

CBD STORY 2009

As of January 1, 2009

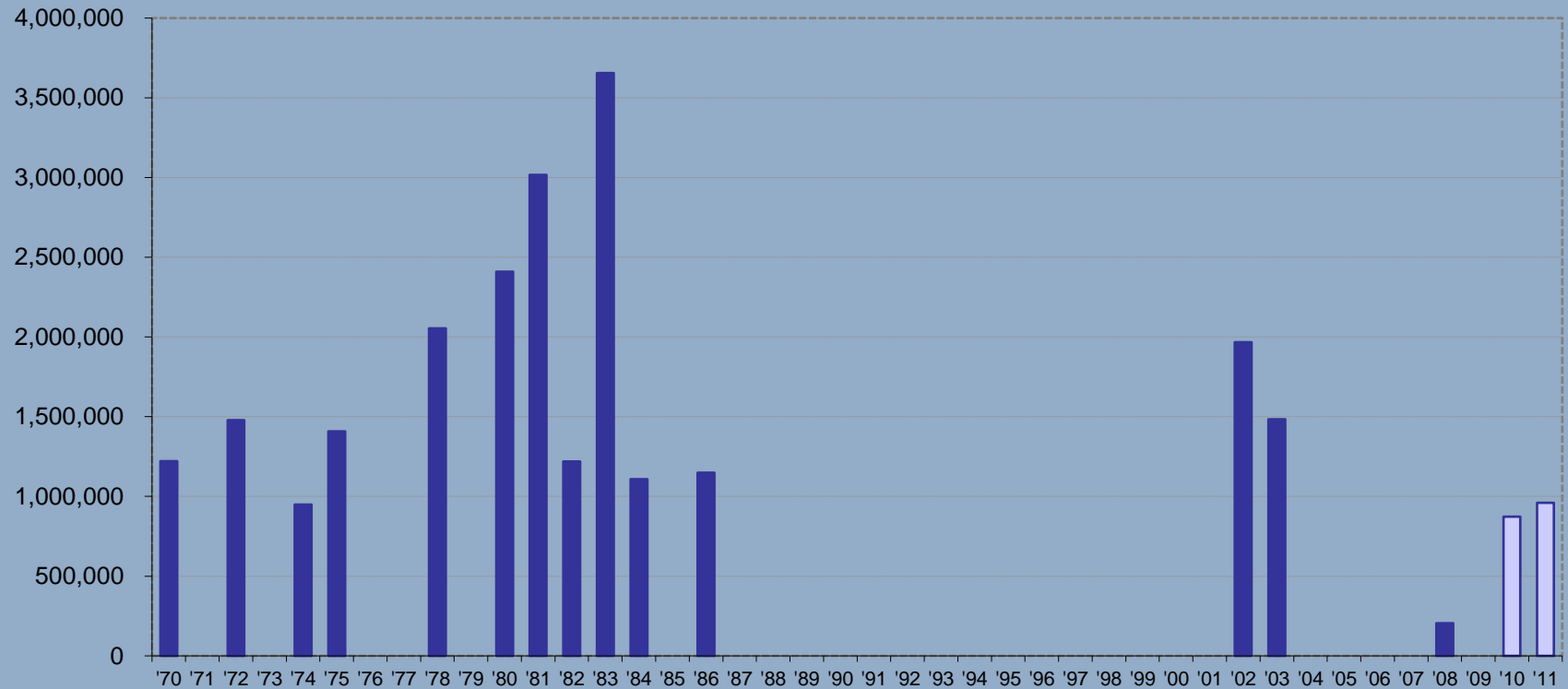


Buildings Surveyed

	Number	Rentable Sq. Ft.
Class A	22	23,532,838
Class B	19	9,562,402
Total	41	33,095,240

Class A Buildings

Square Feet Built per Year



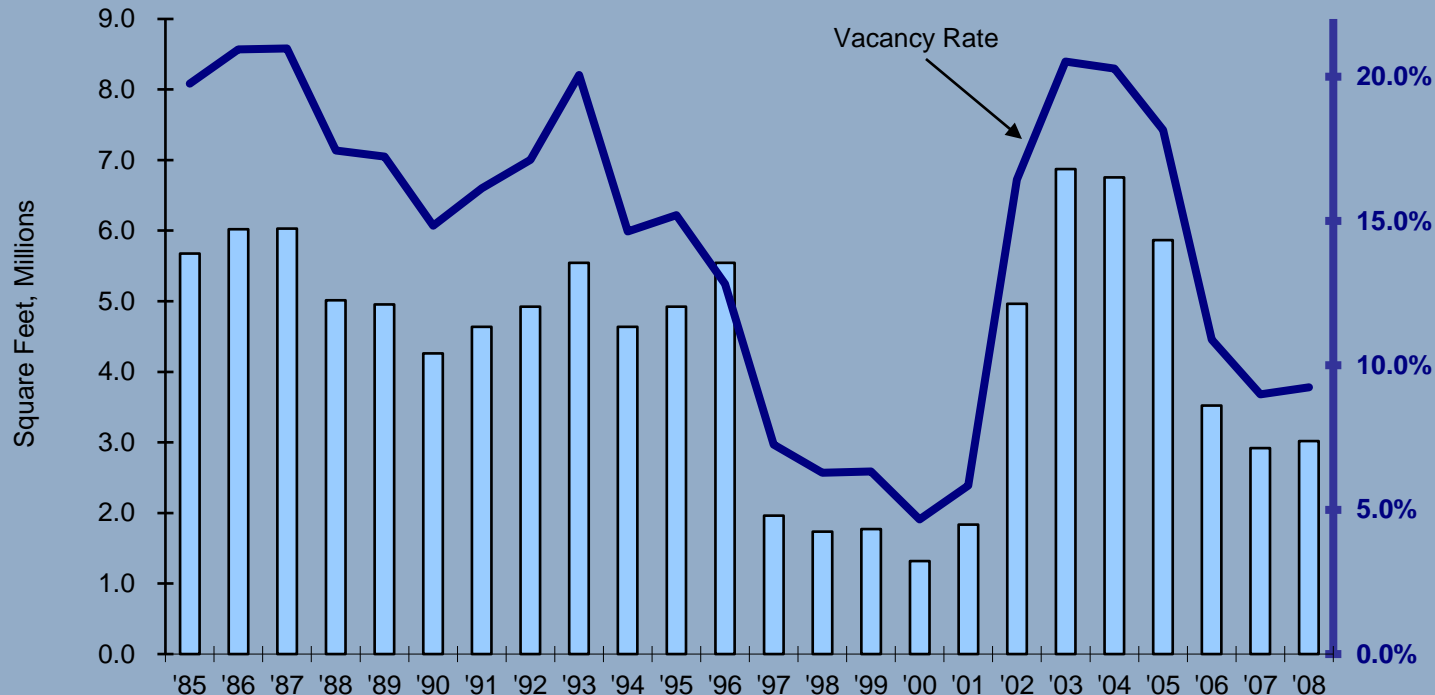
Summary Data

January 1, 2009

Space Available (Direct)	3,019,685
Percent Vacant (Direct)	9.1%
Sublease Available	530,304
2008 Absorption (Direct)	43,217
2008 Leasing Activity (Direct)	5,371,266

Historical Space Available

Direct Only

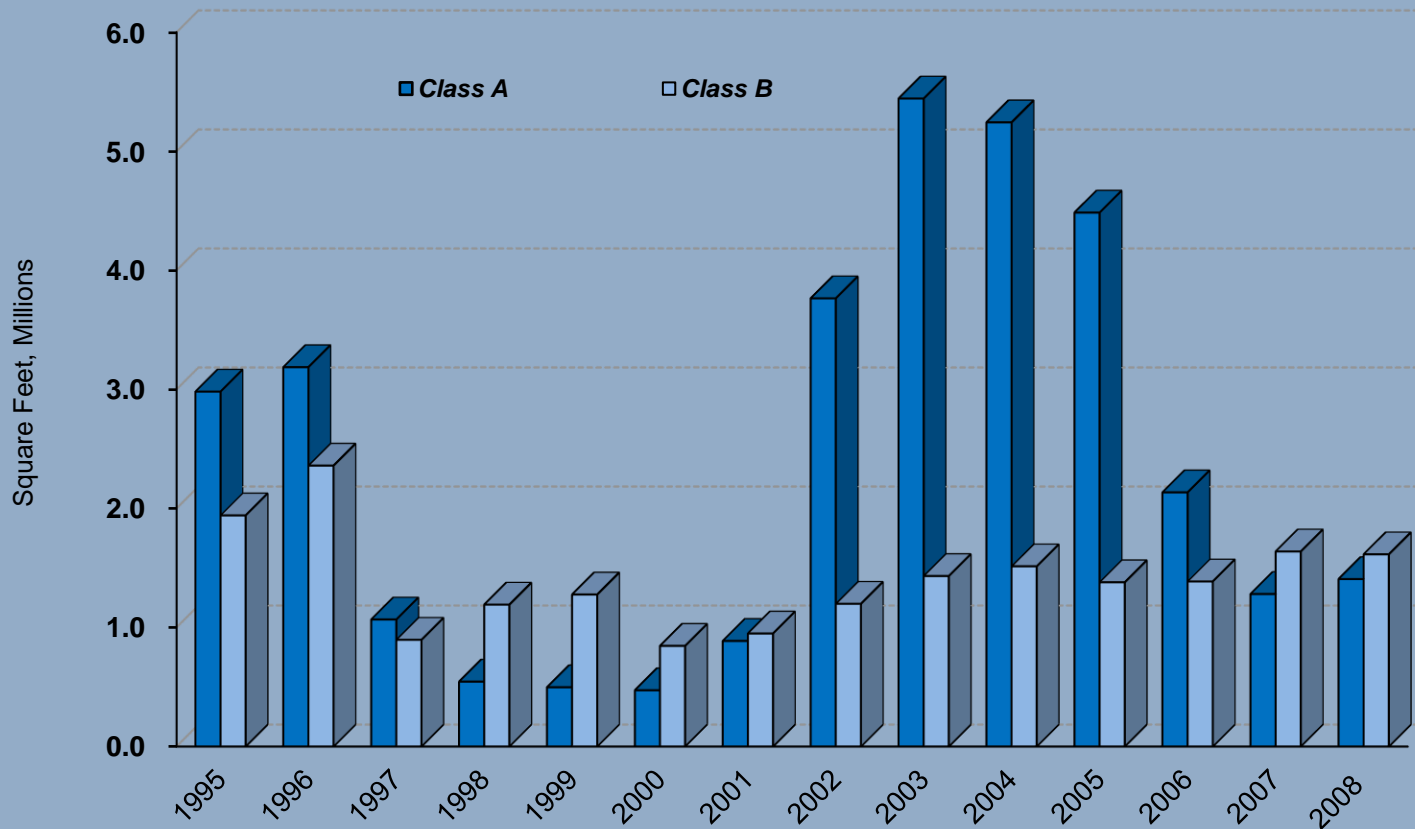


Note: Includes completed buildings in place, not Hess Tower or MainPlace

Central Houston, Inc.
CBD Story 2009

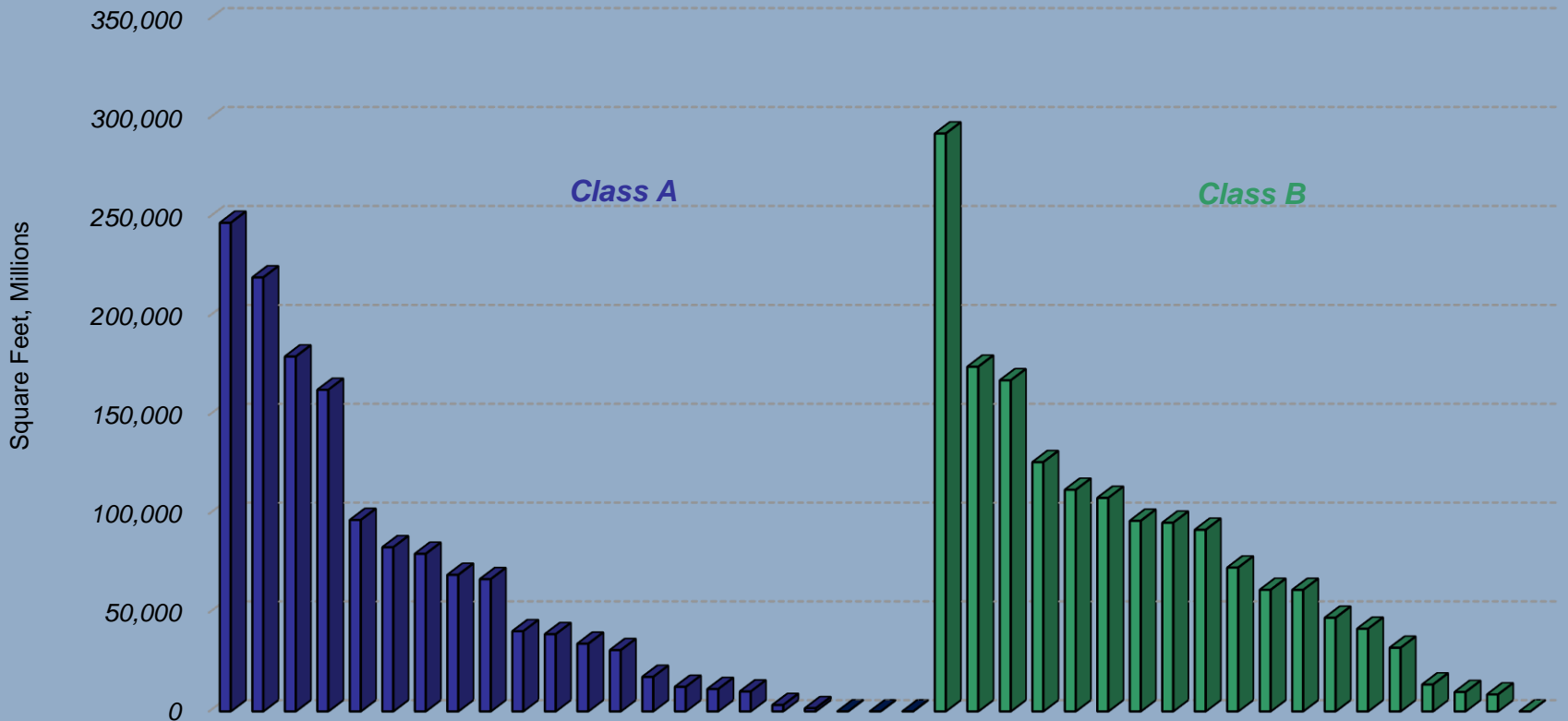
Historical Space Available

By Class



Space Available by Building

January 1, 2009



Effective Blocks of Space

August 2009

100,000 SF+

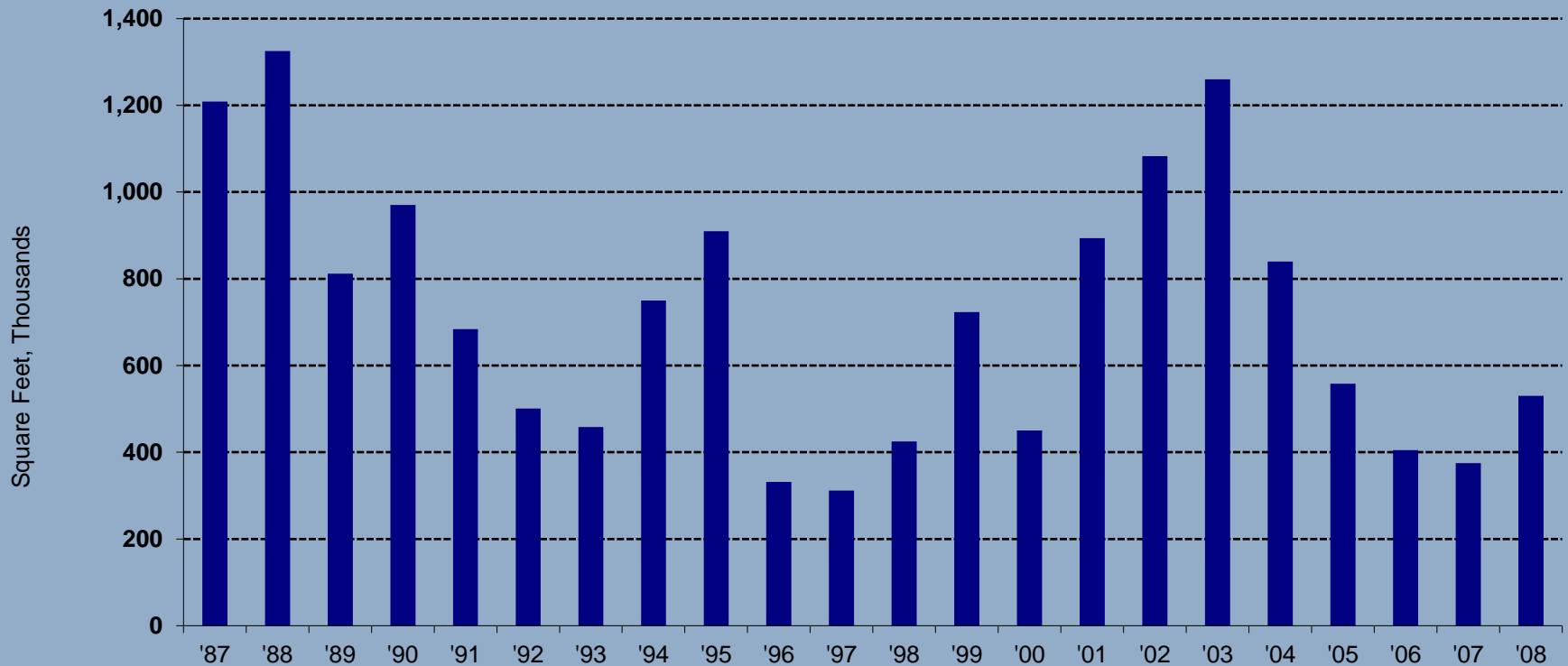
Building	SF	Floors
1000 Main	403,231	11-23
Travis Tower	260,000	5-11, 13-16, 18
Wells Fargo Plaza	175,000	23-28, 29
KBR Tower	150,000	5-8, 10-11

Red text indicates sublease space

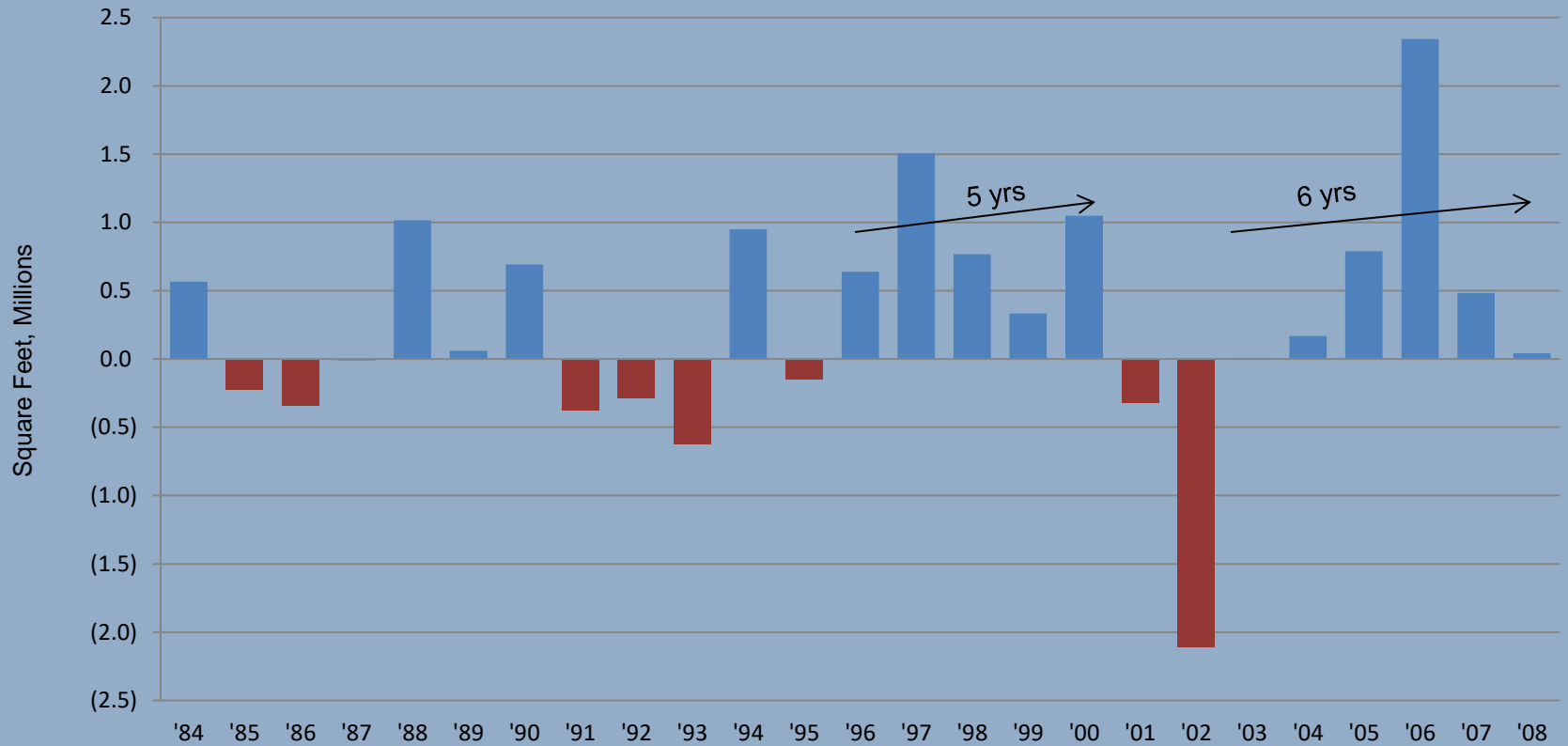
Central Houston, Inc.
CBD Story 2009

Historical Sublease Space Avail

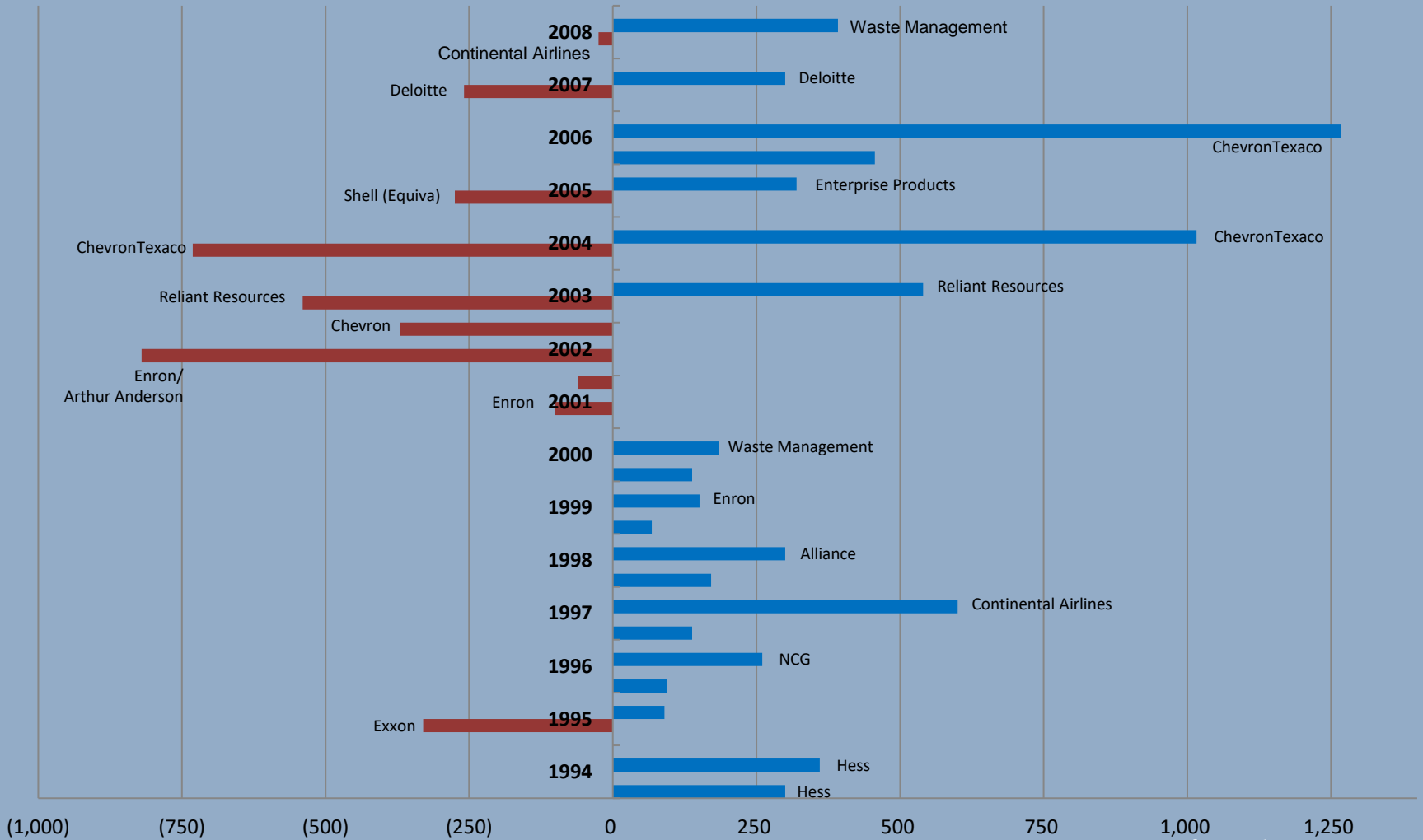
January 1, 2009



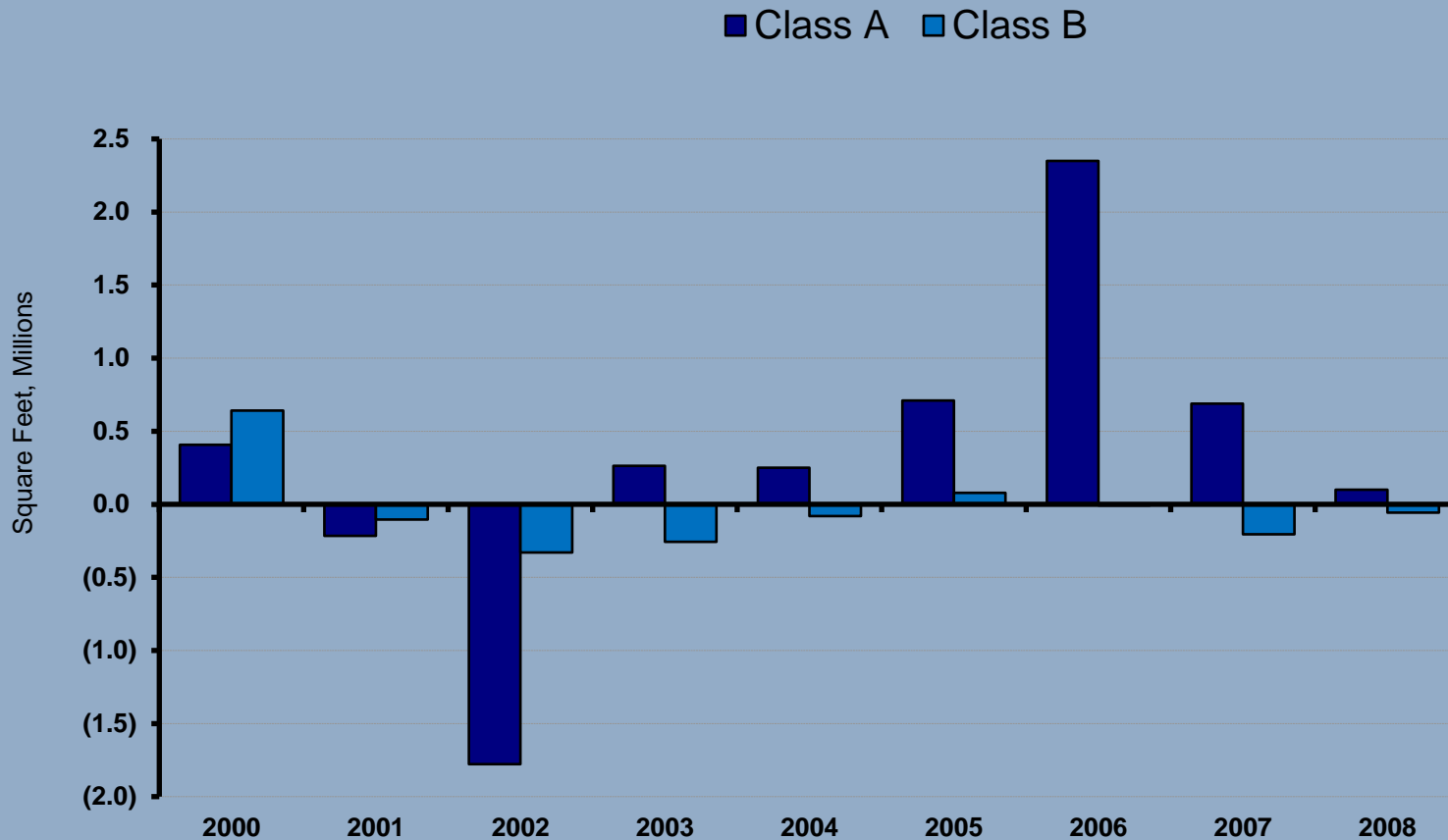
Historical Absorption



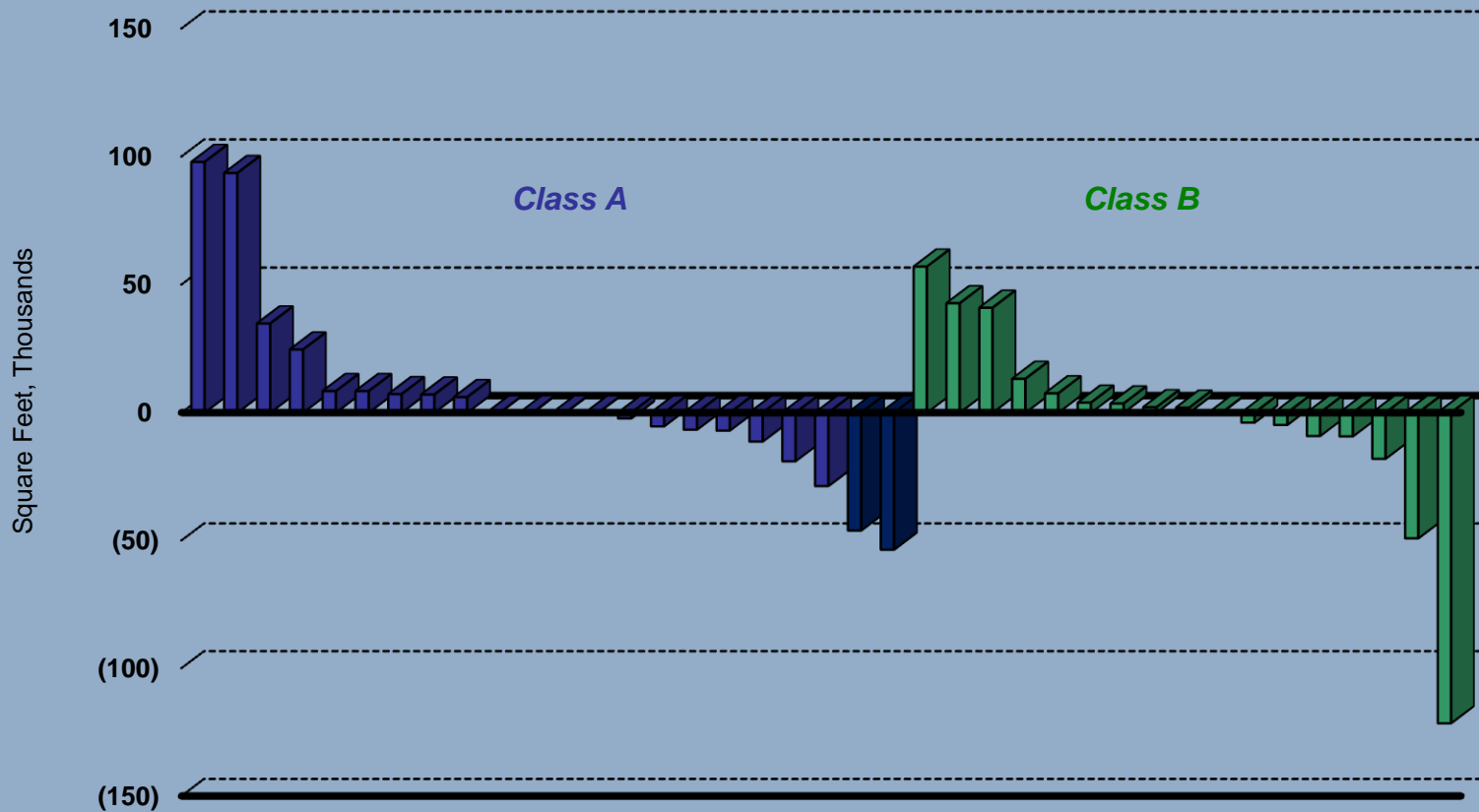
Absorption and/or Major Events



Absorption – Building Class

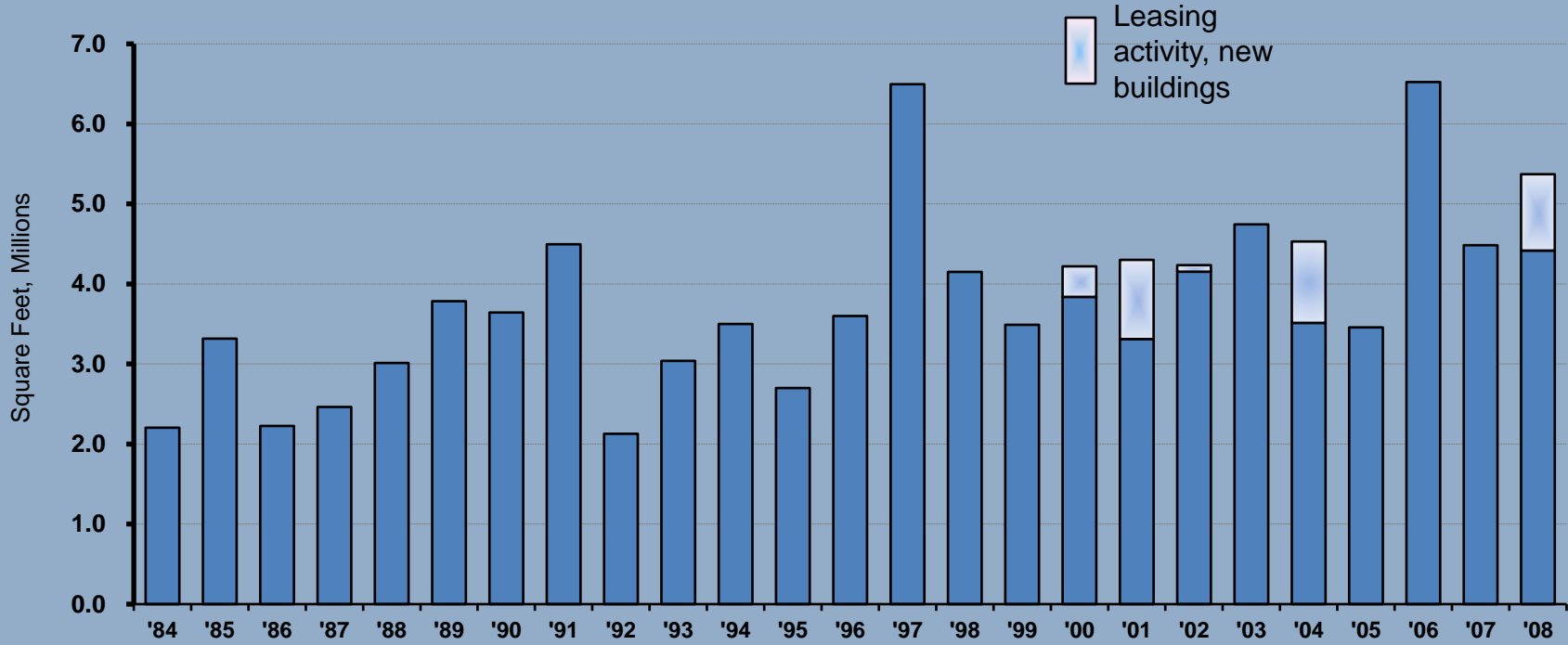


Absorption by Building



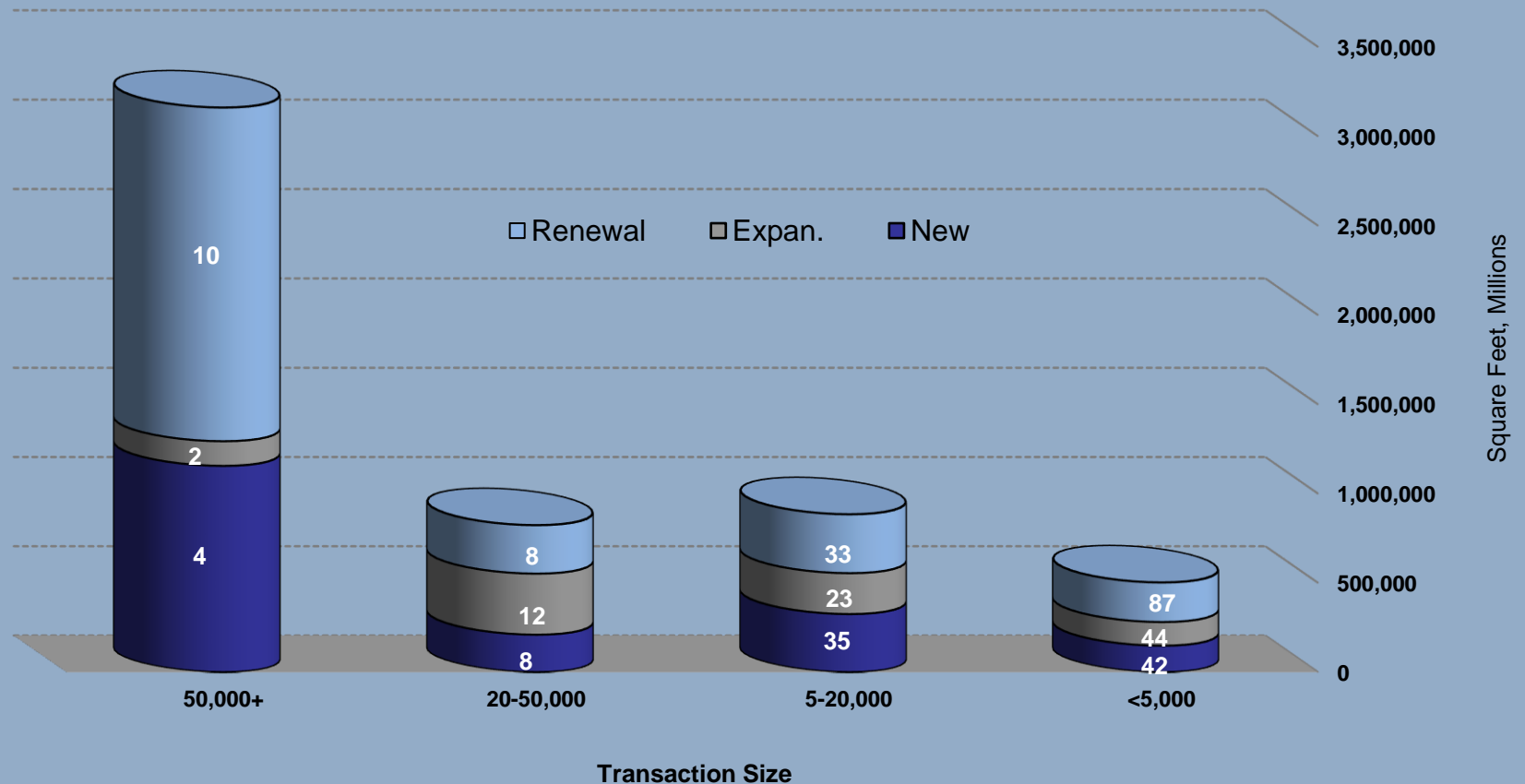
Historical Leasing Activity

Direct Space

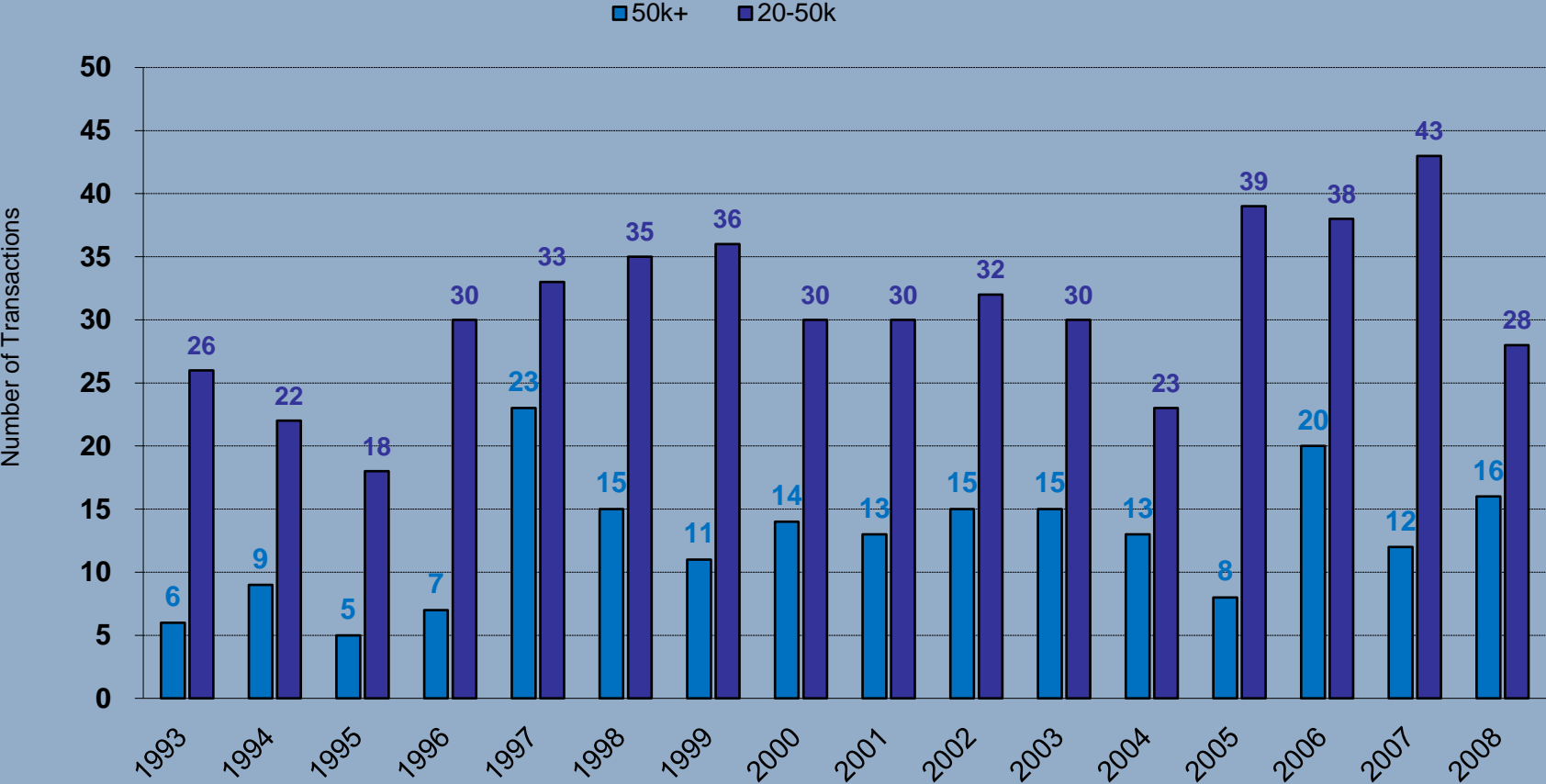


Lease Transactions

2008

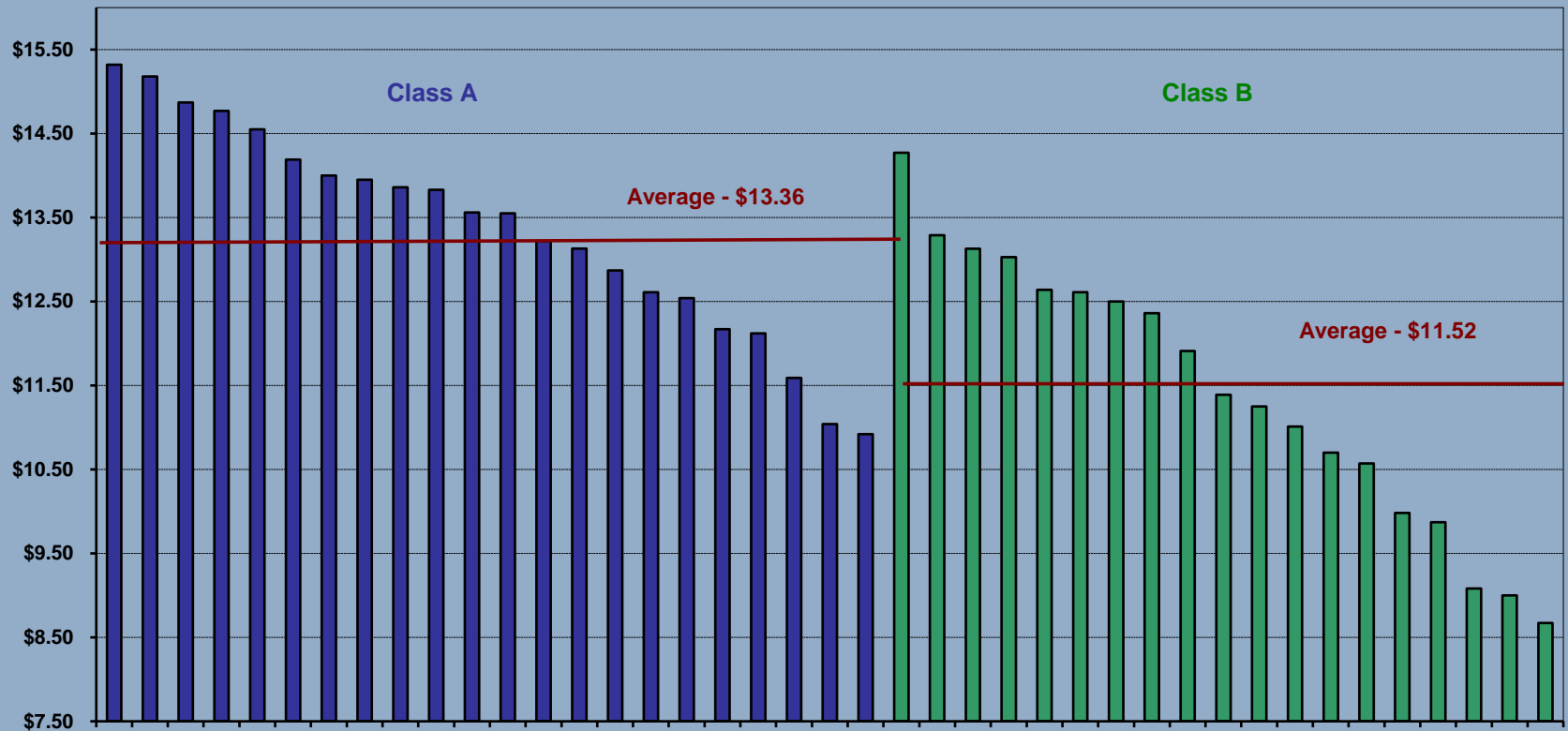


Number of Large Transactions

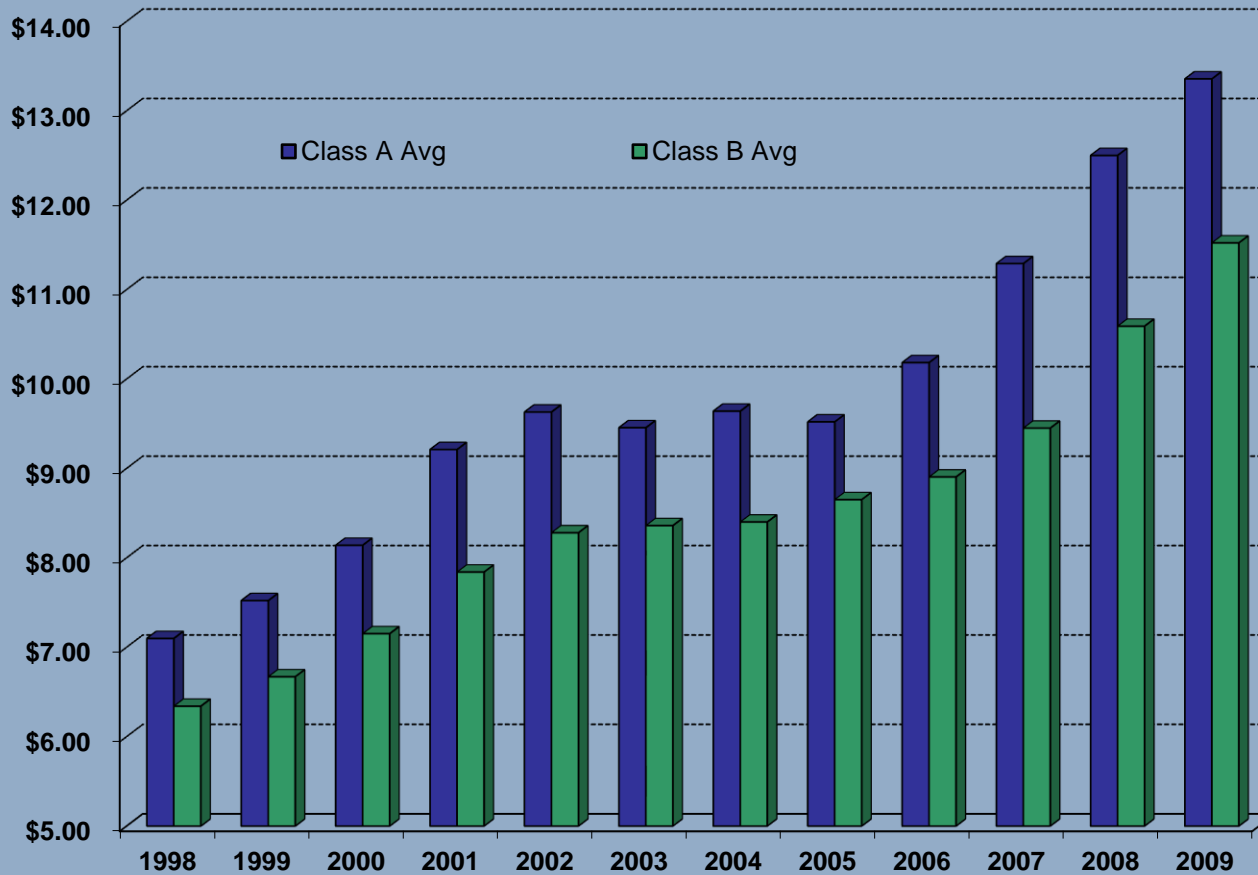


Operating Expense Projections for 2009

Estimates as of 1/1/09



Historical Operating Expenses



SF/Employee, Large Tenants

Industry	Average Square Feet Per Employee
Public Accounting/Consulting	125-275
Banks	340
Energy	300-450
Law Firms	450-550

Large Tenant-Driven Market

Tenants by number of floors

One or more floors	230
Two or more floors	115
Four or more floors	50

Tenants by square footage

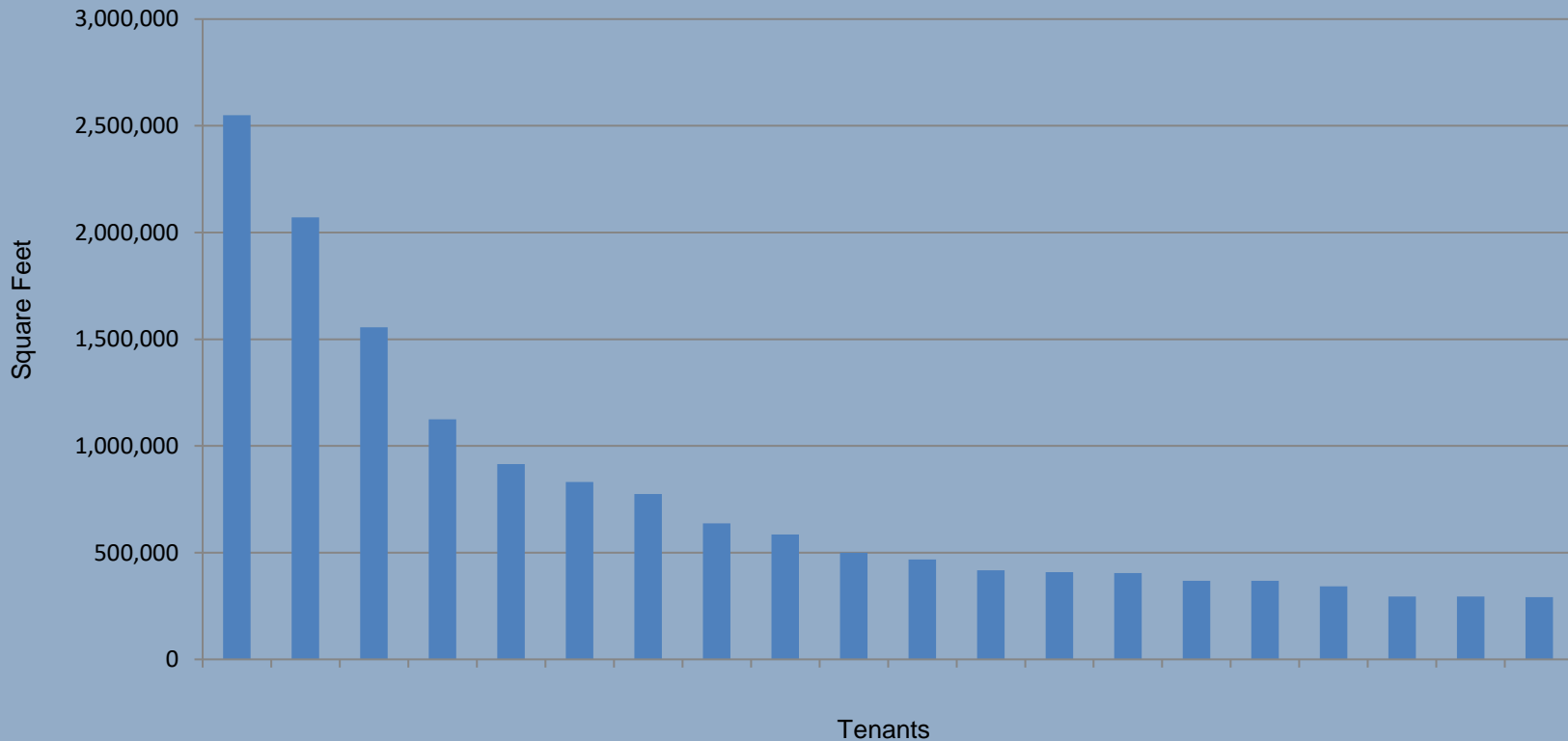
20,000+ sf	207
100,000+ sf	43
200,000+ sf	28
500,000+ sf	10

Note: Includes owner-occupied buildings: Exxon, Chevron and El Paso

Central Houston, Inc.
CBD Story 2009

Largest 20 Tenants

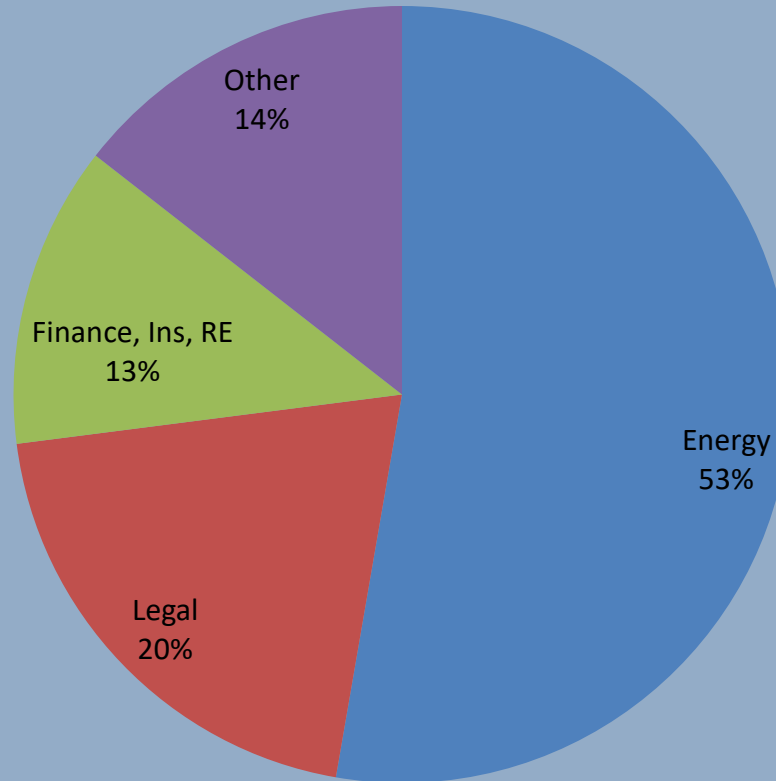
Utilize 15msf, or 42%
of Study + Owner-Occupied Space



Base for this is 30.8 million sf. Some space vacant, other not identified by industry.

Office Building Use by Industry

- “Energy” is very broadly defined and includes exploration and production, pipelines, utilities and chemical companies.
- Owner-occupied buildings are included in this slide – 800 Bell/Exxon, 1500 Louisiana/Chevron and El Paso



New Building Status

Building	Square Feet	Est Completion
Hess Tower/Crow	LEASED 844,763	6/1/10*
MainPlace/Hines	960,000	1Q11

Hess moves in 2011

Factors Affecting 2009+

- KBR – Brookfield expects KBR to decrease by 300,000 sf in 2 years, after they occupy new space in W. Houston. Will remain in 500,000+ sf in KBR Twr
- M&A, Ch 11 events?
 - LyondellBasell in Ch. 11, 3 floors back, direct
- NRG to 260,000 sf in Pavilions, pulling out of 50ksf in Fulbright and 200ksf in 1000 Main
- Additional 200ksf sublease in 1000 Main, total of 400ksf
- Major industry components
 - Energy
 - Legal
 - Financial
- Space expected to become available:
 - 500k in Allen Center (Hess/2011)
 - 860k in MainPlace (excludes KPMG)
 - 300k in 500 Jefferson (KBR)
- JPMC selling portfolio, including Chase Bank Bldg

East-West Light Rail



Under Construction: Ideson, YMCA



Julia Ideson Building

- 24,500 sf wing
- \$38 million

YMCA

- 107,000 sf
- Opens Fall 2010



Under Construction: Ballet



- 6-story, 110,000+ sf
- Offices, classrooms, studio space, dormitory
- Gensler
- One level underground parking



Central Houston, Inc.
CBD Story 2009

Under Construction: Embassy Suites

- \$55 million, 19-stories, 262 rooms
- Developer: American Liberty Hospitality
- Architect: Houston-based Mitchell Carlson Stone
- Construction 2Q09-2Q10
- Faces Discovery Green;
1515 Dallas at LaBranch
- 99-year land lease
- Avg room rates \$200/night
Two-room suites with separate living area,
bedroom and minikitchens. Meeting and event
space, pool, sauna, fitness center, restaurant and
lounge.



Convention Center Complex



Under Construction: Portfolio Building

- Portfolio Associates – interior hotel architecture
- 19,000 sf
- 3 stories
- Open 12/09



Hess Tower



MainPlace

