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 2200 N. Loop West, Suite 200
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APARTMENTS

According to www.oconnordata.com, **April 2009 O'Connor & Associates data** indicates that Greater Houston apartment market occupancy has decreased 0.4 percentage points from the previous month and is currently 87.65% occupied, while overall rents edged up \$0.002 to \$0.873. Class A rates enjoyed the largest increase over the month (\$1.166) from March's rate (\$1.163), while Class C and D showed an increase of \$0.001 from March's rate, ending at \$0.711 and \$0.619, respectively. Class B rates have not changed this month and are currently \$0.832. Pre-leasing is currently underway in thirty-five communities (10,216 units) city-wide. Delivery of these apartments will continue to drag down occupancy while rents increase. As the supply pipeline continues to diminish through both deliveries and projects being placed on hold, the positive benefits of the constrained lending markets become more apparent.

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).*

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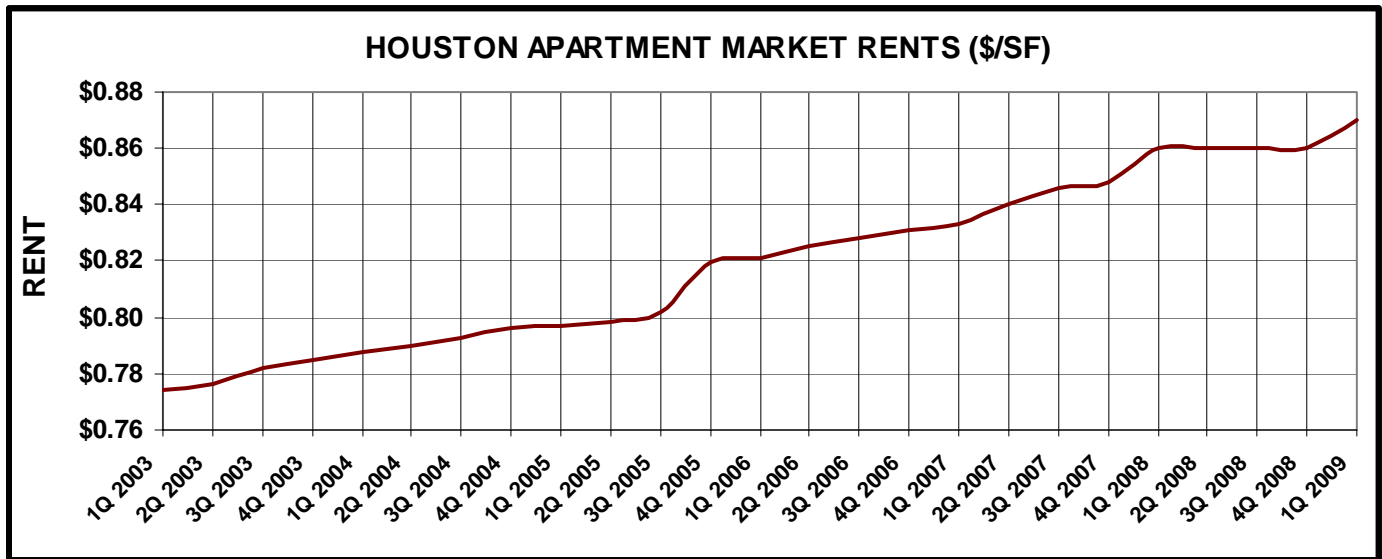
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Apartment Developments

- **Mansions at Moses Lake (18155)**, a 240-unit affordable housing project for seniors being developed by **Burchfield Cos.** (713-956-0555), will be open for tenants in mid-June. Construction of the project, located at 2211 34th Ave. N in Texas City (702T), is nearing completion. Leasing begins in mid-May. Rental rates at the project start at \$625 for a one-bedroom unit and \$750 for a two-bedroom apartment.

The following chart illustrates historical apartment rental rates.



Apartment Sales

- **Integrity Ashford LLC** (281-499-5663) has purchased **Ashford Court Apartments (2993)**, a 442-unit complex located at 12777 Ashford Point Dr. in west Houston (528D), from **Principal Apartment 2777** (214-979-1172). This 26-year-old Class-B apartment community is 92% occupied, with average rents of \$0.93 cents per square foot. **Matthew P. Rotan** and **Russell Jones** of **Apartment Realty Advisors** represented both the buyer and the seller.
- **MPM Management LLC** (281-286-0925) has purchased **Witte-Oaks Apartments (1733)**, a 124-unit Class-C apartment complex located at 1651 Witte Rd. in north Houston (450S), from **Witte-Ash Management** (281-341-6642). The 45-year-old complex is 87% occupied with average rents of \$0.79 per square foot. **Shayan Hasnain** of **Houston Income Properties** represented the seller, while **Heidi Castigliones** of **Lifestyle Realty** represented the buyer. **Brandon Brown** of **LMI Capital** arranged financing for the transaction.
- **Landar Holding Lp** (713-951-9600) purchased **Miramar Townhomes (4535)**, a 48-unit Class-A complex located at 2380 Bering in Houston (491T), from **Teachers Insurance and Annuity Association of America** (832-681-7400). The 17-year-old complex is 81% occupied with average rents of \$1.37 per square foot. **Tre Bank** of **CB Richard Ellis** represented the seller, while the buyer was represented in-house.

SINGLE-FAMILY HOUSING

MLS home sales slightly increased in March as 3,624 existing homes were sold, compared to 2,829 homes sold last month, according to the **Houston Association of Realtors (HAR)**. However, sales for March 2009 were down 13.4% from March 2008. The median price of an existing single-family home sold in March was \$133,000, down 4.9% from the same time last year, while the average home price – \$178,477 – was down 5.5% from the March 2008 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 2% in March to 1,396 from 1,366 in February, but are down 19% from March 2008. Realtor co-op sales represented nearly 63.0% of gross sales for the month, up 1% from March 2008. Traffic decreased 22% from last year to 18,074 in March 2009. The inventory of completed speculative homes (1,555) is down 6% from March last year. There are 1,140 spec homes under construction, which is down 43% from March 2008. Overall, the 2,695 specs (both completed and under construction) are down 32.6% from March 2008. *Note: the 23 homebuilders in this survey account for approximately 55% of housing starts in Houston.*

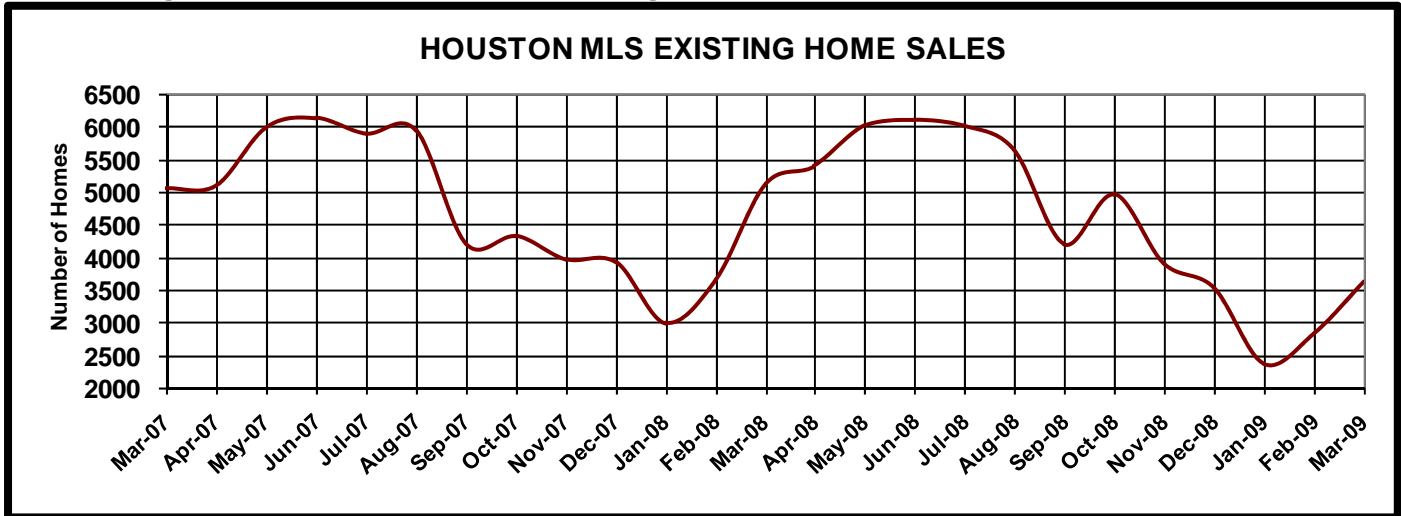
Nationwide sales of new single-family homes decreased in March to a seasonally adjusted annual rate of 356,000, 0.6% below the revised February sales rate of 358,000 and 30.6% below the March 2008 figure, according to a release by the **U.S. Department of Commerce**. The median sales price in March was \$201,400. Privately owned housing starts were at a seasonally adjusted annual rate of 510,000 in March 2009, which is 10.8% below the revised February estimate and 48.4% below the revised March 2008 rate. Privately owned housing completions were at a seasonally adjusted annual rate of 824,000 in March, 3.5% above the revised February figure, but 30.9% below the revised March 2008 figure.

The **National Association of Home Builders/Wells Fargo Housing Market Index**, a monthly measure of builder confidence, increased to 14 in April, 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 increased by five points to 13, the index measuring sales expectations for the coming six months rose significantly from 15 to 25, and the index measuring the traffic of prospective buyers is currently at 14, up six from the March.

According to the **National Association of Realtors (NAR)**, 4,570,000 existing homes were sold in March 2009, down 3% from February sales and also down 7.1% from the 4,920,000 homes sold in March 2008. The median sale price was \$ 175,200, which represents a 12.4% decrease from sale prices last year.

According to the most recent report by **RealtyTrac**, 341,180 foreclosure filings — default notices, auction sale notices, and bank repossessions — were reported during the month of March. This figure is up 17% from February, and nearly 46% from March 2008. Texas remains among the nation's 27 highest states in total foreclosure filings in March 2009.

The following chart illustrates historical existing home sales.



Source: Houston Association of Realtors

- **David Weekley Homes** (713-963-0500) and **Plantation Homes** (713-952-6767) have begun developing **Stonebrook at Riverstone**, a 50-foot lot size home section within the larger high-end **Riverstone** (281-499-8700) residential community located in Fort Bend County (568K). David Weekley Homes is offering 10 floor plans that range in size from 1,708 square feet to 2,642 square feet and are priced from \$200,000 to \$286,000. Plantation Homes is offering nine floor plans that range in size from 1,748 to 2,592 square feet and are priced from \$200,000 to \$300,000.
- **Westport Builders** has developed three new garden floor plans to be sold in **The Manors** (281-403-0944), a gated neighborhood of town homes and garden homes within the master-planned community of **Riverstone** (281-499-8700), located near U.S. 59 and Texas 6 in Fort Bend County (568K). The plans range in size from 2,748 to 3,330 square feet with base pricing from the \$430,000's.

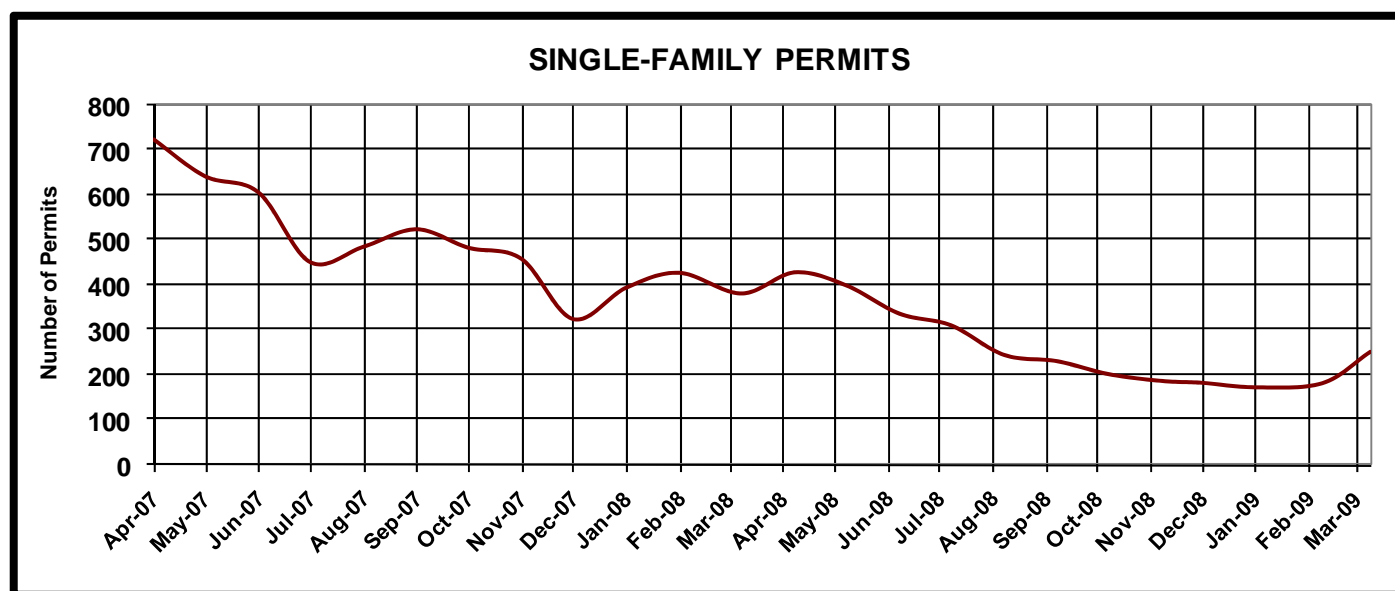
PERMIT ISSUANCE

The **City of Houston** issued permits to build 250 private single-family houses and one private multifamily building in March. Demolition permits were issued for 107 private single-family houses and 14 multifamily structures. In addition, 152 permits were issued for privately owned non-residential construction totaling \$125,973,177 and 8 permits were issued for public non-residential construction. Additions, alterations, and conversions totaled \$174,730,243 for the private sector and \$49,425,743 for the public sector.

Cost of Construction*

	2007	2008	2009
Month of March	\$511,299,707	\$432,942,708	\$456,878,126
Year-to-Date	\$1,354,238,735	\$1,529,284,630	\$1,116,373,975

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



OFFICE BUILDINGS

According to the O'Connor & Associates **First Quarter 2009 Houston Office Data Program**, citywide **occupancy** for Houston area multi-tenant office buildings is **84.60%** (Class A = 88.82%; Class B = 81.86%; Class C = 79.47%; Class D = 77.08%). The citywide annual multi-tenant office **rental rate** is **\$21.12 per square foot** (Class A = \$25.04; Class B = \$18.71; Class C = \$15.07; Class D = \$12.36).

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

- No office developments were announced for the month of April.

The following chart illustrates historical office rental rates.



Office Sales

- **Beacon Investment Properties LLC** (954-454-4665) has purchased **8866 Gulf Frwy (1570)** and **8876 Gulf Frwy (1584)**, a two property transaction totaling 179,200-square-feet, from **KBS Realty Advisors Inc.** (949-417-6500). Both buildings are 26-year old, 89,600-square-foot, Class-C office facilities with asking rents of \$15.50 per square foot located in southeast Houston (535Y). **Dan Miller** and **Marty Hogan** of **HFF** represented the seller, while the buyer was represented in-house.
- **SLS Houston Properties LLC** (713-224-6508) purchased a five building, office portfolio totaling approximately 169,300-square-feet, from **Brookfield Asset Management Inc.** (212-417-7000). **Chase Bank - Gulfgate (1577)** is a 24-year-old, 55,400-square-foot, Class-B office with asking rents of \$14.50 per square foot located at 2900 Woodridge in Southeast Houston (534M); **Chase Texas - West Oaks (1693)** is a 24-year old, 32,700-square-foot, Class-D office with asking rents of \$12.50 per square foot located at 6200 Hwy 6 S in Southwest Houston (528A); **Chase Texas - Westwood (1799)**

is a 35-year old, 22,200-square-foot, Class-C office with asking rents of \$13.00 per square foot located at 9525 Bissonnet in southwest Houston (530S); **Chase (17216)** is a 22-year old, 29,000-square-foot, fully leased Class C office building, located at 11806 Wilcrest in northwest Houston (569C); and **Chase Texas - Cy-Fair (1405)** is a 24-year old, 30,000-square-foot, Class-C office with asking rents of \$17.00 per square foot located at 13103 FM 1960 W in northwest Houston (368Z). **Dan Miller** and **Trent Agnew** of **Holliday Fenoglio Fowler LLC** represented the seller, while **Danny Sheena** of **Sheena Law Firm** represented the buyer.

- **The Harris County Toll Association** (832-601-7800) has purchased **Wilshire Northwest I (1316)** from **Gulf State Toyota** (713-580-3300), a 26-year-old, 108,000 square-foot, Class-B office building located at 7701 Wilshire Place Dr. in north Houston (410Z). **Eric Anderson** of **Transwestern** represented the seller, while **John Guess** of **The Guess Group** represented the buyer.
- **Rabia & Rida Investment LLC** purchased **Regency Square 1 & 2, (1743)**, two office buildings totaling 38,730 square feet located at 7331-7333 Harwin Dr. in southwest Houston (530C), from **Edmonds Regency** (832-778-0096). These 31-year-old, Class-C office buildings are fully leased. The seller was represented in-house by **Joe Edmonds**, while **Stepen Schneidau** of **Cushman & Wakefield** represented buyer.

Office Leases

- **Acosta Sales and Marketing Co.** (713-435-3000) has leased 27,480 square feet at **Beltway 8 Corporate Center (17307)**, a 63,000-square-foot, Class-A, office building located at 5050 Westway Park Blvd. in northwest Houston (449H), from **Panattoni Development** (713-273-8989). The newly constructed office building is 70% leased with asking rents averaging \$15.00 per square foot. **Griff Bandy** and **Don Boyles Jr.** of **NAI Houston** and **Bill Knight** of **GVA-Atlanta** represented tenant, while **John Pruitt** of **Panattoni Development** and **Kristin Rabal, Jessica Ochoa** of **CB Richard Ellis** represented the landlord.
- **Othon Engineering** (713-975-8555) has leased 17,941 square feet at **Wilcrest Green Office Park (1980)**, a 114,474 square-foot office building located at 11111 Wilcrest Green in southeast Houston (569C), from **Proterra Properties** (713-789-6870). The 36 year-old building is 86% leased with asking rents ranging from \$16.00 to \$18.00 per square foot. **James Vann** of **Moody Rambin Interests** represented the tenant, while **Mike Martin** of **PM Realty** represented the landlord.
- **Brand Services** (713-473-0022) has leased 10,108 square feet at **Featherwood Surgical Center (2273)**, a 60,000-square-foot medical center located at 12650 North Featherwood in north Houston (576U), from **Panattoni Development** (713-273-8989). The 2-year-old building is 88% leased with asking rents of \$24.50 per square foot. **John Littman** of **Cushman & Wakefield** represented the tenant, while **Jay Kyle** and **Marshall Clinkscales** of **Colliers International** represented the landlord.

RETAIL CENTERS

According to the O'Connor & Associates **First Quarter 2009 Houston Retail Data Program**, citywide **occupancy** for Houston area multi-tenant retail buildings is **83.65%** (Regional = 86.72%; Community = 86.55%; Neighborhood = 81.96%; Strip = 79.16%). Occupancy is down 0.11 points over the last quarter and down 0.60 points over the first quarter 2008. The citywide monthly multi-tenant retail **rental rate** is **\$1.62 per square foot** (Regional = \$2.87; Community = \$1.66; Neighborhood = \$1.22; Strip = \$1.24).

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

- **NewQuest Properties** (281-477-4300) has completed construction of **Kroger Market Place (14742)**, a 123,000-square-foot grocery store located in the **New Quest Brazos Town Center**, in Rosenberg (605R). The market place concept will be a multi-department store offering full service grocery, pharmacy, expanded perishables and general merchandise including outdoor living products, electronics, home goods and toys.
- **SDI Realty** (713-892-5200) has started construction on a new **Lowe's Home Improvement Store (2362)**, a 117,000-square-foot facility located at 3803-3806 FM 1960 in Missouri City (609L). The store is scheduled for completion by third quarter 2009.
- **Wal-Mart** (713-463-6922) has opened its first **Supermercado (1055)**, a 39,000-square-foot grocery store targeting Hispanic consumers, located at 7960 Long Point in northwest Houston (451T).

The following chart illustrates historical rental rates.



Retail Sales

- No retail sales transactions were noted for the month of April.

Retail Leases

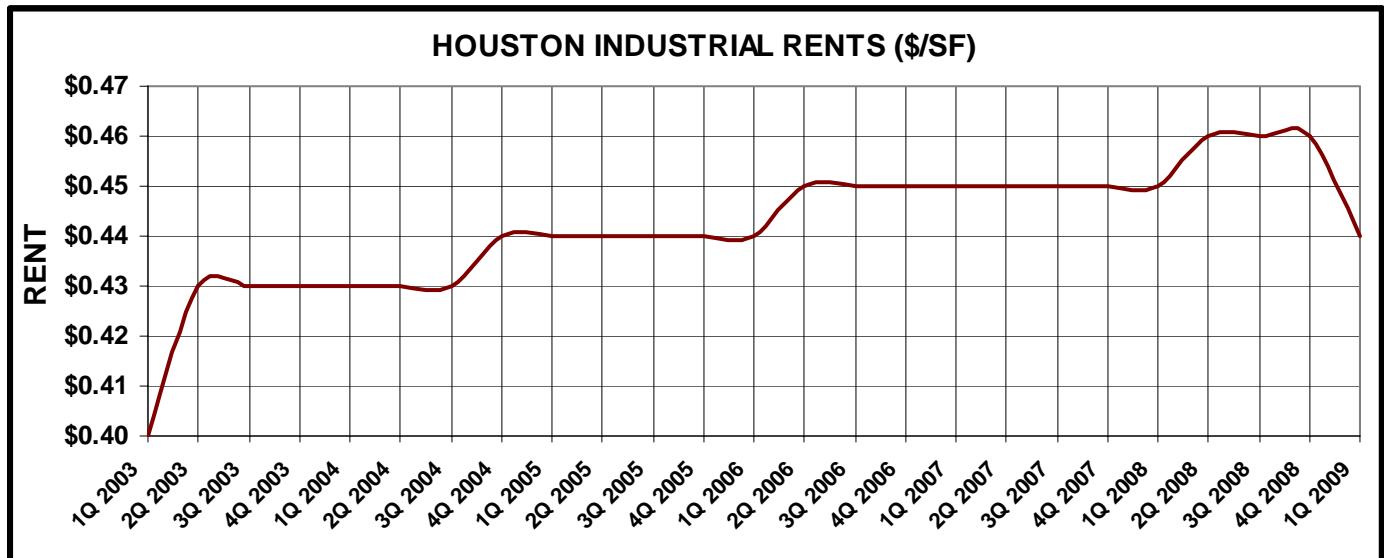
- **KCM Superstore** (281-391-5261) leased 36,280 square feet at the **Point West Shopping Center (1845)**, a 168,000-square-foot shopping center located at 300 S. Mason Rd. in Katy (485D), from **Zeeba Properties** (713-461-1033). This center is fully occupied with market rents of \$2.00 per square foot. **Doug Freedman** of **United Equities** represented the landlord, while **Brenda Campbell** with **Re/MAX Fry Road** represented the tenants.

INDUSTRIAL FACILITIES

According to the O'Connor & Associates **First Quarter 2009 Houston Industrial Data Program**, citywide **occupancy** for Houston area operating multi-tenant industrial facilities is **84.49%** (Flex = 85.68%; Bulk = 84.79%; Manufacturing = 78.51%, Service = 87.20%, Distribution = 72.97%, R&D = 51.97%). Occupancy is up 0.15 points from the last quarter and up 0.51 points over the last year. The overall quarterly **rental rates** decreased \$0.02 ending at **\$0.44 per square foot** (Flex = \$0.48; Bulk = \$0.38; Manufacturing = \$0.36, Service = \$0.52, Distribution = \$0.38, R&D = \$0.78).

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 quarterly basis and accessible over the web (please contact us for more details).*

The following chart illustrates historical industrial rental rates.



Industrial Developments

- **Avera Cos.** (713-783-9600) and **Cobalt Industrial REIT II** (972-893-7000) have completed **Freeport Ninety Business Park (6612)**, a 348,460-square-foot business park. Located at 13833 N. Promenade in far Southwest Stafford (569Q), the business park includes a 22.49-acre land tract that was transformed into a five-building flex/distribution/warehouse park with up to 24-foot clear heights, ESFR sprinkler systems, and 2.26 acres of additional land for outside storage or parking. The property will be available to tenants with space needs ranging from 11,800 to 130,000 square feet with asking rents of \$0.63 per square foot. **Joseph Burke** of **Holt Lunsford Commercial Inc. (713-602-3764)** is handling leasing at the property.
- **McShane Development Co.** (847-292-4300) and **Met Life Real Estate Investment** (832-251-5400) have completed **The Guhn Road Distribution Center (36767)**, this 253,838 square foot distribution center is located at 6535 Guhn Rd. in the inner loop of Houston (410U). **Cadence McShane** of **McShane Development** provides the design/build construction, while **Kyle Valentine, Justin Robinson** and **Christopher Money** of **Stream Realty** will handle the leasing.

- **Clay Development & Construction** (713-789-2529) has started construction on the first component of **Deerwood Glen (36788)**, a 150-acre business park located at 4400 TX 225 in Deer Park (538J). The first structure that is under construction and scheduled for completion by August, is a two-story 88,000-square-foot class A office building. It is currently 50% pre-leased to an undisclosed anchor tenant. **John Pruitt, Jessica Ochoa, and John Simons** of **CB Richard Ellis** are handling leasing of all the four office buildings of the project. Phased construction of the park is expected to continue over the next two years, totaling up to 1,000,000-square-foot of Class A office and warehouse space.
- **Hydradyne Hydraulics** (281-821-6328) has completed expansion and remodeling of **1019 Rankin Rd (634)**, a 78,000 square-foot warehouse facility located in north Houston (373F). The facility is comprised of 45,000-square-feet of service and fabrication space, 20,000 square-feet of warehouse space, 11,500 square feet of office space and 1,500 square feet for a parker store and truck depot. **GRA Gulf Coast Construction LLC** (713-934-7797) served as general contractor for the project.

Industrial Sales

- **Metal Works Properties** (713-645-1567) purchased **8600 Telephone Rd. (6016)**, a recently completed 50,740-square-foot office/warehouse building, located on Telephone Road in Houston (575E), from **Cerda Corp.** (512-834-7766). **Chris Caudill** and **Joel Michael** of **NAI Houston** represented the buyer and **Stuart Rosen** of **Greater Houston Commercial Properties** represented the seller.
- **West 34th Street Storage Center LTD** (281-292-1488) has purchased **American Storage (5399)** a 322 unit mini, 45,000 square foot storage facility located in southwest Houston (448A), from **James Rutherford**. **Sky Pulford** of **RE/MAX Memorial Town & Country** brokered the transaction.
- **Limin Properties** has purchased the **West Rail Industrial Center (16503)**, a newly built 20,700-square-foot office-warehouse facility located at 7310 West Road in northwest Houston (411A), from **The National Retail Group** (713-956-1000). The seller was represented in-house by **Steve Adkisson**, while the buyer was represented by **Chris Caudill** and **Jon Michael** of **NAI Houston**.

Industrial Leases

- **Brian Cabbage** of **CSI Collision Specialist (281-370-7225)** has leased the **Northside Auto Repair Facility (36790)**, a 26-year-old, 22,000 square feet facility and corresponding 100,000 square foot lot, located at 16623 Kuykendahl, in north Houston (331O), from **Bejjani and Associates** (713-659-3333). **Randy Moudry** of **The Vanguard Commercial Group** represented the tenant, while the landlord was represented in-house by **Pierre Bejjani**.
- **Agility Project Logistics Inc.** (281-986-2200) has leased **15600 Morales Rd. (36787)**, 250,000-square-foot office/warehouse facility located near Bush Intercontinental Airport in north Houston (374N), from **AMB** (214-702-7035). This newly constructed industrial building will serve as the logistics headquarters for the Swiss company and will combine all office and warehouse space into one location. **Stephen Shields** of **Transportation Properties** represented the tenant, while **AMB** was represented in house.
- **Sandvik Inc.** (281-275-4900) has leased an 80,000-square-foot building within **Cole Creek Business Park (6401)**, located at 8618 W Little York (410T), from **Trammell Crow Co.** (713-963-1000). **Blake Kendrick** of **Stream Realty Partners LP** represented the tenant, while **Faron Wiley** of **CB Richard Ellis** represented the landlord.
- **Tejas Research and Engineering** (281-466-8700) leased 26,575 square feet at **Greenspoint Business Center (6325)**, a 106,700-square-foot building located at 51 Esplanade Blvd. in Houston

(372V), from **Industrial Developments International** (972-560-7002). The newly built building is 25% leased with asking rents of \$0.48 per square foot. **Greg Usher** of **Cypressbrook Co.** represented the tenant, while **David Boyd** of **Boyd Commercial** represented the landlord.

- **Buckeye International** (281-873-4200) has renewed their lease of 12,224 square feet at **Greenbriar Place North (645)**, a 78,745-square-foot distribution center located at 16420 W. Hardy in north Houston (373J), from **Houston Industrial Properties** (713-425-5200). The 26-year-old building is fully leased with market rents of \$0.35 per square foot. **Darren O'Connor** of **NAI Houston** represented the tenant, while **Steve Carter** of **Granite Properties** represented the landlord.

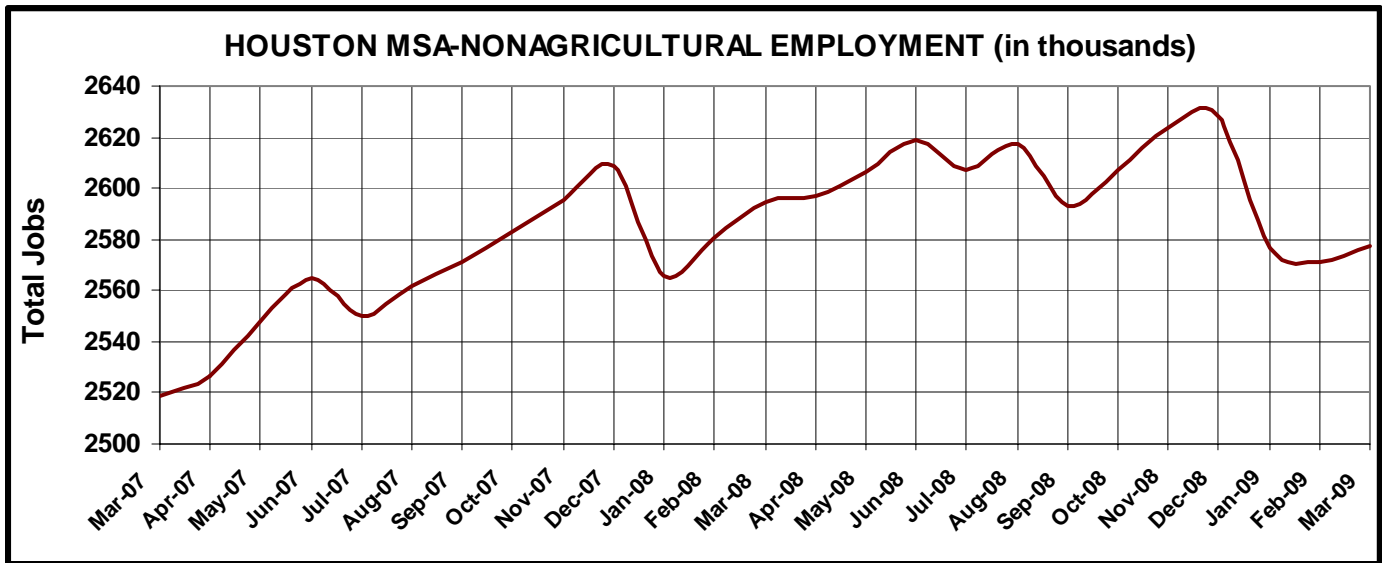
VACANT LAND

- **Mildred Murphy** purchased 30 acres of land at Old Houston rd in Porter (254P), from **Joslin Investment** (281-354-0969). **Shield Dowell** of **Keller Williams Realty** brokered the sale.
- **Copano** purchased 10.2 acres of land at the southeast corner of Beltway 8 and Tidwell (457A), from **BDG Investments** (281-362-9585). Lee Jones Real Estate brokered the sale. This land is going to be divided and sold for retail and commercial purposes.
- **Vasudev Properties** purchased 7.5 acres on **Gardens Road** in Pearland (614K), from the estate of **Luther Sawyer**. **Mauris Hardcastle** of **Hardcastle Real Estate** brokered the sale.
- **ACR Trucking** (713-450-0769) purchased four acres of land, located across 16311, 16315 and 16321 2nd Street, in Channelview (498G), from **Joseph Clarence Ledet**. The buyer was represented by **Cynthia Martinez** of **Century 21**, while **James Foreman**, **Beau Kaleel**, and **Cape Bell of Cushman & Wakefield** represented seller.

ECONOMIC & FINANCIAL NEWS

The total number of nonagricultural wage and salary jobs in the ten-county Houston area increased by 6,200 jobs to 2,577,600 in March 2009, according to the **U.S. Department of Labor**. This month's total is 17,400 fewer jobs than the 2,595,000 jobs at this time last year. Of nonagricultural employers, the Leisure and Hospitality sector posted the largest gain over the month at 5,100 jobs, while the largest year over year increase occurred in the Mining and Logging sector, which added 4,100 jobs.

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



Source: U.S. 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 March 2009 were \$344.4 billion, a decrease of 1.1% from February, and about 9.4% below March 2008. Retail trade sales in March were down 1.1% from February, and were 10.8% below last year's level.

Personal income decreased \$34.4 billion, or 0.3%, and Disposable Personal Income (DPI) decreased \$1.8 billion, or less than 0.1%, in March 2009, according to the **Bureau of Economic Analysis**. Personal Consumption Expenditures (PCE) decreased \$24.2 billion or 0.2% in March 2009. Meanwhile, the **U.S. Department of Labor** reports that the seasonally adjusted Consumer Price Index (CPI) for urban consumers decreased 0.1% in March 2009 and is 0.4% lower than March 2008.

The latest **Conference Board Survey** indicates that the **Consumer Confidence Index** increased significantly to 39.2 in April 2009, up 12.3 points from March. 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 0.3% in March. 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 decreased 1.5% in March 2009 from February 2009 and is down 12.8% from the March 2008 level. Output in the manufacturing sector decreased 1.7% and output at mines decreased 3.2% in March, while output of utilities increased 1.8% from last month. The rate of industrial capacity utilization was 69.3% in March, which is down 1.0% from the previous month's level and is 0.5 points lower compared to the previous year's level.

Freddie Mac reports that the **30-year fixed-rate mortgage (FRM)** averaged 4.81% in April 2009, down 0.19 points from March and down 1.11 points from one year ago. The average for the **15-year FRM** averaged 4.5% in April 2009, down 0.14 points from March and down 0.97 points from April 2008.

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 6.1% in the first quarter of 2009, this decrease is due to negative contributions from exports, private inventory management, nonresidential structures, equipment and software, and residential fixed investment.

The **U.S. Department of Commerce** reports that construction spending during March 2009 was estimated at a seasonally adjusted annual rate of \$969.7 billion, which is 0.3% above the revised February 2009 estimate. However, the current figure is 11.1% below the March 2008 estimate of \$1,090.5 billion. Private residential construction was at a seasonally adjusted annual rate of \$258.4 billion in March, 4.2% below the revised February estimate of \$269.6 billion.

The **Baker Hughes** count of active domestic rotary rigs stands at 995 for April 2009. The current rig count is down 45.6% from last year's figure of 1,829 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)** improved slightly more in March, increasing by 0.2 over the previous month. The March figure stood at 97.7, still significantly below the 100 and signifying continued contraction. The index is a monthly composite index that tracks the health and outlook for the U.S. restaurant industry. This is the 17th consecutive month below 100.

POTPOURRI

According to the monthly **Monster Worldwide, Inc.** employment index, online job demand had a 2-point increase in the month of April, against the drop of 4 points in March. The index currently stands at 120 and is 54 points below April 2008, a decrease of 31%. Online demand for workers increased in 19 of the 28 major U.S. metro markets.

According to the March 2009 **Architecture Billings Index**, developed by the **American Institute of Architects**, March reported an index of 43.7, up 8.4 points from the previous month (any score above 50 indicates an increase in billings). Both the project inquiries index and the inquiries for new projects score was 56.6.

The Central Green Building #9, a 63,600-square-foot distribution/warehouse facility developed by **Liberty Property Trust** (281-955-2000) within its **Central Green Business Park**, has been awarded LEED™ Silver for Core and Shell Development certification by the U.S. Green Building Council. Currently occupied by the Houston-based Crane Worldwide, the facility's design/build work was completed by **Cadence McShane Construction** (713-681-8500) along with architectural services by **Seeberger & Associates LP** (713-977-5400).

Please direct any questions regarding content in the *Houston Real Estate Trends*, or information regarding recent transactions that you would like added, to Stuart Showers at 713-686-9955 or sshowers@poconnor.com