

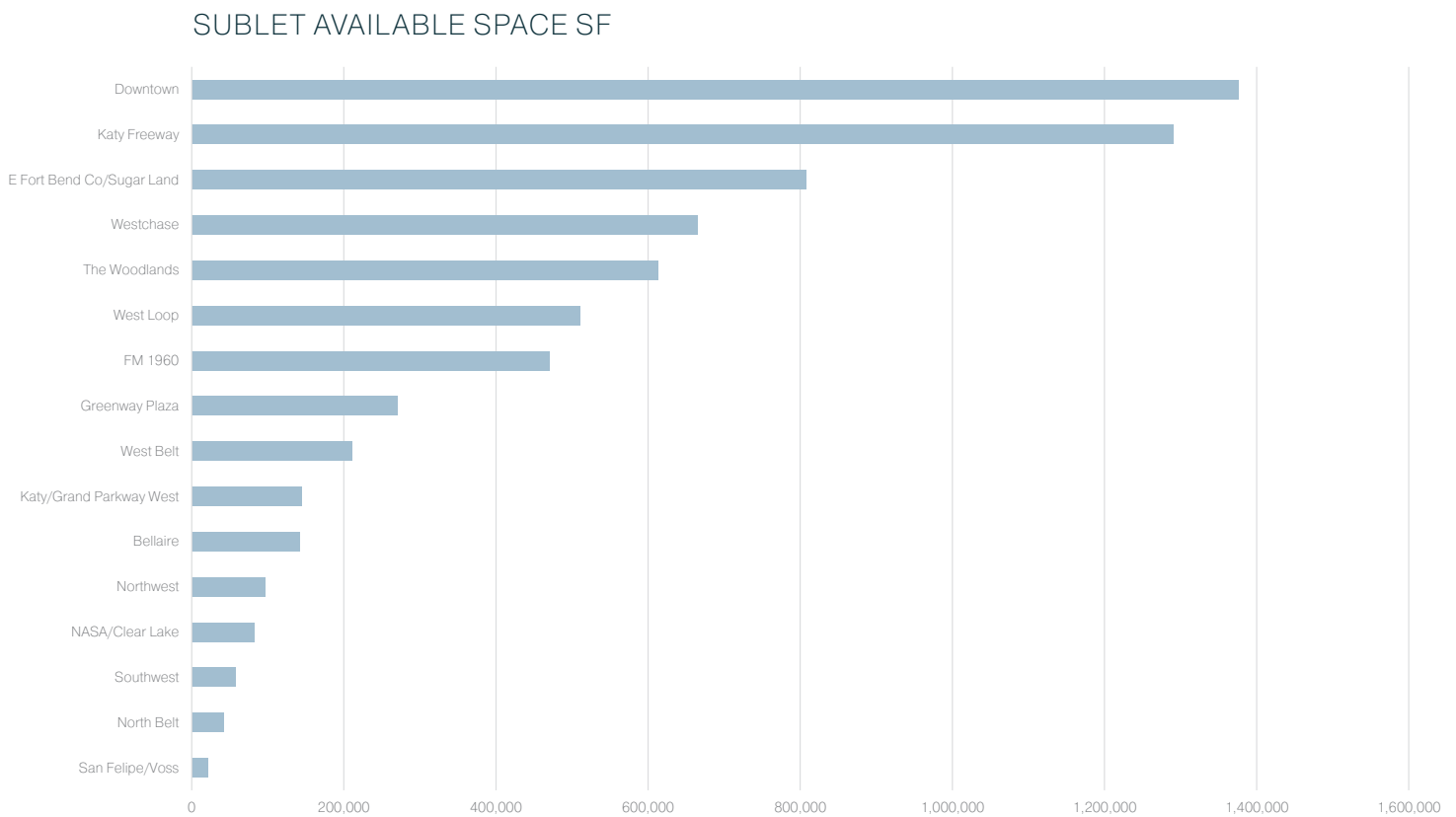


HOUSTON OFFICE SUBLEASE TRENDS

Everything you ever wanted to know about Houston Office sublease space (but were afraid to ask)

One of the most frequent questions that Partners gets asked about is sublease space. Has the amount of sublease space available peaked yet and how much of a long-term problem is it likely to be? After all, most markets across the country are seeing a record amount of sublease space currently available. For many markets it is roughly twice the historic norm. In this piece, we are going to get into the specifics of the Houston sublease market. What industries have placed the most sublease space on the market, what submarkets are most impacted, how much term is remaining, etc.

HOUSTON OFFICE SUBLEASES (20K SF AND GREATER)

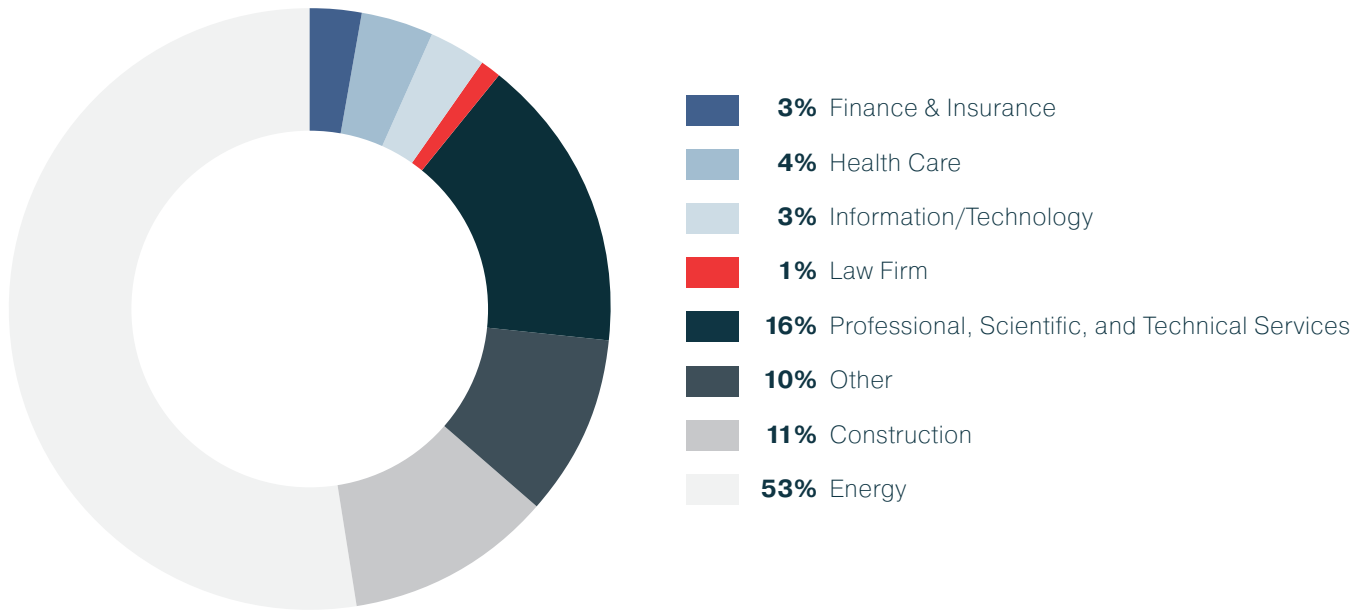


Currently there is about 8 million square feet of sublease office space in Houston. 85% of those subleases are concentrated in subleases of 20,000 square feet or more. The average time the larger subleases have been out in the market is 18 months.

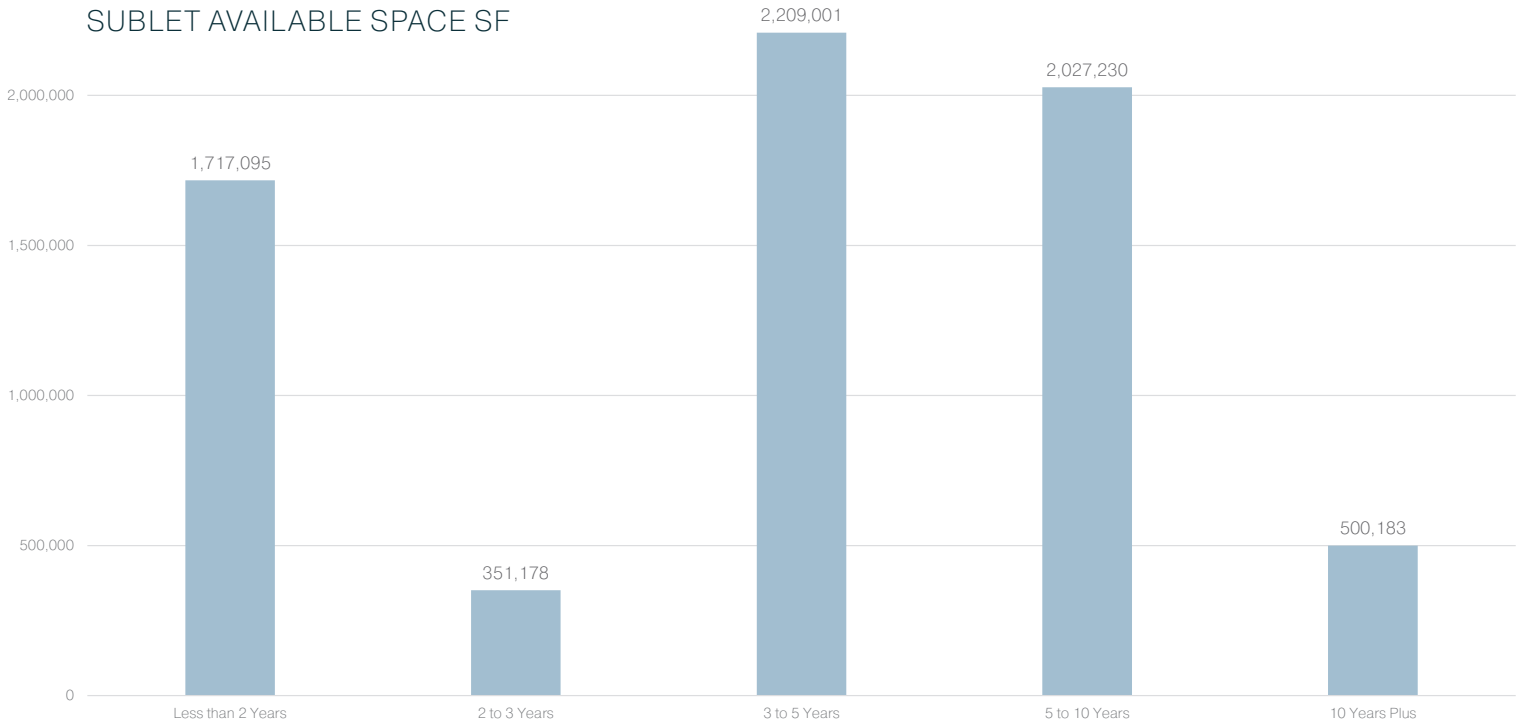
PARTNERS MARKET EDGE

YOUR MONTHLY INSIGHT AND MARKET ANALYSIS BY TEXAS CRE RESEARCH EXPERT STEVE TRIOLET

SUBLET AVAILABLE SPACE (BY INDUSTRY)



SUBLET AVAILABLE SPACE SF



The sweet spot for sublease space that has been leased up over the past year had an average term of roughly 3 years, while the majority of available sublease space out in the market has a longer term than that.

The average size for subleases leased over the past year was 9,388 square feet.

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