

Conine  
1-1994

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**MONTGOMERY CONINE & ROBINSON LTD.**

**CBD STORY**  
**HOUSTON, TEXAS**  
**as of**  
**JANUARY 1, 1994**

## Houston CBD Office Market

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### *Buildings Surveyed*

<u>Buildings</u>	<u>Number</u>	<u>Rentable Sq. Ft.</u>
"Group 1"	6	8,141,001
"Group 2"	12	12,780,321
"Group 3"	<u>15</u>	<u>7,869,151</u>
TOTAL	33	28,790,473

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## Summary Data - January 1, 1994

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<i>Rentable Area / Bldgs</i>	28,790,473	33
	<u>Year End 1993</u>	<u>Year End 1992</u>
Direct Space Available	5,545,442	4,921,441
Percent Vacant	19.26%	17.09%
Absorption	(624,001)	(285,412)
Leasing Activity	3,039,330	2,128,304
Sublease Available	458,419	500,633

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## Direct Space Available / Vacancy Rates

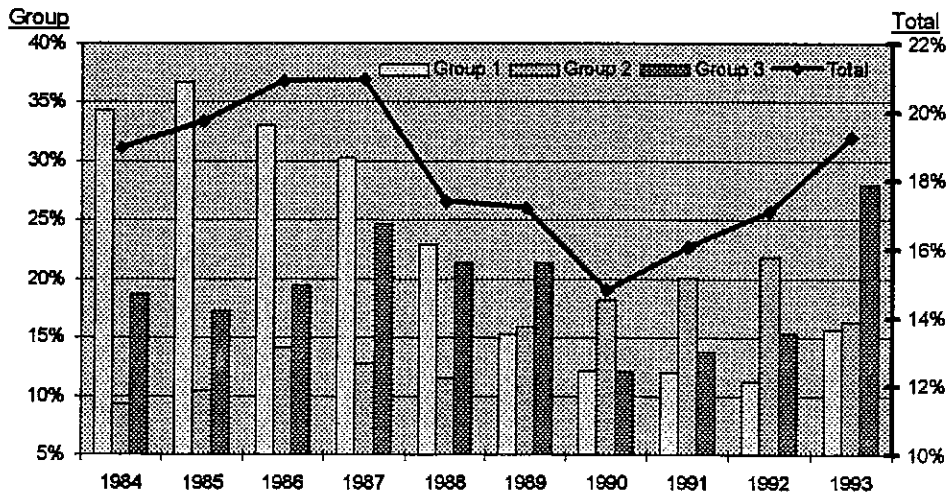
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<u>Buildings</u>	<i>Direct Space Available</i>		<i>Vacancies</i>	
	<u>1993</u>	<u>1992</u>	<u>1993</u>	<u>1992</u>
"Group 1"	1,273,530	917,969	15.64%	11.28%
"Group 2"	2,075,565	2,795,427	16.24%	21.87%
"Group 3"	<u>2,196,347</u>	<u>1,208,045</u>	<u>27.91%</u>	<u>15.35%</u>
TOTAL	5,545,442	4,921,441	19.26%	17.09%

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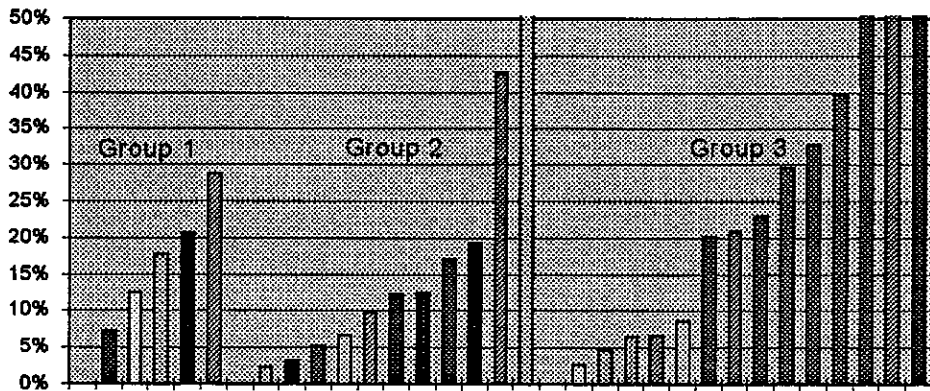
## Historical Vacancies

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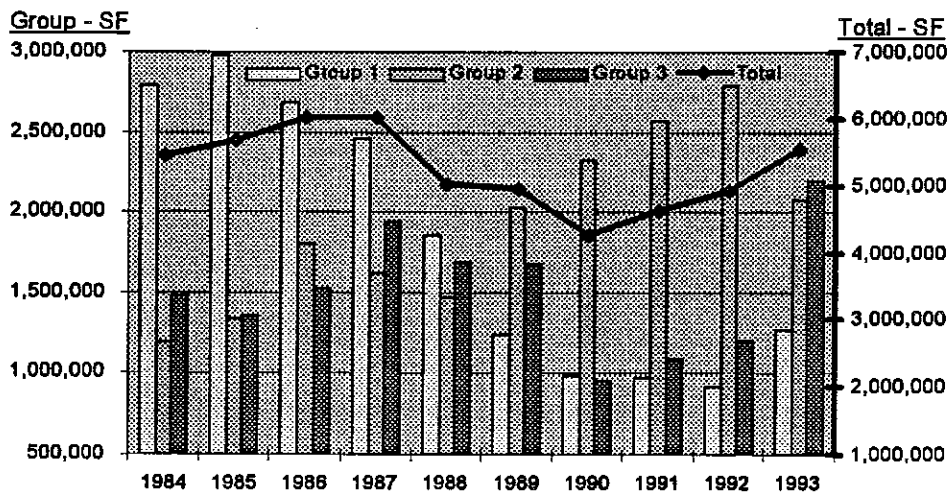
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## Current Vacancies - By Building



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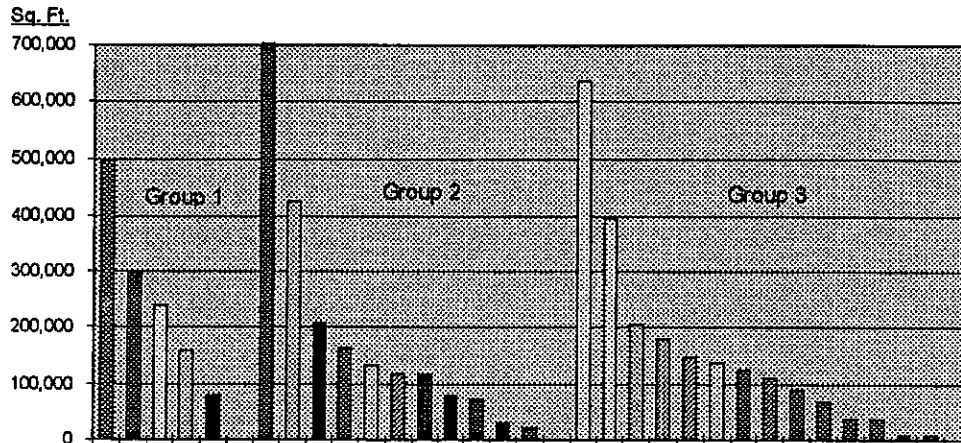
## Historical Space Available



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## Space Available - By Building

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## Effective Blocks of Space

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<u>Building</u>	<u>Sq. Ft.</u>	<u>Floors</u>
1021 Main	637,045	1-27
1 Houston Center	241,820	31-44
One Allen Center	152,382	3-8
Texas Commerce Tower	140,064	54-59
First City Tower	114,800	2-5
Texaco Heritage Plaza	112,000	45-48
1 Hou. Ctr. (Bank One*)	103,000	3-4
1100 Louisiana (BG*)	103,000	15,20-23
1 Hou. Ctr. (Kemper*)	100,000	6-8
First Interstate Bank	100,000	30-33
First Interstate Bank	100,000	42-45
1301 Fannin	98,000	18-21
Bank One Center	90,776	21-24

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## Number of Choices - Direct Space

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<u>Buildings</u>	<u>Full Floor</u>	<u>Two Floors</u>	<u>100,000 Sq. Ft.</u>	<u>Total Floors</u>
"Group 1"	5	4	3	31
"Group 2"	9	5	3	60
"Group 3"	<u>10</u>	<u>7</u>	<u>2</u>	<u>77</u>
TOTAL	24	16	8	168

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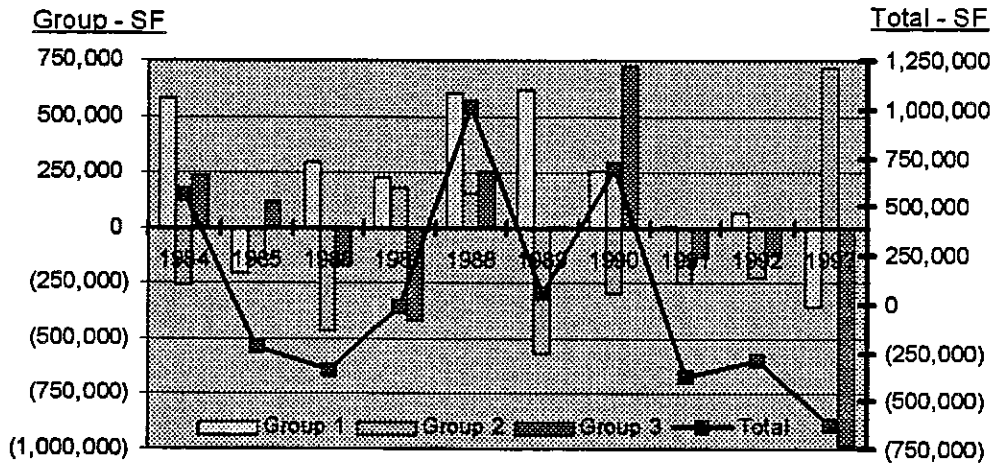
## Absorption

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<u>Buildings</u>	<u>1993</u>	<u>1992</u>
"Group 1"	(355,561)	61,997
"Group 2"	719,862	(224,920)
"Group 3"	<u>(988,302)</u>	<u>(122,489)</u>
TOTAL	(624,001)	(285,412)

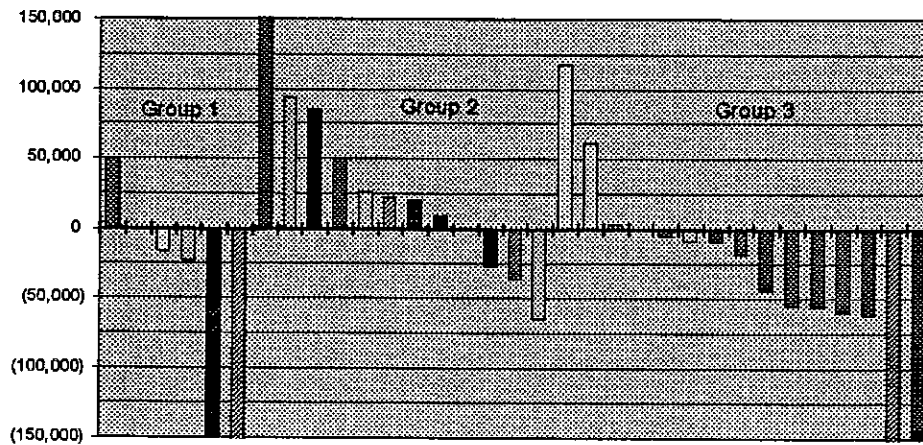
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# Historical Absorption



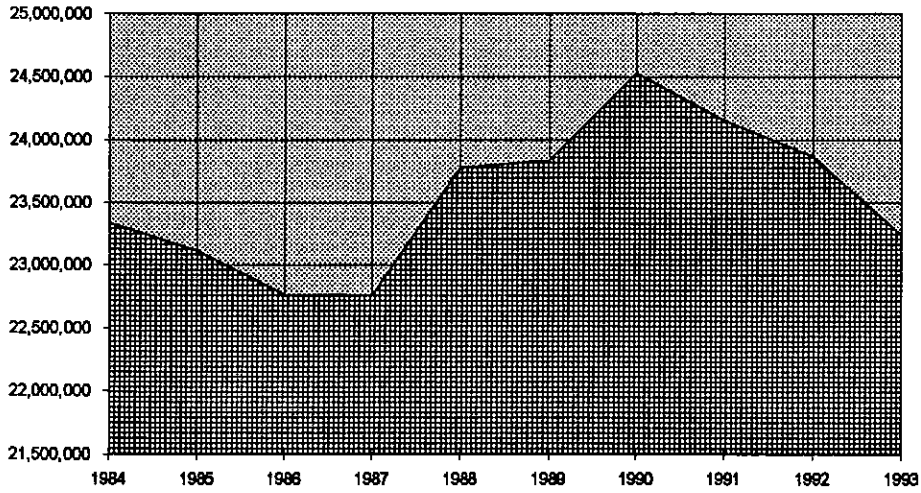
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# 1993 Absorption - By Building



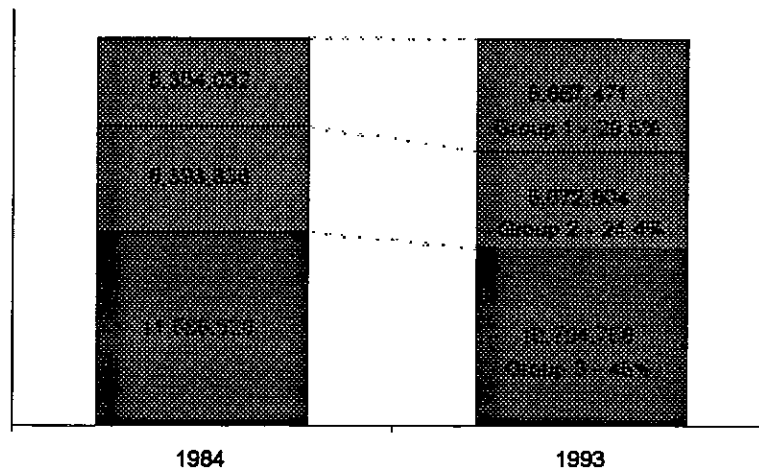
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## Space Under Lease



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## 1984/1994 - Space Under Lease



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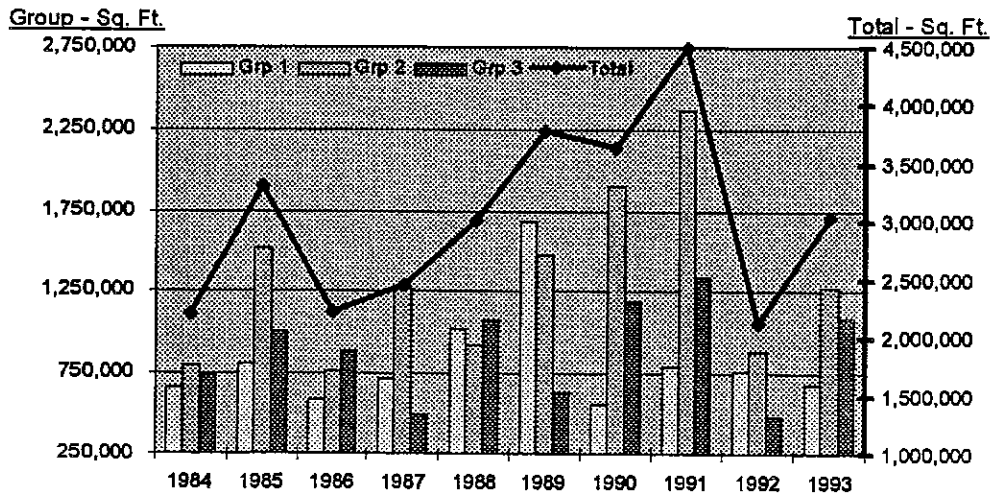


## Leasing Activity

<u>Buildings</u>	<u>1993</u>	<u>1992</u>
"Group 1"	682,141	764,648
"Group 2"	1,271,367	884,576
"Group 3"	<u>1,085,822</u>	<u>479,080</u>
<b>TOTAL</b>	<b>3,039,330</b>	<b>2,128,304</b>

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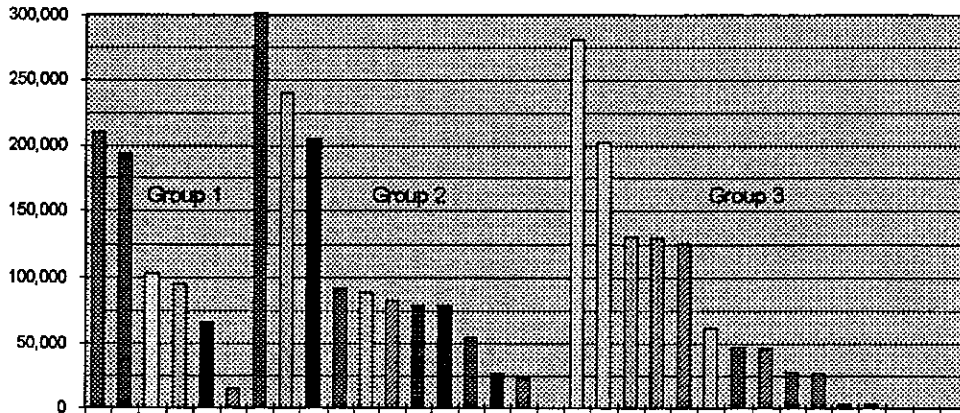
## Historical Leasing Activity



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## Leasing Activity by Building

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## Lease Transactions

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Size Range (000 SF)	New		Expansion		Renewal		Total	
	No.	(000 SF)	No.	(000 SF)	No.	(000 SF)	No.	(000 SF)
100+	3	485	0	0	1	128	4	613
50-100	0	0	0	0	2	157	2	157
25-50	7	245	0	0	9	319	16	564
15-25	13	263	1	23	2	40	16	326
10-15	5	59	6	74	10	127	21	260
5-10	25	166	16	117	10	64	51	347
<5	165	331	72	160	151	280	388	771
Total	218	1,549	95	374	185	1,115	498	3,038

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## Quadrant Statistics

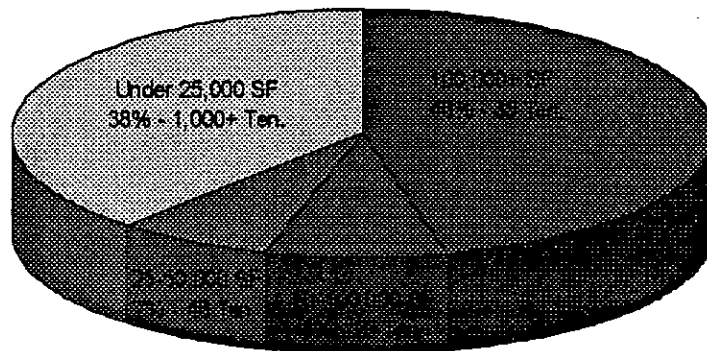
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<u>Quadrant</u>	<u>Available</u>	<u>Absorption</u>	<u>Vacant</u>	<u>Leasing</u>
1	2,018,299	314,468	15%	1,213,622
2	1,067,532	77,318	27%	414,328
3	422,188	(131,573)	12%	334,193
4	2,037,423	(884,214)	24%	1,034,032
Total	5,545,442	(624,001)	19%	2,996,175

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## Tenant Size Breakdown

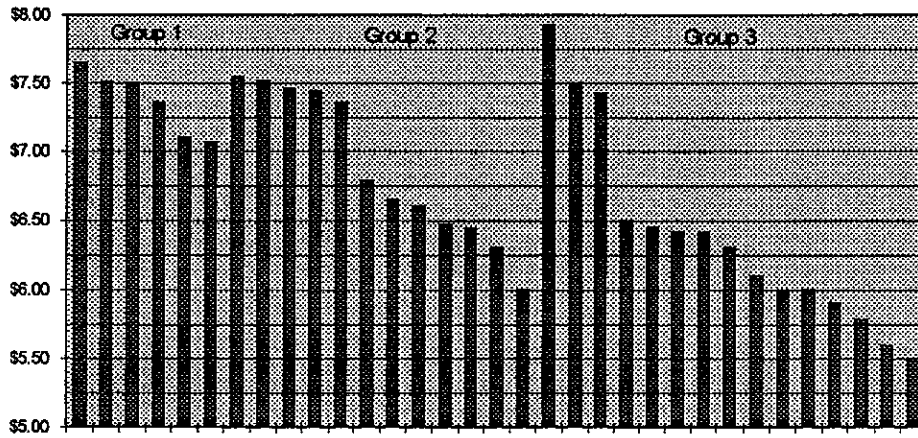
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## 1994 Operating Expense Projections

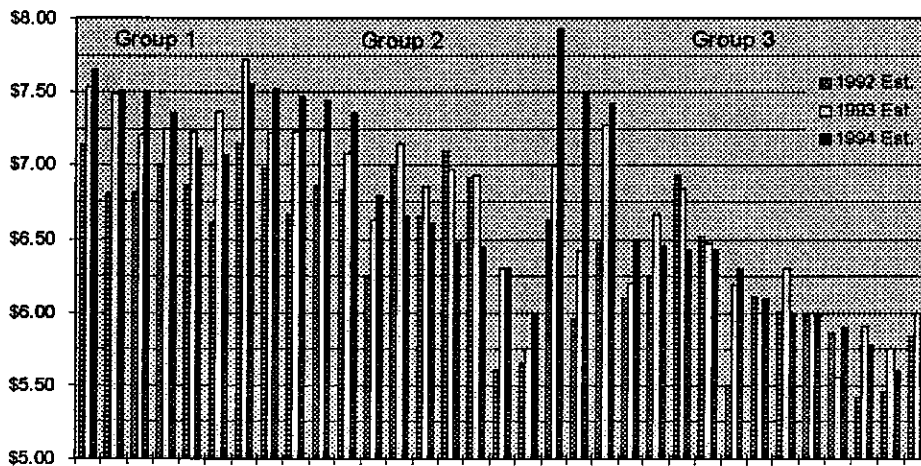
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## Historical Operating Expenses

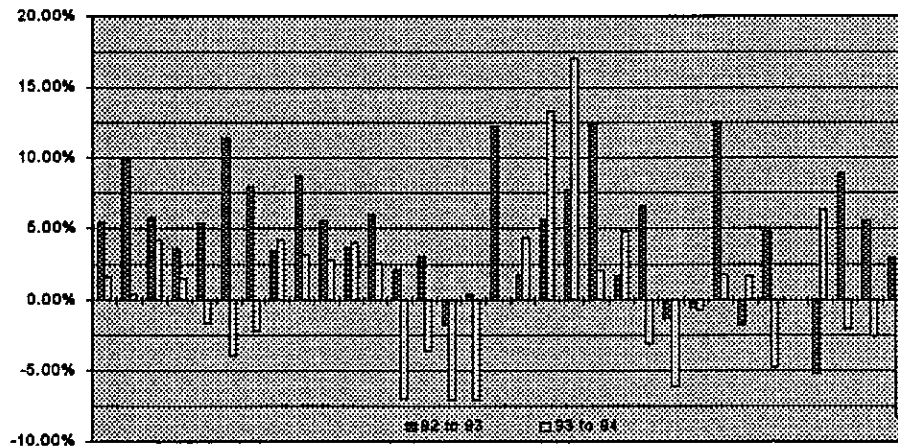
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## Operating Expense Increases

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## Projections

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- ◆ Potential Sublease Impact
- ◆ Building Sales
- ◆ Entertainment
- ◆ Housing
- ◆ City of Houston, Government Uses
- ◆ Energy Industry

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**CBD STORY - JANUARY 1, 1994  
BUILDINGS SURVEYED**

<b>NO.</b>	<b>BUILDING NAME</b>	<b>ADDRESS</b>	<b>OWNER</b>	<b>YR. BUILT</b>
1	1 HOUSTON CENTER	1221 MCKINNEY STREET	JMB PROPERTIES	1978
2	1021 MAIN BUILDING	1021 MAIN STREET	FDIC	1960
3	1100 LOUISIANA	1100 LOUISIANA	CAPITAL GUIDANCE	1980
4	1100 MILAM BUILDING	1100 MILAM STREET	HL&P	1973
5	1201 LOUISIANA BUILDING	1201 LOUISIANA	STACLIFF MILAM	1971
6	1301 FANNIN BUILDING	1301 FANNIN STREET	GE PENSION	1984
7	1415 LOUISIANA	1415 LOUISIANA	CITICORP	1983
8	1600 SMITH STREET	1600 SMITH STREET	CULLEN CENTER	1984
9	2 HOUSTON CENTER	909 FANNIN STREET	JMB PROPERTIES	1974
10	4 HOUSTON CENTER	1331 LAMAR	JMB PROPERTIES	1983
11	500 JEFFERSON	500 JEFFERSON	CULLEN CENTER	1962
12	700 RUSK	700 RUSK	HINES	1978
13	801 TRAVIS	801 TRAVIS	PARTNERSHIP	1981
14	BANK ONE CENTER	910 TRAVIS	AETNA	1956
15	CHEVRON TOWER	1301 MCKINNEY STREET	CHEVRON	1981
16	CULLEN BANK BUILDING	600 JEFFERSON	CULLEN CENTER	1971
17	ESPERSON BUILDINGS	808 TRAVIS	SWIG WEILER	1927
18	FIRST CITY TOWER	1001 FANNIN STREET	JMB/URBAN	1981
19	FIRST INTERSTATE BANK PLAZA	1000 LOUISIANA	METROPOLITAN	1982
20	HOWELL BUILDING	1111 FANNIN STREET	TEXAS COMMERCE	1970
21	LYRIC CENTRE	440 LOUISIANA	LYRIC CENTRE ENT.	1983
22	M. W. KELLOGG TOWER	601 JEFFERSON	CULLEN CENTER	1973
23	NATIONSBANK	700 LOUISIANA	HINES	1983
24	ONE ALLEN CENTER	500 DALLAS	METROPOLITAN	1972
25	ONE SHELL PLAZA	900 LOUISIANA	HINES/DEUTCHEBANK	1970
26	PENNZOIL PLACE	711 LOUISIANA	HINES/DEUTCHEBANK	1975
27	TEN TEN LAMAR	1010 LAMAR	SPIRE	1981
28	TEXACO HERITAGE PLAZA	1111 BAGBY	COVENTRY	1986
29	TEXAS COMMERCE BANK BLDG.	707 TRAVIS	TEXAS COMMERCE	1929
30	TEXAS COMMERCE TOWER	600 TRAVIS	TEX. TOWER LTD	1981
31	THREE ALLEN CENTER	333 CLAY STREET	METROPOLITAN	1980
32	TWO ALLEN CENTER	1200 SMITH STREET	METROPOLITAN	1978
33	TWO SHELL PLAZA	777 WALKER	HINES/DEUTCHEBANK	1971