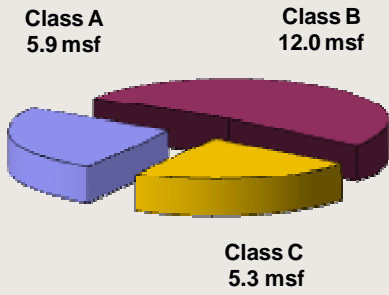


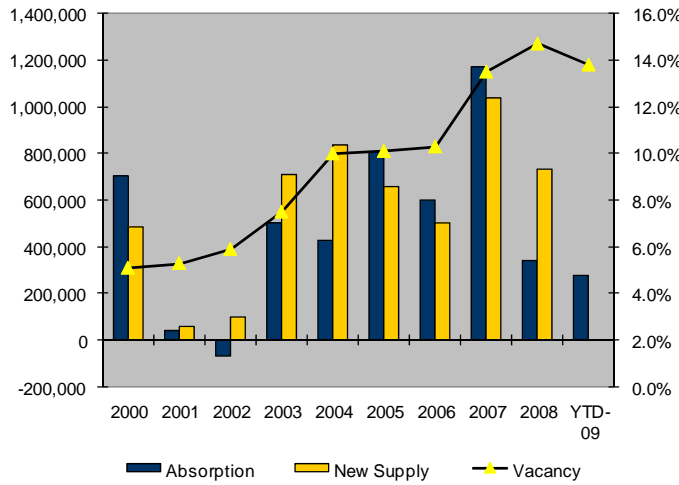
Houston Medical Office



MARKET INDICATORS

Q2-08	Q2-09	
Quarterly Net Absorption		
(2,683) SF	64,576 SF	↑
Year-to-date Net Absorption		
1,506 SF	275,070 SF	↑
Overall Gross Rental Rate		
\$22.73	\$22.74	↑
Class A Gross Rental Rate		
\$27.72	\$29.24	↑
Overall Vacancy		
14.7%	13.8%	↓
Class A Vacancy		
19.9%	13.7%	↓

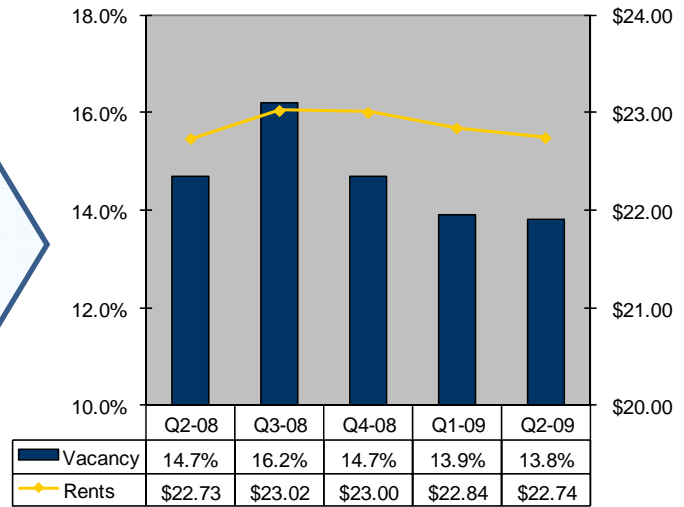
Houston Medical Office Absorption, New Supply & Vacancy



Positive net absorption reached 275,070 sq. ft. in the first half of 2009, surpassing the gains of 1,506 sq. ft. at this time last year. Healthy demand for medical office space pushed vacancy down 90 basis points to 13.8% in the second quarter.

Houston Medical Office Rental Rates & Vacancy - All Classes

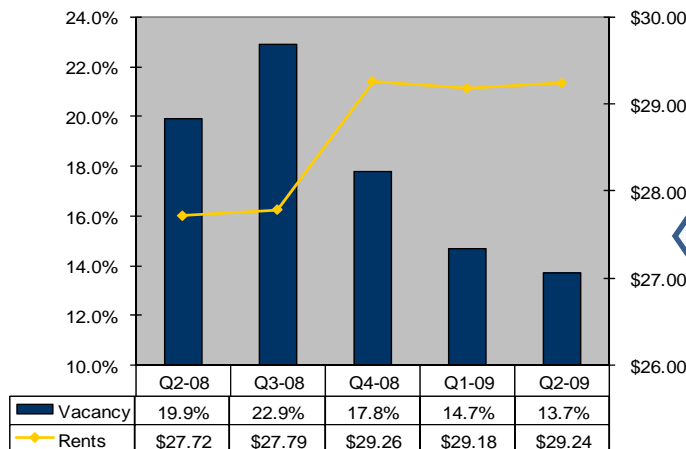
Although vacancy for all medical office classes combined dropped to 13.8% from 14.7% one year ago, the gains were not enough to affect the overall average quoted rental rate keeping it relatively unchanged at \$22.74 per sq. ft. on a full service basis from this time last year.



JOB GROWTH & UNEMPLOYMENT

	May-08	May-09
HOUSTON	-2.2% Job Growth	56,300 jobs lost
Unemployment	4.4%	6.9%
TEXAS	-2.1% Job Growth	222,400 jobs lost
Unemployment	4.5%	6.9%
U.S.	-4.0% Job Growth	5,523,000 jobs lost
Unemployment	5.2%	9.1%

Houston Medical Office Rents & Vacancy - Class A



Robust leasing pushed Class A vacancy to 13.7% from 19.9% one year ago and prompted healthy quoted rental rate gains for top tier office space to \$29.24 per sq. ft. on a full-service basis, a strong 5.5% increase from rental rates at this time last year.

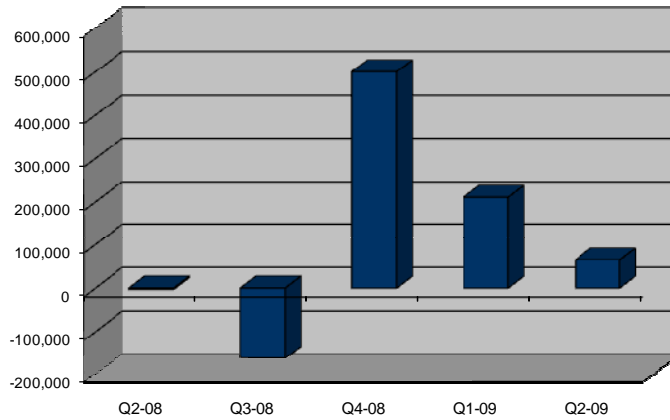


Texas Medical Center

Internationally-renowned TMC is the world's largest medical center with 800-acres and 42 member institutions

Economic Impact: \$9.9 BIL

Houston Medical Office Quarterly Net Absorption



Positive net absorption of 64,576 sq. ft. in Q2 2009 marked an improvement from one year ago when an increase in new supply limited absorption gains. Compared to the more recent previous two quarters, however, midyear marked a slowdown from stronger demand levels at the beginning of this year.

Select Area Patient Care Facilities

The University of Texas M.D. Anderson Cancer Center

Texas Children's Hospital

Memorial Hermann Hospital

The Methodist Hospital

St. Luke's Episcopal Hospital

Lyndon B. Johnson General Hospital

Quentin Mease Community Hospital

Ben Taub General Hospital

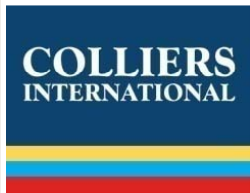
The Institute for Rehabilitation and Research

The Hospice at the Texas Medical Center

Texas Heart Institute

Shriners Hospitals for Children in Houston

Veterans Affairs Medical Center in Houston



Our Knowledge is your Property

Houston Medical Office Building Sales Year-to-date 2009

Featured Medical Office Building Sale



Primary Medical Tower I  
2802 Garth Road

RBA: 46,120 SF  
Year Built: 1979  
Occupancy: 85%  
Sale history: February 2009 - undisclosed price  
June 2008 - undisclosed price  
March 2003 - \$2.6M (\$57/SF)

Featured Medical Office Building For Sale



Memorial Hermann Imaging Center  
2900 Richmond Avenue

RBA: 31,000 SF  
Year Built: 1966  
Occupancy: 100%  
Description: Medical Imaging facility  
Net leased to Memorial Hermann Hospital System  
Listing broker: Martin O'Malley  
Colliers International  
713.830.2158