



Published by:  
**O'Connor & Associates**  
 2200 N. Loop West, Suite 200  
 Houston, TX 77018  
 713.686.9955

Your Key to Real Estate Services

[www.poconnor.com](http://www.poconnor.com)



# Houston Real Estate Trends

Office • Retail • Apartment • Industrial

Edited by Kathryn Koepke

\$199 per year

Volume 23 Number 5

July 2008

## APARTMENTS

According to [www.oconnordata.com](http://www.oconnordata.com), First Quarter 2008 O'Connor & Associates data indicates that Greater Houston apartment market occupancy has continued to decline (1.56 points) since last quarter and overall rents continue to steadily increase with current per square foot rates up 2.4% from first quarter 2007 (\$0.837) to first quarter 2008 (\$0.854). All classes have enjoyed steady rate increases as Class A is up 2.6% from \$1.107 to \$1.132, Class B is up 1.7% from \$0.814 to \$0.826, Class C is up 1.6% from \$0.692 to \$0.701, and Class D is up 1.9% from \$0.600 to \$0.608. With a continued supply of Class A and Class B complexes entering the market over the coming year, overall occupancy will continue to slip as new projects lease-up.

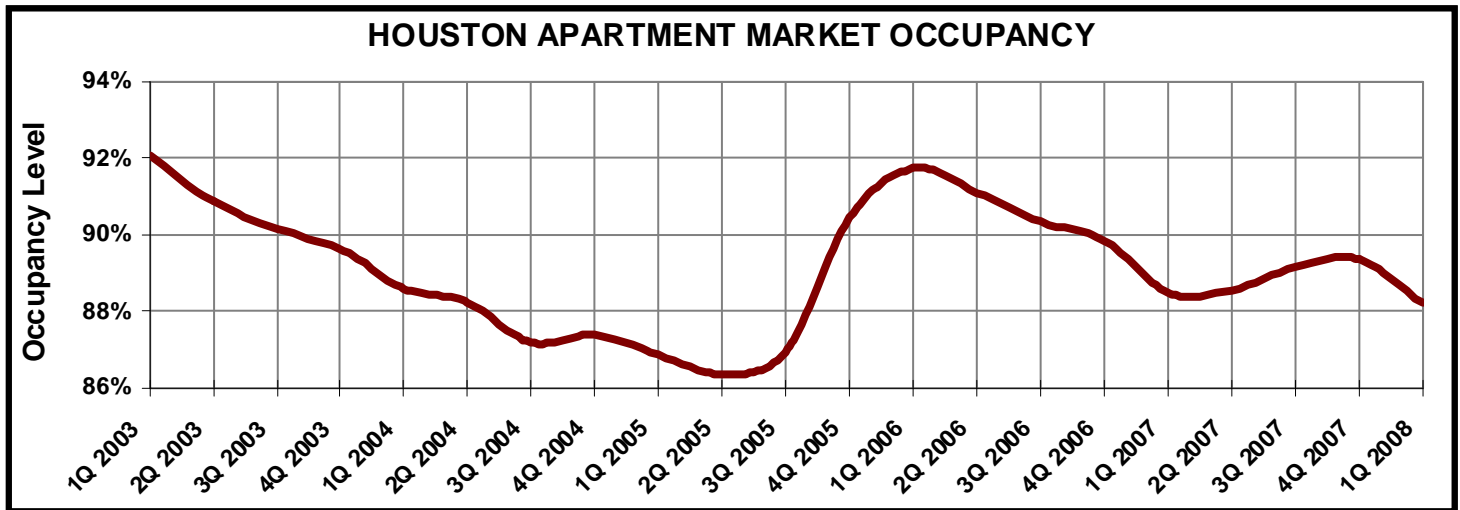
Note: The multifamily projects listed herein are followed by their representative identification number as they appear in the new O'Connor & Associates **ApartmentLink Online Data** platform and are provided for subscriber cross-referencing. *The property information contained within this database is updated on a monthly basis and accessible over the web (please contact us for more details).*

- **Harris County Housing Authority** (713-578-2100) is developing the **Waterside Court (17423)**, a 118-unit tax credit complex located at 503 West Rd. in north Houston (412B). All units will have 4-bedrooms with restricted rents at the 30%, 50%, 60% and market-rate rent rates. The average unit size will be 1,432 square feet. The complex is currently under construction, with completion expected by October 2008.

### Table of Contents:

Apartments .....	1
Single-Family Housing.....	3
Permit Issuance.....	5
Office Buildings.....	6
Retail Centers.....	8
Industrial Facilities .....	10
Vacant Land .....	12
Economic & Financial News .....	13
Potpourri .....	15

The following chart illustrates historical apartment occupancy rates.



- **TVO Real Estate Corp.** (312-553-1133) purchased **City West (2174)**, a 510-unit Class A complex located at 2828 Hayes in Westchase (489T), from **Sentinel Real Estate Corp.** (212-408-5000). The 13-year-old complex is 89% occupied with average rents at \$0.99 per square foot. The buyer was represented in-house, while **David Mitchell, David Oelfke, Matt Rotan** and **David Wylie** of **Apartment Realty Advisors** represented the seller.
- **GH Capital** (818-808-0600) purchased **Garden City (1622)**, a 252-unit Class C complex located at 9601 W. Montgomery in northwest Houston (412N), from **KMR Properties** (713-934-8847). The 5-year-old complex is fully leased with average rents at \$0.90 per square foot. **Kevin McCarthy** and **Jeff Eisenhardt** of **Hendricks & Partners** represented the seller.
- **Trammell Crow Residential** (713-781-5775) has put up for sale the **Alexan Lofts (15791)**, a 244-unit Class A complex located at 2115 Runnels St. just outside of the Central Business District (493M). The 5-year-old-complex is in a renovated historic warehouse and is 90% leased with average rents at \$1.35 per square foot. **Craig LaFollett, J. Todd Stewart, M. Todd Marix, Tre T. Banks** and **Chris D. Curry** of **CB Richard Ellis** have been selected to market the historical landmark. The asking price is undisclosed at this time.

---

---

# SINGLE-FAMILY HOUSING

**MLS** home sales decreased in June, as 6,113 used homes were sold according to the **Houston Association of Realtors (HAR)**. Sales for June 2008 were down 14.7% from June 2007. The median price of a used single-family home sold in June was \$162,000, up slightly from the same time last year, while the average home price was \$228,448, which was up 4.5% from the June 2007 level. *Note: MLS sales include primarily used home sales throughout the Houston region. Historical comparisons are offered solely for informational purposes and may not truly reflect growth in sales.*

According to **American MetroStudy**, net sales of new homes decreased 21% in June to 1,525 from 1,933 in May and down 37% from June 2007. Realtor co-op sales represented 60% of gross sales, down 3% from June of last year. Traffic decreased 11% from last year to 20,309 in June 2008. The inventory of completed speculative homes (2,027) is up 4% from last year. There are 2,556 spec homes under construction, which is up 2% from June 2007. Overall, the 4,583 specs (both completed and under construction) are up 3% from June 2007. *Note: the 24 homebuilders in this survey account for approximately 65% of housing starts in Houston.*

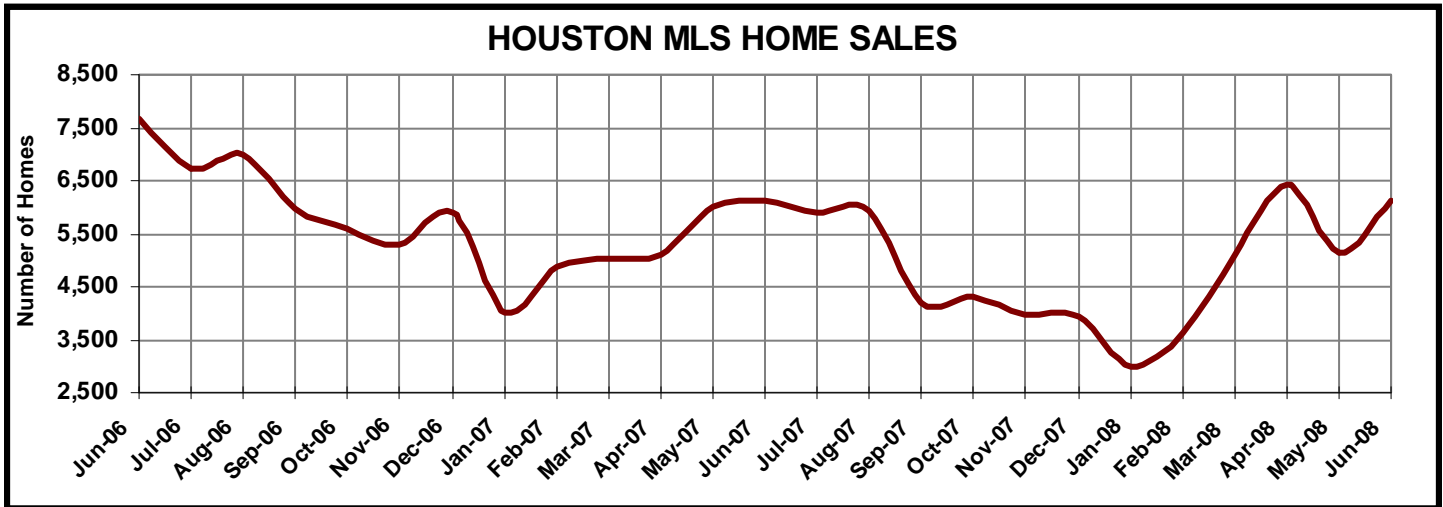
Nationwide sales of new single-family homes increased in April to a seasonally adjusted annual rate of 530,000, 0.6% below the revised May sales rate of 533,000 and 33.2% below the June 2007 figure, according to a release by the **U.S. Department of Commerce**. The median sales price in June was \$230,900. Privately owned housing starts were at a seasonally adjusted annual rate of 1,066,000 in June 2008, which is 9.1% above the revised May estimate, but 26.9% below the revised June 2007 rate. Privately owned housing completions were at a seasonally adjusted annual rate of 1,167,000 in June, 1.2% above the revised May figure but is 21.7% below the revised June 2007 figure.

The **National Association of Home Builders/Wells Fargo Housing Market Index**, a monthly measure of builder confidence, fell to 16 in July, breaking the record low of 18 set in December 2007 on a scale where any number greater than 50 indicates that builders view sales as more good than poor. The index measuring current sales of new single-family homes declined one point to 16, the index measuring sales expectations for the coming six months fell four points to 23, while the index measuring the traffic of prospective buyers declined four points to 12.

According to the **National Association of Realtors (NAR)**, 4,860,000 existing homes were sold in June 2008, down 2.6% from May sales, and down 15.5% from the 5,75,00 homes sold in June 2007. The median sale price was \$ 215,100, which represents a 6.1% decrease from sale prices last year.

According to the most recent report by **RealtyTrac**, 252,363 foreclosure filings — default notices, auction sale notices, and bank repossessions — were reported during the month of June. This figure is down 3% from May, but up 53% from June 2007. Texas remains among the nation's 18 highest states in total foreclosure filings in June 2008.

The following chart illustrates historical used home sales.



Source: Houston Association of Realtors

- **Cherokee Investment Partners, LLC** (919-743-2500) is currently working on environmental remediation, primarily removing asbestos at the **Imperial Sugar Land Redevelopment**. The clean up will likely last through the remainder of the year. The project is located at the intersection of Highway 90A and Main St. in Sugar Land (568N). Construction on the retail shops and multifamily housing at the refinery site is expected to begin soon after the remediation is complete.

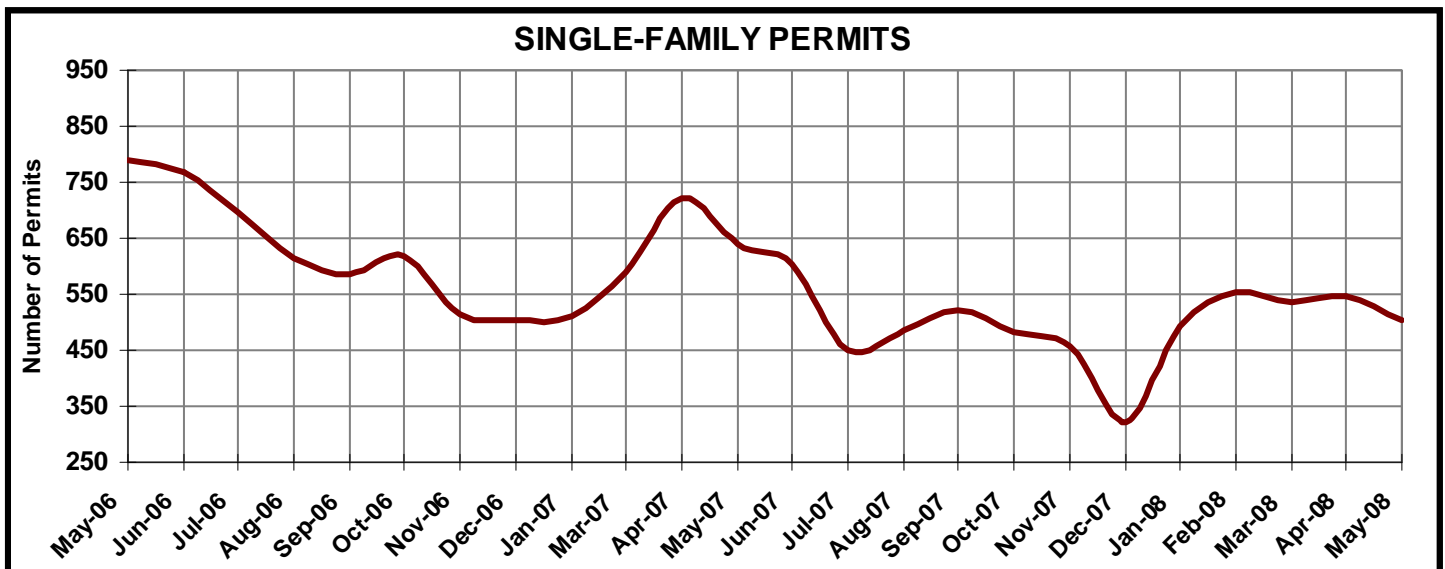
# PERMIT ISSUANCE

The **City of Houston** issued permits to build 398 private single-family houses and 38 private multifamily buildings in May. Demolition permits were issued for 168 private single-family houses and 3 multifamily structures. In addition, 245 permits were issued for privately owned non-residential construction totaling \$137,526,805 and 6 permits were issued for public non-residential construction. Additions, alterations, and conversions totaled \$113,450,016 for the private sector and \$11,739,309 for the public sector.

## Cost of Construction\*

	2006	2007	2008
Month of February	\$401,621,847	\$429,727,897	\$416,351,441
Year-to-Date	\$1,509,531,805	\$2,185,667,233	\$2,668,781,710

\*The figures in this section include all categories of buildings and non-building structures



# OFFICE BUILDINGS

According to the O'Connor & Associates **First Quarter 2008 Houston Office Data Program**, citywide **occupancy** for Houston area multi-tenant office buildings is **88.23%** (Class A = 92.25%; Class B = 85.70%; Class C = 83.93%; Class D = 79.46%). The citywide annual multi-tenant office **rental rate** is **\$22.74 per square foot** (Class A = \$28.04; Class B = \$19.32; Class C = \$15.00; Class D = \$12.51).

- Note: The office buildings listed herein are followed by their representative sector code and identification number as they appear in the O'Connor & Associates OfficeLink Online Data platform and are provided for subscriber cross-referencing. *The property information contained within this database is updated on a monthly basis and accessible over the web (please contact us for more details).*
- Stream Realty** (713-300-0300) is developing **Sierra Pines (Bldg. I) (2457)**, **Sierra Pines (Bldg. II) (2458)** and **Sierra Pines (Bldg. III) (6700)**, an office campus with approximately 540,000-square-feet located at 1601 Sawdust Rd. in The Woodlands (251Z). Construction is scheduled to begin within two months on the first building with an estimated completion date in January 2009. No construction timeframe is set for the remaining buildings.
- Office Condos at Reflection Bay, LLC** (713-436-0003) is developing **Office Condos at Reflection Bay (Ph. I) (6703)**, an office condominium complex with approximately 24,000-square-feet located at Reflection Bay in Pearland (612H). The project will have approximately 59,000-square-feet when all three phases are complete. Construction has begun on the first phase with an estimated completion date occurring in January 2009. No construction timeframe will be set for the remaining two phases until the first phase has been completed and leased or sold. The sales rate for the condos start at approximately \$200 per square foot, and the lease rate will be negotiable.

The following chart illustrates historical office occupancy rates.



- CB Richard Ellis Realty Trust** (609-683-4900) purchased **Enclave on the Lake (2012)**, a 171,000-square-foot Class A office building located at 1255 Enclave Pkwy. in the Westchase area (488L), from **Behringer Harvard Funds** (866-655-3600) for \$37,250,000.00 or \$217.84 per square foot. The 9-year-old building is 100% occupied with average rents at \$27.50 per square foot. **Dan Miller** and **Marty Hogan** of **HFF** represented the seller.
- Transocean** signed two leases in Greenway Plaza (492X) from **Crescent R E Funding III, LP** (713-840-1170) for a total of 94,891 square feet. The first lease is for 55,446 square feet located at **5 Greenway Plaza (746)**, a 912,000-square-foot Class A building. The 35-year-old building is 99% occupied with average rents at \$25.19 per square foot. The second lease is for 39,554 square feet in **Sonat Tower (745)** located at 4 Greenway Plaza, a 241,000-square-foot Class C building. The 33-year-old building is 83% occupied with average rents at \$25.43 per square foot. **Jay Bonano** of

**Studley Houston** represented the tenant in both deals, while **Preston Young** of **Stream Realty** represented the landlord in both transactions.

- **Parker Drilling** leased 75,000 square feet at **5 Greenway Plaza (746)**, a 912,000-square-foot Class A building located in Greenway Plaza (492X), from **Crescent R E Funding III, LP** (713-840-1170). The 35-year-old building is 99% occupied with average rents at \$25.19 per square foot. **David Anderson** and **Anthony Fitsche** of **Fritsche Anderson Realty Partners, LLC** represented the tenant, while **Preston Young** of **Stream Realty** represented the landlord.
- **McDermott Will & Emery, LLP** leased 25,580 square feet at **Wells Fargo Plaza (88)**, a 1,721,000-square-foot Class A building located in the Central Business District (493Q), from **Metropolitan Life Insurance Co.** (972-404-4350). The 26-year-old building is 84% occupied with average rents at \$31.15 per square foot. **Lois Zambo** of **Studley Houston** represented the tenant, while **Bonnie Kelley** of **CB Richard Ellis** represented the landlord.
- **Tricon Geophysics, Inc.** leased 22,190 square feet at **Westchase Corporate Center (2010)**, an 184,000-square-foot Class A building located in Westchase (487Z), from **Means Knaus** (713-586-2538). The 9-year-old building is 98% occupied with average rents at \$28.00 per square foot. **Drew Morris** of **Studley Houston** represented the tenant, while **Payton Collins** of **Means Knaus** represented the landlord.
- **Lexington Memorial, LLC** (212-692-7260) has assigned leasing responsibilities for **15375 Memorial Dr. (917)**, a 272,000-square-foot Class C building located in west Houston (488B) to **Brian McMackin** and **Clint Bawcom** of **Capstar Commercial Real Estate Services**. The 25-year-old building is occupied until September 2009 when the current tenant, **Transocean, Inc.** will vacate the space. The asking rents are \$19.00 per square foot.

# RETAIL CENTERS

According to the O'Connor & Associates **First Quarter 2008 Houston Retail Data Program**, citywide **occupancy** for Houston area multi-tenant retail buildings is 82.91% (Regional = 82.34%; Community = 85.72%; Neighborhood = 82.29%; Strip = 79.38%). Occupancy is up 0.35 points over the last quarter and up 0.06 points over the past 12 months. The citywide monthly multi-tenant retail **rental rate** is **\$1.62 per square foot** (Regional = \$2.77; Community = \$1.67; Neighborhood = \$1.23; Strip = \$1.24). Overall rents are down \$0.01 from the last quarter and \$0.04 from last year's figure.

Note: The retail centers listed herein are followed by their representative identification number as they appear in the new O'Connor & Associates RetailLink Online Data platform and are provided for subscriber cross-referencing. *The property information contained within this database is updated on a monthly basis and accessible over the web (please contact us for more details).*

- **Space Center Blvd. Land Development, LP** (713-650-6700) is developing **Village at Clearpoint Crossing (14739)**, a 15,000-square-foot retail center located on Space Center Blvd. at the intersection of Genoa-Red Bluff and Space Center Blvd. in east Houston (578N). The retail center is currently under construction and is scheduled for completion in the by first quarter 2009.
- **Kingdom Builders Center, LLC** (713-721-9940) is developing **Corinthian Pointe (14740)**, a 14,000-square-foot retail center located at the 5505 W. Orem in south Houston (571L). The retail center is scheduled for completion in the 2009.

The following chart illustrates historical retail occupancy rates.



- **Sconberg Lakeside, LLC** purchased **Wilcrest Center (1780)**, a 15,000-square-foot center located at 700 Wilcrest in west Houston (489K), from **KM Realty Management** (713-690-2700). The 33-year-old center is fully occupied. **James H. Bell** of **Marcus & Millichap** represented the seller in the deal.

- Several tenants including, **AT & T Wireless**; **Little Caesers**, represented by **Clay Rabel** of **MSC Properties, Inc.**; **Imperial Dental**; **Subway**; **Massage Envy**, represented by **Greg Stackhouse** of **Retail Connection**; and **Woodlands Orthodontic**, represented by **Kelly Hanks** of **Masserano Real Estate and Consulting** leased space at **Imperial Oaks Shopping Center (3704)**, a 15,000-square-foot center located at 2111 Rayford Rd. in Spring (252Z), from **Holcomb Properties Company** (713-843-0812). The 5-year-old-center is fully leased. **Richard Buxbaum** of **Baker Katz** represented the landlord.
- The **David P. Frase Trust 2000** and the **James W. Roberts Revocable Trust** purchased the **Taco Bell Ground Lease** in the **Park Lakes Development**, a 35,595 square foot ground lease located at the intersection of Wilson Rd. and Beltway 8 in Humble (376S), from **Wilson Beltway II GP, LLC** (713-782-9000). **Jamie Bouterie** and **Sandy Aron** of **Hunington Properties** represented seller in the deal.

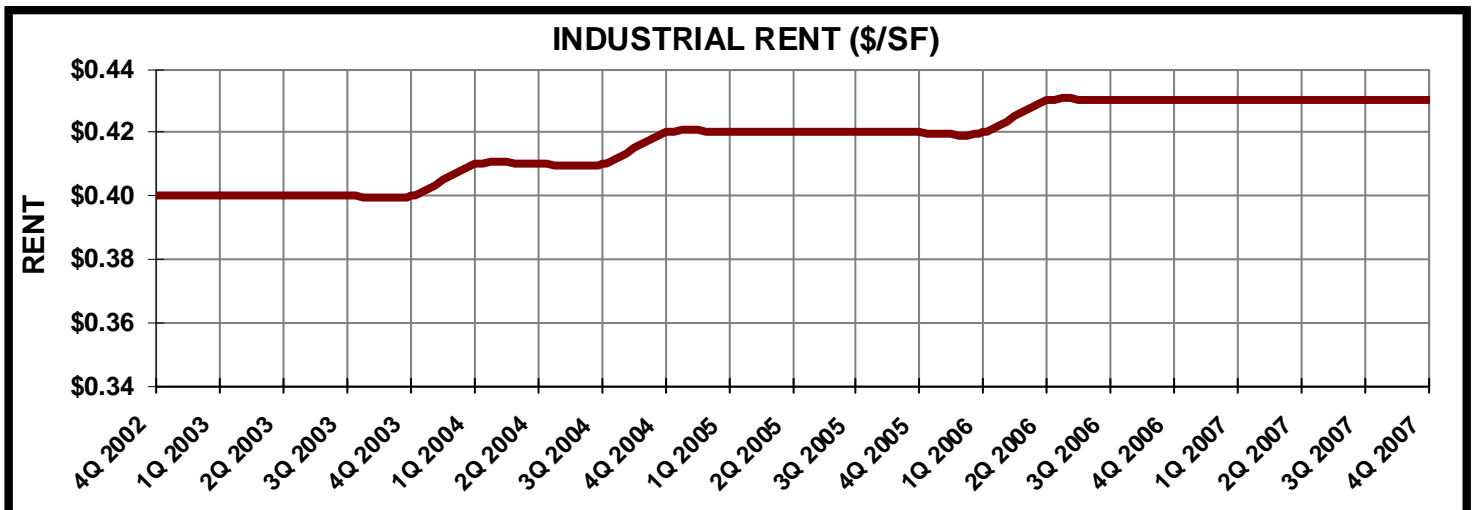
# INDUSTRIAL FACILITIES

According to the O'Connor & Associates **Forth Quarter 2007 Houston Industrial Data Program**, citywide **occupancy** for Houston area operating industrial facilities is **91.12%** (Flex = 89.43%; Bulk = 93.39%; Manufacturing = 91.62%, Service = 85.78%, Distribution = 83.79%, R&D = 96.97%). Occupancy is down 1.68 points from the last quarter and down 1.09 points over the last year. The overall monthly **rental rates** remained flat at **\$0.43 per square foot** (Flex = \$0.46; Bulk = \$0.37; Manufacturing = \$0.36, Service = \$0.57, Distribution = \$0.39, R&D = \$0.58).

Note: The industrial facilities listed herein are followed by their representative identification number as they appear in the O'Connor & Associates **IndustrialLink Online Data** platform and are provided for subscriber cross-referencing. *The property information contained within this database is updated on a monthly basis and accessible over the web (please contact us for more details).*

- **Eclectic Design, LP** (713-772-1900) has completed the **Schuff Steel Fabrication Plant (6311)** located at 14500 Smith Rd. in Humble (375X). The manufacturing facility consists of 152,000 square feet.

The following chart illustrates historical industrial rental rates.



- **Mountain West Industrial Properties** and **American National Insurance** (303-843-4030) purchased **Bayport North Distribution Center Ph. II (6272)**, a 773,000-square-foot facility located at 4035 Underwood in Pasadena (579E), from **Vantage Companies** (713-780-4300). The recently completed-facility is 16% occupied. **J. T. Tarbell** of **Mountain West Industrial Properties** represented the buyer while **Walter Menuet** of **Vantage Companies** represented the seller in the deal.
- **GC Remediation, Ltd.** (281-590-3500) purchased **3020 Greens Rd. (737)**, an 18,000-square-foot warehouse facility in north Houston (374N), from **Cargo Crating Company, Ltd.** (281-598-4405). The 15-year-old-facility will be owner occupied. **Greg Usher** of **Cypressbrook Company** represented the buyer, while **Kelley Parker III, John Littman, Jon Farris** and **Coe Parker** of **Cushman & Wakefield** represented the seller.
- **1021 West Jackson, LP** (713-651-0111) purchased **1021 W. Jackson Ave. (1887)**, a 15,000-square-foot warehouse facility located in Pasadena (536K), from **Michael L. and LaTonya Stone** (281-479-9818). The 28-year-old-facility is fully occupied. **Jeff Lindenberger** and **Ron Simons** of **McDade Smith Gould Johnston Mason + Co.** represented the buyer, while **Greg Williams** of **Qualified Property Management, Inc.** represented the seller. **Will Allen** of **McDade Smith Gould Johnston Mason + Co.** will handle the leasing of the property.

- **MHDH Properties, LLC** (713-524-4007) purchased **4923 Cranswick (6502)**, a 13,000-square-foot warehouse facility located in northwest Houston (450B), from **BRG Cornerstone Development & Construction, LP** (281-646-8443). The newly built facility is fully leased. **Bo Petit of Boyd Commercial** represented the buyer, while **John Ferruzzo of NAI Houston** represented the seller.
- **Kinder Morgan Texas Terminals, LP** leased 87,750 square feet at **8825-8827 Mississippi (1737)**, a 88,000-square-foot warehouse facility located in southeast Houston (495U), from **Tuffli Company, Inc.** (310-326-5500). The 32-year-old facility is fully leased with average rents at \$0.20 per square foot. **Kinder Morgan Texas Terminals, LP** was represented in-house, while **Kelley Parker III, John F. Littman, Coe Parker and Jon Farris of Cushman & Wakefield** represented the landlord in the deal.
- **American Steel Building Co., Inc.** leased 105,800 square feet at **750 Almeda-Genoa Rd. (2738)**, a 232,000-square-foot manufacturing facility located in south Houston (572U), from **750 Almeda Genoa, LLC** (713-780-3324). The 25-year-old facility is 45% occupied with average rents at \$0.30 per square foot. **Prudential Gary Greene Realtors** represented the tenant, while **John Ferruzzo of NAI Houston** represented the landlord.
- **UTI United States, Inc.** leased 22,400 square feet at **Kenswick Air Freight & Logistics Bldg. II (6232)**, a 95,000-square-foot warehouse facility located at 18951 Kenswick Dr. in Humble (335W), from **Kenswick Industrial Center** (713-840-6500). The year-old facility is 23% leased. **Chris Jackson of Stream Realty** represented the tenant, while **Patrick Rollins of CB Richard Ellis** represented the landlord.
- **Control Components, Inc.** leased 21,825 square feet at **6526 Petropark Dr. (6539)**, a 51,000-square-foot warehouse facility located in northwest Houston (409T), from **Skypark One, LP** (310-326-5500). The year-old facility is 42% leased. **John Ferruzzo and Gary Lawless, Jr. of NAI Houston** along with **Barrett Gibson of Gibson & Granello Realty Partners, LLC** represented the tenant, while the landlord was represented by **Kelley Parker III, John F. Littman, Coe Parker and Jon Farris of Cushman & Wakefield**.
- **Haulotte US, Inc.** leased **8721 Clay Rd., Bldg. B (6487)**, a 20,000-square-foot office/warehouse facility located in west Houston (450H), from **Stonebridge Real Estate Development & Investments** (713-439-1151). The year-old facility is fully leased. **Joel Michael of NAI Houston** represented the tenant, while **Travis Land of NAI Houston** represented the landlord.

---

---

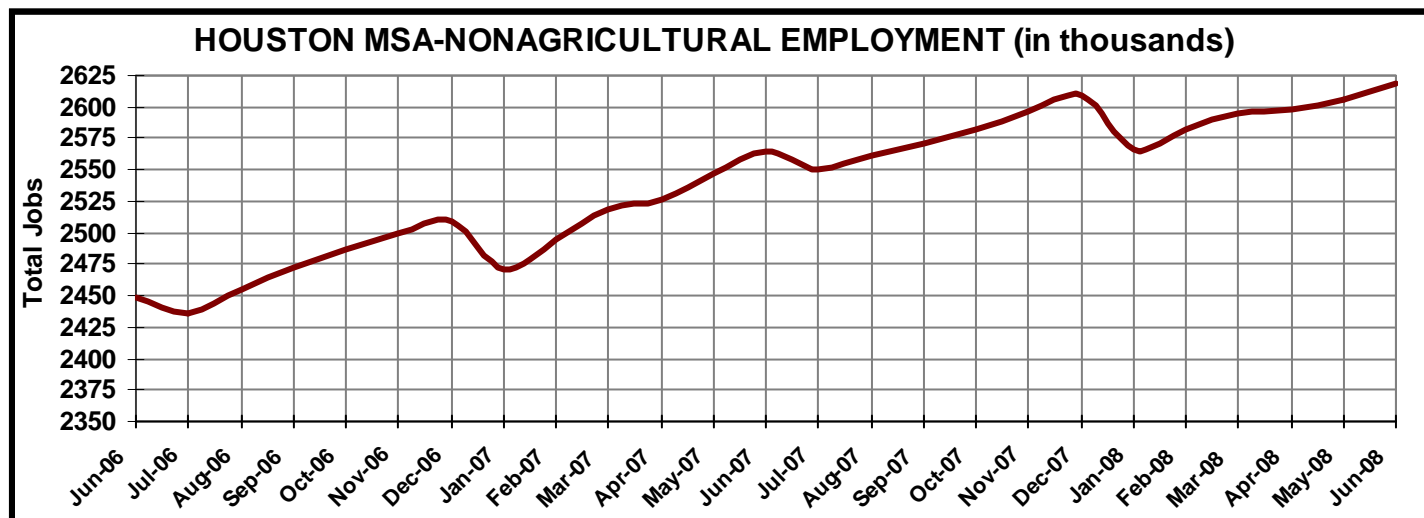
# VACANT LAND

- **Conroe Independent School District** (936-709-7751) purchased 16.16 acres of land off of Fish Creek Thoroughfare in Conroe (155X), from **Woodforest Development** (713-960-9977). **Virgil Yoakum** of **Woodforest Development** represented the seller, while **Conroe Independent School District** was represented in-house.
- **Lahey Electric** (713-460-5882) purchased 14.4 acres of land at 26703 Betka Rd. in Hockley (324J), from **Dimetreos Badger**. **Bill Ginder** and **Wesley Simmons** of **Caldwell Companies** represented the buyer, while **Keith Edwards** and **Keith Grothaus** of **Caldwell Companies** represented the seller.

# ECONOMIC & FINANCIAL NEWS

The total number of nonagricultural wage and salary jobs in the ten-county Houston area increased by 13,200 jobs to 2,619,300 in June 2008, according to the **U.S. Department of Labor**. This month's total is 54,100 jobs more than the 2,565,200 jobs at this time last year. Of nonagricultural employers, the Trade, Transportation and Utilities sector posted the largest gain over the month at 4,900 jobs, followed by the Leisure and Hospitality sector, with 4,400 jobs gained. Over the year Trade, Transportation and Utilities sector had the largest increase in employment, adding 10,500 jobs, followed by the Education and Healthcare sector, which added 10,100 jobs.

The following chart illustrates total non-agricultural employment in the Houston MSA.



Source: Bureau of Labor Statistics (BLS)

Advance estimates reported by the **U.S. Department of Commerce** show that seasonally adjusted national retail and food services sales for June 2008 were \$384.2 billion, an increase of 0.1% from May and up 3.0% from June 2007. Retail trade sales in June were up 0.1% from May and up 3.0% above last year's level.

Personal income increased \$225.7 billion, or 1.9%, and Disposable Personal Income (DPI) increased \$600.3 billion, or 5.7%, in May 2008, according to the **Bureau of Economic Analysis**. Personal Consumption Expenditures (PCE) increased \$77.4 billion, or 0.8% in May 2008. Meanwhile, the **U.S. Department of Labor** reports that the seasonally adjusted Consumer Price Index (CPI) for urban consumers increased 1.0% in June 2008 and is 5.0% higher than in June 2007.

The latest **Conference Board Survey** indicates that the **Consumer Confidence Index** decreased to 51.9 in July 2008, up slightly from 51.0 in June. The index is an indicator of consumers' overall assessment of current conditions, relative to a figure of 100 in 1985, the base year. The **Index of Leading Economic Indicators** decreased 0.1% in June to 101.7. The index is an indicator of direction the economy is expected to take in coming months, relative to a figure of 100 in 1996, the base year.

According to the **Federal Reserve**, industrial production advanced 0.5% in June 2008 from May 2008 and is up 0.30% over the June 2007 level. Output in the manufacturing sector gained 0.2% in June; output of utilities increased 2.1% over the month and output at mines increased 1.1%. The rate of industrial capacity utilization was 79.9% in June, which is 0.3 points above the previous month's level, and is 1.8 points higher compared to the previous year's level.

**Freddie Mac** reports that the **30-year fixed-rate mortgage (FRM)** averaged 6.32% in June 2008, which is 0.28 points up from May and down 0.43 points from one year ago. The average for the **15-year FRM** averaged 5.91% in June 2008, which is up 0.31 points from May but down 0.43 points from June 2007.

The **U.S. Department of Commerce** reports that advance estimates of the real GDP, the output of goods and services produced by labor and property in the United States, increased at an annual rate of 1.9% in the second quarter of 2008, this is more than double the growth rate of the first quarter of 2008. The increase in GDP in the second quarter primarily reflected positive contributions from exports, personal consumption expenditures (PCE) for services, nonresidential structures, federal government spending, and state and local government spending that were partly offset by negative contributions from private inventory investment, residential fixed investment, and equipment and software.

The **U.S. Department of Commerce** reports that construction spending during June 2008 was estimated at a seasonally adjusted annual rate of \$1,081.9 billion, 0.4% below the revised May 2008 estimate. The current figure is 5.9% below the June 2007 estimate of \$1,149.4 billion. Private residential construction was at a seasonally adjusted annual rate of \$780.6 billion in June, 0.4% below the revised May estimate of \$783.9 billion, and 26.7% below the June 2007 estimate of \$508.2 billion.

The **Baker Hughes** count of active domestic rotary rigs stands at 2,402 during the week ending August 1, 2008. The current rig count is up 10.4% from last year's figure of 2,175 rigs. The rotary rig count is a census of the number of drilling rigs actually exploring for or developing oil or natural gas in the United States.

The **National Restaurant Association's Restaurant Performance Index (RPI)** is up 0.5% in June to 101.4. The index is a monthly composite index that tracks the health and outlook for the U.S. restaurant industry. This is the index's lowest level on record.

---

---

# POTPOURRI

According to the monthly **Monster Worldwide, Inc.** employment index, online job demand slipped three points in the month of July and is down 14% from July 2007. Of 23 occupational categories, only 3 posted an increase over the month. The Arts, Entertainment and Recreation occupation group posted the largest monthly gain of any category in online job opportunities over the month of July, while real estate saw the largest rate of decline during the month.

According to the June 2008 **Architecture Billings Index**, developed by the **American Institute of Architects**, demand for non-residential construction rose slightly in June 2008. June reported an index of 46.1 (any score above 50 indicates an increase in billings), up from 43.4 in May.

The **American Association of Port Authorities**, based in Alexandria, VA and the **Port of Houston Authority** are jointly hosting the **12<sup>th</sup> Port Security Seminar and Exhibition**. Underlying the sessions is Congress' appropriation of \$400 million in port security grants. Conference sessions are covering topics like port security surveys, cruise terminal security, counter-terrorism strategies, cargo theft and railroad security.

The **Port of Galveston** (409-765-9321) secured a \$28.1 million loan from the **State of Texas** to renovate aging public docks. Half of the funds will be invested in channel deepening projects to accommodate larger ships, while the balance of the funds will be used to repair badly deteriorated bulkheads from piers 12 to 14.

**Gethsemane Church of God Seventh Day** (713-637-0607) has purchased **14234 Alderson Street**, a 32,000-square-foot church located in east Houston (494C), from **Northshore Community Baptist Church** (713-455-4433). **Sidney Taylor** of **Nationwide Church Consultants** represented the buyer, while **Carol Gray** of **International Church Realty** represented the seller.

**Houston Antioch Church** (713-462-5113) has purchased **1221 Dewey**, a 12,000-square-foot church located in east Houston (496L), from **Gethsemane Church of God Seventh Day** (713-637-0607). **Veronica Lee** of **RE/MAX Memorial** represented the buyer, while **Sidney Taylor** of **Nationwide Church Consultants** represented the seller.

**Valencia Group** (713-871-0221) is developing the **Hotel Sorella CityCentre**, a 245-key hotel located at 800 W. Sam Houston Pkwy. N. in west Houston (488A). Construction is scheduled for completion in the second quarter of 2009.

The **City of Missouri City** (281-403-8500) has taken possession of the **Quail Valley Country Club** from **Quail Valley Country Club, LP** (972- 377-4408) by eminent domain. They took possession of the property on June 27, 2008 and are now running the two 18-hole golf courses as public courses. Currently the City is moving ahead with improvements to the property and has implemented a temporary schedule of fees. The City had formed a committee to determine different ways to redevelop the land. They plan to transform the overgrown courses into green space.

Please direct any questions regarding content in the *Houston Real Estate Trends* to Kathryn Koepke at 713-686-9955 or [kkoepke@poconnor.com](mailto:kkoepke@poconnor.com)