

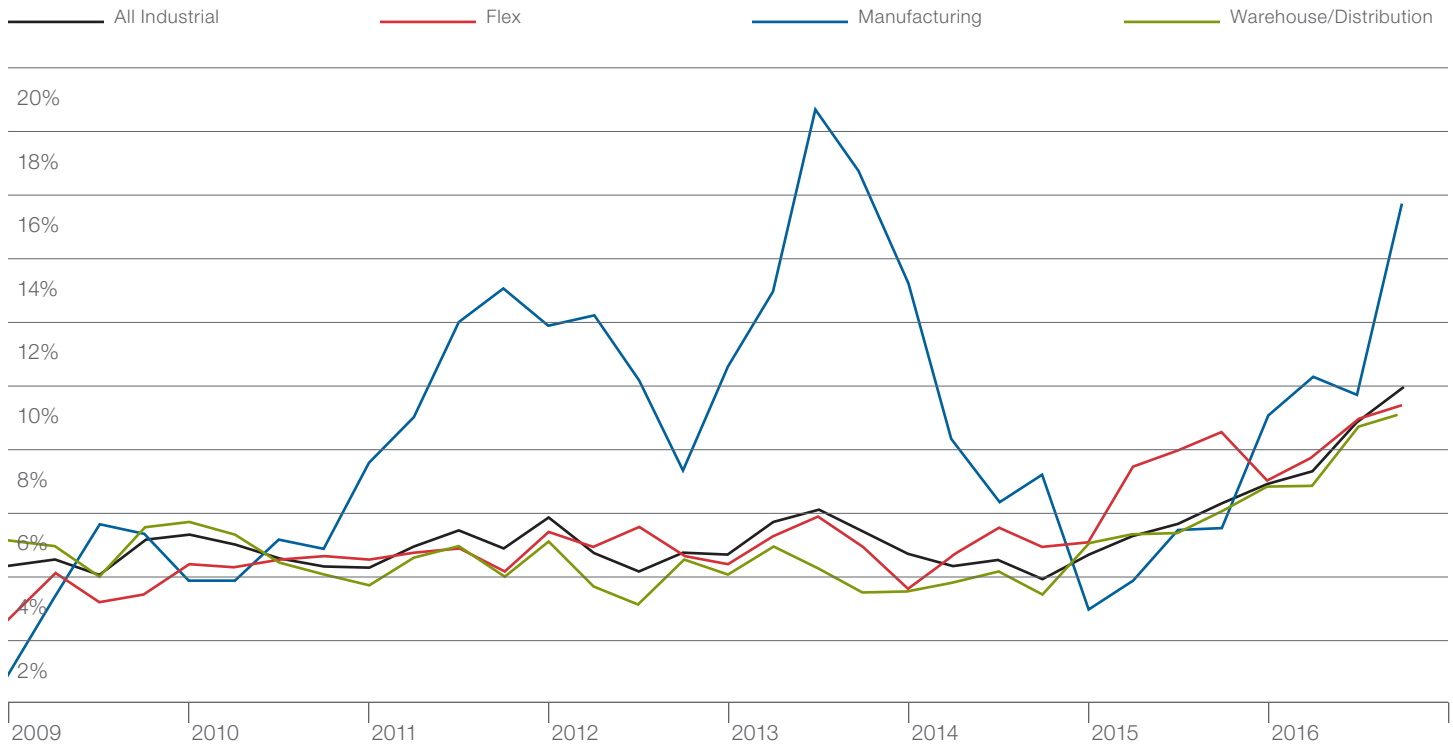
SUBLEASE DIGEST

Houston Industrial

JANUARY 2017

Despite December improvements in the oil industry and various economic indicators, sublease availability of industrial manufacturing buildings increased a huge 60% in Q4 2016.

Sublease Availability by Product, % of Total Available



Highlights

Manufacturing sublease availability is up to 15.8% of total availability, an increase of nearly 150% since Q3 2014.

122% increase in sublease availability of all industrial buildings since decline in oil industry in Q3 2014.

Flex sublease availability is up 5.7% since Q3 2016.

Warehouse/Distribution sublease space is up 4.5% since Q3 2016.

Building Type	Sublease Availability			% Change in Availability	
	Q4 2016 RBA (SQ. FT.)	Historic Mean RBA (SQ. FT.)	% of Total*	QoQ	Since Q3 2014
All Industrial	5,544,535	2,373,346	9.9	14.0	122.1
Flex	576,811	308,805	9.4	5.7	70.4
Manufacturing	1,325,895	395,320	15.8	60.7	148.5
Ware/Distribution	3,534,252	1,484,758	9.1	4.5	119.8

*** % of total availability**

Sublease availability 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, that is Direct + Sublet = Total. Quarter-over-quarter (QoQ) shows percent change from last quarter. The last column "Since Q3 2014" shows percent change since the oil downturn began.