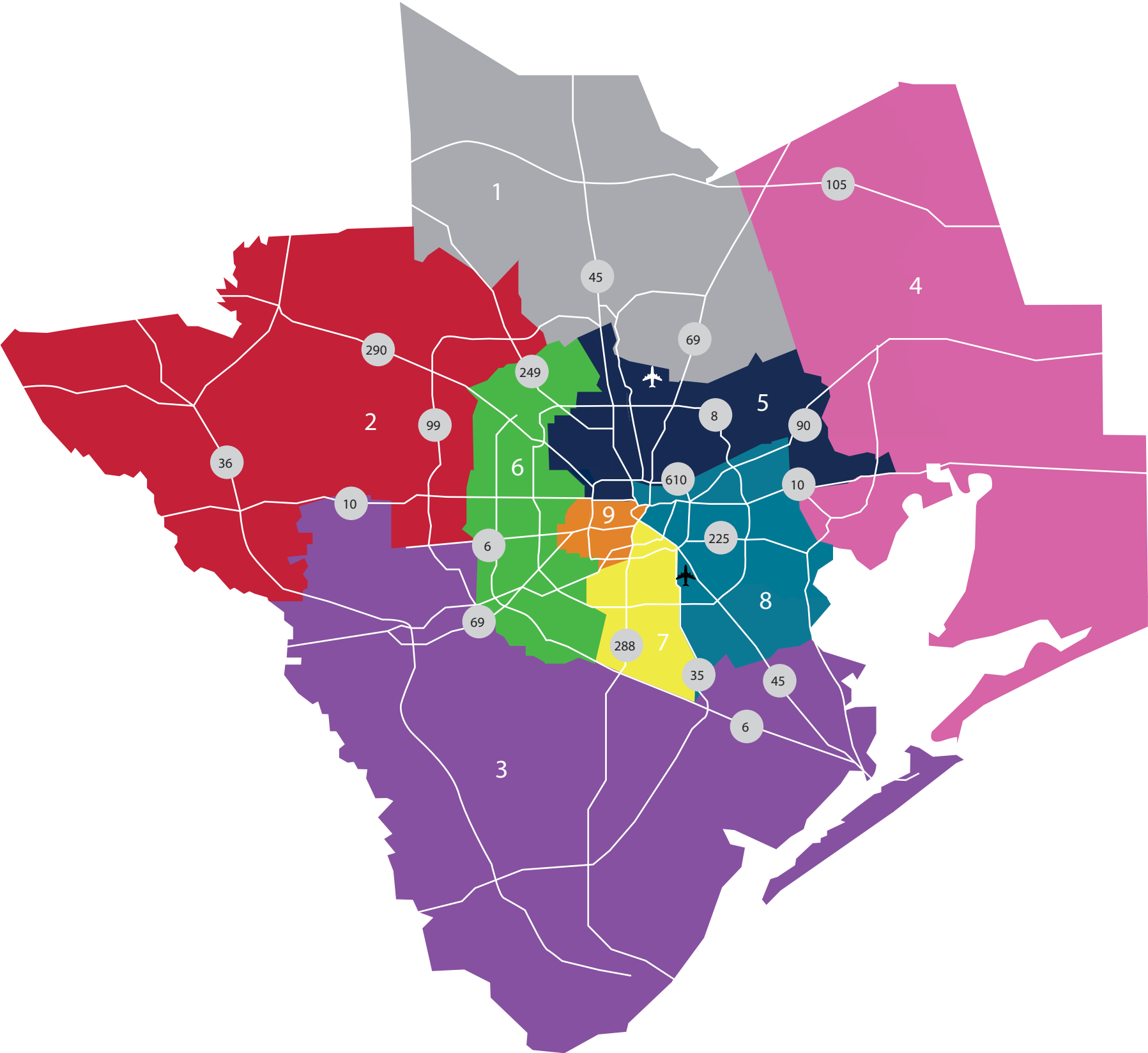
WHITEBOX REAL ESTATE

Q2 2023

OFFICE
MARKET BEAT



Houston
Office
Market
Overview



Legend

- 1 - North Houston
- 2 - West Houston
- 3 - South Houston
- 4 - East Houston
- 5 - North Central Houston
- 6 - West Central Houston
- 7 - South Central Houston
- 8 - East Central Houston
- 9 - Central Houston

- George Bush Intercontinental Airport
- William P. Hobby Airport



Houston Office Overview | Q2 2023

Market Insights:

The Houston Market ended the second quarter of 2023 with a vacancy rate of 18.7%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is (171,951) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$29.11/SF across all classes, increasing from \$28.98/SF in the previous quarter. Over the last 12 months there have been 1,763,542 SF of new construction deliveries, and there is currently 4,965,159 SF under construction in the submarket.

The Houston Market for commercial sales ended the second quarter of 2023 with an average commercial sale price of \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



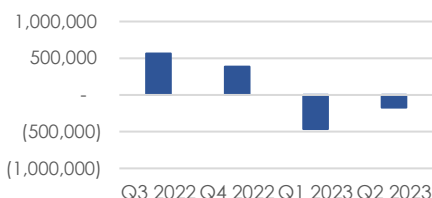
Under Construction

Absorption

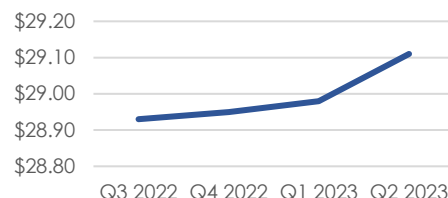


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Houston	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF
Texas	1,081,743,494 SF	213,515,180 SF	10.5%	(704,535) SF	11,199,020 SF	21,121,784 SF	\$26.48/SF
United States	8,400,018,031 SF	1,411,331,170 SF	13.1%	(38,393,176) SF	47,407,155 SF	124,217,632 SF	\$35.14/SF

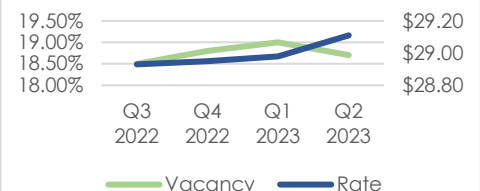
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Market	Total Inventory SF	Vacancy		Availability		12 Month Total SF		SF Under Construction	Rates
		Vacant SF	Vac %	Available SF	Avail %	Net Absorption	Net Deliveries		
Austin County	249,666	3,600	1.4%	3,600	1.4%	(3,600)	0	0	\$25.15
Baytown	1,936,807	292,015	13.5%	169,602	8.8%	(32,224)	0	30,000	\$24.51
Bellaire	5,443,105	991,998	17.8%	857,901	15.8%	(164,196)	0	0	\$26.59
CBD	52,557,249	15,027,914	23.8%	11,808,618	22.5%	129,024	(450,001)	386,323	\$36.54
Conroe	3,089,025	274,185	6.7%	199,078	6.4%	100,692	12,730	6,293	\$27.04
E Fort Bend Co/Sugar Land	10,849,324	2,041,264	15.5%	1,630,738	15.0%	219,776	208,647	92,519	\$28.42
FM 1960/Champions	4,430,990	809,897	14.2%	622,482	14.0%	(77,221)	0	13,527	\$20.62
FM 1960/Hwy 249	11,980,693	3,058,034	19.9%	2,358,036	19.7%	588,977	69,771	363,734	\$27.09
FM 1960/I-45 North	2,452,796	722,091	26.7%	627,799	25.6%	1,242	21,685	0	\$21.80
Galleria/Uptown	16,905,714	5,734,719	31.1%	4,255,439	25.2%	(887,535)	0	0	\$30.90
Greenspoint/IAH	3,301,585	656,192	16.9%	555,280	16.8%	142,002	0	0	\$20.34
Greenspoint/N Belt West	10,580,241	4,801,995	46.1%	4,434,769	41.9%	(117,471)	0	0	\$19.26
Greenway Plaza	13,133,967	3,017,763	20.5%	2,524,327	19.2%	144,317	26,924	0	\$31.11
Gulf Freeway/Pasadena	9,423,817	1,247,274	10.5%	806,088	8.6%	(13,431)	79,868	220,930	\$24.24
I-10 East	1,484,785	179,256	10.7%	153,109	10.3%	(39,535)	0	0	\$23.43
Katy Freeway East	12,976,685	1,304,678	7.9%	893,958	6.9%	92,015	28,000	355,694	\$34.32
Katy Freeway West	28,520,028	7,373,982	21.6%	4,566,674	16.0%	120,896	11,174	0	\$29.43
Katy/Grand Parkway West	6,976,123	1,150,191	11.4%	740,635	10.6%	121,190	70,240	138,695	\$31.16
Kingwood/Humble	4,194,364	421,324	10.0%	384,913	9.2%	(29,698)	14,800	11,670	\$26.85
Liberty County	507,430	36,699	9.4%	26,158	5.2%	(480)	1,944	0	\$21.51
Midtown	11,239,366	1,535,033	11.3%	1,191,522	10.6%	(29,054)	40,000	15,000	\$31.54
NASA/Clear Lake	10,679,010	1,493,847	10.0%	1,027,434	9.6%	217,851	327,464	657,700	\$25.53
North Loop West	6,605,764	1,079,445	14.8%	836,698	12.7%	166,090	5,609	6,413	\$23.63
Northeast Near	2,348,368	151,177	5.4%	84,310	3.6%	4,810	0	0	\$25.33
Northeast Outlier	1,050,188	82,394	7.5%	79,144	7.5%	(34,321)	13,003	0	\$27.83
Northwest Far	4,735,269	981,760	17.2%	802,954	17.0%	104,452	156,245	0	\$20.84
Northwest Near	1,585,843	186,571	7.9%	122,393	7.7%	36,317	10,274	0	\$20.97
Northwest Outlier	3,075,603	477,398	11.9%	358,074	11.6%	65,121	180,549	226,320	\$29.43
Outlying Chambers County	189,125	12,700	6.7%	12,700	6.7%	(11,500)	0	10,000	\$25.86
Outlying Montgomery Cnty	2,037,572	319,461	10.9%	215,499	10.6%	107,294	147,293	34,973	\$26.52
Outlying Waller County	137,782	6,500	4.7%	6,500	4.7%	(4,255)	0	0	\$25.01
Post Oak Park	4,859,773	1,055,586	24.5%	962,177	19.8%	69,568	5,450	0	\$32.48
Richmond/Fountainview	2,180,212	201,183	9.0%	186,397	8.5%	8,661	(40,457)	0	\$22.04
Riverway	3,325,310	1,014,624	24.4%	800,239	24.1%	(35,269)	0	0	\$26.92
San Felipe/Voss	5,623,968	1,672,746	28.5%	1,527,935	27.2%	(83,785)	0	0	\$26.43
South	3,891,707	452,652	8.8%	334,568	8.6%	131,085	134,470	70,075	\$28.90
South Hwy 35	859,255	59,271	6.0%	51,454	6.0%	6,571	1,400	0	\$25.10
South Main/Medical Center	14,673,938	1,967,283	10.6%	1,397,747	9.5%	9,556	265,000	1,547,759	\$31.07
Southeast Outlier	5,125,646	294,715	4.8%	228,957	4.5%	(37,926)	14,151	4,000	\$24.15
Southwest Beltway 8	7,732,772	1,344,485	15.2%	1,078,291	13.9%	31,141	70,647	157,437	\$19.69
Southwest Far	2,082,671	332,507	14.8%	307,620	14.8%	(9,189)	0	0	\$27.02
Southwest Outlier	2,421,893	443,383	13.4%	321,757	13.3%	69,046	136,604	123,255	\$27.37
Southwest/Hillcroft	5,433,348	756,560	13.6%	608,385	11.2%	34,323	(3,156)	0	\$18.59
The Woodlands	24,474,069	4,020,393	12.9%	2,661,284	10.9%	421,703	138,373	472,842	\$32.33
West Belt	7,018,191	2,166,395	24.4%	1,584,866	22.6%	(170,301)	40,621	0	\$28.78
Westchase	18,388,686	5,673,469	27.6%	4,592,374	25.0%	(356,726)	24,220	20,000	\$27.86
Total	352,769,723	76,926,609	14.8%	59,000,483	13.5%	-171,951	1,763,542	4,965,159	\$26.34

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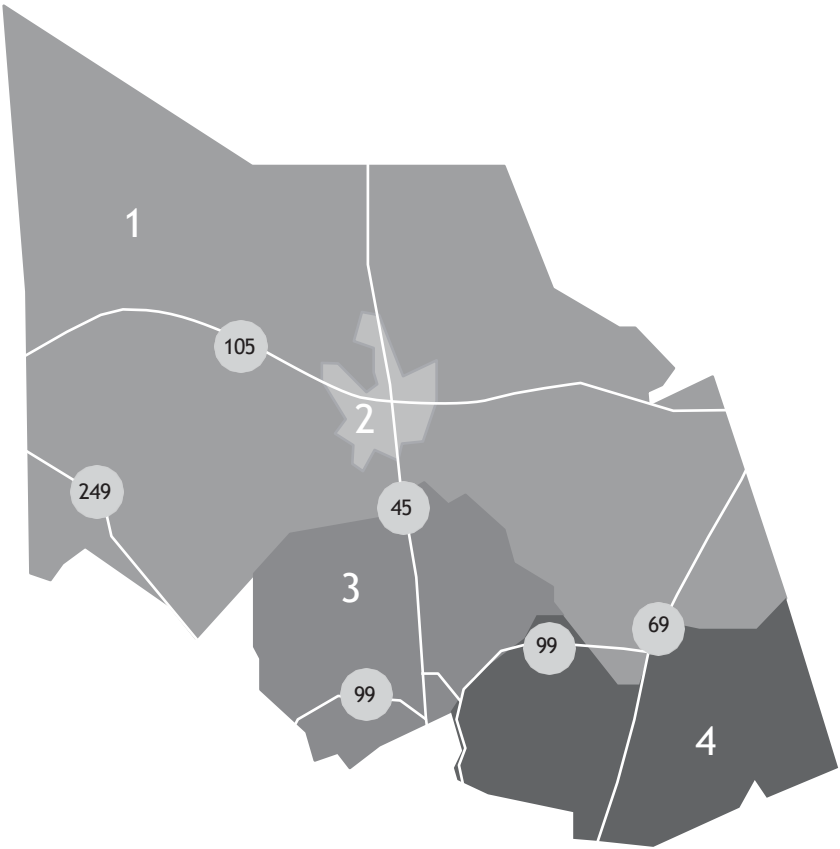
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North
Houston
Office Market
Overview



Legend

1 - Outlying Montgomery County

2 - Conroe

3 - The Woodlands

4 - Kingwood /Humble

Outlying Montgomery County | Q2 2023

Market Insights:

The Outlying Montgomery County Submarket ended the second quarter of 2023 with a vacancy rate of 10.9%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is 107,294 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$26.52/SF across all classes, increasing from \$26.34/SF in the previous quarter. Over the last 12 months there have been 147,293 SF of new construction deliveries, and there is currently 34,973 SF under construction in the submarket.

Outlying Montgomery County commercial sales ended the second quarter of 2023 at \$179.71/SF, decreasing from \$197.80/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



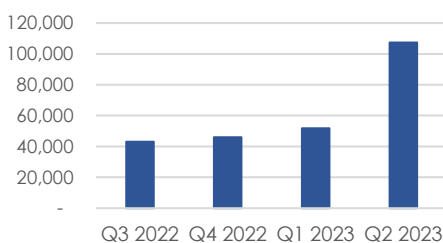
Under Construction

Absorption

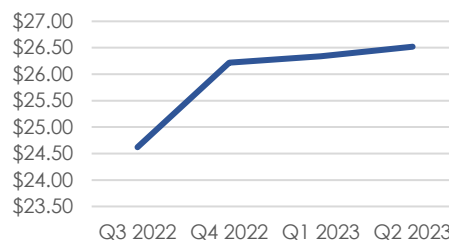


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Outlying Montgomery County	2,037,572 SF	319,461 SF	10.9%	107,294 SF	147,293 SF	34,973 SF	\$26.52/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

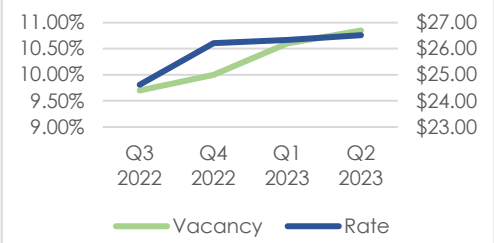
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Conroe | Q2 2023

Market Insights:

The Conroe Submarket ended the second quarter of 2023 with a vacancy rate of 6.7%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 100,692 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$27.04/SF across all classes, increasing from \$26.39/SF in the previous quarter. Over the last 12 months there have been 12,730 SF of new construction deliveries, and there is currently 6,293 SF under construction in the submarket.

Conroe commercial sales ended the second quarter of 2023 at \$190.49/SF, decreasing from \$203.94/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



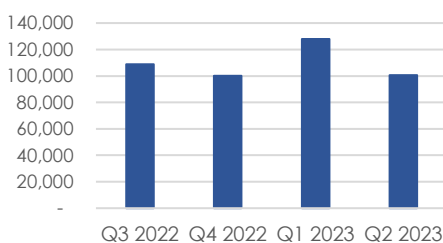
Under Construction

Absorption

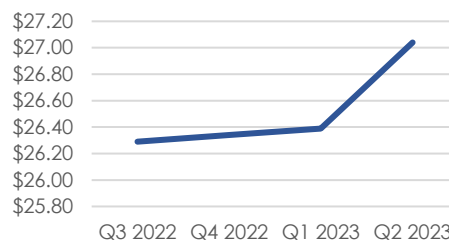


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Conroe	3,089,025 SF	274,185 SF	6.7%	100,692 SF	12,730 SF	6,293 SF	\$27.04/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

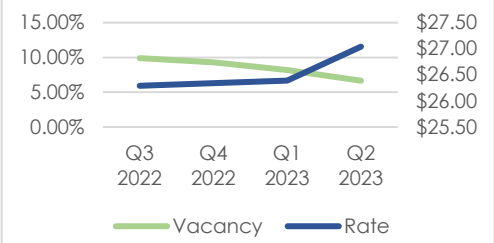
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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The Woodlands | Q2 2023

Market Insights:

The The Woodlands Submarket ended the second quarter of 2023 with a vacancy rate of 12.9%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 421,703 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$32.33/SF across all classes, decreasing from \$32.35/SF in the previous quarter. Over the last 12 months there have been 138,373 SF of new construction deliveries, and there is currently 472,842 SF under construction in the submarket.

The Woodlands commercial sales ended the second quarter of 2023 at \$289.86/SF, decreasing from \$310.59/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 7.3%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy

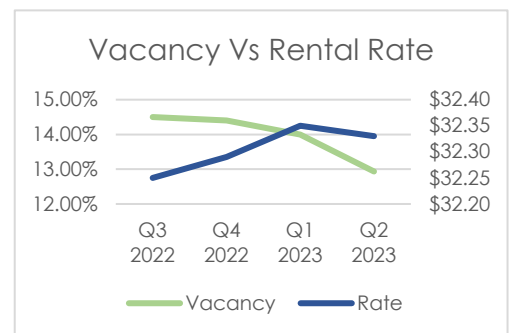
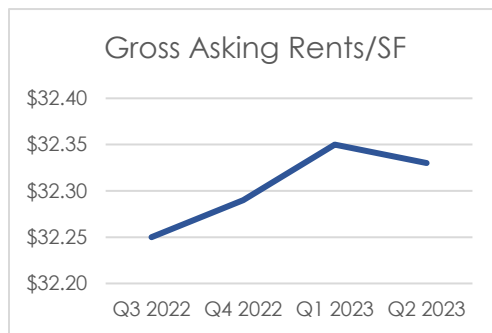
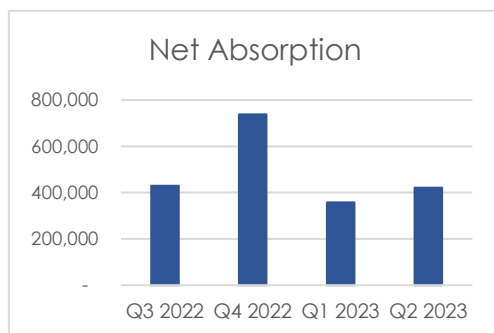


Under Construction

Absorption



	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
The Woodlands	24,474,069 SF	4,020,393 SF	12.9%	421,703 SF	138,373 SF	472,842 SF	\$32.33/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF



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Kingwood/Humble | Q2 2023

Market Insights:

The Kingwood / Humble Submarket ended the second quarter of 2023 with a vacancy rate of 10.0%. The vacancy rate remained the same from the previous quarter, and the net absorption rate over the last 12 months is (29,698) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$26.85/SF across all classes, increasing from \$26.44/SF in the previous quarter. Over the last 12 months there have been 14,800 SF of new construction deliveries, and there is currently 11,670 SF under construction in the submarket.

Kingwood / Humble commercial sales ended the second quarter of 2023 at \$196.69/SF, decreasing from \$213.59/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy

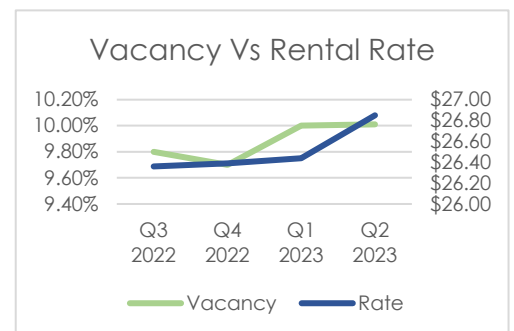
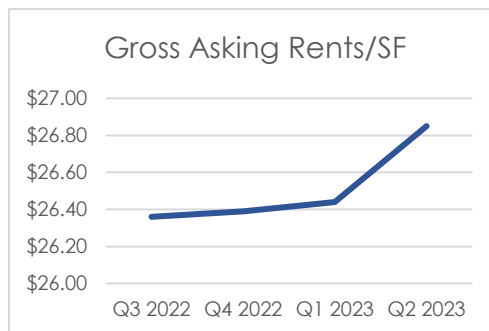
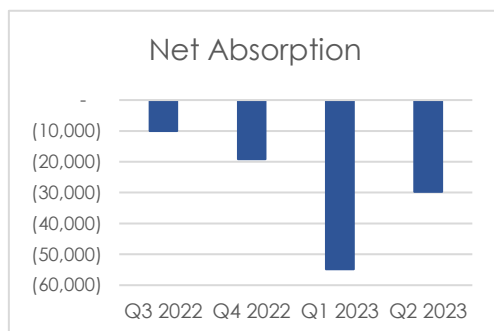


Under Construction

Absorption



	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Kingwood / Humble	4,194,364 SF	421,324 SF	10.0%	(29,698) SF	14,800 SF	11,670 SF	\$26.85/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF



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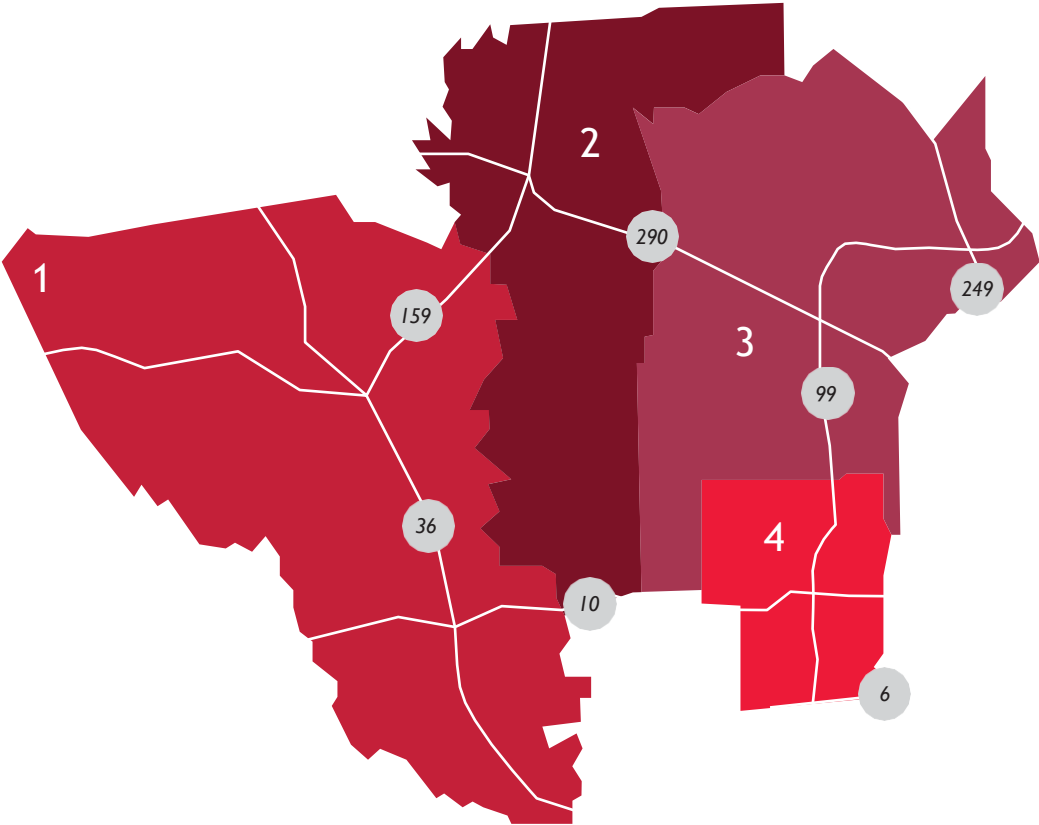
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West
Houston
Office Market
Overview



Legend

1 - Austin County

2 - Outlying Waller County

3 - Northwest Outlier

4 - Katy / Grand Parkway W

Austin County | Q2 2023

Market Insights:

The Austin County Submarket ended the second quarter of 2023 with a vacancy rate of 1.4%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is (3,600) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$25.15/SF across all classes, increasing from \$24.34/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is no construction currently underway in the submarket.

Austin County commercial sales ended the second quarter of 2023 at \$146.69/SF, decreasing from \$163.18/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



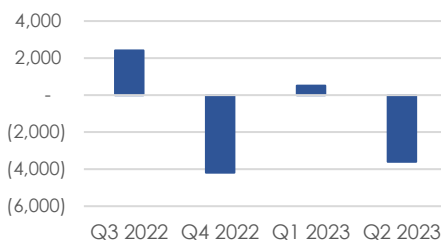
Under Construction

Absorption

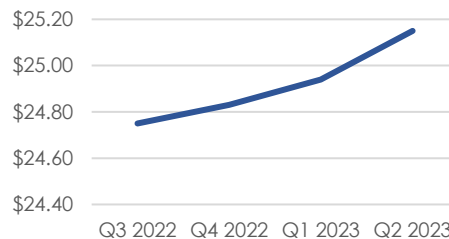


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Austin County	249,666 SF	3,600 SF	1.4%	(3,600) SF	0 SF	0 SF	\$25.15/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

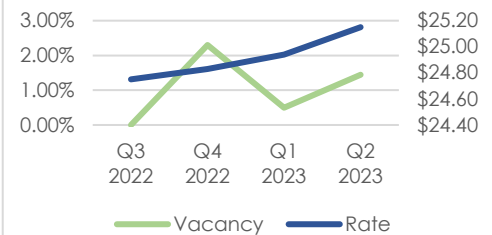
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Outlying Waller County | Q2 2023

Market Insights:

The Outlying Waller County Submarket ended the second quarter of 2023 with a vacancy rate of 4.7%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is (4,255) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$25.01/SF across all classes, increasing from \$24.80/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is no construction currently underway in the submarket.

Outlying Waller County commercial sales ended the second quarter of 2023 at \$161.33/SF, decreasing from \$179.02/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



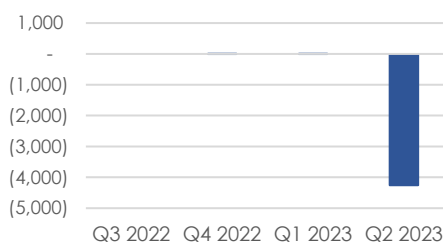
Under Construction

Absorption

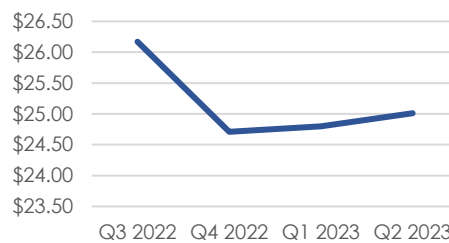


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Outlying Waller County	137,782 SF	6,500 SF	4.7%	(4,255) SF	0 SF	0 SF	\$25.01/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

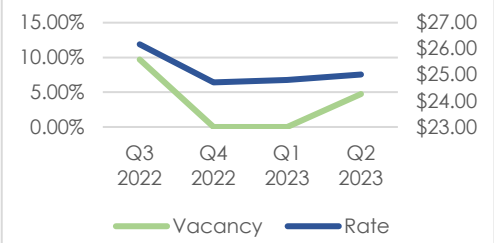
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Northwest Outlier | Q2 2023

Market Insights:

The Northwest Outlier Submarket ended the second quarter of 2023 with a vacancy rate of 11.9%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 65,121 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$29.43/SF across all classes, decreasing from \$29.47/SF in the previous quarter. Over the last 12 months there have been 180,549 SF of new construction deliveries, and there is currently 226,320 SF under construction in the submarket.

Northwest Outlier commercial sales ended the second quarter of 2023 at \$207.73/SF, decreasing from \$210.94/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



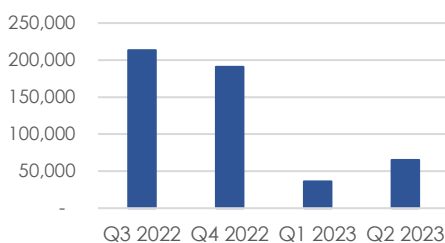
Under Construction

Absorption

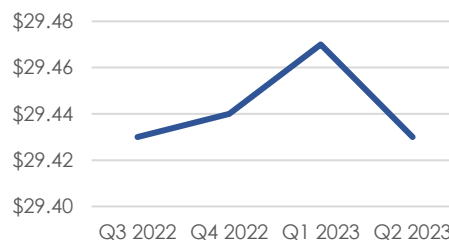


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Northwest Outlier	3,075,603 SF	477,398 SF	11.9%	65,121 SF	180,549 SF	226,320 SF	\$29.43/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

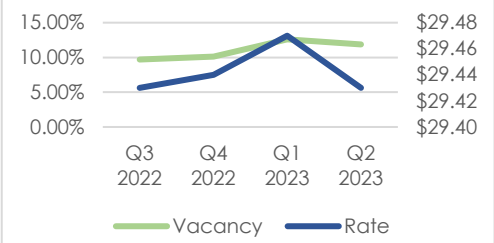
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Katy / Grand Parkway West | Q2 2023

Market Insights:

The Katy / Grand Parkway West Submarket ended the second quarter of 2023 with a vacancy rate of 11.4%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is 121,190 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$31.16/SF across all classes, increasing from \$31.03/SF in the previous quarter. Over the last 12 months there have been 70,240 SF of new construction deliveries, and there is currently 138,695 SF under construction in the submarket.

Katy / Grand Parkway West commercial sales ended the second quarter of 2023 at \$216.22/SF, decreasing from \$241.08/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



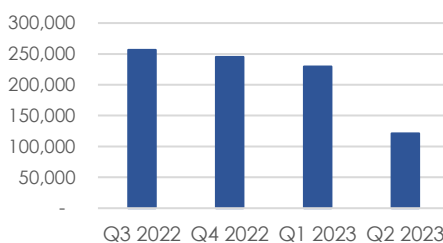
Under Construction

Absorption

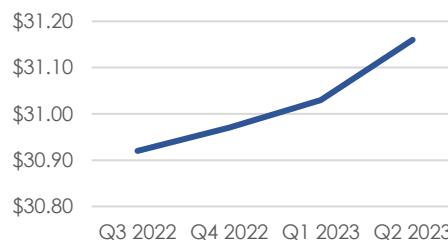


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Katy / Grand Parkway West	6,976,123 SF	1,150,191 SF	11.4%	121,190 SF	70,240 SF	138,695 SF	\$31.16/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

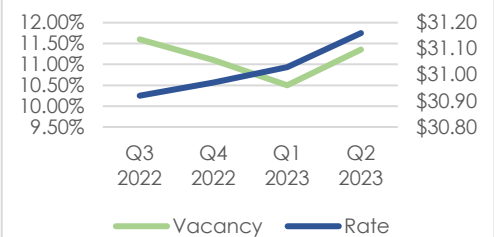
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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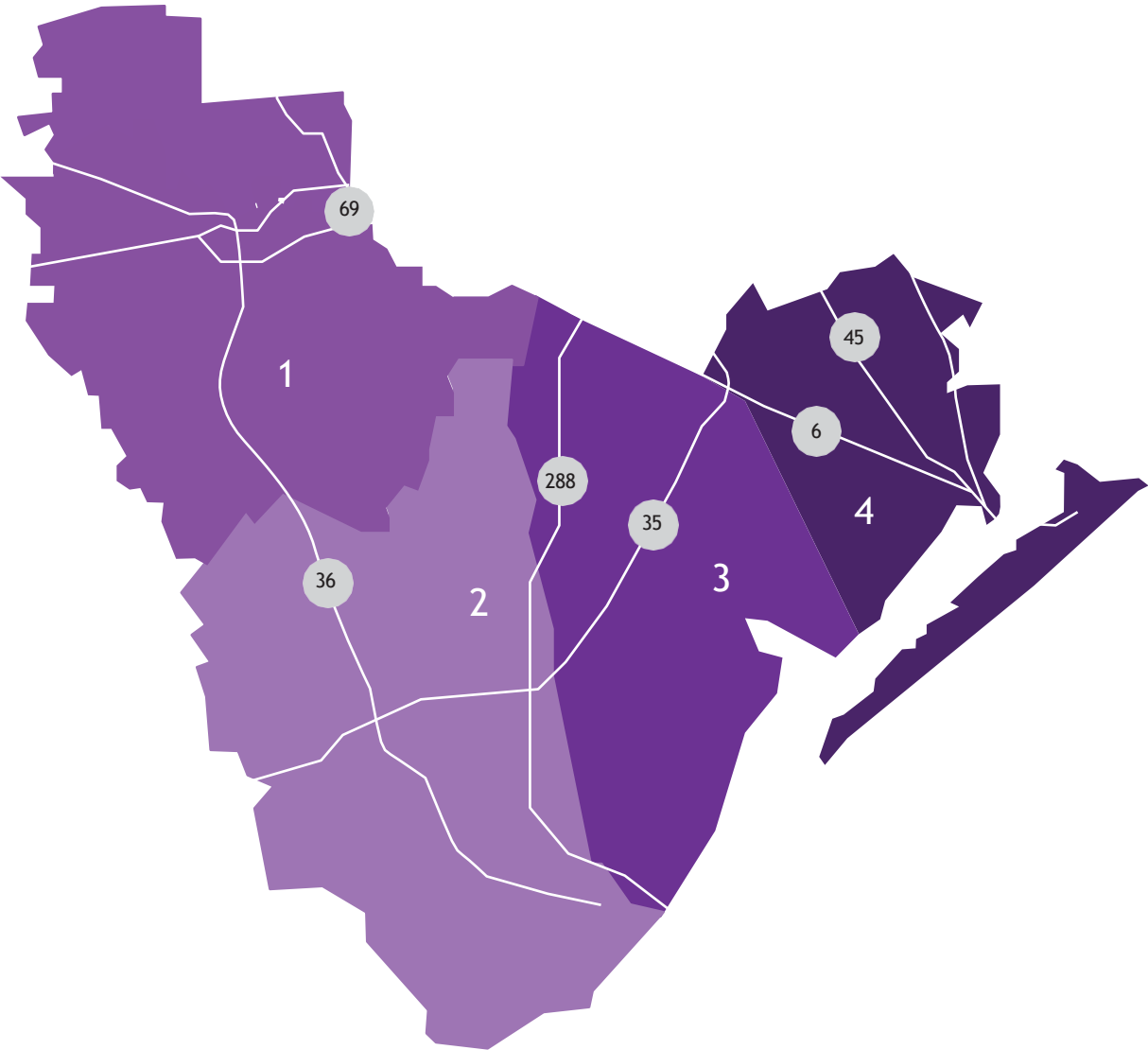
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South Houston
Office
Market
Overview



Legend

1 - Southwest Outlier

2 - Southwest Far

3 - South Highway 35

4 - Southeast Outlier

Southwest Outlier | Q2 2023

Market Insights:

The Southwest Outlier Submarket ended the second quarter of 2023 with a vacancy rate of 13.4%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is 69,046 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$27.37/SF across all classes, increasing from \$27.17/SF in the previous quarter. Over the last 12 months there have been 136,604 SF of new construction deliveries, and there is currently 123,255 SF under construction in the submarket.

Southwest Outlier commercial sales ended the second quarter of 2023 at \$209.91/SF, decreasing from \$233.83/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



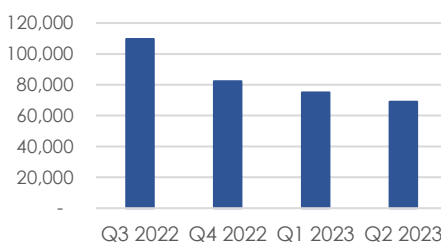
Under Construction

Absorption

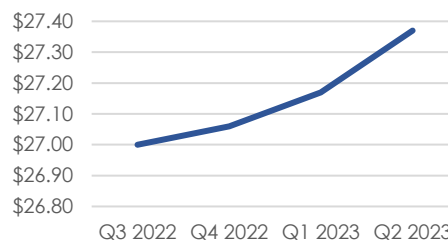


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Southwest Outlier	2,421,893 SF	443,383 SF	13.4%	69,046 SF	136,604 SF	123,255 SF	\$27.37/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

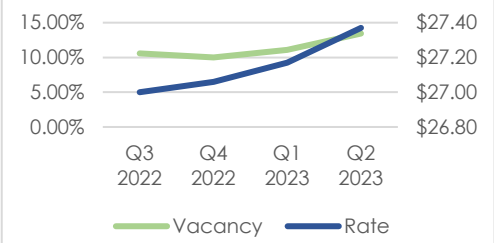
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Southwest Far | Q2 2023

Market Insights:

The Southwest Far Submarket ended the second quarter of 2023 with a vacancy rate of 14.8%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is (9,189) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$27.02/SF across all classes, decreasing from \$27.39/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is no construction currently underway in the submarket.

Southwest Far commercial sales ended the second quarter of 2023 at \$195.74/SF, decreasing from \$218.16/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy

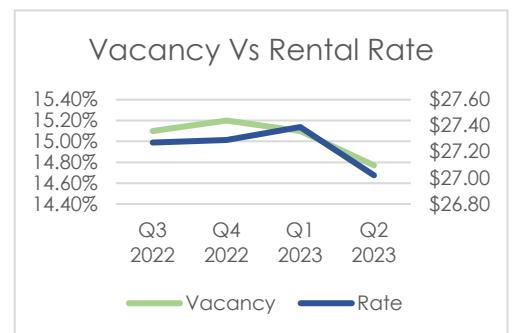
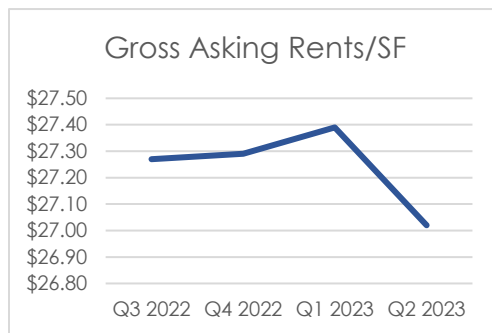
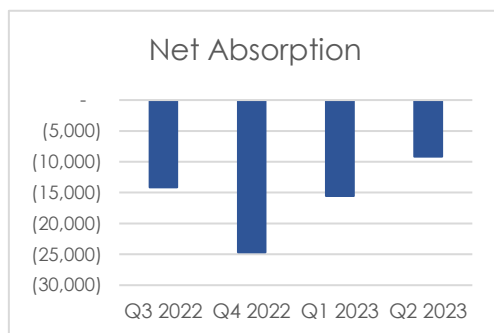


Under Construction

Absorption



	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Southwest Far	2,082,671 SF	332,507 SF	14.8%	(9,189) SF	0 SF	0 SF	\$27.02/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF



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South Hwy 35 | Q2 2023

Market Insights:

The South Hwy 35 Submarket ended the second quarter of 2023 with a vacancy rate of 6.0%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 6,571 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$25.10/SF across all classes, increasing from \$24.42/SF in the previous quarter. Over the last 12 months there have been 1,400 SF of new construction deliveries, and there is no construction currently underway in the submarket.

South Hwy 35 commercial sales ended the second quarter of 2023 at \$117.04/SF, decreasing from \$126.71/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



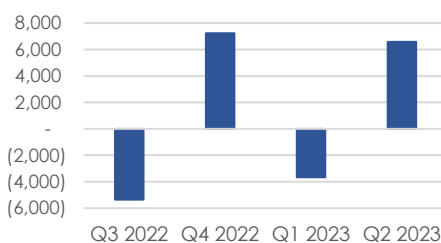
Under Construction

Absorption

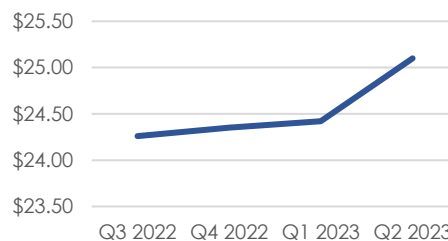


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
South Hwy 35	859,255 SF	59,271 SF	6.0%	6,571 SF	1,400 SF	0 SF	\$25.10/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

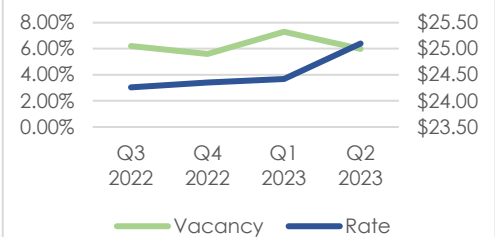
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Southeast Outlier | Q2 2023

Market Insights:

The Southeast Outlier Submarket ended the second quarter of 2023 with a vacancy rate of 4.8%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is (37,926) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$24.15/SF across all classes, increasing from \$24.02/SF in the previous quarter. Over the last 12 months there have been 14,151 SF of new construction deliveries, and there is currently 4,000 SF under construction in the submarket.

Southeast Outlier commercial sales ended the second quarter of 2023 at \$174.92/SF, decreasing from \$191.92/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



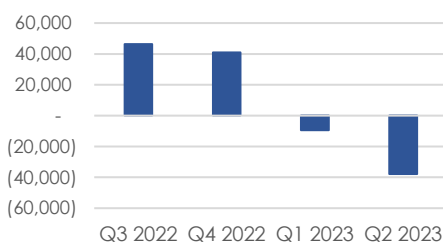
Under Construction

Absorption

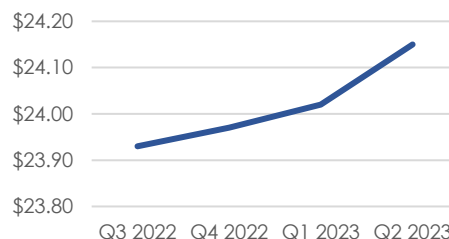


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Southeast Outlier	5,125,646 SF	294,715 SF	4.8%	(37,926) SF	14,151 SF	4,000 SF	\$24.15/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

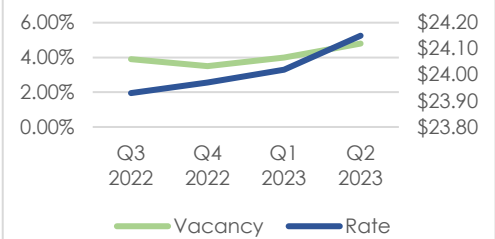
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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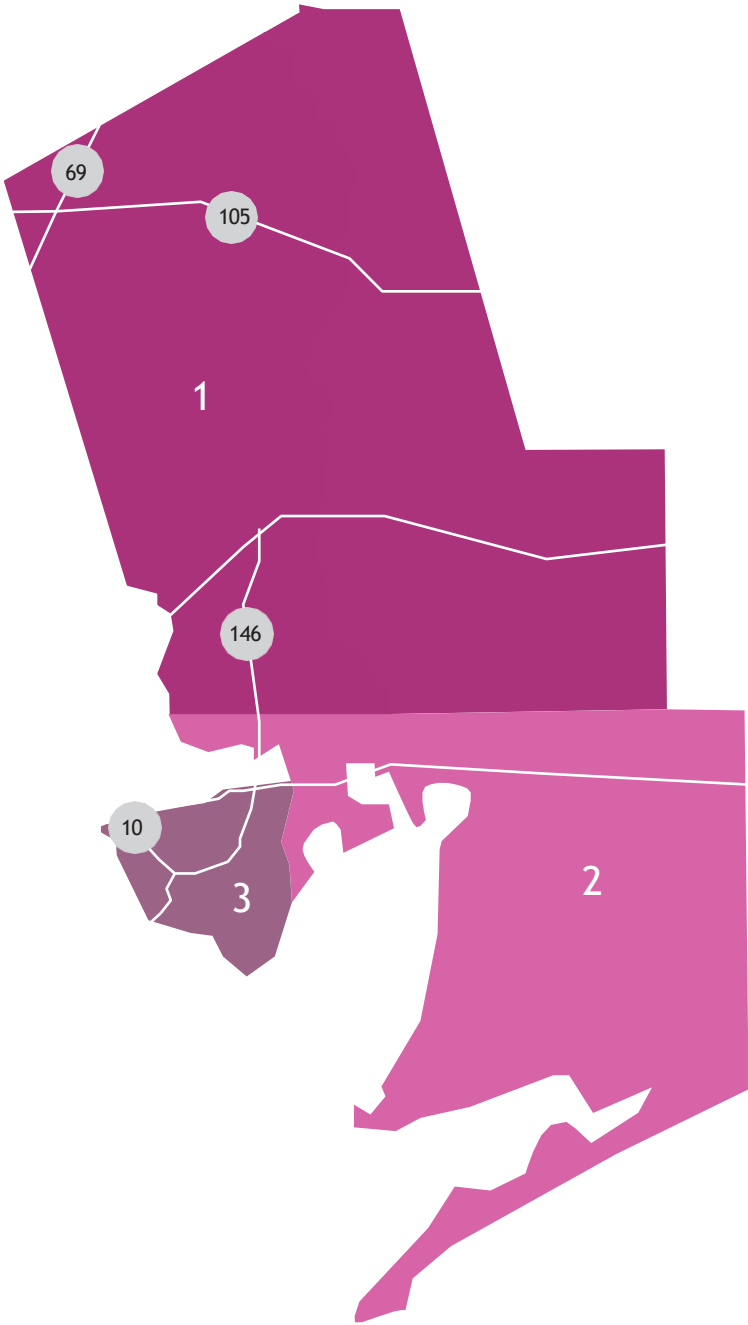
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East Central
Houston
Office Market
Overview



Legend

1 - Liberty County

2 - Outlying Chambers County

3 - Baytown

N

Liberty County | Q2 2023

Market Insights:

The Liberty County Submarket ended the second quarter of 2023 with a vacancy rate of 9.4%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is (480) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$21.51/SF across all classes, decreasing from \$21.78/SF in the previous quarter. Over the last 12 months there have been 1,944 SF of new construction deliveries, and there is no construction currently underway in the submarket.

Liberty County commercial sales ended the second quarter of 2023 at \$137.65/SF, decreasing from \$153.57/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



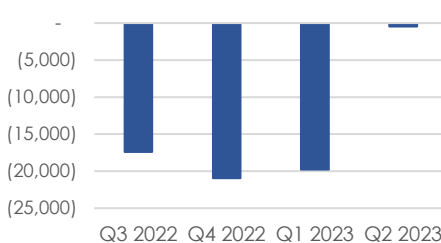
Under Construction

Absorption

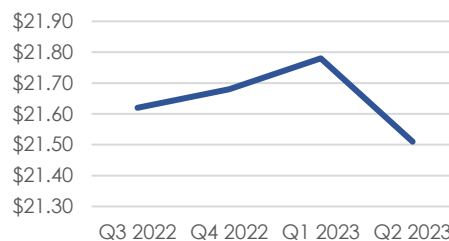


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Liberty County	507,430 SF	36,699 SF	9.4%	(480) SF	1,944 SF	0 SF	\$21.51/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

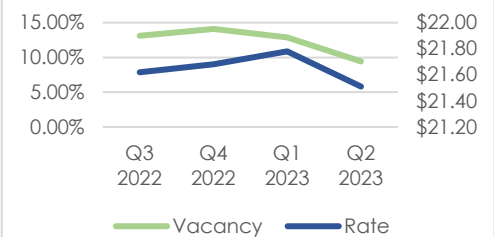
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Outlying Chambers County | Q2 2023

Market Insights:

The Outlying Chambers County Submarket ended the second quarter of 2023 with a vacancy rate of 6.7%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is (11,500) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$25.86/SF across all classes, increasing from \$25.57/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is currently 10,000 SF under construction in the submarket.

Outlying Chambers County commercial sales ended the second quarter of 2023 at \$157.36/SF, decreasing from \$174.64/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



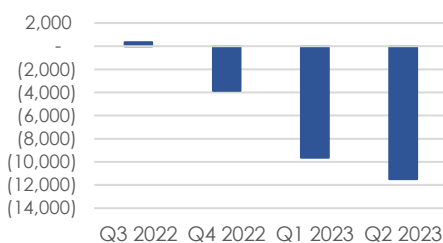
Under Construction

Absorption

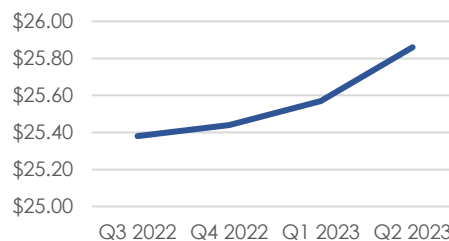


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Outlying Chambers County	189,125 SF	12,700 SF	6.7%	(11,500) SF	0 SF	10,000 SF	\$25.86/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

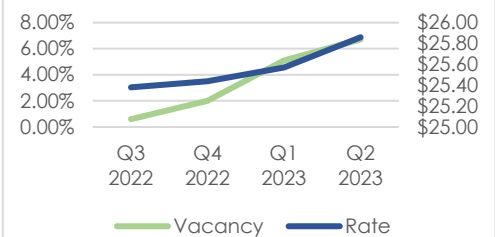
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Baytown | Q2 2023

Market Insights:

The Baytown Submarket ended the second quarter of 2023 with a vacancy rate of 13.5%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is (32,224) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$24.51/SF across all classes, increasing from \$24.11/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is currently 30,000 SF under construction in the submarket.

Baytown commercial sales ended the second quarter of 2023 at \$147.10/SF, decreasing from \$161.28/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



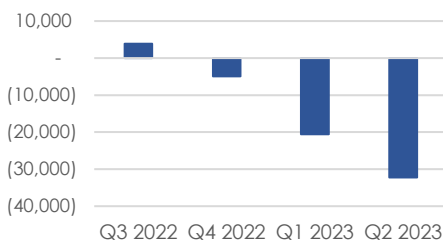
Under Construction

Absorption

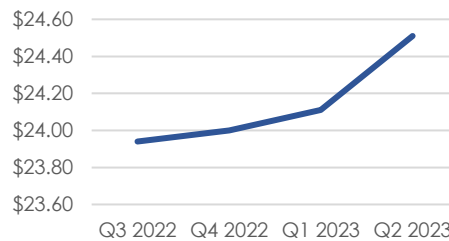


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Baytown	1,936,807 SF	292,015 SF	13.5%	(32,224) SF	0 SF	30,000 SF	\$24.51/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

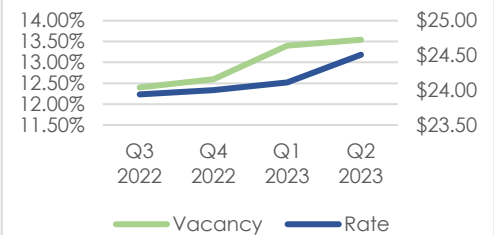
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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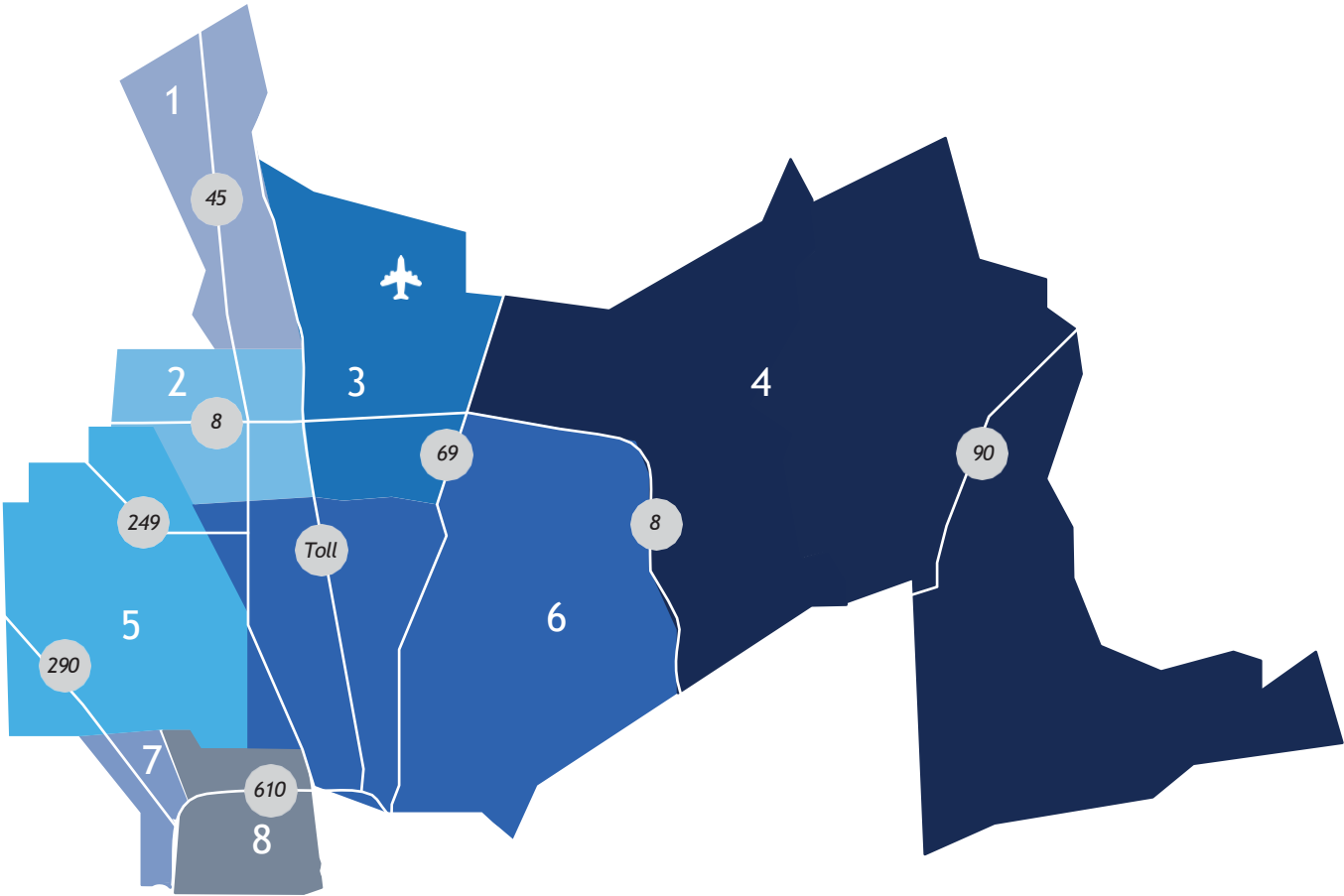
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North Central
Houston
Office Market
Overview



Legend

	1 - FM 1960 / I-45 North
	2 - Greenspoint / N Belt West
	3 - Greenspoint / IAH
	4 - Northeast Outlier
	5 - Northwest Far
	6 - Northeast Near
	7 - Northwest Near
	8 - North Loop West
	George Bush Intercontinental Airport
	

FM 1960 / I-45 North | Q2 2023

Market Insights:

The FM 1960 / I-45 North Submarket ended the second quarter of 2023 with a vacancy rate of 26.7%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is 1,242 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$21.80/SF across all classes, increasing from \$21.47/SF in the previous quarter. Over the last 12 months there have been 21,685 SF of new construction deliveries, and there is no construction currently underway in the submarket.

FM 1960 / I-45 North commercial sales ended the second quarter of 2023 at \$140.95/SF, increasing from \$140.20/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



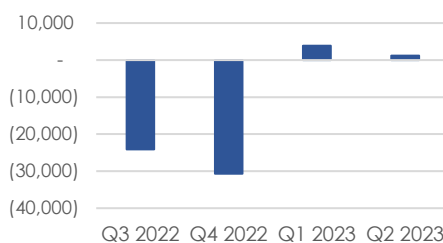
Under Construction

Absorption

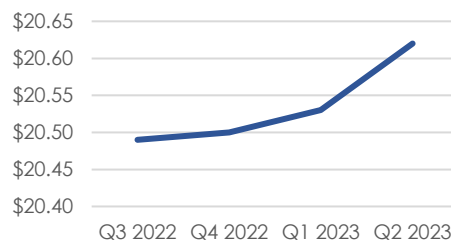


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
FM 1960 / I-45 North	2,452,796 SF	722,091 SF	26.7%	1,242 SF	21,685 SF	0 SF	\$21.80/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

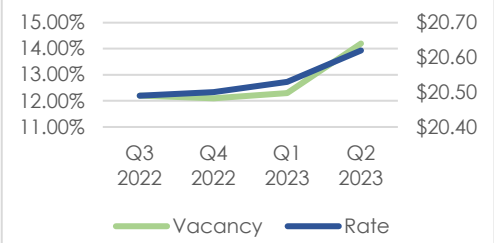
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Greenspoint / N Belt West | Q2 2023

Market Insights:

The Greenspoint / N Belt West Submarket ended the second quarter of 2023 with a vacancy rate of 46.1%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is (117,471) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$19.26/SF across all classes, increasing from \$19.13/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is no construction currently underway in the submarket.

Greenspoint / N Belt West commercial sales ended the second quarter of 2023 at \$124.06/SF, decreasing from \$131.27/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



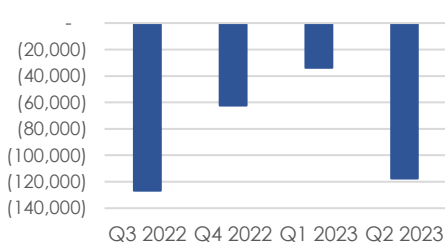
Under Construction

Absorption

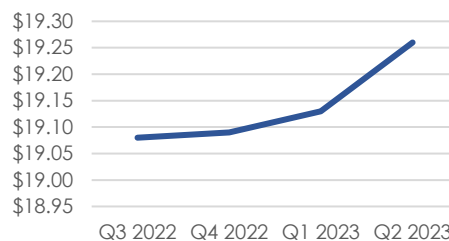


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Greenspoint/N Belt West	10,580,241 SF	4,801,995 SF	46.1%	(117,471) SF	0 SF	0 SF	\$19.26/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

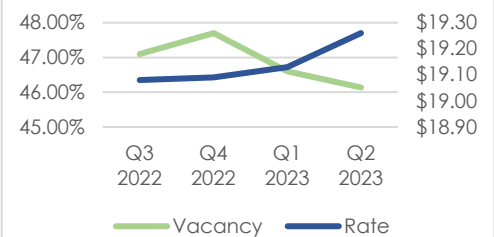
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Greenspoint / IAH | Q2 2023

Market Insights:

The Greenspoint / IAH Submarket ended the second quarter of 2023 with a vacancy rate of 16.9%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 142,002 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$20.34/SF across all classes, increasing from \$19.87/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is no construction currently underway in the submarket.

Greenspoint / IAH commercial sales ended the second quarter of 2023 at \$135.00/SF, decreasing from \$143.90/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy

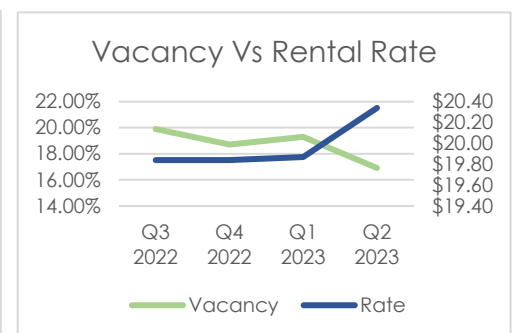
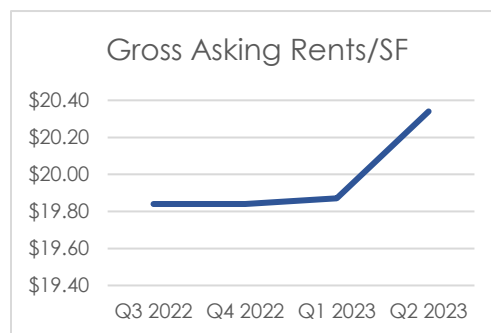
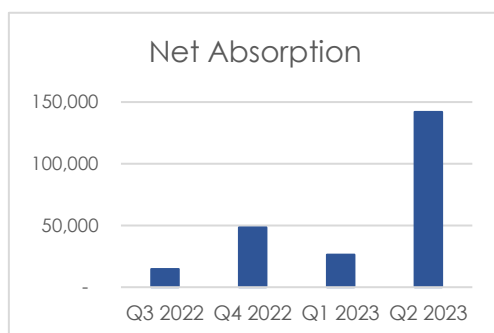


Under Construction

Absorption



	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Greenspoint / IAH	3,301,585 SF	656,192 SF	16.9%	142,002 SF	0 SF	0 SF	\$20.34/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF



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Northeast Outlier | Q2 2023

Market Insights:

The Northeast Outlier Submarket ended the second quarter of 2023 with a vacancy rate of 7.5%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is (34,321) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$27.83/SF across all classes, increasing from \$27.49/SF in the previous quarter. Over the last 12 months there have been 13,003 SF of new construction deliveries, and there is no construction currently underway in the submarket.

Northeast Outlier commercial sales ended the second quarter of 2023 at \$179.02/SF, decreasing from \$196.24/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



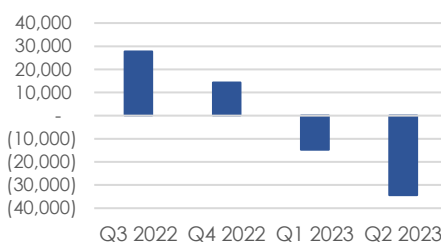
Under Construction

Absorption

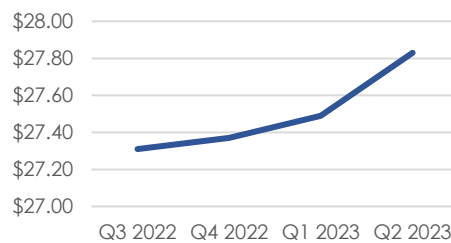


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Northeast Outlier	1,050,188 SF	82,394 SF	7.5%	(34,321) SF	13,003 SF	0 SF	\$27.83/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

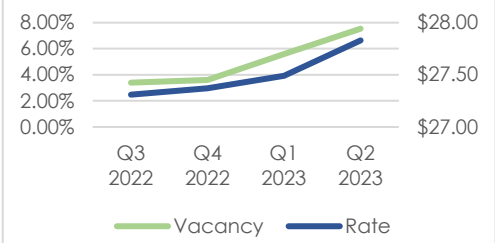
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Northwest Far | Q2 2023

Market Insights:

The Northwest Far Submarket ended the second quarter of 2023 with a vacancy rate of 17.2%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is 104,452 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$20.84/SF across all classes, increasing from \$20.52/SF in the previous quarter. Over the last 12 months there have been 156,245 SF of new construction deliveries, and there is no construction currently underway in the submarket.

Northwest Far commercial sales ended the second quarter of 2023 at \$139.91/SF, decreasing from \$154.83/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



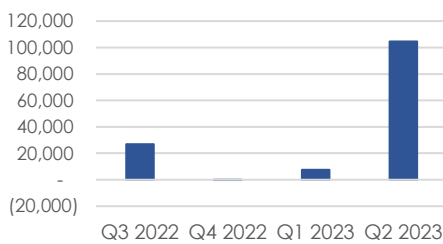
Under Construction

Absorption

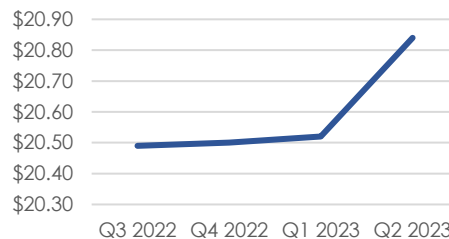


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Northwest Far	4,735,269 SF	981,760 SF	17.2%	104,452 SF	156,245 SF	0 SF	\$20.84/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

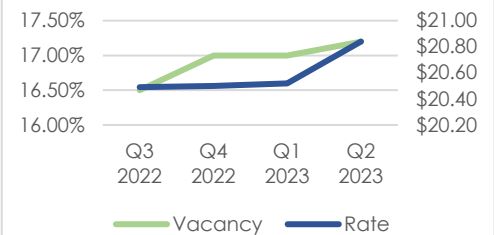
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Northeast Near | Q2 2023

Market Insights:

The Northeast Near Submarket ended the second quarter of 2023 with a vacancy rate of 5.4%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 4,810 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$25.33/SF across all classes, decreasing from \$25.72/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is no construction currently underway in the submarket.

Northeast Near commercial sales ended the second quarter of 2023 at \$175.48/SF, decreasing from \$195.83/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



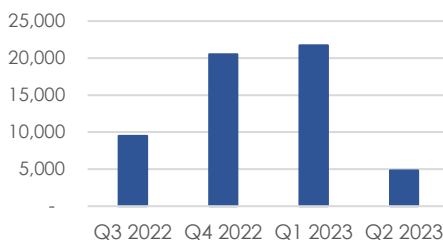
Under Construction

Absorption

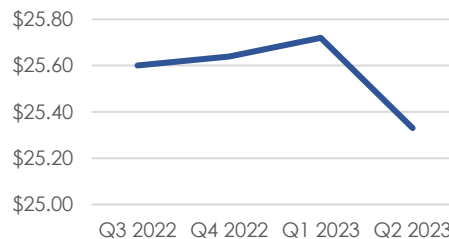


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Northeast Near	2,348,368 SF	151,177 SF	5.4%	4,810 SF	0 SF	0 SF	\$25.33/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

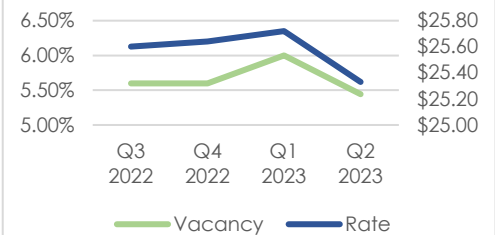
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Northwest Near | Q2 2023

Market Insights:

The Northwest Near Submarket ended the second quarter of 2023 with a vacancy rate of 7.9%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is 36,317 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$20.97/SF across all classes, increasing from \$20.66/SF in the previous quarter. Over the last 12 months there have been 10,274 SF of new construction deliveries, and there is no construction currently underway in the submarket.

Northwest Near commercial sales ended the second quarter of 2023 at \$143.05/SF, decreasing from \$164.66/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



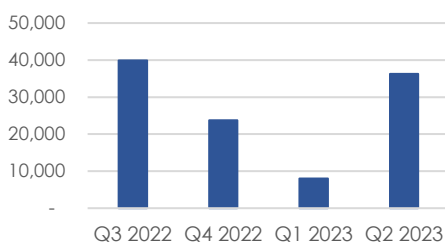
Under Construction

Absorption

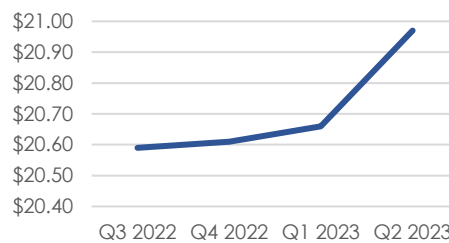


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Northwest Near	1,585,843 SF	186,571 SF	7.9%	36,317 SF	10,274 SF	0 SF	\$20.97/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

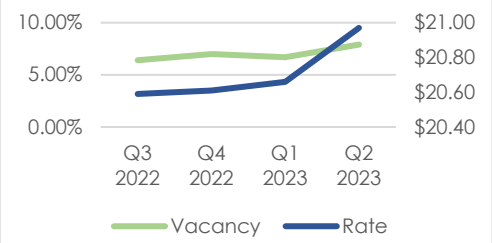
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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North Loop West | Q2 2023

Market Insights:

The North Loop West Submarket ended the second quarter of 2023 with a vacancy rate of 14.8%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 166,090 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$23.63/SF across all classes, decreasing from \$23.89/SF in the previous quarter. Over the last 12 months there have been 5,609 SF of new construction deliveries, and there is currently 6,413 SF under construction in the submarket.

North Loop West commercial sales ended the second quarter of 2023 at \$156.88/SF, decreasing from \$183.20/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



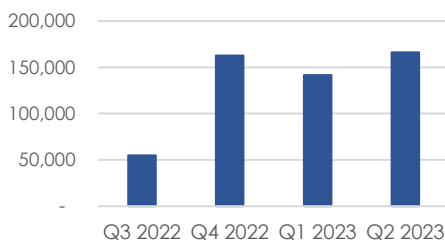
Under Construction

Absorption

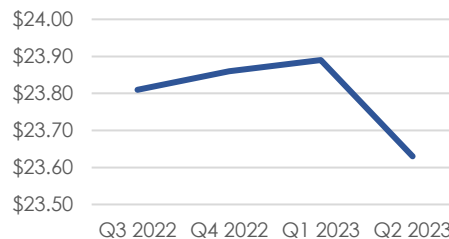


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
North Loop West	6,605,764 SF	1,079,445 SF	14.8%	166,090 SF	5,609 SF	6,413 SF	\$23.63/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

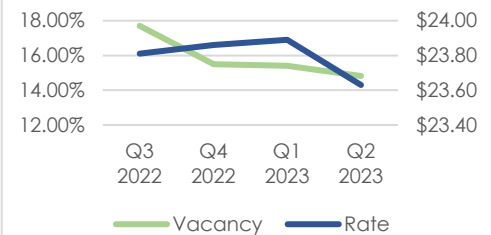
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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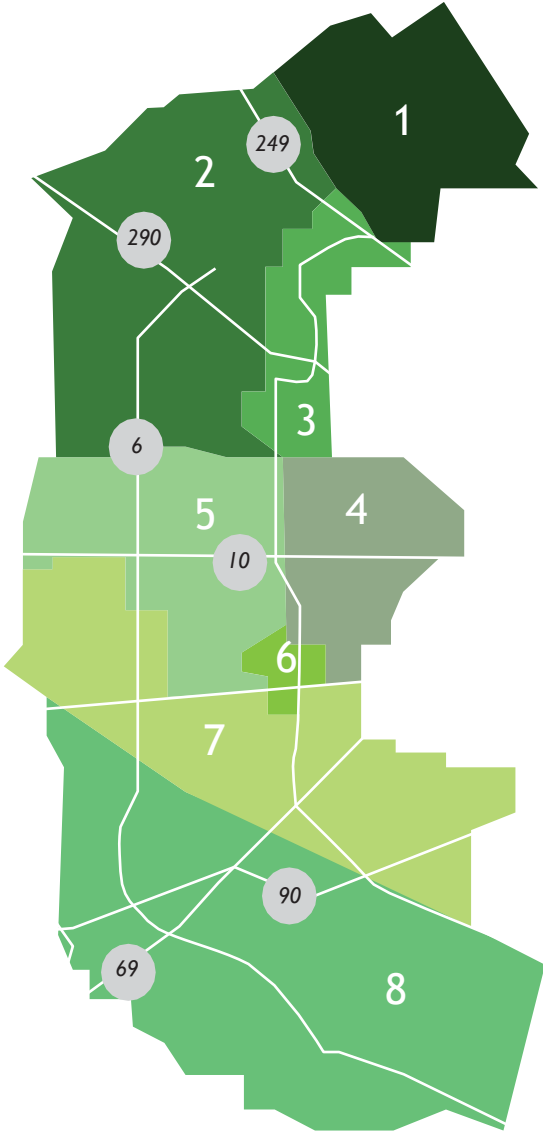
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West Central
Houston
Office Market
Overview



Legend

- 1 - FM 1960 / Champions
- 2 - West Belt
- 3 - FM 1960 / Highway 249
- 4 - Katy Freeway East
- 5 - Katy Freeway West
- 6 - Westchase
- 7 - Southwest Beltway 8
- 8 - E Fort Bend / Sugar Land



FM 1960 / Champions | Q2 2023

Market Insights:

The FM 1960 / Champions Submarket ended the second quarter of 2023 with a vacancy rate of 14.2%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is (77,221) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$20.62/SF across all classes, increasing from \$20.53/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is currently 13,527 SF under construction in the submarket.

FM 1960 / Champions commercial sales ended the second quarter of 2023 at \$136.92/SF, decreasing from \$140.18/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



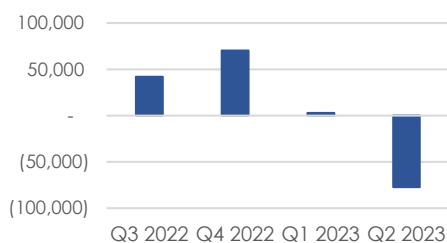
Under Construction

Absorption

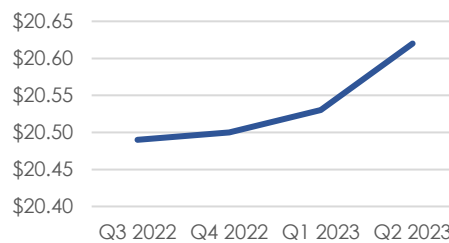


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
FM 1960 / Champions	4,430,990 SF	809,897 SF	14.2%	(77,221) SF	0 SF	13,527 SF	\$20.62/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

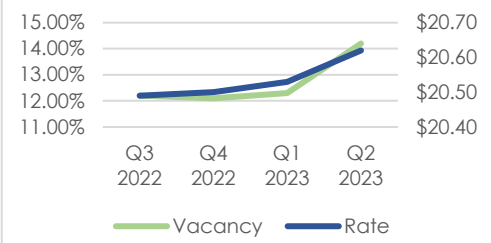
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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West Belt | Q2 2023

Market Insights:

The West Belt Submarket ended the second quarter of 2023 with a vacancy rate of 24.4%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is (170,301) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$28.78/SF across all classes, increasing from \$28.48/SF in the previous quarter. Over the last 12 months there have been 40,621 SF of new construction deliveries, and there is no construction currently underway in the submarket.

West Belt commercial sales ended the second quarter of 2023 at \$194.10/SF, decreasing from \$210.41/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



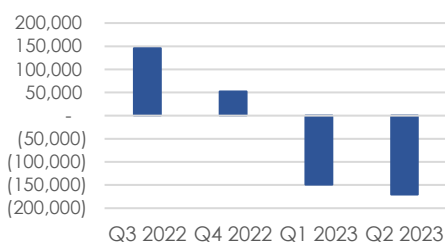
Under Construction

Absorption

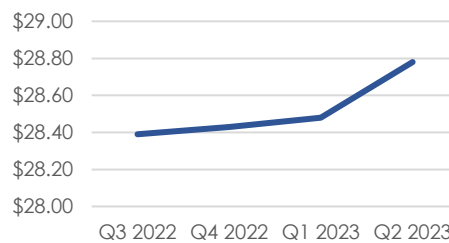


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
West Belt	7,018,191 SF	2,166,395 SF	24.4%	(170,301) SF	40,621 SF	0 SF	\$28.78/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

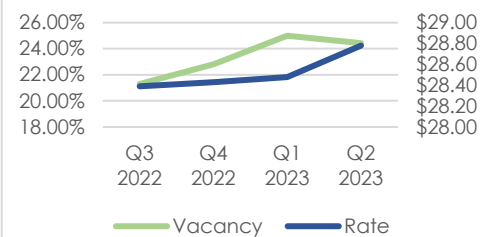
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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FM 1960 / Hwy 249 | Q2 2023

Market Insights:

The FM 1960 / Hwy 249 Submarket ended the second quarter of 2023 with a vacancy rate of 19.9%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 588,977 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$27.09/SF across all classes, increasing from \$26.79/SF in the previous quarter. Over the last 12 months there have been 69,771 SF of new construction deliveries, and there is currently 363,734 SF under construction in the submarket.

FM 1960 / Hwy 249 commercial sales ended the second quarter of 2023 at \$181.25/SF, decreasing from \$188.25/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



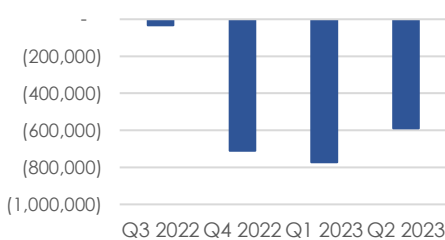
Under Construction

Absorption

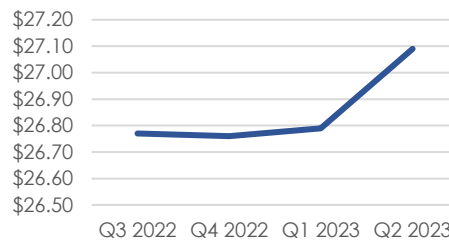


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
FM 1960 / Hwy 249	11,980,693 SF	3,058,034 SF	19.9%	588,977 SF	69,771 SF	363,734 SF	\$27.09/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

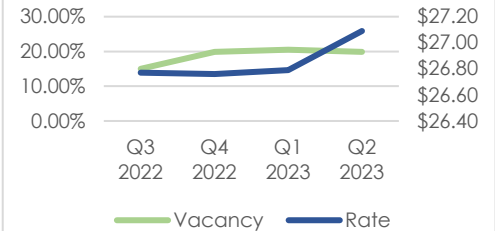
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Katy Freeway East | Q2 2023

Market Insights:

The Katy Freeway East Submarket ended the second quarter of 2023 with a vacancy rate of 7.9%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 92,015 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$34.32/SF across all classes, increasing from \$34.01/SF in the previous quarter. Over the last 12 months there have been 28,000 SF of new construction deliveries, and there is currently 355,694 SF under construction in the submarket.

Katy Freeway East commercial sales ended the second quarter of 2023 at \$248.61/SF, decreasing from \$276.77/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



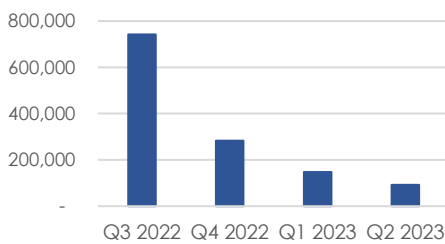
Under Construction

Absorption

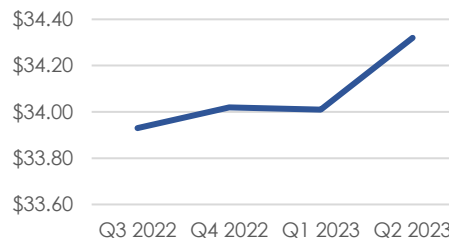


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Katy Freeway East	12,976,685 SF	1,304,678 SF	7.9%	92,015 SF	28,000 SF	355,694 SF	\$34.32/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

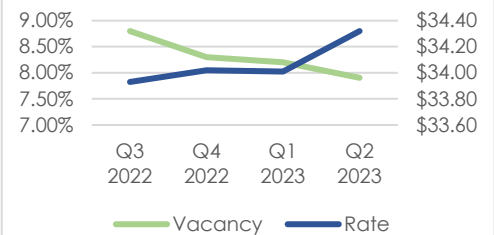
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Katy Freeway West | Q2 2023

Market Insights:

The Katy Freeway West Submarket ended the second quarter of 2023 with a vacancy rate of 21.6%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 120,896 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$29.43/SF across all classes, increasing from \$29.03/SF in the previous quarter. Over the last 12 months there have been 11,174 SF of new construction deliveries, and there is no construction currently underway in the submarket.

Katy Freeway West commercial sales ended the second quarter of 2023 at \$211.69/SF, decreasing from \$235.33/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



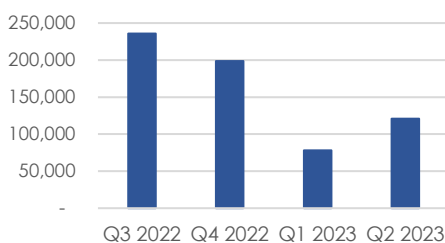
Under Construction

Absorption

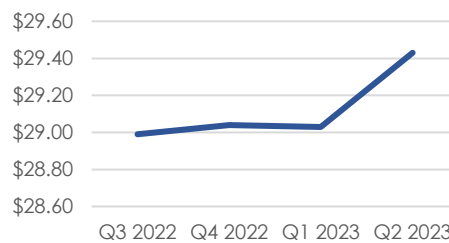


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Katy Freeway West	28,520,028 SF	7,373,982 SF	21.6%	120,896 SF	11,174 SF	0 SF	\$29.43/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

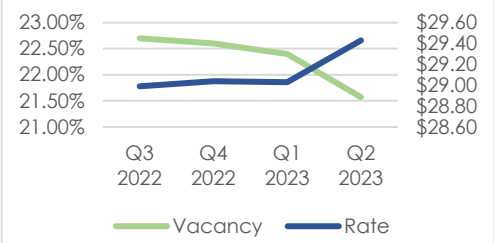
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Westchase | Q2 2023

Market Insights:

The Westchase Submarket ended the second quarter of 2023 with a vacancy rate of 27.6%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is (356,726) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$27.86/SF across all classes, increasing from \$27.71/SF in the previous quarter. Over the last 12 months there have been 24,220 SF of new construction deliveries, and there is currently 20,000 SF under construction in the submarket.

Westchase commercial sales ended the second quarter of 2023 at \$190.29/SF, decreasing from \$231.80/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



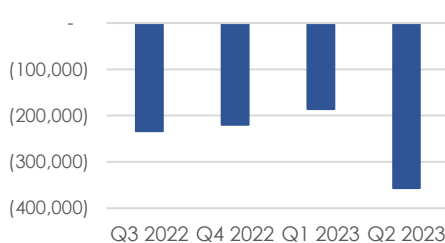
Under Construction

Absorption

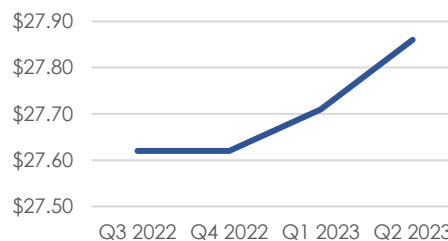


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Westchase	18,388,686 SF	5,673,469 SF	27.6%	(356,726) SF	24,220 SF	20,000 SF	\$27.86/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

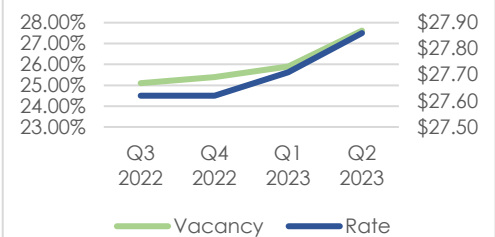
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Southwest Beltway 8 | Q2 2023

Market Insights:

The Southwest Beltway 8 Submarket ended the second quarter of 2023 with a vacancy rate of 15.2%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 31,141 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$19.69/SF across all classes, increasing from \$19.52/SF in the previous quarter. Over the last 12 months there have been 70,647 SF of new construction deliveries, and there is currently 157,437 SF under construction in the submarket.

Southwest Beltway 8 commercial sales ended the second quarter of 2023 at \$131.77/SF, decreasing from \$147.46/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



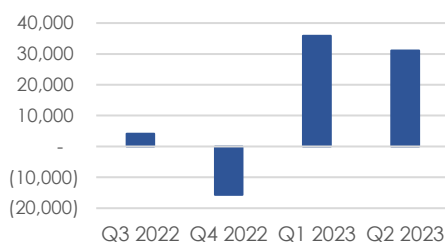
Under Construction

Absorption

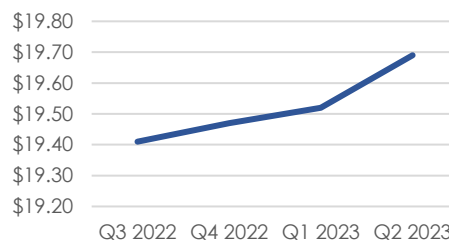


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Southwest Beltway 8	7,732,772 SF	1,344,485 SF	15.2%	31,141 SF	70,647 SF	157,437 SF	\$19.69/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

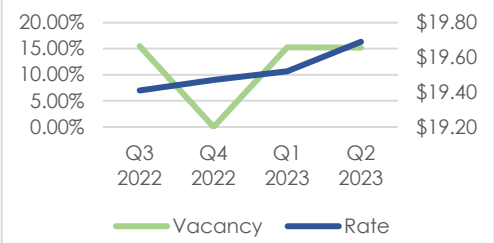
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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E Fort Bend Co / Sugar Land | Q2 2023

Market Insights:

The E Fort Bend Co / Sugar Land Submarket ended the second quarter of 2023 with a vacancy rate of 15.5%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 219,776 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$28.42/SF across all classes, decreasing from \$28.64/SF in the previous quarter. Over the last 12 months there have been 208,647 SF of new construction deliveries, and there is currently 92,519 SF under construction in the submarket.

E Fort Bend Co / Sugar Land commercial sales ended the second quarter of 2023 at \$201.53/SF, decreasing from \$227.95/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



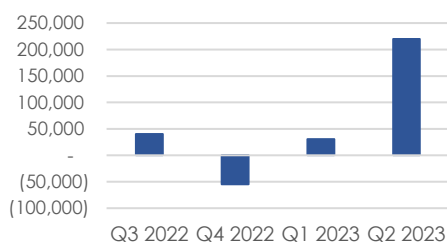
Under Construction

Absorption

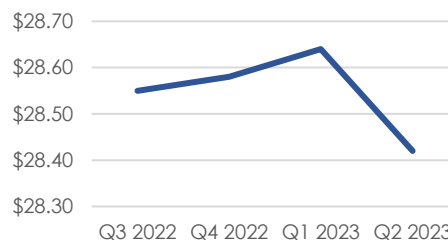


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
E Fort Bend Co / Sugar Land	10,849,324 SF	2,041,264 SF	15.5%	219,776 SF	208,647 SF	92,519 SF	\$28.42/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

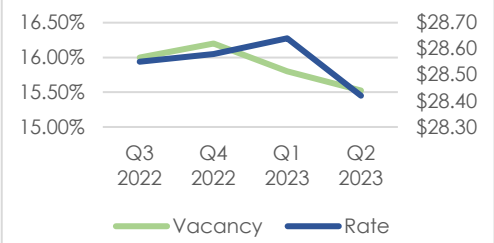
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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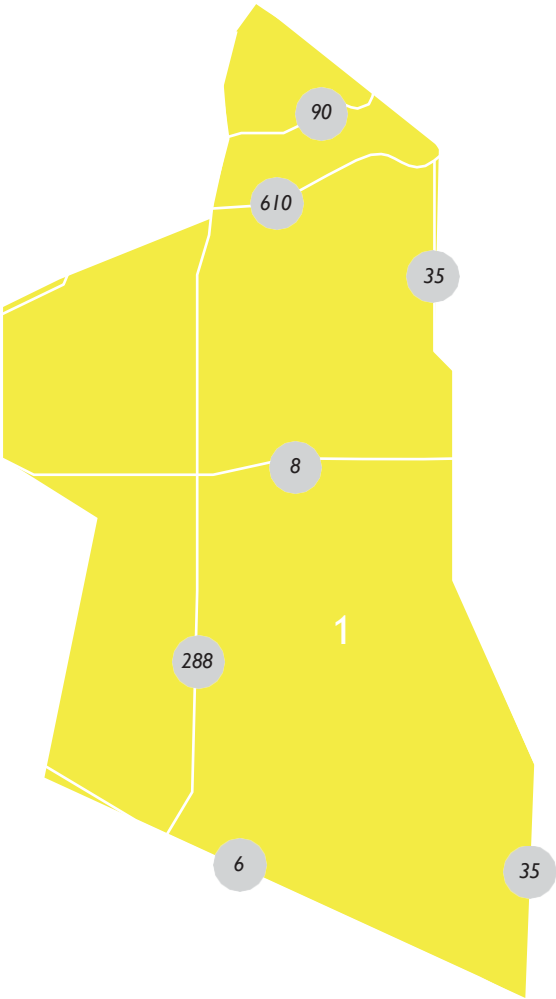
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South Central
Houston
Office Market
Overview



Legend

1 - South Houston

South | Q2 2023

Market Insights:

The South Submarket ended the second quarter of 2023 with a vacancy rate of 8.8%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 131,085 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$28.90/SF across all classes, remained the same from the previous quarter. Over the last 12 months there have been 134,470 SF of new construction deliveries, and there is currently 70,075 SF under construction in the submarket.

South commercial sales ended the second quarter of 2023 at \$192.20/SF, decreasing from \$217.92/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



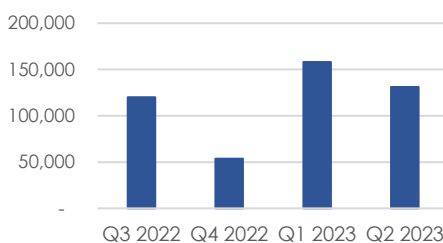
Under Construction

Absorption

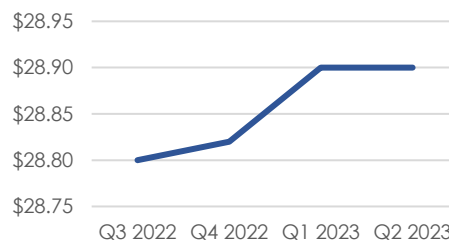


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
South	3,891,707 SF	452,652 SF	8.8%	131,085 SF	134,470 SF	70,075 SF	\$28.90/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

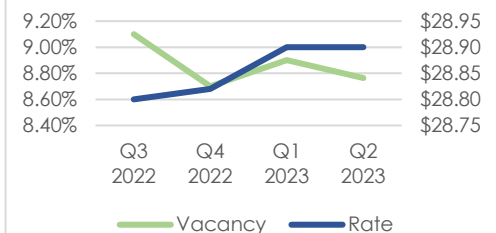
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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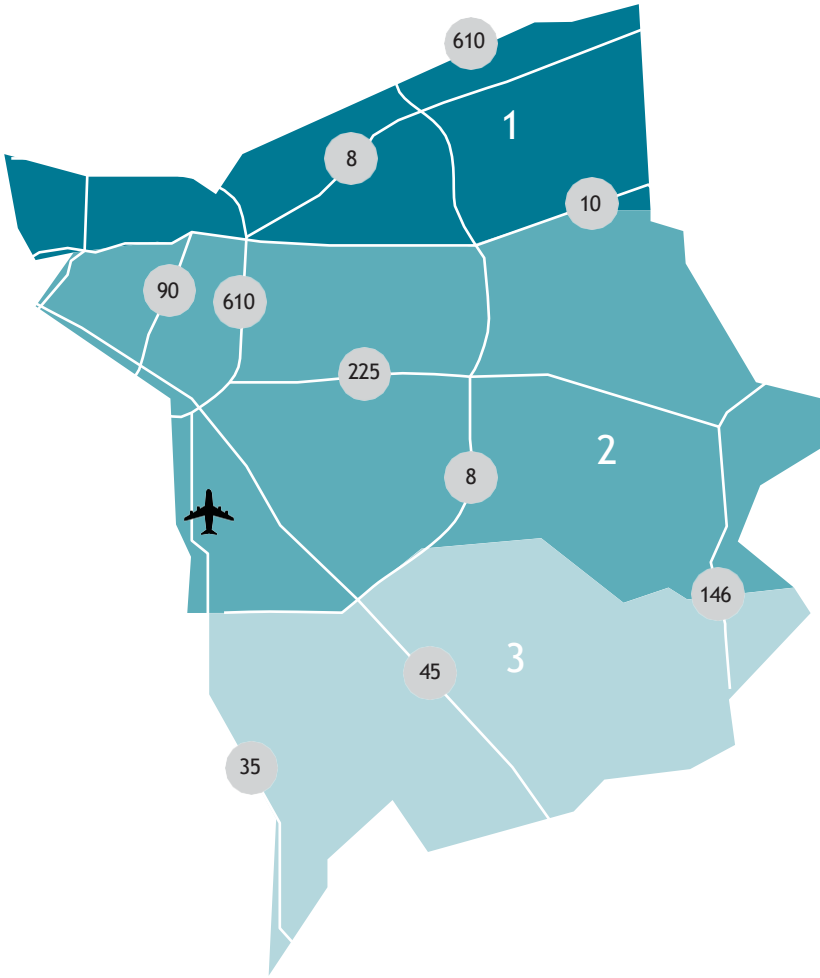
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East Central
Houston
Office Market
Overview




Legend


5 - I-10 East

6 - Gulf Freeway / Pasadena

7 - NASA / Clear Lake



William P. Hobby Airport



N

I-10 East | Q2 2023

Market Insights:

The I-10 East Submarket ended the second quarter of 2023 with a vacancy rate of 10.7%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is (39,535) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$23.43/SF across all classes, increasing from \$23.05/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is no construction currently underway in the submarket.

I-10 East commercial sales ended the second quarter of 2023 at \$133.01/SF, decreasing from \$147.36/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy

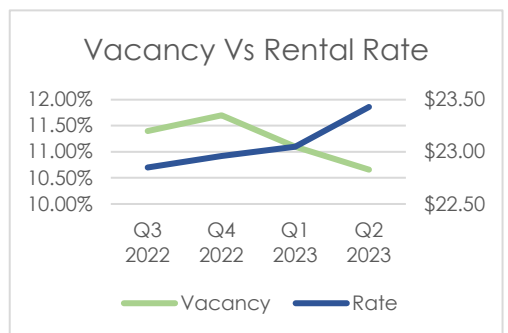
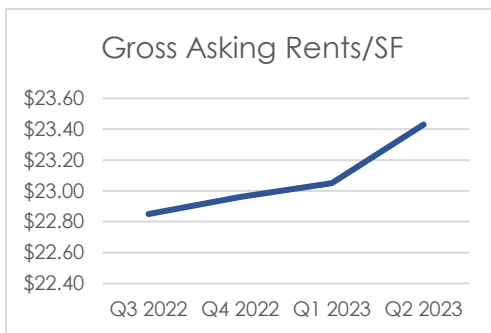
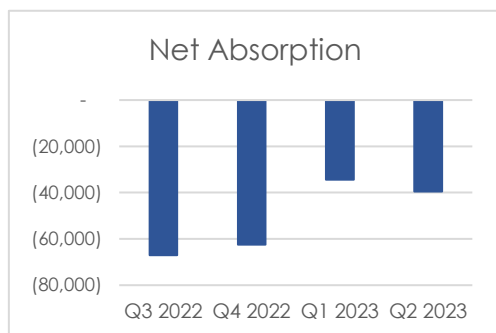


Under Construction

Absorption



	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
I-10 East	1,484,785 SF	179,256 SF	10.7%	(39,535) SF	0 SF	0 SF	\$23.43/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF



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Gulf Freeway / Pasadena | Q2 2023

Market Insights:

The Gulf Freeway / Pasadena Submarket ended the second quarter of 2023 with a vacancy rate of 10.5%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is (13,431) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$24.24/SF across all classes, increasing from \$24.05/SF in the previous quarter. Over the last 12 months there have been 79,868 SF of new construction deliveries, and there is currently 220,930 SF under construction in the submarket.

Gulf Freeway / Pasadena commercial sales ended the second quarter of 2023 at \$143.16/SF, decreasing from \$156.93/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



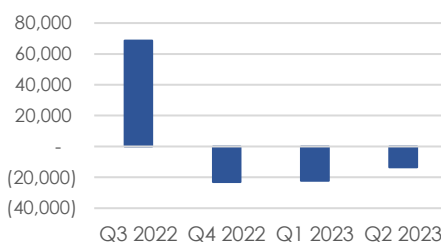
Under Construction

Absorption

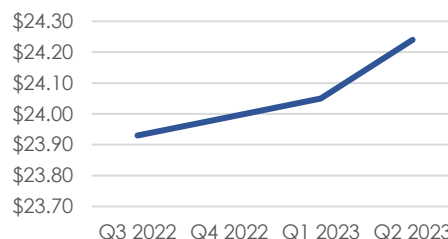


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Gulf Freeway / Pasadena	9,423,817 SF	1,247,274 SF	10.5%	(13,431) SF	79,868 SF	220,930 SF	\$24.24/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

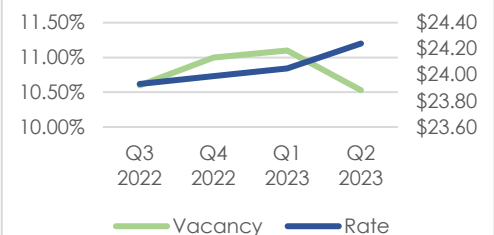
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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NASA / Clear Lake | Q2 2023

Market Insights:

The NASA / Clear Lake Submarket ended the second quarter of 2023 with a vacancy rate of 10.0%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 217,851 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$25.53/SF across all classes, increasing from \$25.39/SF in the previous quarter. Over the last 12 months there have been 327,464 SF of new construction deliveries, and there is currently 657,700 SF under construction in the submarket.

NASA / Clear Lake commercial sales ended the second quarter of 2023 at \$142.13/SF, decreasing from \$158.15/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



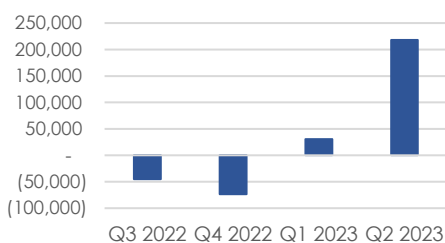
Under Construction

Absorption

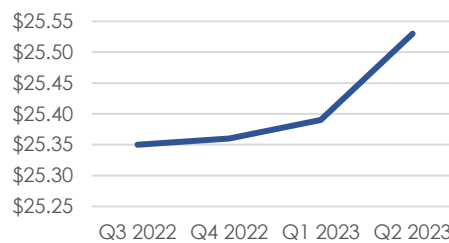


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
NASA / Clear Lake	10,679,010 SF	1,493,847 SF	10.0%	217,851 SF	327,464 SF	657,700 SF	\$25.53/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

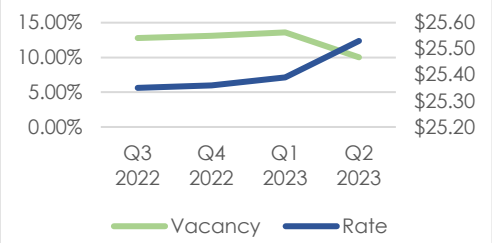
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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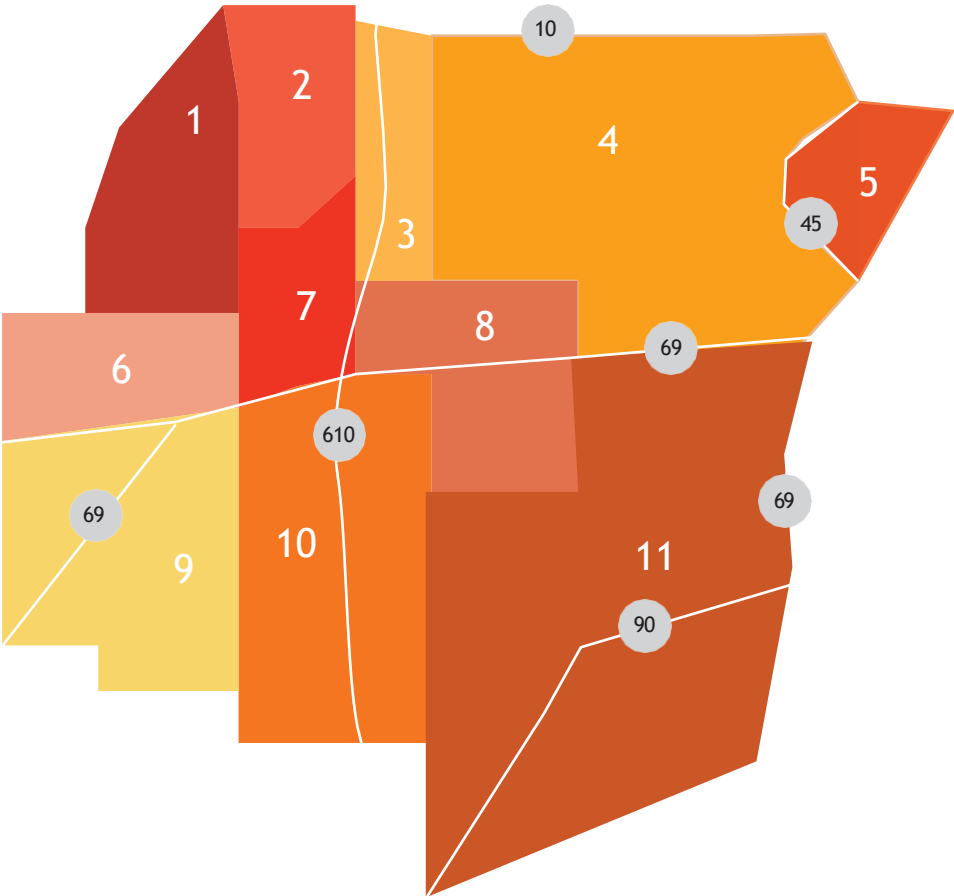
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Central
Houston
Office Market
Overview



Legend

1 - San Felipe / Voss

2 - Riverway

3 - Post Oak Park

4 - Midtown

5 - Central Business District

6 - Richmond / Fountainview

7 - Galleria / Uptown

8 - Greenway Plaza

9 - Southwest / Hillcroft

10 - Bellaire

11 - S Main / Medical Center



San Felipe / Voss | Q2 2023

Market Insights:

The San Felipe / Voss Submarket ended the second quarter of 2023 with a vacancy rate of 28.5%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is (83,785) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$26.43/SF across all classes, increasing from \$26.16/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is no construction currently underway in the submarket.

San Felipe / Voss commercial sales ended the second quarter of 2023 at \$184.70/SF, decreasing from \$211.93/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



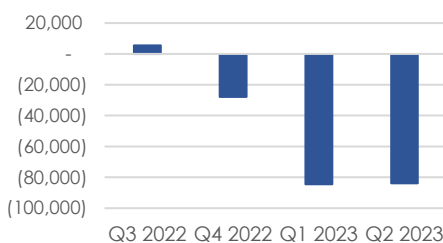
Under Construction

Absorption

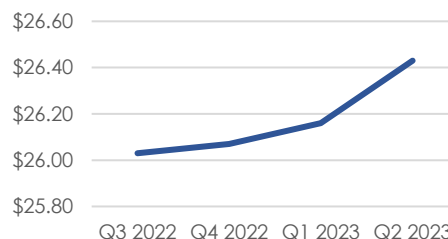


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
San Felipe / Voss	5,623,968 SF	1,672,746 SF	28.5%	(83,785) SF	0 SF	0 SF	\$26.43/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

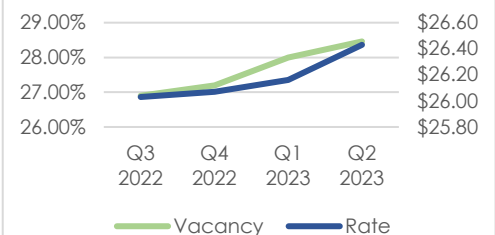
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Riverway | Q2 2023

Market Insights:

The Riverway Submarket ended the second quarter of 2023 with a vacancy rate of 24.4%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is (35,269) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$26.92/SF across all classes, increasing from \$26.58/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is no construction currently underway in the submarket.

Riverway commercial sales ended the second quarter of 2023 at \$193.22/SF, decreasing from \$217.77/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



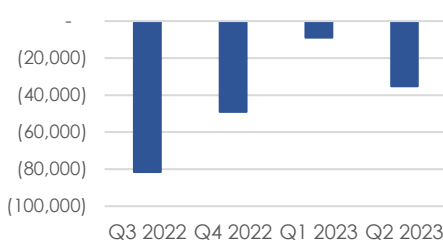
Under Construction

Absorption



	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Riverway	3,325,310 SF	1,014,624 SF	24.4%	(35,269) SF	0 SF	0 SF	\$26.92/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

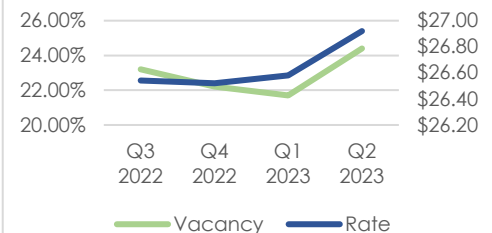
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Post Oak Park | Q2 2023

Market Insights:

The Post Oak Park Submarket ended the second quarter of 2023 with a vacancy rate of 24.5%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is 69,568 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$32.48/SF across all classes, increasing from \$32.28/SF in the previous quarter. Over the last 12 months there have been 5,450 SF of new construction deliveries, and there is no construction currently underway in the submarket.

Post Oak Park commercial sales ended the second quarter of 2023 at \$241.92/SF, decreasing from \$274.24/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



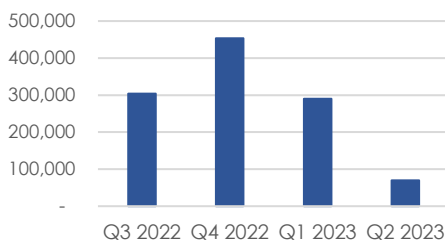
Under Construction

Absorption

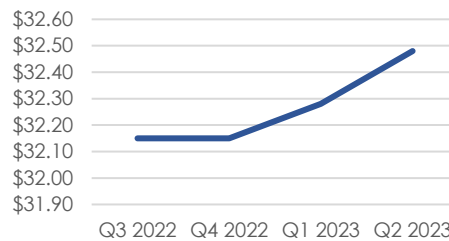


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Post Oak Park	4,859,773 SF	1,055,586 SF	24.5%	69,568 SF	5,450 SF	0 SF	\$32.48/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

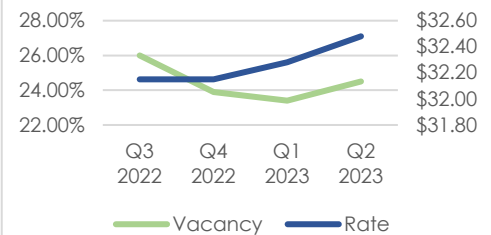
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Midtown | Q2 2023

Market Insights:

The Midtown Submarket ended the second quarter of 2023 with a vacancy rate of 11.3%. The vacancy rate remained the same from the previous quarter, and the net absorption rate over the last 12 months is (29,054) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$31.54/SF across all classes, increasing from \$21.78/SF in the previous quarter. Over the last 12 months there have been 40,000 SF of new construction deliveries, and there is currently 15,000 SF under construction in the submarket.

Midtown commercial sales ended the second quarter of 2023 at \$215.24/SF, decreasing from \$245.30/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



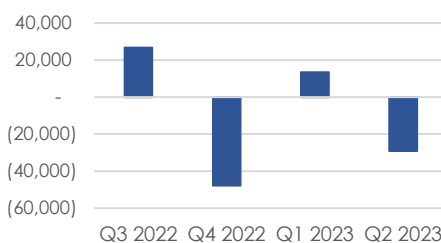
Under Construction

Absorption

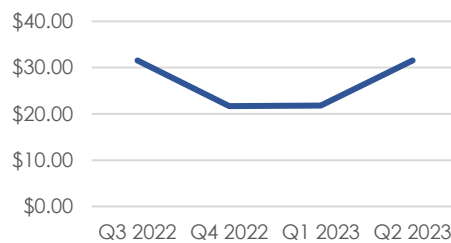


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Midtown	11,239,366 SF	1,535,033 SF	11.3%	(29,054) SF	40,000 SF	15,000 SF	\$31.54/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

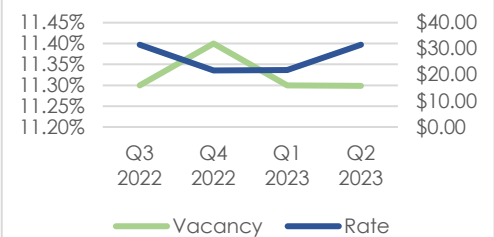
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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CBD | Q2 2023

Market Insights:

The CBD Submarket ended the second quarter of 2023 with a vacancy rate of 23.8%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 129,024 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$36.54/SF across all classes, decreasing from \$36.60/SF in the previous quarter. Over the last 12 months there have been (450,001) SF of new construction deliveries, and there is currently 386,323 SF under construction in the submarket.

CBD commercial sales ended the second quarter of 2023 at \$267.05/SF, decreasing from \$303.88/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



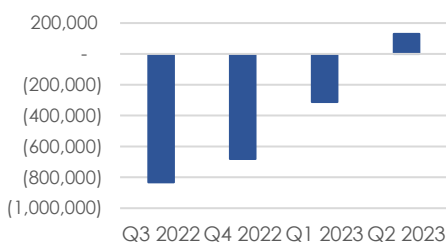
Under Construction

Absorption

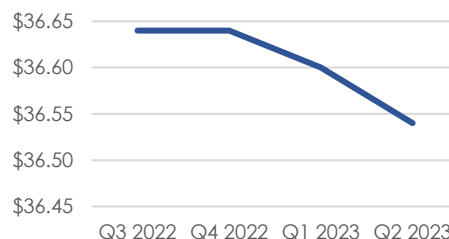


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
CBD	52,557,249 SF	15,027,914 SF	23.8%	129,024 SF	(450,001) SF	386,323 SF	\$36.54/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

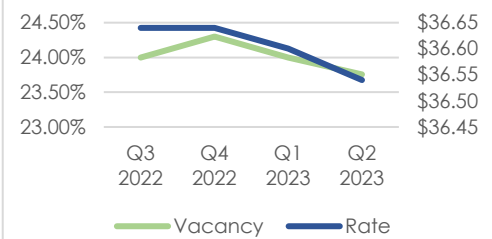
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Richmond / Fountainview | Q2 2023

Market Insights:

The Richmond / Fountainview Submarket ended the second quarter of 2023 with a vacancy rate of 9.0%. The vacancy rate remained the same from the previous quarter, and the net absorption rate over the last 12 months is 8,661 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$22.04/SF across all classes, decreasing from \$22.14/SF in the previous quarter. Over the last 12 months there have been (40,457) SF of new construction deliveries, and there is no construction currently underway in the submarket.

Richmond / Fountainview commercial sales ended the second quarter of 2023 at \$128.78/SF, decreasing from \$150.83/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



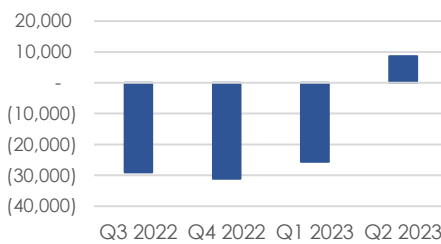
Under Construction

Absorption

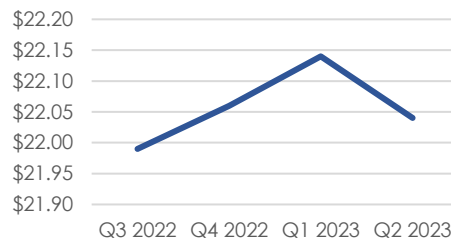


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Richmond / Fountainview	2,180,212 SF	201,183 SF	9.0%	8,661 SF	(40,457) SF	0 SF	\$22.04/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

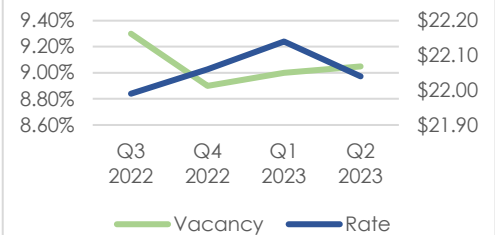
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Galleria / Uptown | Q2 2023

Market Insights:

The Galleria / Uptown Submarket ended the second quarter of 2023 with a vacancy rate of 31.1%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is (887,535) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$30.90/SF across all classes, increasing from \$30.82/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is no construction currently underway in the submarket.

Galleria / Uptown commercial sales ended the second quarter of 2023 at \$212.33/SF, decreasing from \$242.15/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



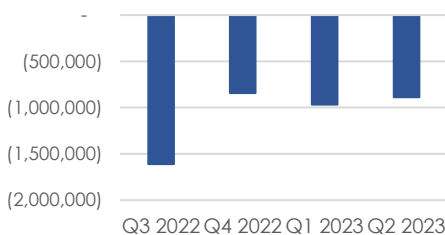
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Absorption

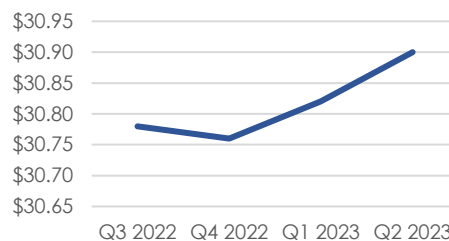


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Galleria / Uptown	16,905,714 SF	5,734,719 SF	31.1%	(887,535) SF	0 SF	0 SF	\$30.90/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

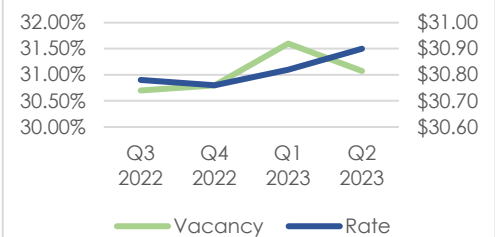
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Greenway Plaza | Q2 2023

Market Insights:

The Greenway Plaza Submarket ended the second quarter of 2023 with a vacancy rate of 20.5%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 144,317 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$31.11/SF across all classes, increasing from \$31.00/SF in the previous quarter. Over the last 12 months there have been 26,924 SF of new construction deliveries, and there is no construction currently underway in the submarket.

Greenway Plaza commercial sales ended the second quarter of 2023 at \$222.71/SF, decreasing from \$252.81/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



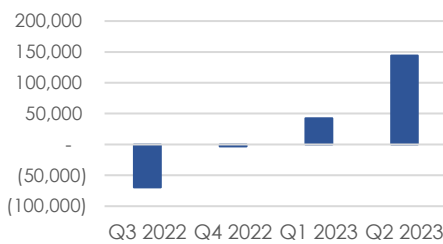
Under Construction

Absorption

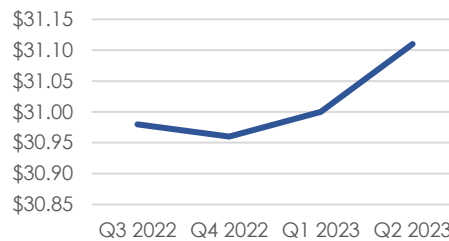


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Greenway Plaza	13,133,967 SF	3,017,763 SF	20.5%	144,317 SF	26,924 SF	0 SF	\$31.11/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

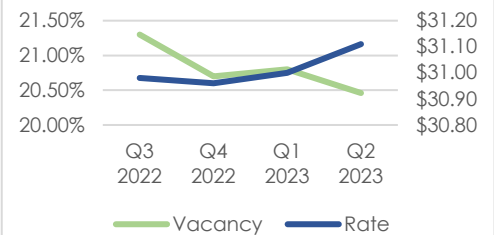
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Southwest / Hillcroft | Q2 2023

Market Insights:

The Southwest / Hillcroft Submarket ended the second quarter of 2023 with a vacancy rate of 13.6%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is 34,323 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$18.59/SF across all classes, increasing from \$18.49/SF in the previous quarter. Over the last 12 months there have been (3,156) SF of new construction deliveries, and there is no construction currently underway in the submarket.

Southwest / Hillcroft commercial sales ended the second quarter of 2023 at \$123.00/SF, decreasing from \$144.73/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



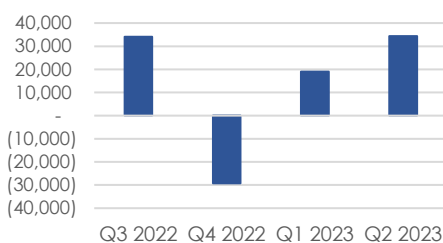
Under Construction

Absorption

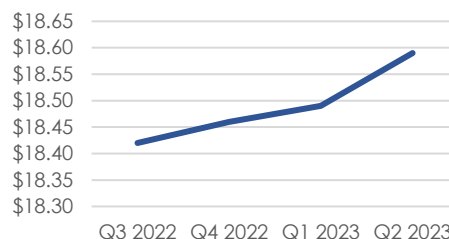


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Southwest / Hillcroft	5,433,348 SF	756,560 SF	13.6%	34,323 SF	(3,156) SF	0 SF	\$18.59/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

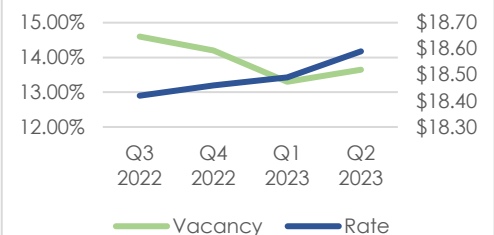
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Bellaire | Q2 2023

Market Insights:

The Bellaire Submarket ended the second quarter of 2023 with a vacancy rate of 17.8%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is (164,196) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$26.59/SF across all classes, increasing from \$26.18/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is no construction currently underway in the submarket.

Bellaire commercial sales ended the second quarter of 2023 at \$177.30/SF, decreasing from \$202.76/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



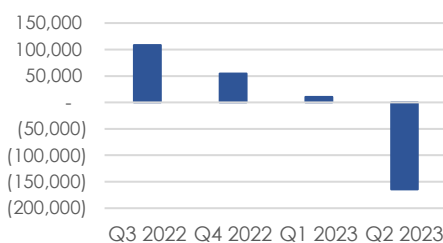
Under Construction

Absorption

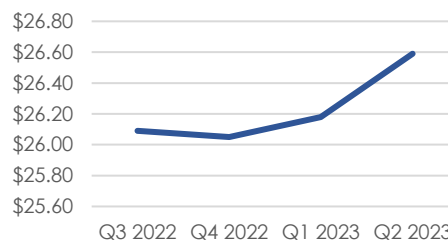


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Bellaire	5,443,105 SF	991,998 SF	17.8%	(164,196) SF	0 SF	0 SF	\$26.59/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

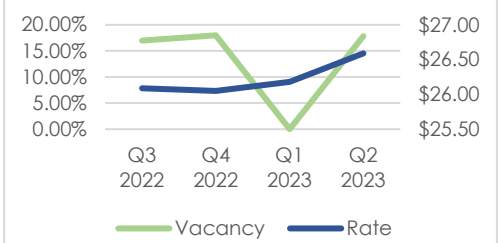
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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South Main / Medical Center | Q2 2023

Market Insights:

The South Main / Medical Center Submarket ended the second quarter of 2023 with a vacancy rate of 10.6%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 9,556 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$31.07/SF across all classes, increasing from \$30.94/SF in the previous quarter. Over the last 12 months there have been 265,000 SF of new construction deliveries, and there is currently 1,547,759 SF under construction in the submarket.

South Main / Medical Center commercial sales ended the second quarter of 2023 at \$241.99/SF, decreasing from \$274.27/SF in the previous quarter. The average commercial sale price in Houston is \$207.68/SF, and overall cap rates are 8.7%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



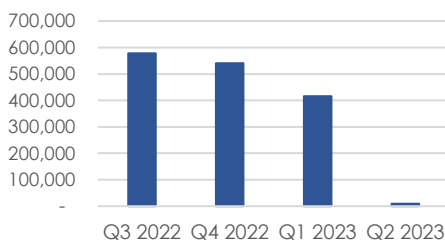
Under Construction

Absorption

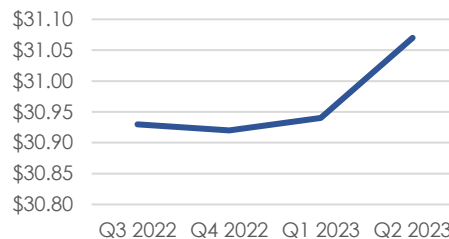


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
South Main / Medical Center	14,673,938 SF	1,967,283 SF	10.6%	9,556 SF	265,000 SF	1,547,759 SF	\$31.07/SF
Houston Total	352,769,723 SF	76,926,609 SF	18.7%	(171,951) SF	1,763,542 SF	4,965,159 SF	\$29.11/SF

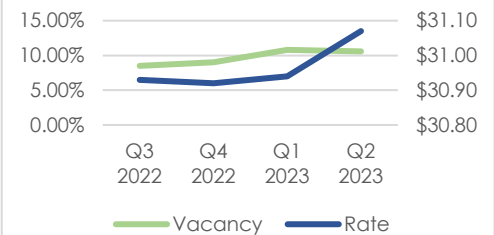
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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