



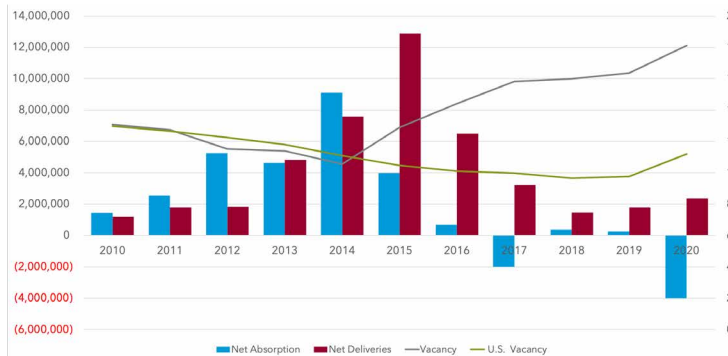
OFFICE MARKET OVERVIEW

TRAVIS TAYLOR, *Principal, Office Tenant Representation*

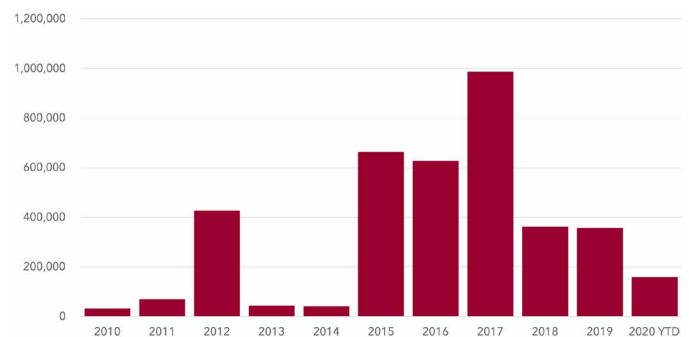
The office market continues to descend as business continue to castoff space for good reason: approximately 80% of the office-based labor force continues working from home at least part time. Negative absorption over the last two quarters in the highest on record according to most reports. Previous predictions have proven fateful as the availability rate, which combines vacant space, sublease, and future availability currently on the market is 30%, climbing 2% from the previous quarter. Even as businesses adjust to the nuances of a COVID-way society and start the recovery process, the expectation is that the aggregate negative effect on the office market will continue throughout 2021.

MARKET INDICATORS	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
▲ Net Absorption	(605,811) SF	(1,701,096) SF	(1,346,997) SF	(669,866) SF	256,748 SF
▲ Vacancy Rate	18.1%	17.9%	17.2%	16.6%	16.4%
▲ Avg NNN Asking Rate	\$28.57 PSF	\$28.54 PSF	\$28.67 PSF	\$28.81 PSF	\$28.87 PSF
▼ Under Construction	5,908,987 SF	5,973,362 SF	5,511,559 SF	5,079,967 SF	5,276,133 SF
▲ Inventory	338,660,627 SF	338,371,033 SF	337,576,555 SF	336,903,663 SF	336,286,687 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1111 Fannin Street Houston, TX	428,629 SF	Undisclosed	Triten RE Partners Mgt Co, LLC ZST Interests, Inc.	Class B
6500 West Loop South Bellaire, TX	389,826 SF	Undisclosed	Capital Commercial Investments AT&T, Inc.	Class B
240 Abner Jackson Parkway Lake Jackson, TX	280,000 SF	\$93,242,697.00 \$333.01 PSF	Brixton Capital AC LLC Lexington Realty Trust	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
700 Louisiana Street Houston, TX	320,788 SF	M-M Properties	TC Energy	Transportation and Warehousing
3600 West Sam Houston Parkway S Houston, TX	102,492 SF	Clarion Partners	Vroom	Retailer
15415 Katy Freeway Houston, TX	98,000 SF	Fuller Realty Partners, LLC	Diamond Offshore Drilling, Inc	Mining, Quarrying, Oil and Gas Extraction

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