



Your Key to Real Estate Services

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# Houston Real Estate Trends

Office • Retail • Apartment • Industrial

Edited by **Stuart Showers**

\$199 per year

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## APARTMENTS

According to [www.oconnordata.com](http://www.oconnordata.com), **Third Quarter 2008 O'Connor & Associates data** indicates that Greater Houston apartment market occupancy has remained stable (decreased only 0.26 points) since third quarter 2007 and overall rents continue to steadily increase with current per square foot rates up 1.6% from third quarter 2007 (\$0.847) to third quarter 2008 (\$0.861). All classes have enjoyed steady rate increases since third quarter 2007 as Class A is up 1.9% from \$1.133 to \$1.155, Class B is up 0.9% from \$0.820 to \$0.828, Class C is up 1.2% from \$0.696 to \$0.704, and Class D is up 1.0% from \$0.606 to \$0.612. 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).*

### Apartment Developments

- **Phillips Development & Realty** (813-868-3100) has decided to lease the South Tower of the **Mosaic on Hermann** and rename the tower the **Montage (17019)**, a 394-unit Class A tower located at 5925 Almeda Rd. in Houston's Medical Center (533B). There are one- and two-bedroom units with square footages ranging from 672 square feet to 5,654 square feet.

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**ApartmentLink**

More Owner Contact Information

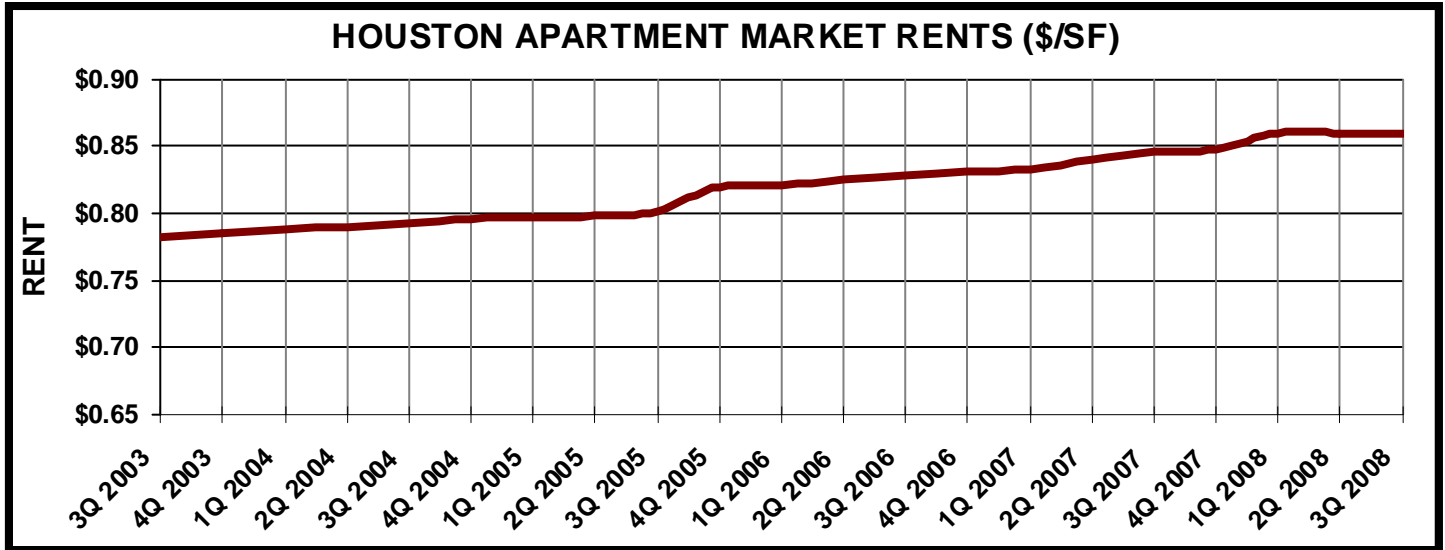
More User-Friendly

More Comprehensive & Accurate

**More Affordable!**

- **The Woodlands Development Co.** (281-719-6100 and **Dinerstein Cos.** (832-209-1221) propose the **Millennium Woodlands (18393)**, a 393-unit Class A complex located at Waterway Ave. in The Woodlands (251H). The one- and two-bedroom units monthly rents will range from \$1,100 to \$2,500. Construction is expected to begin by years end, with completion planned in 2010.
- **Alliance Communities** (713-599-0280) broke ground on the **Broadstone Voss Time Square (18169)**, a 307-unit Class A complex located at 2525 S. Voss in Houston's Galleria area (490V). There will be one-, two- and three-bedroom units with sizes ranging from 632 square feet to 1,445 square feet.

The following chart illustrates historical apartment rental rates.



## Apartment Sales

- **Concierge Asset Mgmt.** (713-439-1773) purchased **El Dorado Ranch (4530)** from **TriVest Residential, LLC** (972-448-5800) a 324-unit Class C complex located at 265 El Dorado Blvd., Webster, TX 77598 in Webster (617Z). The 28-year-old complex is 96% leased with average rents at \$0.88 per square foot. **David Wylie** and **Russell Jones** of **Apartment Realty Advisors** represented the buyer, while the seller was represented in-house.
- **Adams Lasalle Realty** (312-983-7090) purchased **The Lodge at Baybrook (4050)** from **MBS Cos.** (504-836-5075) a 322-unit Class C complex located at 19100 Glenwest Dr. in Friendswood (617Z). The 9-year-old complex is 90% leased with average rents at \$1.13 per square foot. The buyer was represented in-house, while **Craig LaFollette, Todd Stewart, Todd Marix** and **Tre Banks** of **CB Richard Ellis** represented the seller.
- **HK Capital Management** (713-522-3132) purchased **St. Cloud (3289)** from **Essex Property Trust** (650-494-3700) with a sale price of \$8,800,000. The 302-unit Class C complex is located at 6525 Hillcroft in southwest Houston (531E). The 41-year-old complex is 93% leased with average rents at \$0.60 per square foot. The buyer and seller were both represented in-house.

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# SINGLE-FAMILY HOUSING

**MLS** home sales had the biggest year-to-year decline in October, as 4,962 used homes were sold according to the **Houston Association of Realtors (HAR)**. Sales for October 2008 were down 21.6% from October 2007. The median price of a used single-family home sold in October was \$142,000, down 2.7% from the same time last year, while the average home price was \$194,607, which was down 1.6% from the October 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 increased 54% in October to 1,066 from 659 in September but down 34% from October 2007. Realtor co-op sales represented 61.0% of gross sales, down 3% from October of last year. Traffic decreased 34% from last year to 14,547 in October 2008. The inventory of completed speculative homes (1,955) is down 7% from last year. There are 1,915 spec homes under construction, which is down 13% from October 2007. Overall, the 3,870 specs (both completed and under construction) are down 10% from October 2007. *Note: the 24 homebuilders in this survey account for approximately 60% of housing starts in Houston.*

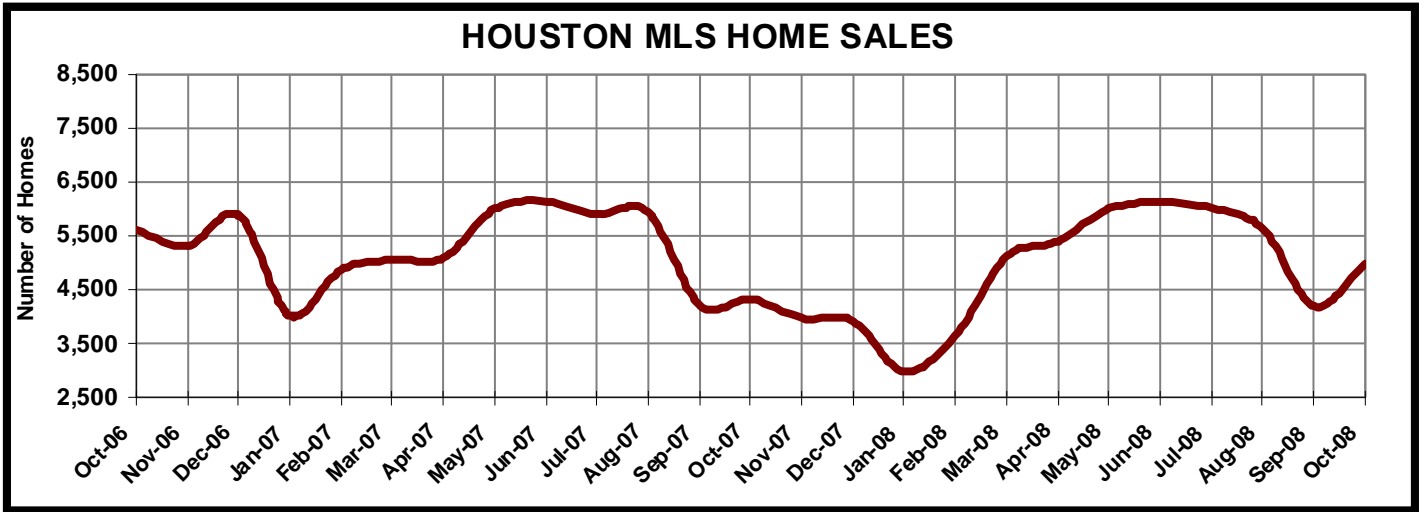
Nationwide sales of new single-family homes decreased in October to a seasonally adjusted annual rate of 433,000, 5.3% below the revised September sales rate of 457,000 and 41.1% below the October 2007 figure, according to a release by the **U.S. Department of Commerce**. The median sales price in October was \$218,000. Privately owned housing starts were at a seasonally adjusted annual rate of 791,000 in October 2008, which is 4.5% below the revised September estimate, and 38.0% below the revised October 2007 rate. Privately owned housing completions were at a seasonally adjusted annual rate of 1,043,000 in October, 10.2% below the revised September figure and 25.6% below the revised October 2007 figure.

The **National Association of Home Builders/Wells Fargo Housing Market Index**, a monthly measure of builder confidence, fell to 14 in October, 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 also fell to 14, the index measuring sales expectations for the coming six months had a nine-point loss to 19 and the index measuring the traffic of prospective buyers fell to 11.

According to the **National Association of Realtors (NAR)**, 4,980,000 existing homes were sold in October 2008, down 3.1% from September sales and down 1.6% from the 5,060,000 homes sold in October 2007. The median sale price was \$ 183,300, which represents a 11.3 decrease from sale prices last year.

According to the most recent report by **RealtyTrac**, 279,561 foreclosure filings — default notices, auction sale notices, and bank repossessions — were reported during the month of October. This figure is up 5% from September and up nearly 25% from September 2007. Texas remains among the nation's 26 highest states in total foreclosure filings in September 2008.

The following chart illustrates historical used home sales.



Source: Houston Association of Realtors

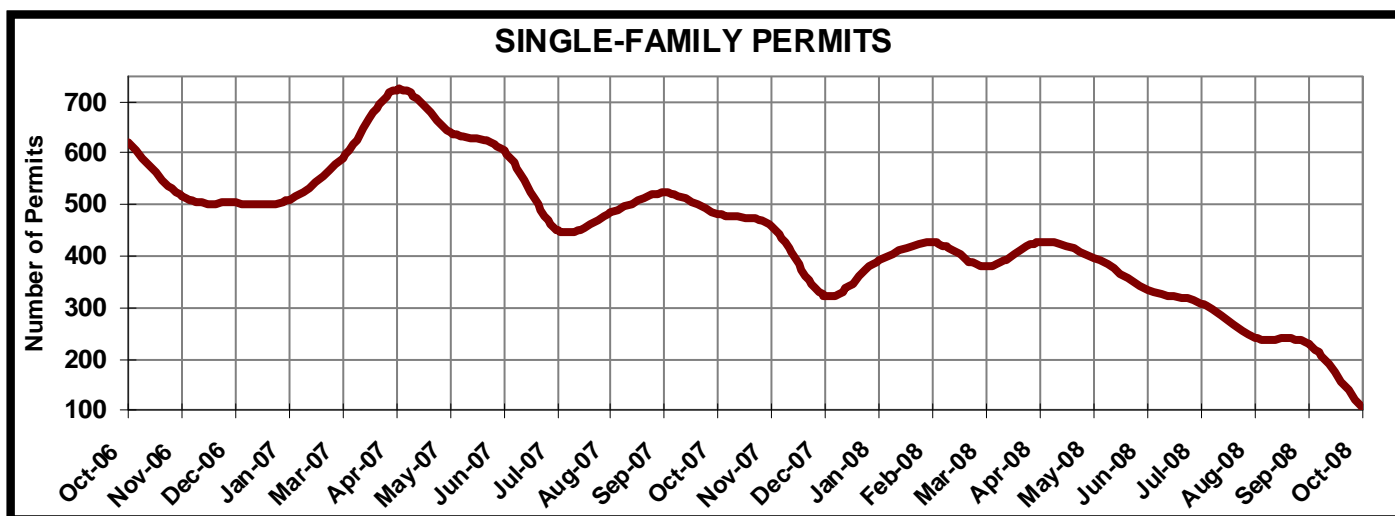
# PERMIT ISSUANCE

The **City of Houston** issued permits to build 200 private single-family houses and 8 private multifamily building in October. Demolition permits were issued for 105 private single-family houses and 28 multifamily structures. In addition, 211 permits were issued for privately owned non-residential construction totaling \$286,195,650 and 30 permits were issued for public non-residential construction. Additions, alterations, and conversions totaled \$231,428,302 for the private sector and \$26,015,685 for the public sector.

## Cost of Construction\*

	2006	2007	2008
Month of October	\$484,856,552	\$538,796,865	\$637,226,487
Year-to-Date	\$4,053,597,883	\$4,692,736,972	\$5,212,595,684

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



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# OFFICE BUILDINGS

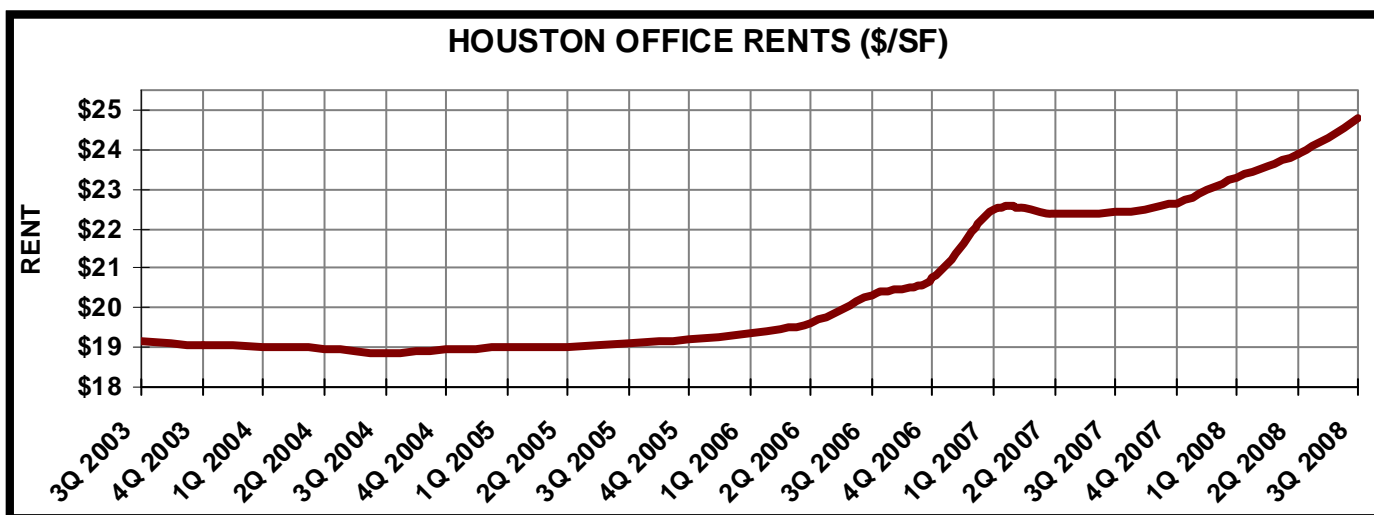
According to the O'Connor & Associates **Third Quarter 2008 Houston Office Data Program**, citywide **occupancy** for Houston area multi-tenant office buildings is **85.46%** (Class A = 90.37%; Class B = 82.18%; Class C = 80.22%; Class D = 77.09%). The citywide annual multi-tenant office **rental rate** is **\$24.29 per square foot** (Class A = \$31.40; Class B = \$19.24; Class C = \$15.05; Class D = \$12.38).

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).*

## Office Developments

- **Planned Community Developers** (281-242-2000) is developing **Sugar Land Town Square Bldg. A-2 (1519)**, an office building with approximately 166,561-square-feet located at 2245 Texas Dr. in Sugar Land (568X). Construction is underway with an estimated completion date occurring first quarter 2010.
- **Midway Cos.** (713-629-5200) is developing **Eco Centre at Lake Pointe (10916)**, a multi-tenant office building with approximately 150,000-square-feet located at 16750 Creek Bend Dr. in Sugar Land (568T). Construction is expected to begin by years end, with an estimated completion date occurring in late 2009.
- **Gulf Coast Regional Blood Center** (713-790-1200) is developing the **Blood Center Mobile Operations Complex (10915)**, an office building with approximately 84,707-square-feet located at 9990 Fannin in south Houston (532H). Construction is underway with an estimated completion date occurring 2009.

The following chart illustrates historical office rental rates.



## Office Sales

- **Behringer Harvard** (214-655-1600) purchased **One BriarLake Plaza (2007)** from **Crescent Real Estate Equities** (817-321-2100), a 502,000-square-foot Class A building located at 2000 S. Sam Houston Pkwy. W. in the Westchase area of Houston (489V). The buyer was represented in-house, while **Robert Williamson** and **Jeff Hollinden** of **HFF** represented the seller.

- **Donerail Corp.** (212-808-7618) purchased **Two Riverway (487)** from **Coventry Fund X, LTD** (713-626-7100), a 371,000-square-foot Class A building located in the Galleria area of Houston (491L). **Marty Hogan, Trent Agnew, Dan Miller** and **Robert Williamson** of **HFF** represented the seller in the deal. **Ryan Bishop** and **Adam Jackson** of **Stream Realty** have received the contract to lease the property.
- **Grubb & Ellis Realty Investors, LLC** (714-667-8252) purchased **Oak Park Office Center III (10917)** from **Myers & Crow Co.** (214-520-7800), a 158,000-square-foot Class A building located at 6001 Rogerdale in southwest Houston (529G). Both the buyer and the seller were represented in-house.

## Office Leases

- **Continental Airlines, Inc.** renewed their lease of 450,000 square feet at **Continental Center I (107)**, a 1,100,000-square-foot Class A building located at 1600 Smith in Clear Lake (493Q) from **Brookfield Properties** (212-417-7000). The 24-year-old building is 94% leased with average rents at \$38.68 per square foot. The tenant was represented in-house, while **Paul Frazier** of **Brookfield Properties** represented the landlord.
- **DHL Express (USA) Inc.** leased 98,649 square feet at **One Commerce Green (588)**, a 345,000-square-foot Class A building located at 515 W. Greens Rd. in the Greenspoint area of Houston (372Q) from **Parkway Portfolio I, LLC** (601-948-4091). The 25-year-old Class A building is 97% leased with average rents at \$25.00 per square foot. **Kelley Parker, III** of **Cushman & Wakefield** represented the tenant, while **Kim Lankford** of **Parkway Properties** represented the landlord.
- **Foxconn** leased 40,000 square feet at **Centre At Cypress Creek Ph I (317)**, a 232,000-square-foot Class B building located at 20455-20475 Tomball Pkwy. in the northwest Houston (329Y), from **Greenwood Corp.** (281-655-7400). The 22-year-old building is 17% leased with average rents at \$18.00 per square foot. **Brad Marnitz** of **NAI Houston** represented the tenant, while **Michelle Wogan, Dani Allison** and **Jennifer Leroy** of **Transwestern Commercial** represented the landlord.
- **KBC Advanced Technologies, Inc.** leased 28,500 square feet at **Energy Crossing I (2330)**, a 232,000-square-foot Class A building located at 15021 Katy Fwy. in west Houston (488A), from **Opus West Corp.** (713-9531331). The under construction building is 12% pre-leased with average rents at \$19.50 per square foot. **Anthony Squillante** of **Jackson Cooksey** represented the tenant, while **John Pruitt** of **CB Richard Ellis** represented the landlord.
- **Amerigroup Corp.** leased 26,500 square feet at **3800 Buffalo Speedway (736)**, a 149,000-square-foot Class A building located in the Greenway Plaza area of Houston (492X), from **Crescent Real Estate Equities** (817-321-2100). The 32-year-old building is 93% leased with average rents at \$19.22 per square foot. **Keith Lloyd** of **Grubb & Ellis** represented the tenant, while **Ryan Bishop** of **Stream Realty** represented the landlord.

# RETAIL CENTERS

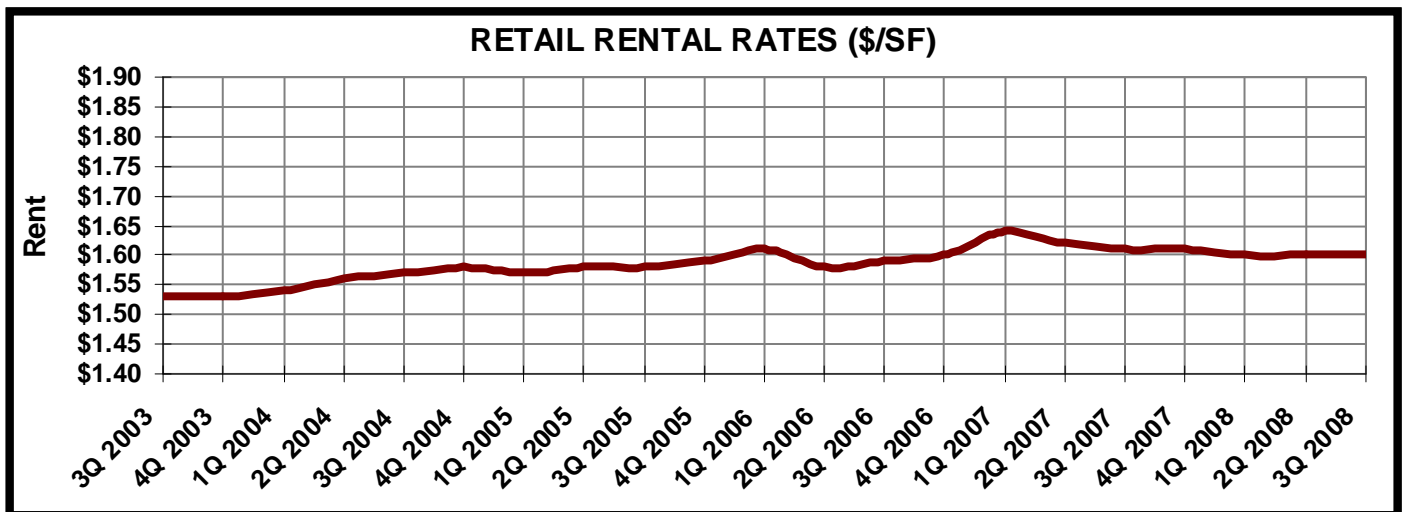
According to the O'Connor & Associates **Third Quarter 2008 Houston Retail Data Program**, citywide **occupancy** for Houston area multi-tenant retail buildings is 84.65% (Regional = 86.82%; Community = 87.53%; Neighborhood = 83.35%; Strip = 80.60%). Occupancy is down slightly (0.15 points) over the last quarter and down 0.03 points over the past 12 months. The citywide monthly multi-tenant retail **rental rate** is **\$1.60 per square foot** (Regional = \$2.87; Community = \$1.58; Neighborhood = \$1.20; Strip = \$1.22). Overall rents are unchanged from the last quarter but down \$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).*

## Retail Developments

- **Inwood Properties** (713-439-0788) is developing **The Shops at Stone Park (14732)**, a 200,000-square-foot retail center located at the northeast corner of E. Sam Houston Pkwy. N. and Wallisville Rd. in northeast Houston (457U). The under construction retail center is 86% pre-leased.
- **Fidelis Realty Partners** (713-623-6800) has proposed the **Woodcreek Commons Retail (44777)**, a 123,000-square-foot retail center located at the southeast corner of Katy Frwy. and FM 1463 in Katy (486C). There is no set date to begin construction.
- **Mody Group, LTD** (713-772-6200) is developing **Mody Plaza (44778)**, a 67,000-square-foot retail center located at 1611 Hwy 6 in Sugar Land (568T). The retail center is currently under construction with completion expected in early 2009.

The following chart illustrates historical retail rental rates.



## Retail Sales

- **DALHO CORP/UPS** purchased **84 Lumber Store (3222)** from **84 Lumber** (800-664-1984), a 22,725-square-foot building located at 701 East Blvd. in southeast Houston (538K). The seller was represented in-house.

## Retail Leases

- **99 Ranch Market** leased 84,000 square feet at the **Blalock Market Shopping Center (1555)**, a 97,000-square-foot retail center located at 1005 Blalock in west Houston (490C) from **Weingarten Realty** (713-866-6000). **John Wise** of **Weingarten Realty** represented the landlord.
- **Studio Movie Grill** leased 37,940 square feet at **CityCentre (1912)**, a 539,000-square-foot center located at 800 W. Sam Houston Pkwy. N. in west Houston (489D) from **Midway Companies** (713-629-5200). The under construction center is 50% leased. The tenant was represented in-house, while **Shawn Merecki** of **Midway Companies** represented the landlord.

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# INDUSTRIAL FACILITIES

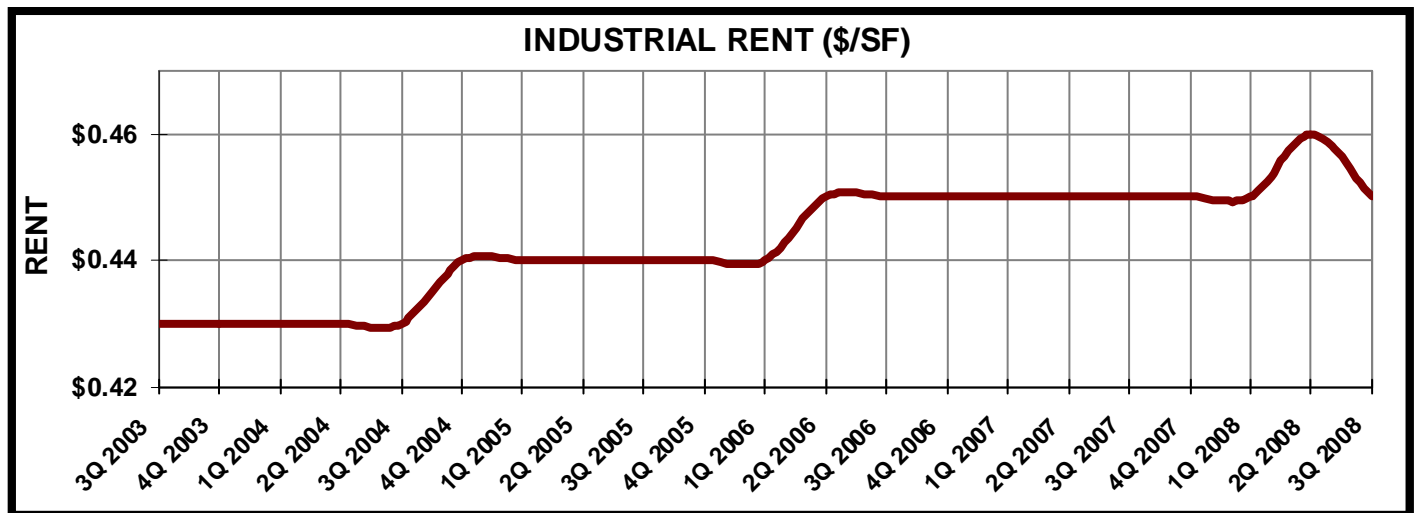
According to the O'Connor & Associates **Third Quarter 2008 Houston Industrial Data Program**, citywide **occupancy** for Houston area operating industrial facilities is 84.88% (Flex = 81.56%; Bulk = 85.88%; Manufacturing = 75.56%, Service = 81.56%, Distribution = 73.34%, R&D = 51.22%). Occupancy is up 1.24 points from the last quarter and up 1.44 points over the last year. The overall monthly **rental rates** decreased slightly to **\$0.45 per square foot** (Flex = \$0.48; Bulk = \$0.40; Manufacturing = \$0.36, Service = \$0.56, Distribution = \$0.41, 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).*

## Industrial Developments

- **Panattoni Development Co.** (713-273-8989) broke ground on the **Airtex Industrial Center Bldg. A (26344)**, a 487,000-square-foot warehouse facility located at the intersection of Airtex Dr. at I-45 in north Houston (372C). Completion is scheduled for April of 2009.
- **PinPoint Commercial, LP** (713-425-5400) has secured \$3.4 million in joint venture equity for the **Satsuma Station Build to Suit (26345)**, a 315,000-square-foot industrial facility located at close to the intersection of Hwy. 290 and Hwy. 6 in northwest Houston (408C). The building is scheduled for completion summer of 2009.

The following chart illustrates historical industrial rental rates.



## Industrial Sales

- **Lind Investments, LLC** (713-467-9560) purchased **14350 Chrisman Rd. (262)**, a 41,000-square-foot facility, located in north Houston (373Y), from **Ed Ramrath & Brad Davis** (713-484-8900). **Andrew Sowell** of **Boyd Commercial** represented the buyer in the deal, while **Barrett Gibson** or **Gibson & Granello** represented the seller.

## Industrial Leases

- **Polytex Fibers Corp.** leased 102,001 square feet at **Wingfoot Rd. W. & Campbell (5532)**, a 150,000-square-foot warehouse located in northwest Houston (450F), from **Realty Associates Fund VI, LP** (972-241-8300). The 9-year-old facility is fully occupied. The tenant was represented in-house, while **Edward Bane** of **Holt Lunsford** represented the landlord in the deal.
- **QY Texas Group, Inc.** leased 67,000 square feet at **Cedar Crossing Distribution Center (6209)**, a 130,000-square-foot facility located at 3710 Cedar Blvd. in Baytown (542B), from **Mountain West Industrial Properties** (303-843-6015). This year-old facility is fully leased. **Sky Pulford** of **Re/Max Memorial Realty** represented the tenant, while **Abby Gearke** of **Mountain West Industrial Properties** represented the landlord in this deal.
- **Overseas Trading, Inc.** leased 64,500 square feet at **1800 South (219)**, a 65,000-square-foot warehouse located in north Houston (493G), from **Tuffi Co., Inc.** (310-326-5500). The 26-year-old facility is fully leased. **Brad Marnitz** of **NAI Houston** represented the tenant, while **Kelley Parker** of **Cushman & Wakefield** represented the landlord.
- **George Fern Company** leased 42,066 square feet at **3130 Pawnee (2438)**, a 79,000-square-foot warehouse located in south Houston (533P), from **DIG Houston, LLC** (504-488-5731). The 25-year-old facility is fully leased. **Kelley Parker, III** of **Cushman & Wakefield** represented the tenant, while **David Boyd** of **Boyd Commercial** represented the landlord in the deal.]
- **Global Tech Motors** purchased 30,000 square feet at **2510 Beltway 8 (26346)**, a single tenant warehouse located in Pasadena (537V) from **Pasadena Piping Products** (281-991-7179). The 38-year-old facility is fully leased. **John Clark** of **NAI Houston** represented the buyer, while **Greg Williams** of **Qualified Properties** represented the seller in the deal.
- **Southwest Surplus** leased 28,000 square feet at **3233 West 11th Street (4567)**, a 275,000-square-foot office / warehouse facility located in northwest Houston (492B), from **Bay El Camino Real, LTD** (713-961-3877). The 52-year-old facility is fully leased. The tenant was represented in-house, while **James Foreman** of **Cushman & Wakefield** represented the landlord.

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# VACANT LAND

- **Proterra Stratford I-10, LTD** (713-773-5537) purchased 463 acres of land on Katy Fwy. between FM 1463 and Pederson Rd. in west Houston (483D), from **Beeson Properties** (713-622-5595). Both the seller and buyer were represented in-house.
- **An undisclosed buyer** purchased 21.2 acres of land from **Janis Tomlinson** and 10.8 acres of land from **Geral** and **Susan Fauss**. Both parcels on located on Hwy. 105 W. at FM 2854 in Montgomery County (123U). **John Ferruzzo** of **NAI Houston** represented the seller.
- **KT Greenhouse, LTD** and **WI Greenhouse, LLC** purchased 16 acres of land at the intersection of Katy Fwy. and Greenshouse Rd. in Katy (486D), from **Barker Venture, LTD**. Both the seller and buyer were represented in-house.

# ECONOMIC & FINANCIAL NEWS

The total number of nonagricultural wage and salary jobs in the ten-county Houston area increased by 7,600 jobs to 2,634,900 in October 2008, according to the **U.S. Department of Labor**. This month's total is 52,300 jobs more than the 2,582,600 jobs at this time last year. Of nonagricultural employers, the Service Provider sector posted the largest gain over the month at 7,000 jobs, followed by the Government with 6,200 jobs gained. Over the year, the Service Provider sector had the largest increase in employment, adding 40,600 jobs, followed by the Goods Producing sector, which added 11,700 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 October 2008 were \$363.7 billion, a decrease of 2.8% from September and down 4.1% from October 2007. Retail trade sales in October were down 3.1% from September and were 5.0% below last year's level.

Personal income increased \$42.4 billion, or 0.3%, and Disposable Personal Income (DPI) increased \$45.1 billion, or 0.4%, in October 2008, according to the **Bureau of Economic Analysis**. Personal Consumption Expenditures (PCE) decreased \$102.8 billion, or 1.0% in October 2008. Meanwhile, the **U.S. Department of Labor** reports that the seasonally adjusted Consumer Price Index (CPI) for urban consumers decreased 1.0% in October 2008 but is 3.7% higher than in October 2007.

The latest **Conference Board Survey** indicates that the **Consumer Confidence Index** decreased to an all time low of 38.8 in October 2008, down 22.4 points from 61.4 in September. 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 0.8% in October. 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 1.3% in October 2008 from September 2008 and is down 4.1% over the October 2007 level. Output in the manufacturing sector increased 0.6% in October; output of utilities increased 0.4% over the month and output at mines increased 6.1%. The rate of industrial capacity utilization was 76.4% in October, which is unchanged from the previous month's level but is 1.6 points higher compared to the previous year's level.

**Freddie Mac** reports that the **30-year fixed-rate mortgage (FRM)** averaged 6.20% in October 2008, which is 0.16 points up from September but down 0.18 points from one year ago. The average for the **15-year FRM** averaged 5.89% in October 2008, which is up 0.25 points from September but down 0.15 points from October 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, decreased at an annual rate of 0.5% in the third quarter of 2008, this decrease is due reflected negative contributions from personal consumption expenditures (PCE), residential fixed investment, and equipment and software.

The **U.S. Department of Commerce** reports that construction spending during October 2008 was estimated at a seasonally adjusted annual rate of \$1,072.6 billion, which is 1.2% below the revised September 2008 estimate. The current figure is 4.6% below the October 2007 estimate of \$1,124.2 billion. Private residential construction was at a seasonally adjusted annual rate of \$338.8 billion in October, 3.5% below the revised September estimate of \$351.2 billion.

The **Baker Hughes** count of active domestic rotary rigs stands at 1,971 during the week ending October 31, 2008. The current rig count is up 11.99% from last year's figure of 1,760 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)** remained soft in October with a rating of 97.1. The index is a monthly composite index that tracks the health and outlook for the U.S. restaurant industry. This is up 0.4% from September's lowest level on record of 96.7.

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# POTPOURRI

According to the monthly **Monster Worldwide, Inc.** employment index, online job demand had a ten-point decrease in the month of October and remains down 20.0% from October 2007. Of 23 occupational categories only 1, the Education, Training, and Library category posted an increase over the month. Real estate, leisure and hospitality and retail trade industries register strongest monthly declines in online job availability, while opportunities in mining and utility industries show continued expansion.

According to the February 2008 **Architecture Billings Index**, developed by the **American Institute of Architects**, demand for non-residential construction plummeted to its lowest level since the survey began in 1995. July reported an index of 36.2 (any score above 50 indicates an increase in billings). The project inquiries index is 39.9.

**DineEuity, Inc.** (866-995-3463) has agreed to sell 22 Houston area **Applebee's Neighborhood Grill & Bar** restaurants to Wellington D. Yu. Yu is the President of Kansas-based **Peterson Group, Inc.** (913-764-7764), a real estate development and management firm. This is part of **DineEquity's** plan to sell 66 **Applebee's** in the Houston, Dallas and Albuquerque, NM areas.

**Circuit City** (804-486-4000) to close 155 stores nationwide, 2 in the Houston area. This equates to about 20% of the U. S. stores. Included in the closings are the League City and Sharpstown locations.

The **Christus Foundation for HealthCare** (713-652-3100) has broken ground on the new **Christus Health Center** in Midtown. The 55,000 square foot center will provide more patient space and additional health services to the uninsured and underserved residents of Houston. The newly named **John S. Dunn Building** will offer primary health care services as well as eighteen specialties.

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