

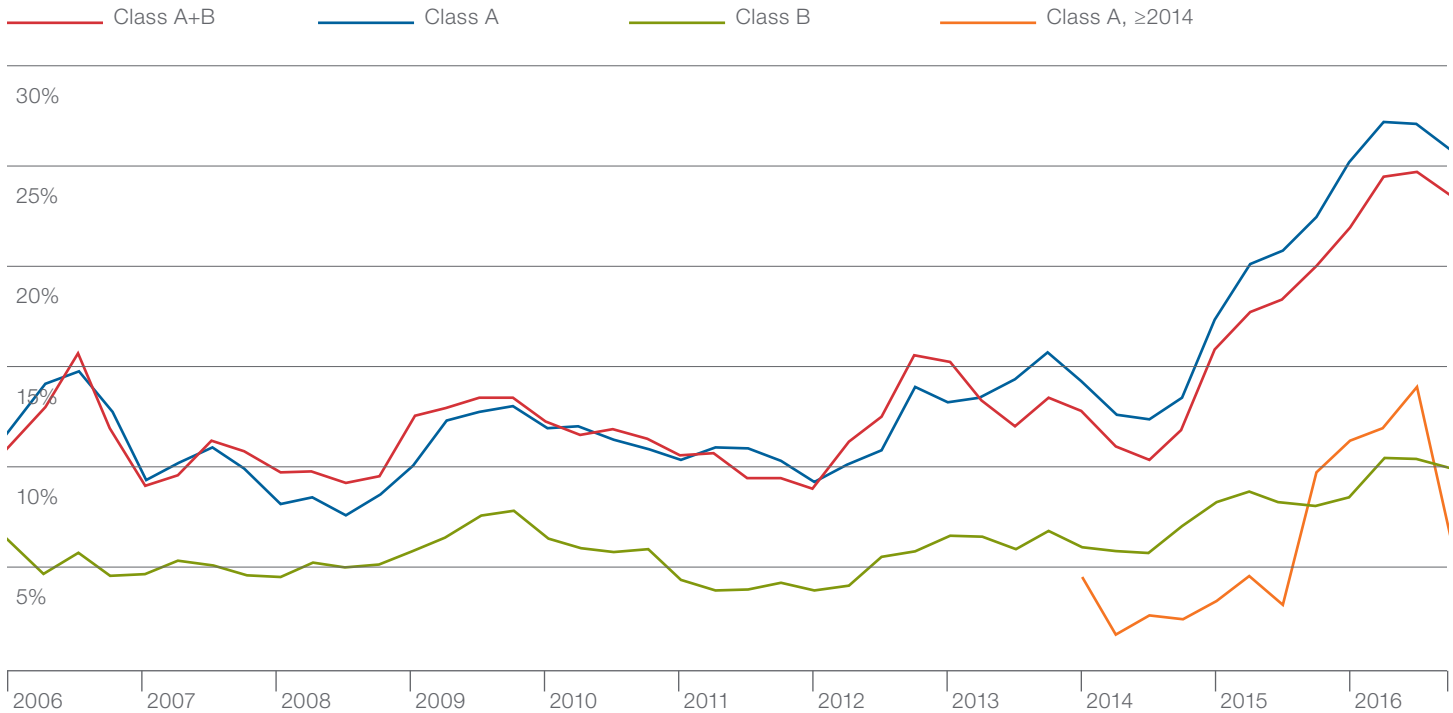
SUBLEASE DIGEST

Houston Office

DECEMBER 2016

Sublease availability plateaus and even begins to decline—down to 11.6 million sq. ft.—as 2016 comes to an end, but still remains more than three times its historic average of 3.3 million sq. ft.

Sublease Availability, % of Total Available



Highlights

19.1% of total availability of Class A and B buildings is sublease space.

Sublease space represents 25.9% of the Class A market.

Class A buildings contain 77.9% of all sublease space, with sublease space beginning to decline in Class B buildings.

87.1% of sublease availability is in buildings with 50,000 sq. ft. or more of sublease space.

Building Type	QTD 2016 RBA (SQ. FT.)	% Sublease Availability	% Change In Availability	
			QoQ	Since Q3 2014
Class A+B	11,636,859	19.1%	-4.6%	105.2%
Class A	9,068,236	25.9%	-4.7%	106.8%
Class B	2,568,623	10.0%	-4.8%	71.3%
Class A, ≥2014	487,770	6.3%	-55.0%	131.2%

Sublease availability for quarter to date for Q4 2016 in rentable building area (RBA) and as percent (%) of total available space (sublease RBA divided by total available RBA). Direct availability is 100 minus % sublease availability. Quarter-over-quarter (QoQ) shows percent change since last quarter. The last column "Since Q3 2014" shows percent change since the oil downturn began to manifest in the office market. Data Source: CoStar; NAI Partners Analytics



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