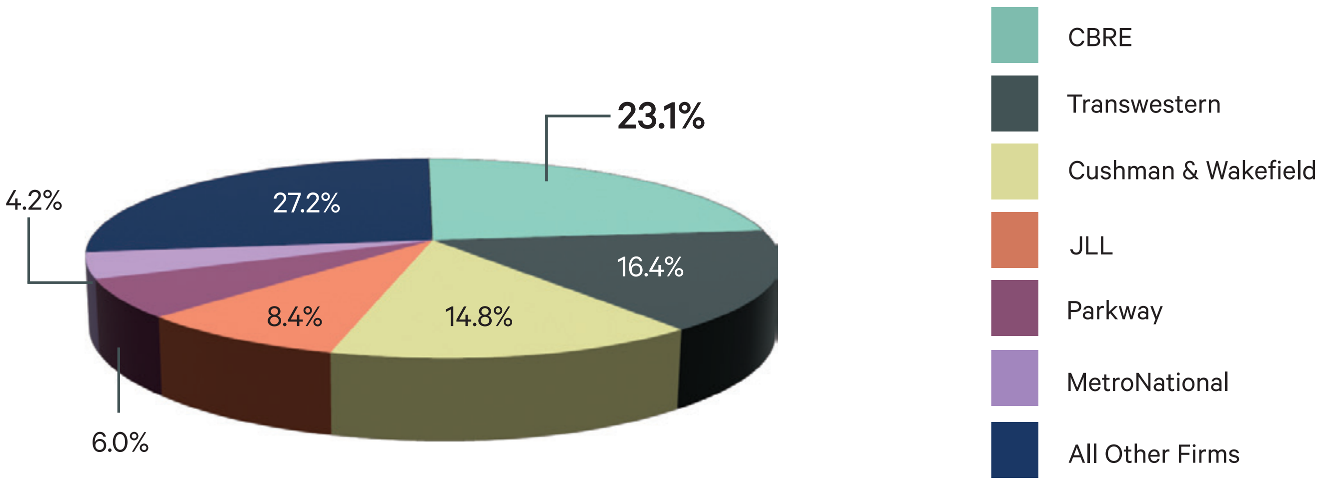
HOUSTON OFFICE LEASING

Market leading results
Trusted partners
Proven strategies

CBRE Houston is a Market Share Leader for Office Leasing



Local Success

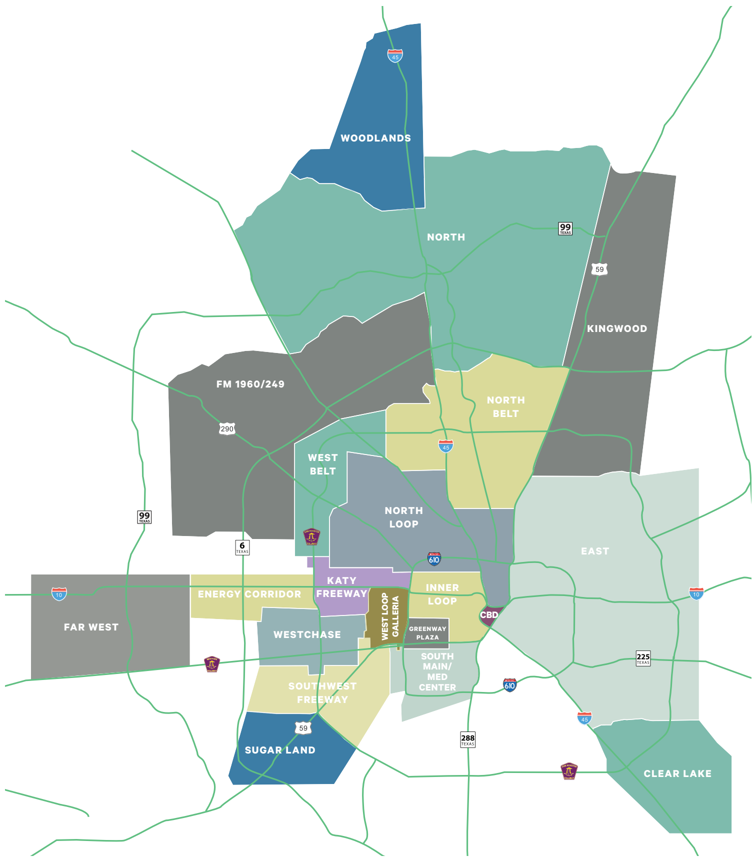
CURRENT REPRESENTATION BY CBRE HOUSTON

67

Total Number of Buildings Currently Represented by CBRE Houston

23.7M

Total SF Currently Represented by CBRE Houston



CBD	10,322,151 SF
Bellaire	504,583 SF
FM 1960/249	229,326 SF
Galleria	7,398,215 SF
Greenway	1,023,861 SF
Inner Loop	2,298,212 SF
Katy Fwy - West	497,418 SF
North Loop W	196,845 SF
West Belt	709,404 SF
Westchase	326,392 SF
Woodlands	266,183 SF

CASE STUDY

CBRE

29.74517° N, -95.38984° E

Montrose Collective

HOUSTON, TX

Background
Building began construction in 2020 and delivered September 2021 at 80% leased. By April of 2022 the building was 100% leased.

Challenge

- New development outside of traditional office submarkets
- Safety and health concerns limit marketing efforts and willingness to lease space

How CBRE created advantage

- Customized mutli-faceted deliverables to generate interest and leads
- Messaging focused on the benefits of new, low-rise construction and open air areas
- Heavily targeted, tenant-focused touchpoints

> “Montrose Collective is the perfect example of the success you can have when delivering a differentiated product in a highly amenitized neighborhood.

Parker Duffie
First Vice President, CBRE

MONTROSE COLLECTIVE

CASE STUDY

29.76061° N, -95.36636° E

TC Energy Center

HOUSTON, TX

Background

TC Energy (formerly TransCanada) originally relocated its US headquarters to 700 Louisiana in 2014.

Challenge

Sourced by John Spafford, TC had not officially been in the market but was facing roadblocks to its expansion needs at their existing building. Following the financial crisis of 2008/2009, Bank of America had downsized significantly and had upcoming contraction rights and was marketing 35,000 sf of sublease space. Spafford led the efforts to negotiate a space release with the bank to create a near contiguous block of 180,000 sf, which TC needed for its initial space. After almost doubling in size to 320,000 SF in just 6 years, TC grew to become the anchor tenant occupying 25% of 700 Louisiana, now known as TC Energy Center.

How CBRE created advantage

In 2019, while negotiating for some expansion space, the Landlord and the CBRE leasing team of John Spafford and Madeline Gregory began exploring ideas that could provide long term financial stability (the elimination of TC's early termination option), which would lead to more attractive refinance opportunities. It would also allow the Landlord to expand the scope of its renovation project that includes new fitness center, conference center and lobby coffee bar. It would provide TC with long term financial clarity, more robust building amenities to support its operations, and future space flexibility. In early 2020 the parties began negotiating more seriously and focused on specific terms that would benefit both parties. By September 2020, an agreement had been reached and by December 2020 a lease amendment was fully documented and executed.

TC Energy

Meet the Team

We are a diverse collection of office leasing experts. Diverse in age, experience, and skill sets. What brings us together is our love of Houston, our knowledge of its office landscape, and our ability to get you results that our competitors cannot beat. When you need a partner that is creative, responsive, and gets the job done, we are here to answer the call. Our team is absolutely committed to your success, and we treat the business of each and every one of our clients like our own.

Come take a look at who we are and what we have to offer as your next real estate partner.

Let's get to work, together.

Occupier Representation

Unlock value by improving productivity and optimizing office locations, portfolios, ownership and capital structures with our holistic solutions for workplace performance, talent attraction and retention, and cost reduction. Our global technology platform connects office professionals from all over the world who use market insight and experience to deliver strong outcomes for local, national and global occupiers.

Investor Representation

With an approach that spans property sales, debt and structured finance, investment banking, valuation and advisory, property management, landlord leasing and project management solutions, we serve office properties—suburban offices, iconic high-rises and everything in between—in all major markets.

285

Combined years in the local office leasing landscape

14

Brokers
7 with 20+ years each and
4 with 10+ years each

24M

Total SF represented

Trustworthy. Dedicated. Energetic. Diverse.

Our team knows Houston. We know its office landscape. And when we combine our diverse experience, local expertise, and CBRE's industry-leading market data and technology, we offer something you cannot find anywhere else.

We treat every assignment as unique, because it is. Our team and our firm's continued success is a testament to our commitment to you, our clients, and our ability to evolve and grow just as Houston's office landscape does. We put our collective knowledge to work for you, developing and executing a real estate strategy as unique as your property and your business.

Peter Mainguy
Senior Managing Director

Mark Taylor
Senior Managing Director

Steve Rocher
Executive Vice President

John Spafford
Executive Vice President

Russell Hodges
Executive Vice President

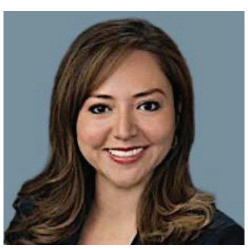
Bubba Harkins
Executive Vice President

Warren Savery
Senior Vice President

Kristen Rabel, CCIM
Senior Vice President

Marilyn Guion
Senior Vice President

Elliott Hirshfeld
Senior Vice President



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Senior Vice President

Parker Duffie
First Vice President

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Senior Associate

Jenny Sealy
Senior Associate

Joel Douthit
Associate

John Hildreth
Financial Analyst

Francie Breen
Client Services Coordinator

Vanessa Licardie
Client Services Coordinator

Suzan Zaghmouth
Client Services Coordinator

Alyssa Moot
Senior Marketing Specialist

Anete Freimane
Marketing Specialist

Proven Experience, Proven Results

We understand how to make your property stand out, even in one of the country's largest cities. Our collective knowledge, experience, and successes help inform every project we take on and help us continue to hone our best practices. These are just a few examples of the value we add as your partner and the success we have had leasing properties throughout the city.

Our Numbers

Use the world's most comprehensive real estate services platform to find innovative solutions for your specific needs as a corporate occupier or office investor.

GLOBAL BUSINESS STATISTICS

$114.1B
Transaction Value

$39.5B
Property Sales Over 2,575 Transactions

$74.6B
Office Leasing Over 33,375 Transactions

2022 HOUSTON OFFICE LEASING ACTIVITY

272
Completed Deals

2.3M
SF Leased

$451M
Total Transaction Value

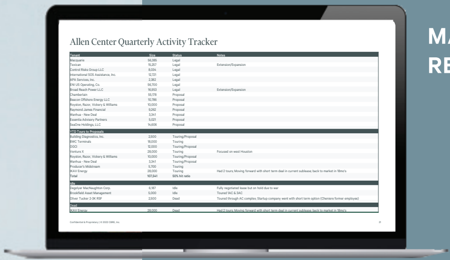
23.1%
Market Share

CBRE earned HOLBA
Deal of the Year
(2018)

CBRE earned HOLBA
Landlord Rep of the Year
(2010, 2011, 2012, 2013, 2015, 2017)

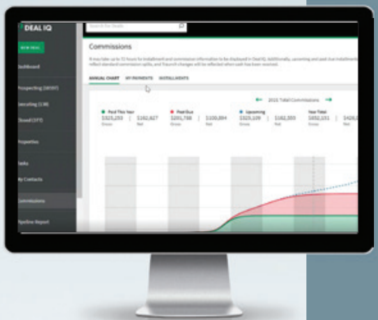
CBRE earned HOLBA
Landlord Rep Rising Star
(2017, 2021, 2022)

CBRE Tools



MARKET RESEARCH

TABLEAU



DEALIQ

SKYLINES

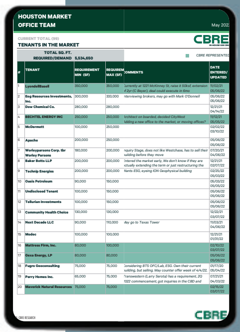
VTS

PLANS

FINANCIAL ANALYSIS

TEST FIT

TIMELINE



TENANTS IN THE MARKET

We Leverage our Occupier Research and Market Coverage

CBRE'S VANTAGE ANALYTICS

An industry-leading, integrated insights platform powered by CBRE's Enterprise Data Platform (EDP)

200+
Operates across 200+ global clients and over 4B SF of real estate

1+
This integrated platform provides deep insights scalable from one location to a client's full portfolio

36B
Spans 36B client data points from over 300 source system integrations

Portfolio Optimizer

With more pressure on businesses to drive exceptional performance and strong margins, identifying cost savings and operational efficiencies within real estate portfolios is critical to bottom-line success.

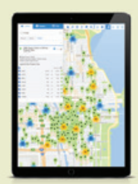
To meet this demand, CBRE has developed Portfolio Optimizer, a powerful software tool that enables CBRE professionals to combine client portfolio data with market intelligence to uncover efficiencies and cost saving opportunities.

Sequentra

Sequentra is a feature rich, software-as-a-service (SaaS), Real Estate Management application that has been designed from the ground up by Real Estate professionals for Real Estate professionals.

Allowing users to control, manage and unlock the data within their organization, Sequentra provides the highest quality analysis tools to inform decision-making and build competitive advantage for our clients.

TransAct



Precise management of resources, timelines and data is critical for driving complex real estate transactions that deliver superior outcomes and bottom-line performance. TransAct, CBRE's customized transaction management solution, meets this need by enabling real estate professionals to stay fully informed on all transaction activities through a centralized, web-based dashboard and real-time, customizable reporting.

CBRE TransAct's comprehensive project management and tracking helps power operational efficiencies, better team collaboration and streamlined workflows across the entire transaction management process.

Commute Optimizer

Commute Optimizer is an online interactive scenario planning tool that is used to compare different locations by drive distance, drive time and cost. With this web-based tool, the user can see real options on interactive maps in any US market, import employee addresses and easily segment by employee type or location; C-suite, Administrative, Sales teams or City name.

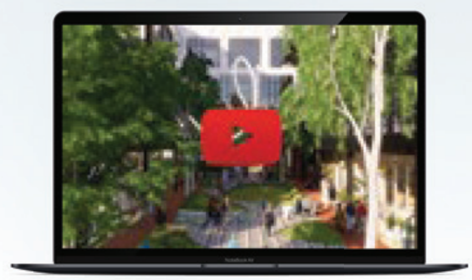
The Commute Optimizer shows in real time how a location will affect employee commute time, distance and cost. On screen recalculations for any location with immediate results provides powerful on-demand intelligence for site selection.

Our Team at Work

SAMPLE DELIVERABLES

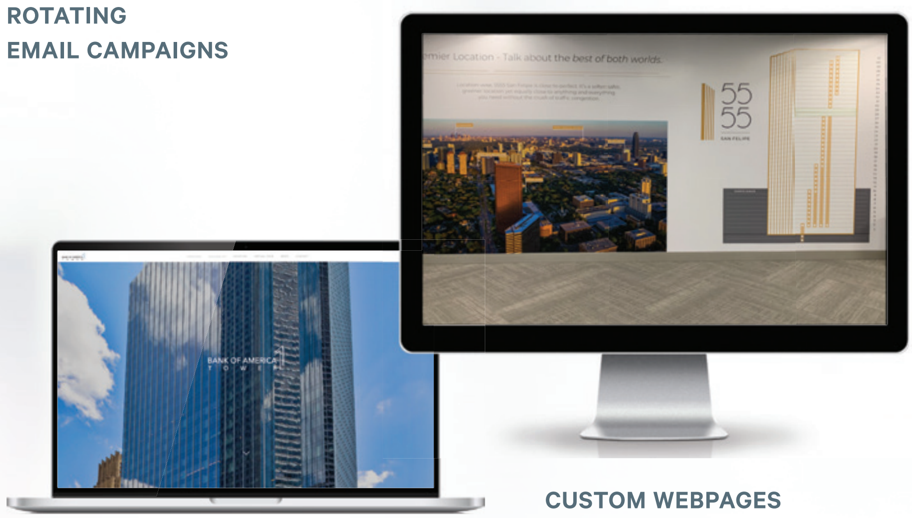
TARGETED TENANT
PRINT BROCHURES

REALTYADS + VIDEOS



TOUR BOOKS

ROTATING
EMAIL CAMPAIGNS



CUSTOM WEBPAGES

INTERACTIVE
FLOOR PLANS

Houston Market

HOUSTON OFFICE MARKET

The Houston office market pulled back in Q4 2022, as uncertainty over the economy left office players with hesitancy. Rents, construction, availability and the vacancy rate remained relatively stable in Q4 2022, as the market was virtually unchanged. The lease negotiation process slowed, as economic pressures led to increased interest rates, coupled with tenants receiving record-high concessions, and thereby hindering leasing volume.

THE FACTORS WORKING IN HOUSTON'S FAVOR

Houston's population and job growth continues. HTX is projected to gain nearly 550,000 residents in the next five years (second only to New York). Historically, some of this population growth has translated to new office-using jobs. Houston's labor market continued its recovery in 2022 with over a half a million jobs added since the pandemic peak in April 2020 and there are 43,000 more office-using jobs in Houston than pre-COVID. Houston is projected to resume pre-COVID job growth in the next five years, gaining nearly 300,000 jobs by 2027 with the greatest gains in the professional and business services sector. This population and job growth, coupled with a reduction in proposed office development, is creating a scenario toward an improved office market in the future.

29.5%
AVAILABILITY RATE

24.2%
VACANCY

-98.9 KSF
NET ABSORPTION

1.3 MSF
UNDER CONSTRUCTION

$31.17 PSF
GROSS ASKING RENT (ANNUAL)

$79.45
$/BARREL/WTI OIL PRICE

Why Houston?

Economic Engine, Energy Giant, Diversity Leader

We love this city, and we know it inside and out. Part of our expertise lies in the extensive market data and local knowledge we bring to the table. We can market the city of Houston and your property to tenants near and far, broadening opportunities for your project. When tenants ask, "Why Houston?" we are prepared to answer:

OUR ECONOMY

Selected Key Economic Indicators for '22:

- Houston's population has increased over 19.1% (1.1M) since 2010.
- Of the top 20 most populated markets in the U.S., Houston has seen the highest percent population growth in the past decade.
- Houston is projected to have the highest net migration (# people moving in minus # moving out) in the next five years (2021-2026).
- Houston ranked 3rd highest projected % job growth 2021 – 2025 for largest (population) metros.

$3.7B IN RENEWABLE ENERGY INVESTMENT
Since 2014

LARGEST MEDICAL CENTER IN THE WORLD
Texas Medical Center

LARGEST TEXAS PORT
RANKED 1ST In foreign tonnage, imports, export tonnage, & breakbulk among us ports

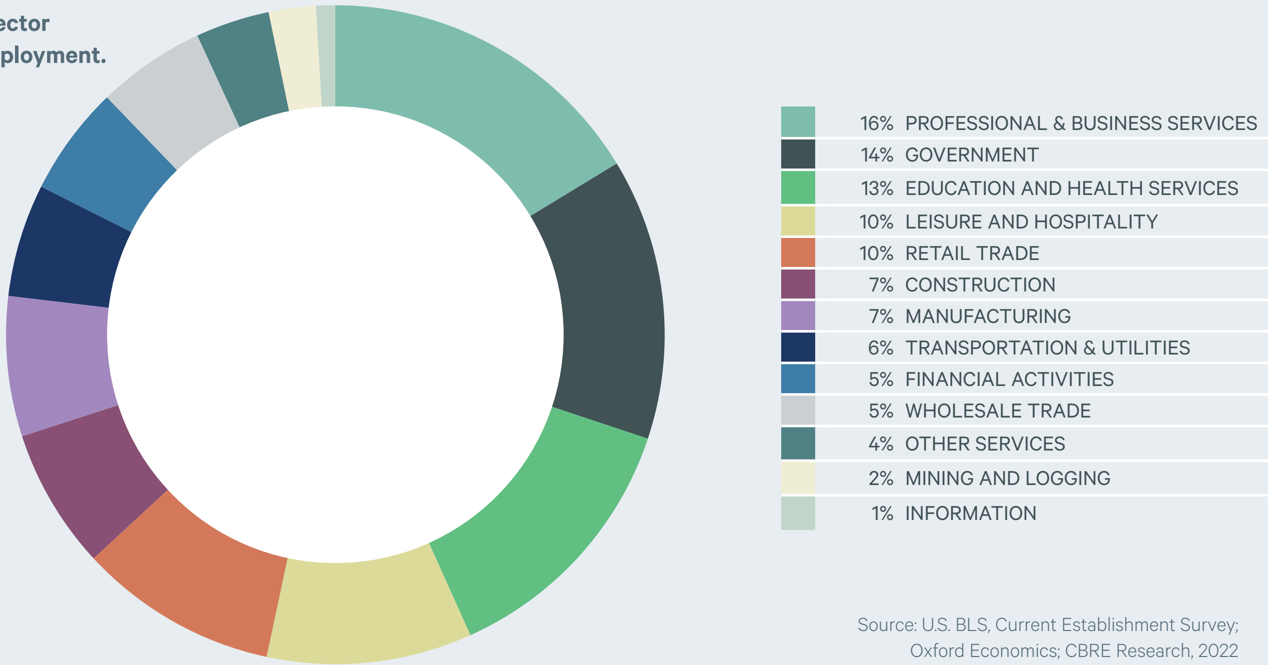
OUR QUALITY OF LIFE

Living in Houston is more affordable than in many other major metropolitans.

- Houston's living costs are **8.3%** below the national average and 36% below the average of the nation's 20 most populous metropolitan areas, ranking it 2nd most affordable among its peers.
- **550+** institutions for art, science, and History
- **Top 10** in the nation for total green space with over 41,500 SF per capita.

EMPLOYMENT BY INDUSTRY

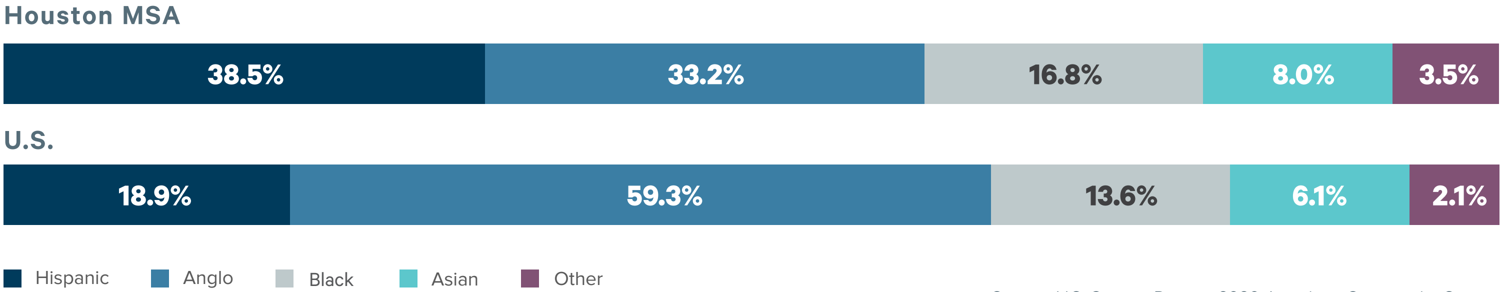
No single industry or sector dominates Houston employment.



Source: U.S. BLS, Current Establishment Survey; Oxford Economics; CBRE Research, 2022

OUR DIVERSITY

Houston is more racially and ethnically diverse than the nation as a whole. The U.S. Census Bureau's 2021 American Community Survey showed that no racial or ethnic group constitutes a majority of the Houston-The Woodlands-Sugar Land Metro Statistical Area (MSA) population.



Source: U.S. Census Bureau, 2020 American Community Survey

Thought Leadership Vision

Divisional Thought Leadership

- Insights on market conditions and trends.
- Tells the story of the data
- Produces original white papers
- Participates in client meetings as needed
- Connected to management and brokers
- Partners with Marketing to develop and promote market analysis and timely outputs
- A public face of CBRE's perspectives on property and market dynamics
- Visible and connected to the real estate community
- Evaluates processes and tools for developing advanced information and analytic approaches

Overall Vision

- Globally authoritative thought leadership and unrivaled local market intelligence
- Changes the conversation and compels clients to seek CBRE advice
- Demands attention, through look, feel and headlines
- Hits the right audience at the right time
- Is local, national or global

CBRE

A GLOBAL LEADER

We are the global leader in commercial real estate services and investments. With services, insights and data that span every dimension of the industry, we create solutions for clients of every size, in every sector and across every geography.

MARKET KNOWLEDGE AND GLOBAL INSIGHTS

Our 500 global researchers offer actionable intelligence and a multi-dimensional perspective that is unparalleled in the industry.

RESEARCH

CBRE Research delivers authoritative global thought leadership and deep local market intelligence to clients and colleagues around the world. Powered by the industry's leading data and analytics platform and the forecasting strength of CBRE Econometric Advisors, our 500 researchers deploy expertise across property types, industries and economies to deliver results for investors and occupiers.

Make informed business decisions based on actionable insights from the most sophisticated research and thought leadership platform in commercial real estate.

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