Your Key to Real Estate Services

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

www.poconnor.com

Houston Real Estate Trends

Office • Retail • Apartment • Industrial

Edited by Kathryn Koepke | $199 per year | Volume 23 Number 6 | August 2008

APARTMENTS

According to www.oconnordata.com, **Second Quarter 2008 O'Connor & Associates data** indicates that Greater Houston apartment market occupancy has held steady (decreased only 0.28 points) since second quarter 2007 and overall rents continue to steadily increase with current per square foot rates up 2.2% from second quarter 2007 ($0.851) to second quarter 2008 ($0.856). All classes have enjoyed steady rate increases since second quarter 2007 as Class A is up 3.0% from $1.120 to $1.146, Class B is up 1.4% from $0.817 to $0.828, Class C is up 1.1% from $0.693 to $0.703, and Class D is up 1.2% from $0.604 to $0.611. 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).*

- **Cornerbrook Development Co.** (281-261-9009) is developing the **Summerbrooke (18199)**, a 376-unit Class A complex located at 1225 Lawrence Rd. in Kemah (620W). Construction is scheduled to begin shortly with completion expected in the fourth quarter 2009.
- **Easterling Properties** (713-626-1800) has completed the **Plantation Apartments at the Woodlands Ph. I (17972)**, a 312-

Table of Contents:

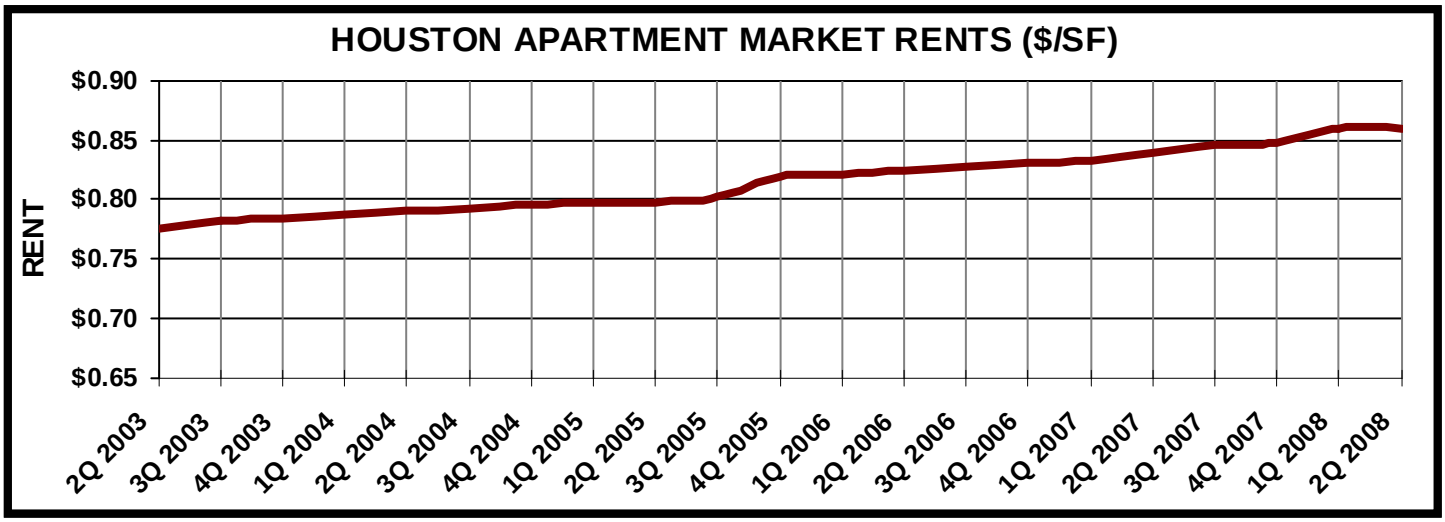
Apartments 1
Single-Family Housing 3
Permit Issuance 5
Office Buildings 6
Retail Centers 8
Industrial Facilities..... 10
Vacant Land 12
Economic & Financial News..... 13
Potpourri..... 15

www.oconnordata.com
ApartmentLink
More Owner Contact Information
More User-Friendly
More Comprehensive & Accurate
More Affordable!

unit Class A complex located at 3720 College Park Dr. in The Woodlands (217Q). There are one-, two- and three-bedroom units with the average unit size of 901 square feet and average rents at $1.16 per square foot. Phase I was completed mid-August as construction began on **Plantation Apartments at the Woodlands Ph. II (18277)**, a 120-unit Class A complex also located at 3720 College Park Dr. in The Woodlands (217Q).

- **Gables Estates Corp.** (281-494-2758) has closed the **Gables of Inwood (1609)**, a 159-unit Class C complex located at 5600 Holly View Dr. in north Houston (411Y). The city of Houston ordered the property closed the first week of August due to code violations.

The following chart illustrates historical apartment rental rates.



- **Adams LaSalle Realty** (312-983-7090) purchased **The Lodge at Baybrook (4050)**, a 322-unit Class A complex located at 19100 Glenwest Dr. in Friendswood (617Z), from **MBS Companies** (504-836-5075). The 9-year-old complex is 94% occupied with average rents at $1.10 per square foot. **Timothy J. Burns** of **Adams LaSalle Realty** represented buyer, while **Craig LaFollette** of **CB Richard Ellis** represented the seller.

- **Mosaic Residential, Inc.** (281-647-6400) purchased two Class B properties from **Apartment Income Mgmt. Co.** (303-355-6181) totaling 314 units in League City. The **Crow's Nest (4274)** is a 24-year-old complex located at 501 Davis Rd. (619X) and is 96% leased with average rents at $0.87 per square foot. **Sandcastles (4284)** is a 21-year-old complex located at 2751 FM 518 (659B) and is 94% leased with average rents at $0.86 per square foot. **Edward Nwokedi** of **Cushman & Wakefield** represented the seller.

SINGLE-FAMILY HOUSING

MLS home sales decreased in July, as 7,052 used homes were sold according to the **Houston Association of Realtors (HAR)**. Sales for July 2008 were down 12.7% from July 2007. The median price of a used single-family home sold in June was $161,370, up 3.4% from the same time last year, while the average home price was $226,072, which was up 8.0% from the July 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 6% in July to 1,411 from 1,506 in June and down 36% from July 2007. Realtor co-op sales represented 61.2% of gross sales, up 2% from July of last year. Traffic decreased 29% from last year to 11,881 in July 2008. The inventory of completed speculative homes (2,434) is down 3% from last year. There are 2,054 spec homes under construction, which is up 2% from June 2007. Overall, the 4,488 specs (both completed and under construction) are down 1% from July 2007. *Note: the 24 homebuilders in this survey account for approximately 65% of housing starts in Houston.*

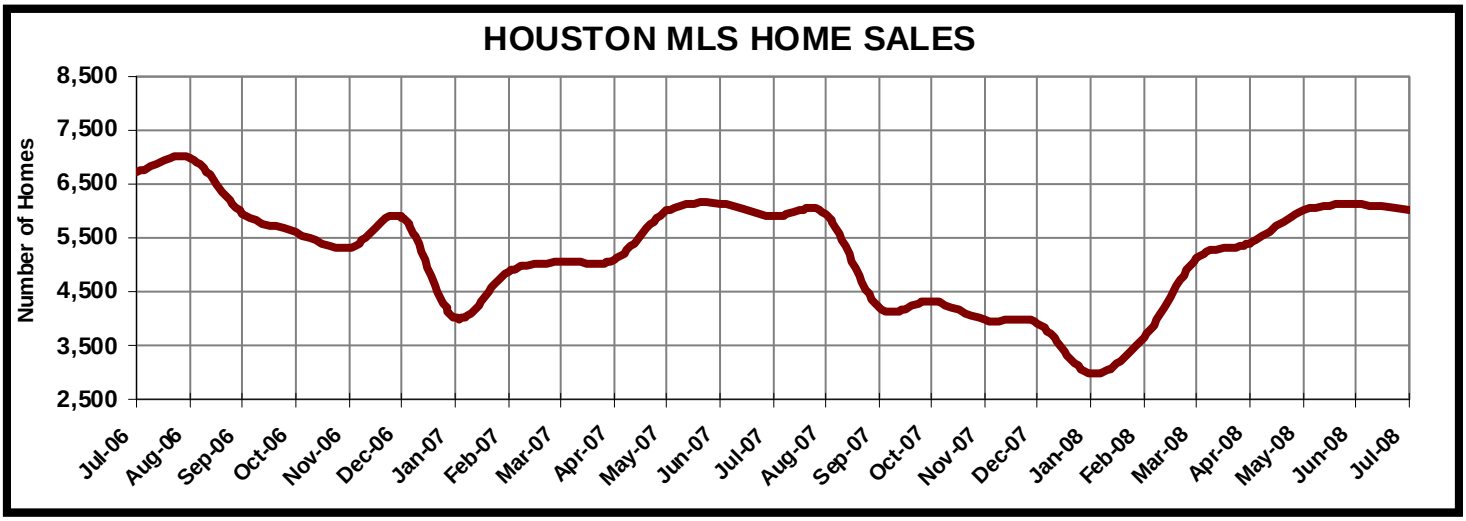
Nationwide sales of new single-family homes increased in July to a seasonally adjusted annual rate of 515,000, 2.4% above the revised June sales rate of 503,000 but 35.3% below the July 2007 figure, according to a release by the **U.S. Department of Commerce**. The median sales price in July was $230,700. Privately owned housing starts were at a seasonally adjusted annual rate of 965,000 in July 2008, which is 11.0% below the revised June estimate, and 29.6% below the revised July 2007 rate. Privately owned housing completions were at a seasonally adjusted annual rate of 1,035,000 in July, 8.7% below the revised July figure and 31.7% below the revised July 2007 figure.

The **National Association of Home Builders/Wells Fargo Housing Market Index**, a monthly measure of builder confidence, was stagnant at 16 in August, 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 rose one point to 16, the index measuring sales expectations for the coming six months had a two-point gain to 25, while the index measuring the traffic of prospective buyers remained the same at 12.

According to the **National Association of Realtors (NAR**), 5,000,000 existing homes were sold in July 2008, up 3.1% from June sales, but down 13.2% from the 5,760,000 homes sold in July 2007. The median sale price was $ 212,400, which represents a 4.9% decrease from sale prices last year.

According to the most recent report by **RealtyTrac**, 272,171 foreclosure filings — default notices, auction sale notices, and bank repossessions — were reported during the month of July. This figure is up 8% from June, and up nearly 55% from July 2007. Texas remains among the nation's 22 highest states in total foreclosure filings in July 2008.

The following chart illustrates historical used home sales.



Source: Houston Association of Realtors

- **Planned Community Developers** (281-242-2000) is developing **Creekbend at Lake Pointe Town Center**, a community of 87 courtyard homes with average lot sizes of 51' to 65' x 105' to 120' and priced from the $800's to over $1 million. The community is located near the Southwest Frwy. and Hwy. 6 in Sugar Land (568X). Steve Fuqua Homes, Christopher Sims Custom Homes, Hahnfeld Witmer Davis Companies, Marsters Company and Centamark have all purchased lots and have begun building within the development.

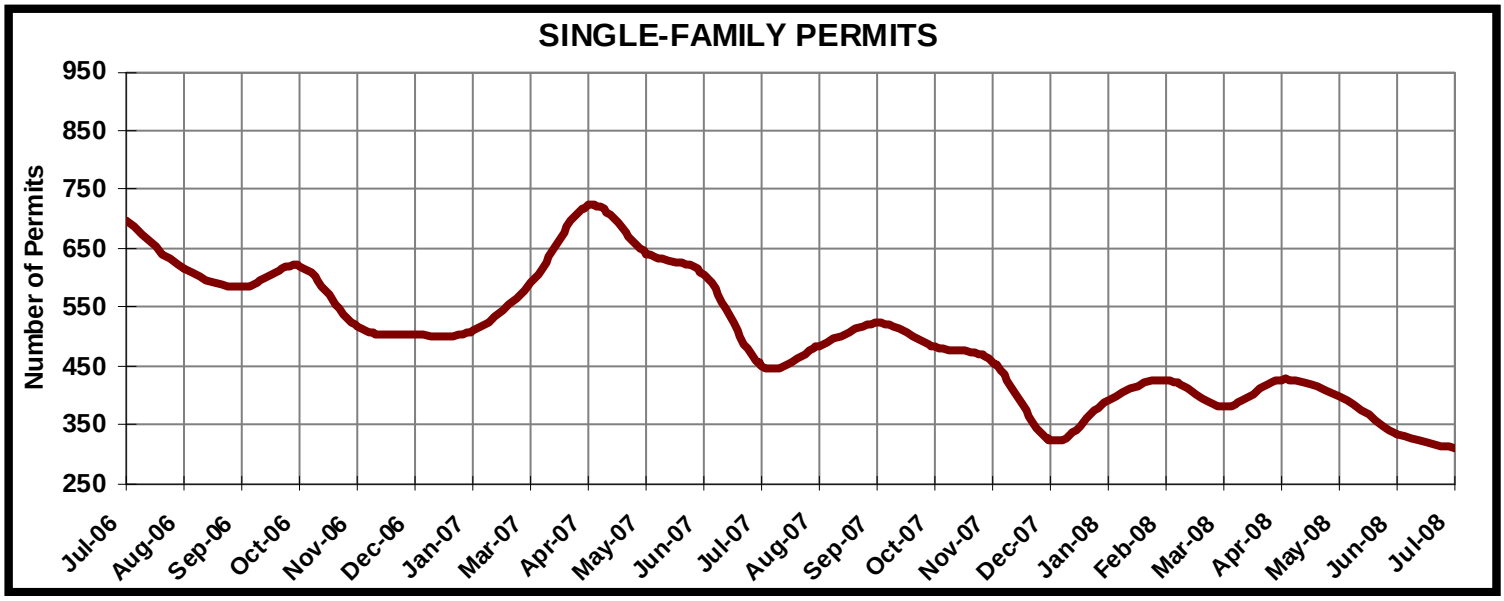
PERMIT ISSUANCE

The **City of Houston** issued permits to build 309 private single-family houses and 30 private multifamily buildings in July. Demolition permits were issued for 140 private single-family houses and 8 multifamily structures. In addition, 272 permits were issued for privately owned non-residential construction totaling $145,963,801 and 15 permits were issued for public non-residential construction. Additions, alterations, and conversions totaled $135, 482,297 for the private sector and $29,850,413 for the public sector.

Cost of Construction*

	2006	2007	2008
Month of July	**$464,276,763**	**$702,241,389**	**$576,446,153**
Year-to-Date	**$1,973,808,568**	**$2,887,908,622**	**$3,792,499,894**

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



OFFICE BUILDINGS

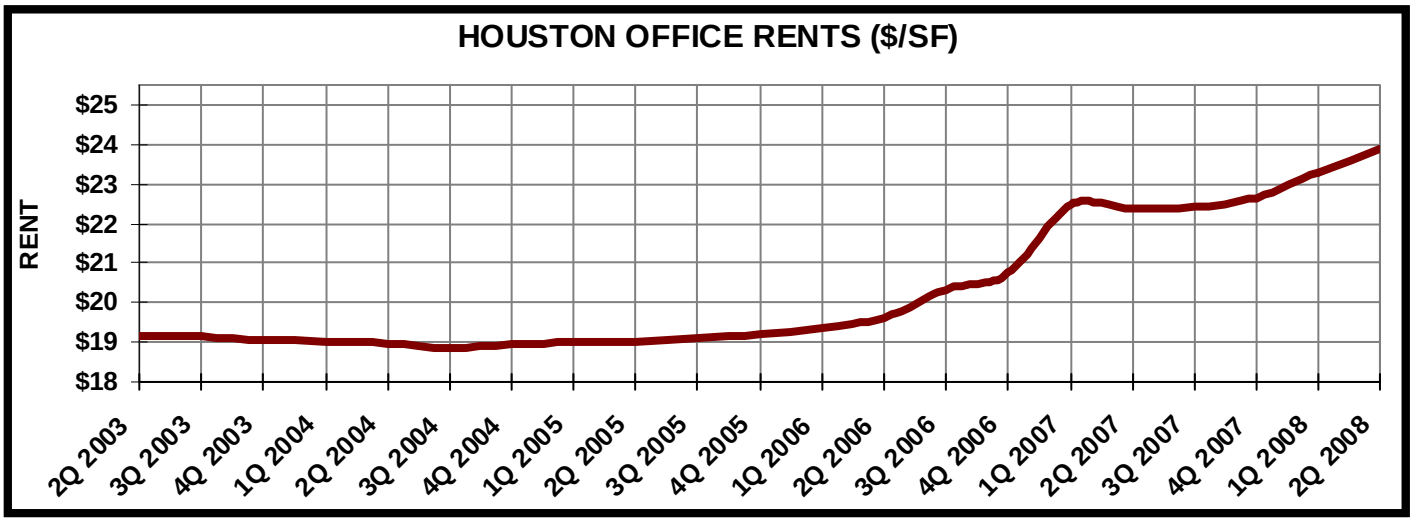
According to the O'Connor & Associates **Second Quarter 2008 Houston Office Data Program**, citywide **occupancy** for Houston area multi-tenant office buildings is **85.97%** (Class A = 90.78%; Class B = 83.05%; Class C = 80.17%; Class D = 76.83%). The citywide annual multi-tenant office **rental rate** is **$23.37 per square foot** (Class A = $29.11; Class B = $19.68; Class C = $15.00; Class D = $12.34).

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).*

- **W. M. Dillard & Associates, LP** (713-460-8292) is developing **Dillard Plaza Office Building (10910)**, an office campus with approximately 45,000-square-feet located at 16001 Dillard Dr. in northwest Houston (409R). Construction is underway with an estimated completion date occurring in spring 2009.

- **Duke Realty Corporation** (713-353-3200) is developing **Det Norske Veritas (2475)**, a build-to-suit office building with approximately 90,000-square-feet located at 22535 Colonial Pkwy. in west Houston (533U). Construction has begun with an estimated completion date occurring in early 2009.

The following chart illustrates historical office rental rates.



- **Syed Enterprises, Inc.** (281-282-0114) purchased **Baytown Primary Medical Tower (10909)**, a 62,000-square-foot Class B office building located at 2802 Garth Rd. in Baytown (501P), from **Baytown Primary Medical** (713-781-3144). The 20-year-old building is 98% leased. The buyer was represented in-house, while **Ross Cannizaro** of **Marcus & Millichap** represented the seller.

- **US Bank Voyager Fleet Systems, Inc.** leased 31,674 square feet at **Memorial Six (936)**, a 157,000-square-foot Class B building located at 738 Hwy. 6 S. in west Houston (488A), from **Aque Investments Group** (732-536-5115). The 23-year-old building is 86% leased with average rents at $20.50 per square foot. **Bill Boyer** of **CB Richard Ellis** represented the tenant, while **Sheryl Crutchfield** of **Caldwell Cos.** represented the landlord.

- **Samson Lone Star, LLC** leased 27,229 square feet at **Travis Tower (84)**, a 509,000-square-foot Class B building located at 1301 Travis St. in the Central Business District (493Q), from **Behringer Harvard Funds** (866-655-3600). The 53-year-old Class B building is 93% leased with average rents

at $19.50 per square foot. **Mike Boehler** of **Jones Lang LaSalle** represented the tenant, while **Dave Hanusa** of **CB Richard Ellis** represented the landlord.

- **Genesis Energy, LP** leased 22,666 square feet at **919 Milam/910 Travis (127)**, a 542,000-square-foot Class B building located in the Central Business District (493Q), from **Transwestern 3 DI, LP** (312-499-1900). The 52-year-old building is 64% leased with average rents at $32.95 per square foot. **Kyle Kelley** of **CB Richard Ellis** represented the tenant, while **Brad Sinclair** of **Transwestern Commercial Services** represented the landlord.

- **ThinOps Communications, LLC** leased 13,141 square feet at **Regency Place (1763)**, a 51,000-square-foot Class C building located at 7207 Regency Pl. in southwest Houston (530C), from **Reddy Malladi Partners, LLC** (281-955-6600). The 32-year-old building is 55% leased with average rents at $12.00 per square foot. **Rich Pancioli** of **CB Richard Ellis** represented the tenant, while **Sid Weiss** of **Weiss Realty Management** represented the landlord.

- **Ameriprise Financial Services, Inc.** leased 11,766 square feet at **24 Waterway Ave. (2257)**, a 268,000-square-foot Class A building located in The Woodlands (449H), from **The Woodlands Development Co.** (281-719-6100). The newly constructed building is 51% leased with average rents at $32.50 per square foot. **Rich Pancioli** of **CB Ricard Ellis** represented the tenant, while **Dennis Conine** of **Conine & Associates** represented the landlord.

- **Clayton Foundation for Research** leased 11,020 square feet at **One Riverway (486)**, a 481,000-square-foot Class A building located in the Galleria area (491L), from **Unilev Management** (713-850-7878). The 31-year-old building is 92% leased with average rents at $21.00 per square foot. **Ed Prejean** of **Jones Lang LaSalle** represented the tenant, while **Steve Rocher** of **CB Richard Ellis** represented the landlord.

- **Walker, Waechter, Poitevent, Cerrere & Denegre** leased 10,528 square feet at **JP Morgan Chase Tower (92)**, a 1,683,000-square-foot Class A building located in the Central Business District (493L), from **Prime Asset Mgmt., Inc.** (713-228-7261). The 26-year-old building is 89% leased with average rents at $38.68 per square foot. **Kyle Kelley** of **CB Richard Ellis** represented the tenant, while **Sam Hansen** of **Hines** represented the landlord.

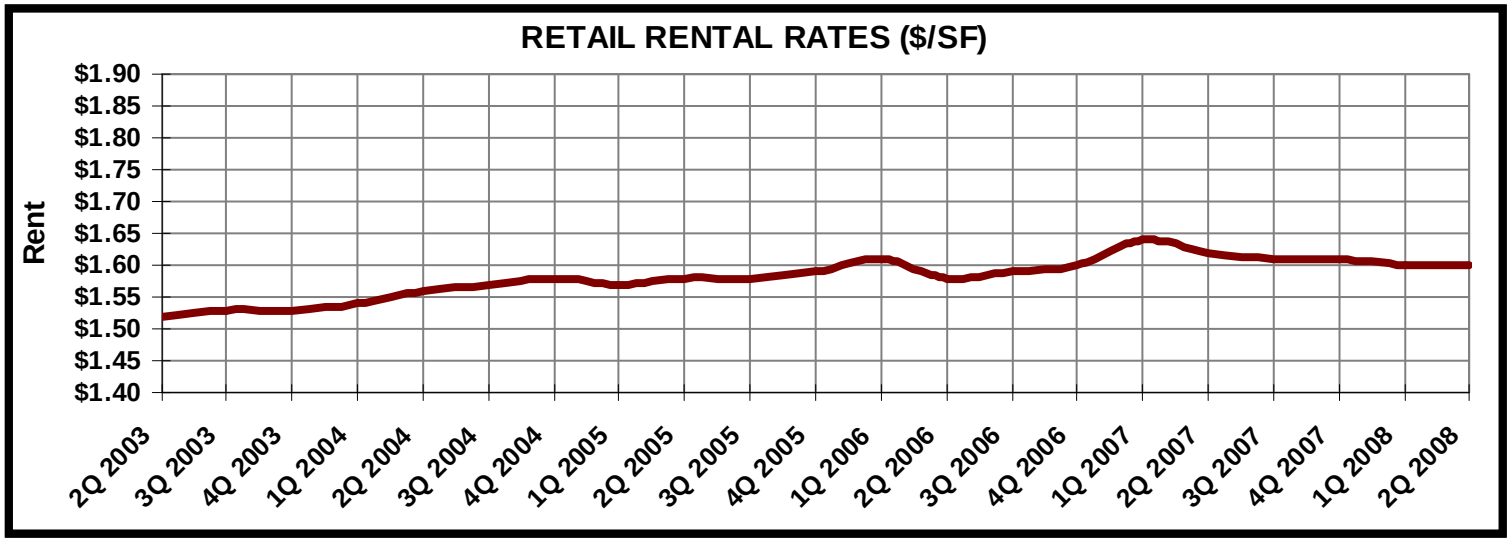
RETAIL CENTERS

According to the O'Connor & Associates **Second Quarter 2008 Houston Retail Data Program**, citywide **occupancy** for Houston area multi-tenant retail buildings is 84.81**%** (Regional = 86.97%; Community = 87.74%; Neighborhood = 83.50%; Strip = 80.70%). Occupancy is up slightly (0.04 points) over the last quarter but down 0.13 points over the past 12 months. The citywide monthly multi-tenant retail **rental rate** is **$1.60 per square foot** (Regional = $2.86; Community = $1.56; Neighborhood = $1.20; Strip = $1.22). Overall rents are unchanged from the last quarter but up $0.02 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).*

- **Wile Interests** (713-337-3350) developed the **Shops at Clear Lake (3869)**, an 11,000-square-foot retail center located at 13914 Galveston Rd. in southeast Houston (617H). The recently completed center is 35% leased with asking rental rates at $2.00 per square foot.

The following chart illustrates historical retail rental rates.



- **LA Fitness** leased 45,000-square-foot build-to-suit single tenant building at **Beltway 8 and West Road (44770)** in northwest Houston (409H), from **Hong Du American Investment, LP** (281-558-8889). **David Stukalin** of the **Retail Connection** represented the tenant, while **Jay Sears** and **Steve Alvis** of **NewQuest Properties** represented the landlord.

- **Best Buy** leased 30,221 square feet at **West Lake Commons (44772)**, a 65,000-square-foot center located at the intersection of West Lake Houston & FM 1960 E. in Humble (337Y), from **Atascocita Commons Assoc. II, LP** (713-840-6500). The under construction center is 90% pre-leased. **Kenneth Katz** of **Baker Katz** represented the tenant, while **Matt Keener** and **Alex Makris** of **CB Richard Ellis** represented the landlord.

- **T. J. Maxx** leased 28,000 square feet at **Market Square at Eldridge Pkwy. (3542)**, a 504,000-square-foot center located at the intersection of Eldridge Pkwy. and Westheimer in west Houston (488T), from **Property Commerce** (713-860-0600). The under construction center is 99% pre-leased. **Culver Stedman** of **Page Partners** represented the tenant, while **Chad Moss** of **Property Commerce** represented the landlord.

- **HomeGoods** leased 20,000 square feet at **Market Square at Eldridge Pkwy. (3542)**, a 504,000-square-foot center located at the intersection of Eldridge Pkwy. and Westheimer in Houston (488T), from **Property Commerce** (713-860-0600). The under construction center is 99% pre-leased. **Culver Stedman** of **Page Partners** represented the tenant, while **Chad Moss** of **Property Commerce** represented the landlord.

- **Ace Hardware** leased 11,025 square feet at **Captain's Corner Shopping Center (2828)**, a 76,000-square-foot center located at 104 FM 518 S. in Friendswood (616Y), from **S C Mgmt. Co.** (281-537-9066). The 30-year-old-center is fully leased. **Greg Slusky** and **David Stukalin** of the **Retail Connection** represented the tenant, while **S C Mgmt. Co.** was represented in-house.

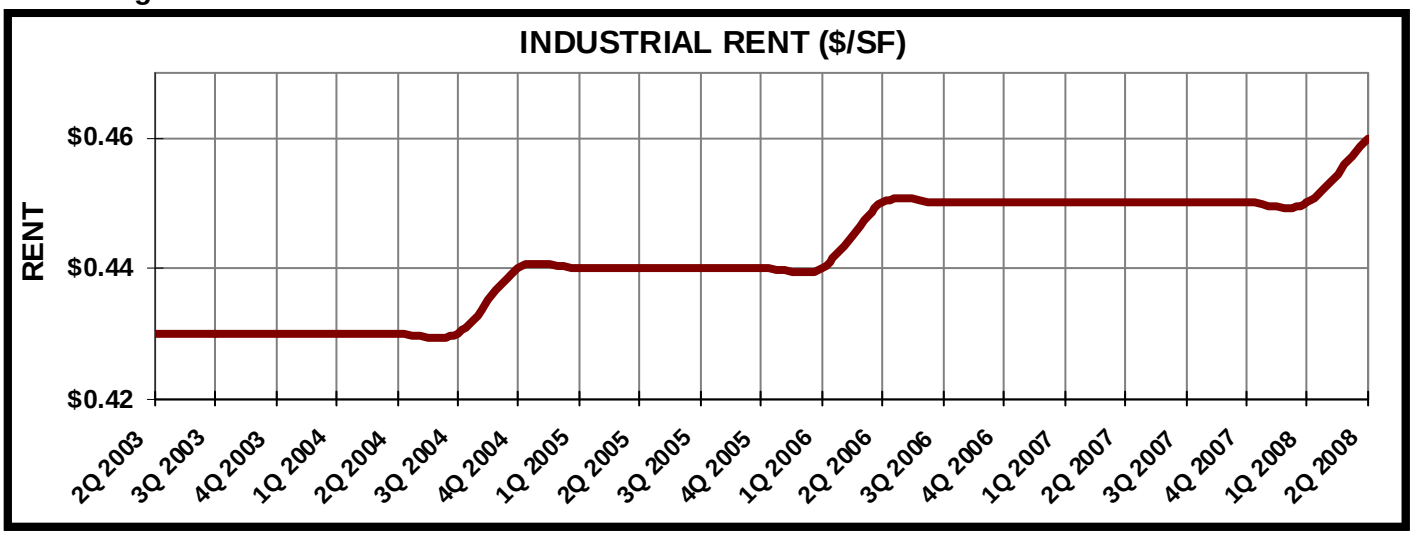
INDUSTRIAL FACILITIES

According to the O'Connor & Associates **Second Quarter 2008 Houston Industrial Data Program**, citywide **occupancy** for Houston area operating industrial facilities is **89.83%** (Flex = 89.71%; Bulk = 91.21%; Manufacturing = 92.03%, Service = 84.36%, Distribution = 78.02%, R&D = 95.41%). Occupancy is down 0.37 points from the last quarter and down 0.95 points over the last year. The overall monthly **rental rates** increased slightly to **$0.46 per square foot** (Flex = $0.47; Bulk = $0.39; Manufacturing = $0.39, Service = $0.57, Distribution = $0.42, R&D = $0.76).

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).*

- **NATCO Group, Inc.** (713-849-7500) broke ground on the **NATCO Research and Development Center (26340)**, a 30,000-square-foot facility located at 4901 W. Sam Houston Pkwy. N. in northwest Houston (449G). The owner occupied building is scheduled for completion by the end of 2008.

The following chart illustrates historical industrial rental rates.



- **CR Nevada Associates, LLC** (248-649-2819) purchased **2413 Avenue K (1757)**, a 142,000-square-foot warehouse facility in Galena Park (495Z), from **Blaylock Family, LP** (409-316-1258). The 53-year-old-facility will be owner occupied. The buyer was represented in-house, while **Andrew Lockwood** of **Grubb & Ellis** represented the seller.

- **Lambright, Inc.** (713-987-0336) purchased **3131 S. Richey St. (26341)**, a 141,000-square-foot facility located in southeast Houston (536S), from **Metals USA, Inc.** (713-965-0990). The 8-year-old-facility is owner occupied. **James Foreman** and **Louis "Beau" Kaleel** of **Cushman & Wakefield** represented the buyer, while **John Talhelm** and **Ryan Fuselier** of **Jones Lang LaSalle** represented the seller in the deal.

- **H2T, LLC** (713-622-0120) purchased **5322 Ashbrook (3109)**, a 16,000-square-foot warehouse facility located in southwest Houston (531C), from **Protherm Services Group, LLC** (**713-473-0022**). The 43-year-old-facility is vacant. The buyer was represented in-house, while **Kelley Parker, John Littman**, **Jon Farris** and **Coe Parke**r of **Cushman & Wakefield** represented the seller.

- **Zoyto** leased the **Northpark Central Bldg. 2 (565)**, a 102,000-square-foot 9-year-old distribution

center located at 433 Northpark Central Dr. in north Houston (332Y), from **Billipp Northpark Partnership** (713-426-5000). **Don King** and **Jon Farris** of **Jones Lang LaSalle** represented the buyer, while **Andy Billip** of **JA Billipp Co.** represented the landlord in the deal.

- **Societe Air France, Inc.** leased 55,042 square feet at **Lynxs Group (5811)**, a 166,000-square-foot facility located at 18705 Lee Rd. in Humble (375A), from **IAH Cargo Port** (512-530-2547). The 6-year-old facility is 86% occupied with average rents at $0.70 per square foot. **John Ferruzzo** of **NAI Houston** represented both the tenant and the landlord in this deal.
- **Eaton Electrical, Inc.** leased 46,813 square feet at **West Little York Cross Dock (6232)**, a 126,000-square-foot distribution center located at 10810 W. Little York Rd. in northwest Houston (409U), from **Principal Life Insurance Company** (515-248-3944). The 10-year-old facility is 23% leased. **Robin Moore** of **Holt Lunsford Commercial** represented the landlord in this deal.
- **Mama Lycha Food** leased 28,950 square feet at **Post Oak Business Center 4 (4279)**, a 52,000-square-foot office/warehouse facility located at 4422 W. 12th St. in west Houston (451Z) from **Prologis** (713-682-2292). The year-old facility is fully leased. **Payton Indermuehle** of **Indermuehle & Co.** represented the tenant, while **Kevin Whittier** of **Prologis** represented the landlord.

VACANT LAND

- **The Tabernacle of Praise Church** (713-633-3006) purchased 31.5 acres of land at the intersection of Beltway 8 E. and Little York in northeast Houston (417S) from **Bilmar Partners** (281-358-2244). **Steve White** of **Don White & Co.** represented the seller, while **Lee Jones** of **Lee Jones Real Estate** represented the buyer.

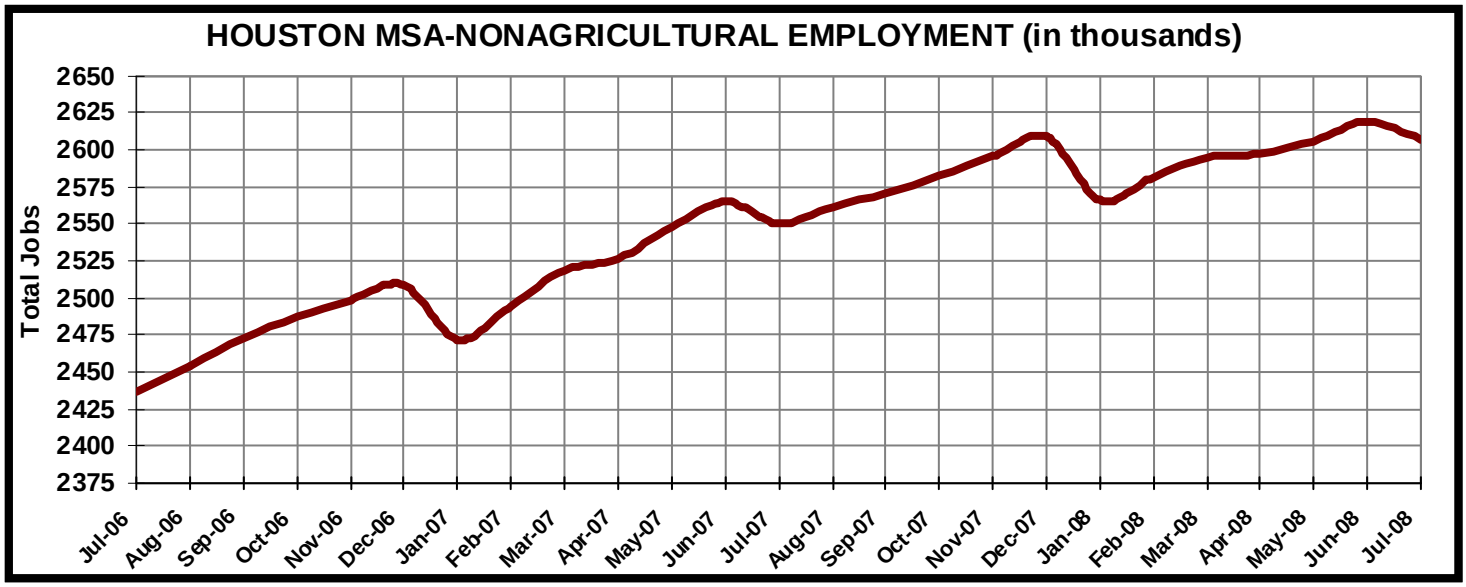
- **Altec Industries, Inc.** (205-991-7733) purchased 12.9 acres of land near Orem & Mykawa Rd. in southeast Houston (574M) from **FPA/Pinpoint Hobby, LLC**. **David L. Cook**, **Jeff G. Peden**, **Marshall V. Davidson, Jr.** and **Graham D. Horton** of **Cushman & Wakefield** represented the buyer.

- **Jester & Bammel, LP** (713-621-9996) purchased 9.6112 acres of land at the intersection of TC Jester and Bammell North Houston in northwest Houston (331X) from **KB FUND IV** (214-575-9179). **Ken Page** and **Scott Myers** of **Cushman & Wakefield** represented the seller, while **David L. Cook**, **Jeff G. Peden**, **Marshall V. Davidson, Jr.** and **Graham D. Horton** of **Cushman & Wakefield** represented the buyer.

ECONOMIC & FINANCIAL NEWS

The total number of nonagricultural wage and salary jobs in the ten-county Houston area decreased by only 12,000 jobs to 2,607,100 in July 2008, according to the **U.S. Department of Labor**. This month's total is 57,100 jobs more than the 2,550,000 jobs at this time last year. Of nonagricultural employers, the Professional and Business Services sector posted the largest gain over the month at 1,800 jobs, followed by the Financial Activities sector, with 900 jobs gained. Over the year, the Trades, Transportation, and Utilities sector had the largest increase in employment, adding 9,000 jobs, followed by the Professional and Business sector, which added 8,400 jobs.

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



Advance estimates reported by the **U.S. Department of Commerce** show that seasonally adjusted national retail and food services sales for July 2008 were $384.6 billion, a decrease of 0.1% from June, but up 2.6% from July 2007. Retail trade sales in July were down 0.1% from June, but were 2.6% above last year's level.

Personal income decreased $89.9 billion, or 0.7%, and Disposable Personal Income (DPI) decreased $114.7 billion, or 1.1%, in July 2008, according to the **Bureau of Economic Analysis**. Personal Consumption Expenditures (PCE) increased $24.1 billion, or 0.2% in July 2008. Meanwhile, the **U.S. Department of Labor** reports that the seasonally adjusted Consumer Price Index (CPI) for urban consumers increased 0.5% in July 2008 and is 5.6% higher than in July 2007.

The latest **Conference Board Survey** indicates that the **Consumer Confidence Index** increased to 56.9 in August 2008, up 5.0 points from 51.9 in July. 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 0.7% in July to 101.2. 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 increased 0.2% in July 2008 from June 2008, but is down 0.1% over the July 2007 level. Output in the manufacturing sector increased 0.4% in July; output of utilities decreased 1.9% over the month, while output at mines increase 0.9%. The rate of industrial capacity utilization was 79.9% in July, which is 0.1 points increase in the previous month's level, and is 1.7 points higher compared to the previous year's level.

Freddie Mac reports that the **30-year fixed-rate mortgage (FRM)** averaged 6.43% in July 2008, which is 0.05 points up from June but down 0.27 points from one year ago. The average for the **15-year FRM**

averaged 5.97% in July 2008, which is up 0.06 points from June but down 0.39 points from July 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 0.6% in the first quarter of 2008, this is the same growth rate as the fourth quarter of 2007. The increase in GDP in the first quarter primarily reflected positive contributions from personal consumption expenditures (PCE) for services, private inventory investment, exports of goods and services, and federal government spending that were partly offset by negative contributions from residential fixed investment and PCE for durable goods.

The **U.S. Department of Commerce** reports that construction spending during July 2008 was estimated at a seasonally adjusted annual rate of $1,084.4 billion, 0.6% below the revised June 2008 estimate. The current figure is 4.8% below the July 2007 estimate of $1,139.5 billion. Private residential construction was at a seasonally adjusted annual rate of $357.8 billion in July, 2.3% below the revised June estimate of $366.1 billion, and 27.5% below the July 2007 estimate of $493.6 billion.

The **Baker Hughes** count of active domestic rotary rigs stands at 2,431 during the week ending September 5, 2008. The current rig count is up 13.1% from last year's figure of 2,149 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)** was sluggish remaining at 98.3 in July. 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 posted a two-point increase in the month of August, but remains down 14.5% from August 2007. Of 23 occupational categories, 13 posted an increase over the month; however the Index remained down 14 percent from a year ago. Utilities occupations posted the largest monthly gain of any category in online job opportunities over the month of August, while agriculture, forestry, fishing and hunting industry posted the largest monthly losses.

According to the February 2008 **Architecture Billings Index**, developed by the **American Institute of Architects**, demand for non-residential construction rose in July 2008. July reported an index of 46.65.5 (any score above 50 indicates an increase in billings). The project inquiries index is 54.6.

The **Metropolitan Transit Authority (Metro)** leased a half block of land at 815 Pierce located across from its downtown headquarters for shuttle service to **Bush Intercontinental Airport** from **Hornberger Brothers Properties** (713-523-0712). **Metro** will pay approximately $1.24 per square foot per month. The lease goes through 2013 and has a five-year extension.

The former head of **Caldwell Banker Commercial Uptown, Arnold "Arnie" Altsuler** has purchased the Houston-based **Yancey-Hausman Interests** (713-462-8802) and is now the CEO of the firm. The move coincided with the retirement of **Bill Yancey**, who founded the company along with **Craig Hausman** in 1971. Hausman will remain as President of the company. The company will retain its name.

The commercial real estate brokerage firm specializing in sales of single-tenant buildings, **Stan Johnson Co**. (713-267-9336) opens an office in the Houston area. **Daniel Herrold** has relocated from the company's headquarters in Tulsa to head up the Houston office located at 10777 Westheimer, Suite 1131 in west Houston.

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