

Real Estate Market Overview 2006

Brownsville - Harlingen

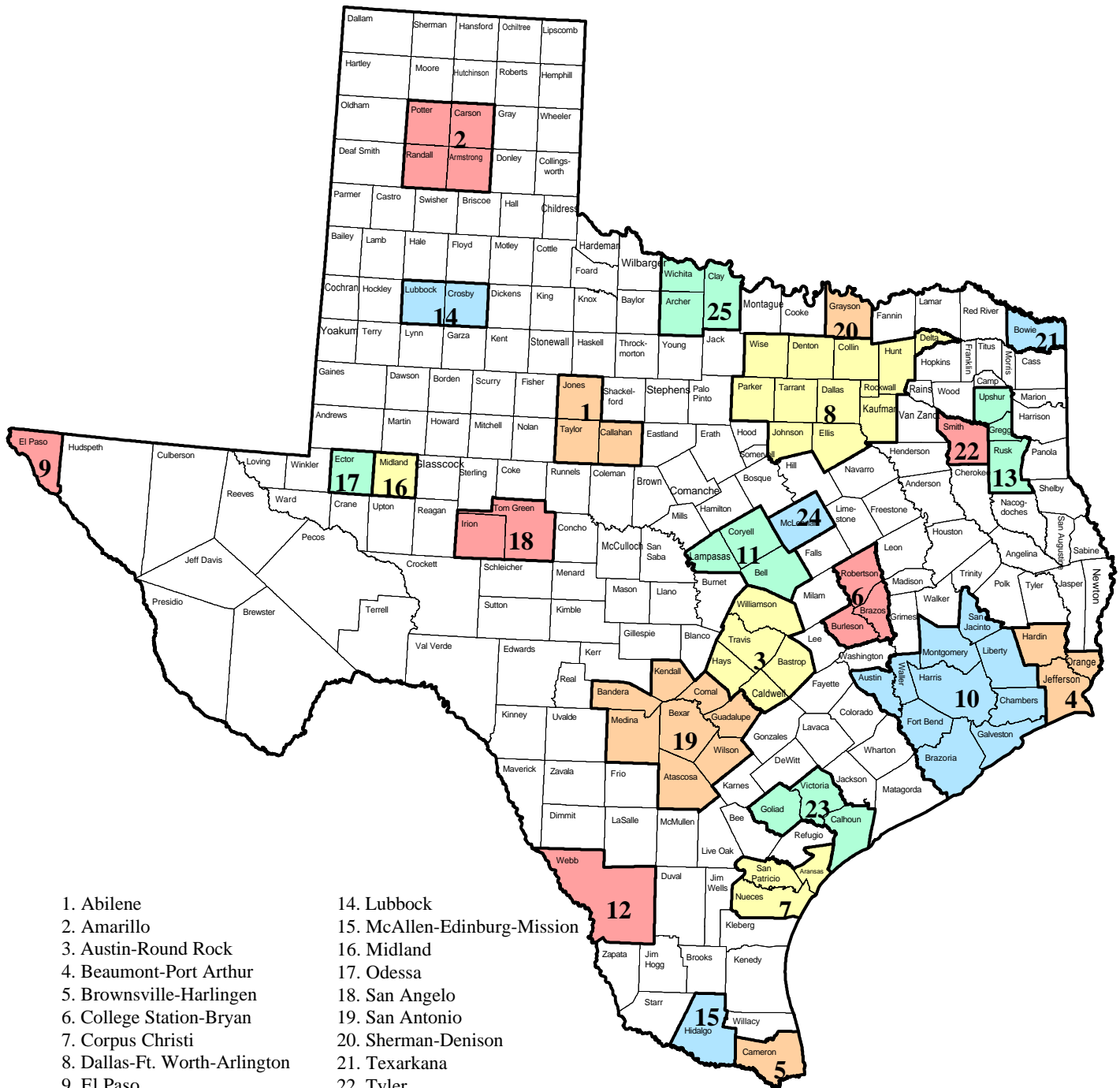
Mid-Year Update

Brownsville was named after Fort Brown in honor of Major Jacob Brown, who was killed directing his defenses against Mexican forces during the Mexican-American War. The Brownsville-Harlingen Metropolitan Statistical Area (MSA) is at the southernmost tip of Texas. The MSA is bordered by Mexico to the south, the McAllen MSA to the west and the Gulf of Mexico to the east. Corpus Christi lies about 150 miles to the north. According to the U.S. Census Bureau, the MSA was the 28th fastest growing area in the country and fifth fastest growing area in the state between 1990 and 2000.

Quick Facts	
Land Area	954 square miles
Population Density (2000)	396 people per square mile
Counties	Cameron
Area Cities and Towns	
Brownsville, Combes, Harlingen, La Feria, La Paloma, Rancho Viejo, Rio Hondo, San Benito, Santa Maria, Santa Rosa, South Padre Island, Port Isabel	



Metropolitan Statistical Areas (MSAs)



- | | |
|--------------------------------|------------------------------|
| 1. Abilene | 14. Lubbock |
| 2. Amarillo | 15. McAllen-Edinburg-Mission |
| 3. Austin-Round Rock | 16. Midland |
| 4. Beaumont-Port Arthur | 17. Odessa |
| 5. Brownsville-Harlingen | 18. San Angelo |
| 6. College Station-Bryan | 19. San Antonio |
| 7. Corpus Christi | 20. Sherman-Denison |
| 8. Dallas-Ft. Worth-Arlington | 21. Texarkana |
| 9. El Paso | 22. Tyler |
| 10. Houston-Sugar Land-Baytown | 23. Victoria |
| 11. Killeen-Temple-Ft Hood | 24. Waco |
| 12. Laredo | 25. Wichita Falls |
| 13. Longview | |

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Brownsville-Harlingen Market Overview 2006

Demographics

Brownsville MSA Population

Year	Population	Percent Change
1995	304,928	-
1996	312,086	2.3
1997	318,281	1.9
1998	324,556	1.9
1999	330,277	1.7
2000	335,227	1.5
2001	344,173	2.6
2002	352,961	2.5
2003	362,161	2.5
2004	370,829	2.3
2005	378,311	2.0

* July 1 population estimates

Source: U.S. Census Bureau

Area Cities With 10,000 or More Residents

City	2000 Population	Growth 1990 - 2000 (in percent)
Brownsville	139,722	21.4
Harlingen	57,564	20.4
San Benito	23,444	12.2

Source: U.S. Census Bureau

Texas Metropolitan Area Population* Change

Metropolitan Area	1995	2005	Percent Change
Austin-Round Rock	1,031,557	1,452,529	40.8
McAllen-Edinburg-Mission	487,593	678,275	39.1
Laredo	167,466	224,695	34.2
Dallas-Fort Worth-Arlington	4,501,154	5,819,475	29.3
Houston-Sugar Land-Baytown	4,246,398	5,280,077	24.3
Brownsville-Harlingen	304,928	378,311	24.1
Texas	18,958,751	22,859,968	20.6
San Antonio	1,570,083	1,889,797	20.4
Tyler	163,440	190,594	16.6
Sherman-Denison	100,342	116,834	16.4
Killeen-Temple-Fort Hood	313,222	351,528	12.2
College Station-Bryan	170,608	189,735	11.2
Amarillo	215,176	238,664	10.9
Waco	202,692	224,668	10.8
El Paso	654,250	721,598	10.3
Midland	113,627	121,371	6.8
Longview	188,646	201,501	6.8
Texarkana	126,220	133,805	6.0
Victoria	107,413	113,356	5.5
Lubbock	245,759	258,970	5.4
Corpus Christi	394,701	413,553	4.8
Odessa	121,017	125,339	3.6
San Angelo	103,639	105,367	1.7
Abilene	156,097	158,291	1.4
Beaumont-Port Arthur	380,888	383,530	0.7
Wichita Falls	147,740	146,276	-1.0

* July 1 population estimates

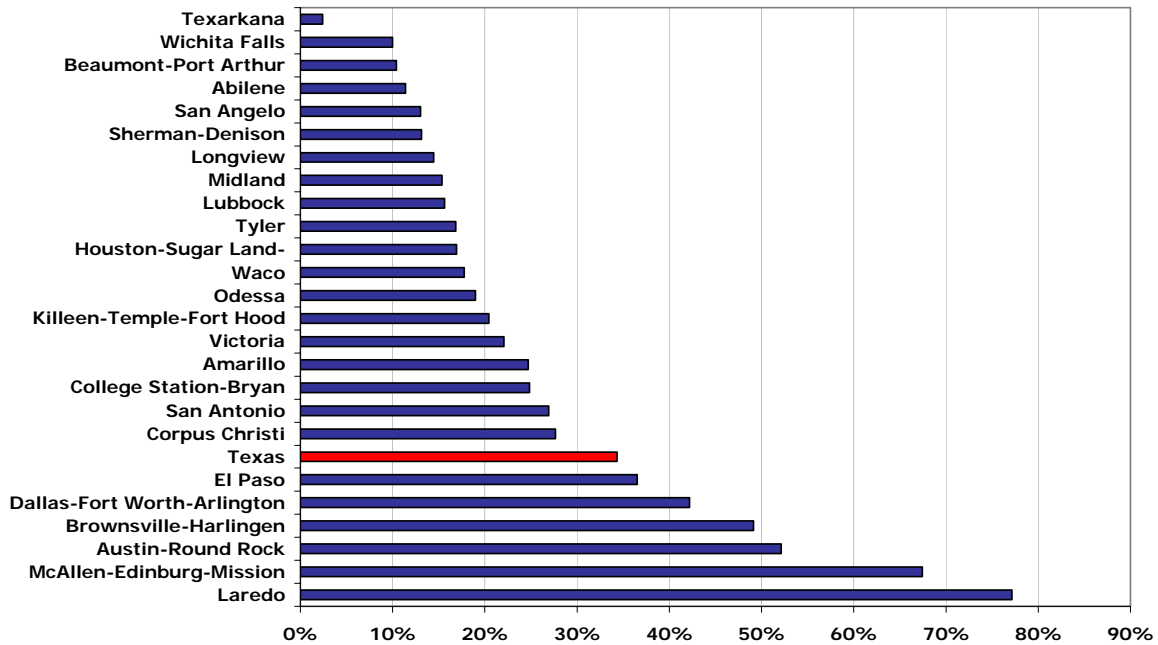
Source: U.S. Census Bureau

Brownsville-Harlingen MSA Projected Population

Year	Texas State Data Center (Scenario 0.5)	Texas Water Development Board
2000	335,227	335,227
2005	374,529	-
2010	415,569	415,136
2015	457,563	-
2020	499,959	499,618
2025	542,831	-
2030	587,824	586,944
2035	632,679	-
2040	676,711	673,996

Sources: Texas State Data Center (2004 projection) and Texas Water Development Board (2006 projection)

**Texas Metropolitan Area
Population Growth Forecast, 2000 - 2020**



Source: Texas State Data Center – Scenario 0.5 (2004 projection)

Household Composition

	Brownsville MSA	Texas
Average household size (2000)	3.4	2.74
Population younger than 18 (2000, in percent)	33.8	28.20
Population 65 and older (2000, in percent)	11.1	9.90

Source: U.S. Census Bureau (1999 definition)

Distribution by Race and Hispanic or Latino Origin, 2000 (in percent)

	Brownsville MSA	Texas
White	80.3	71.0
Black	0.5	11.5
Asian	0.5	2.7
American Indian	0.4	0.6
Other	16.0	11.7
Two or more races	2.3	2.5
Hispanic (of any race)	84.3	32.0

Source: U.S. Census Bureau (1999 definition)

Brownsville-Harlingen Market Overview 2006 Education

Educational Attainment, Persons Age 25 and Older, 2000
(in percent)

Level of Education	Cameron County	Texas
High school graduate	20.1	24.8
Some college, no degree	17.5	22.4
Associate's degree	4.3	5.2
Bachelor's degree	8.4	15.6
Graduate or professional degree	4.9	7.6

Source: U.S. Census Bureau 2000

Educational Level, Persons Age 25 and Older, 2000
(in percent)

Level of Education	Brownsville - Harlingen - San Benito MSA	Texas
High School Graduate or Higher	55.2	75.7
Bachelor's Degree or Higher	13.4	23.2

Source: U.S. Census Bureau 2000 (1999 definition)

Local College and University Enrollment, Fall Semester

School	2001	2002	2003	2004	2005
Texas State Technical College - Harlingen	3842	4109	4082	4456	4257
The University of Texas at Brownsville and Texas Southmost	10,704	11,335	12,057	13,247	15,276

* Preliminary

Source: Texas Higher Education Coordinating Board

Brownsville-Harlingen Market Overview 2006 Employment

Brownsville Top Ten Employers

Employer	Sector	Employees
Brownsville Independent School District	Education	6,926
University of Texas at Brownsville	Education	1,828
Cameron County	Government	1,714
AMFELS	Manufacturing	1,185
Wal-Mart	Retail	1,119
City of Brownsville	Government	1,072
Convergys Corp.	Call center	875
Brownsville Medical Center (7/04)	Medical services	808
HEB Food Stores	Retail	760
Valley Regional Medical Center	Health care	737

Source: Brownsville Economic Development Council Jan-2005

Brownsville Top Ten Private Employers

Employer	Sector	Employees
AMFELS	Manufacturing	1,185
Wal-Mart	Retail	1,119
Convergys Corp.	Call center	875
Brownsville Medical Center (7/04)	Medical services	808
HEB Food Stores	Retail	760
Valley Regional Medical Center	Health care	737
Trico Technologies	Manufacturing	668
Public Utilities Board	Utilities	467
ORC Industries	Manufacturing	382
Rich SeaPak	Manufacturing	300

* The companies listed above are not inclusive of every company in the city but those that respond to a local survey.

Source: Brownsville Economic Development Council Jan-2005

Harlingen Top Ten Employers

Employer	Sector	Employees
Harlingen CISD	Education	2,396
Valley Baptist Medical Center	Hospital	2,062
Vicki Roy Home Health	Health services	878
EchoStar Communications	Call center	868
Texas State Technical College	Education	551
City of Harlingen	City government	535
West Corporation	Call center	413
Harlingen Medical Center	Health services	365
Wal-Mart SuperCenter	Retail	319
Su Clinica Familiar	Health services	263

* The companies listed above are not inclusive of every company in the city but those that respond to a local survey.

Source: Harlingen Area Chamber of Commerce Q4 2005

Harlingen Top Ten Private Employers

Employer	Sector	Employees
Valley Baptist Medical Center	Hospital	2,062
Vicki Roy Home Health	Health services	878
EchoStar Communications	Call center	868
West Corporation	Call center	413
Harlingen Medical Center	Health services	365
Wal-Mart SuperCenter	Retail	319
Advanced Call Center Technologies	Call center	250
Acetylene Oxygen Company	Misc. gases	250
Time Warner Cable	Cable/Internet provider	206
Lockheed Martin	Aerospace	161

Source: Harlingen Area Chamber of Commerce Q4 2005

Employment Growth by Industry

	Brownsville-Harlingen MSA	Texas
Employment growth 2005 (in percent)	0.8	2.5
Unemployment rate 2005 (in percent)	7.5	5.3
Net job change in 2005	900	237,900
Employment growth by sector 2005 (in percent)		
Natural Resources, Mining, and Construction	-8.5	4.9
Manufacturing	-6.4	0.9
Trade, Transportation, and Utilities	0.0	2.4
Information	-14.3	-0.7
Financial Activities	2.2	2.3
Professional and Business Services	4.1	5.3
Educational and Health Services	4.7	2.9
Leisure and Hospitality	-1.7	2.5
Government	1.5	1.7

Source: Bureau of Labor Statistics and Real Estate Center at Texas A&M University

Texas Metropolitan Area Employment Change, 1995-2005

Metropolitan Area	1995	2005	Percent Change
McAllen-Edinburg-Mission	150,234	242,525	61.4
Laredo	59,598	81,223	36.3
Austin-Round Rock	591,102	771,004	30.4
Killeen-Temple-Fort Hood	111,747	143,688	28.6
College Station-Bryan	80,047	99,548	24.4
Brownsville-Harlingen	106,945	130,864	22.4
Dallas-Fort Worth-Arlington	2,384,710	2,871,514	20.4
Sherman-Denison	45,577	53,983	18.4
Texas	8,985,635	10,629,606	18.3
Houston-Sugar Land-Baytown	2,106,968	2,484,383	17.9
San Antonio	732,775	856,476	16.9
Tyler	80,110	92,274	15.2
Lubbock	118,211	135,878	14.9
Midland	56,680	64,542	13.9
Waco	94,605	107,334	13.5
Texarkana	52,507	59,461	13.2
Longview	86,975	98,419	13.2
Corpus Christi	167,087	188,451	12.8
Amarillo	111,610	122,803	10.0
Victoria	50,417	54,621	8.3
Odessa	55,517	59,905	7.9
Wichita Falls	66,582	71,775	7.8
Abilene	72,440	77,299	6.7
El Paso	256,259	272,445	6.3
San Angelo	48,906	50,927	4.1
Beaumont-Port Arthur	164,661	164,882	0.1

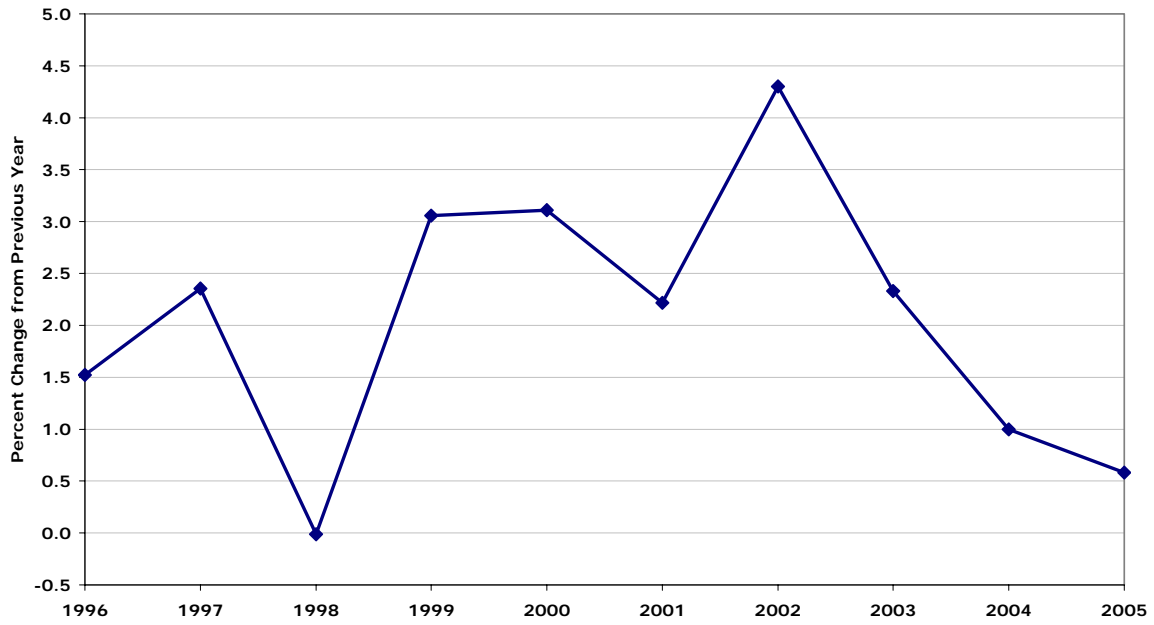
Source: Bureau of Labor Statistics and Real Estate Center at Texas A&M University

**Brownsville-Harlingen MSA
Employment**

Year	Employment	Percent Change
1995	106,945	-
1996	108,575	1.5
1997	111,134	2.4
1998	111,120	0.0
1999	114,518	3.1
2000	118,079	3.1
2001	120,696	2.2
2002	125,887	4.3
2003	128,819	2.3
2004	130,104	1.0
2005	130,864	0.6

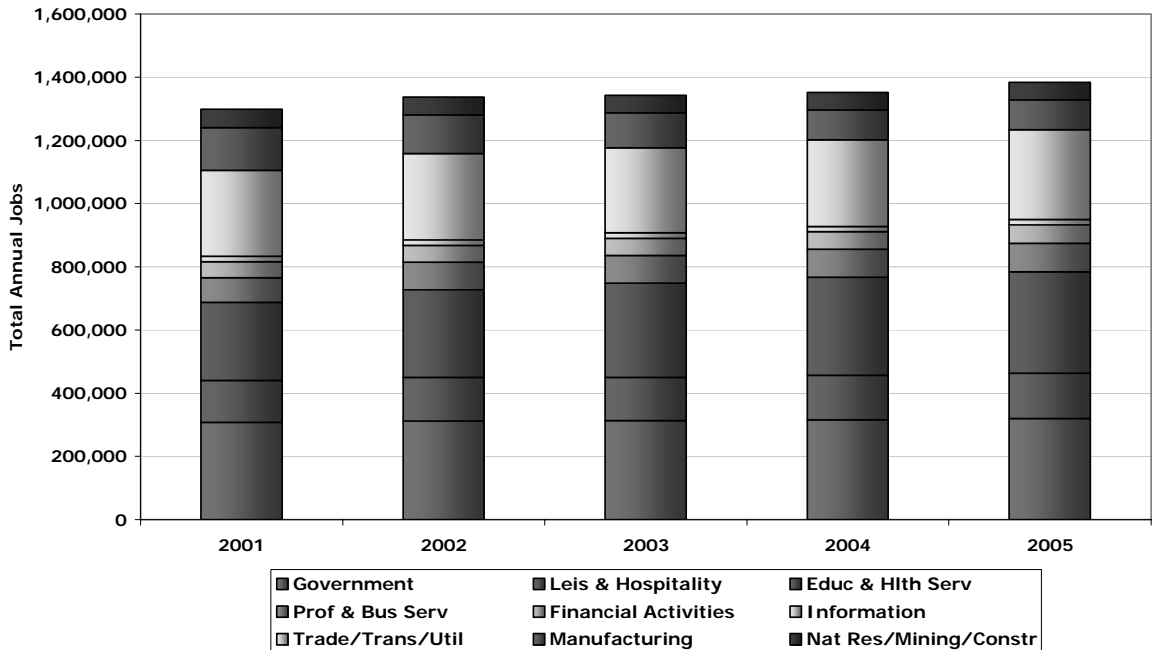
Source: U.S. Bureau of Labor Statistics

**Employment Growth
Brownsville-Harlingen MSA**



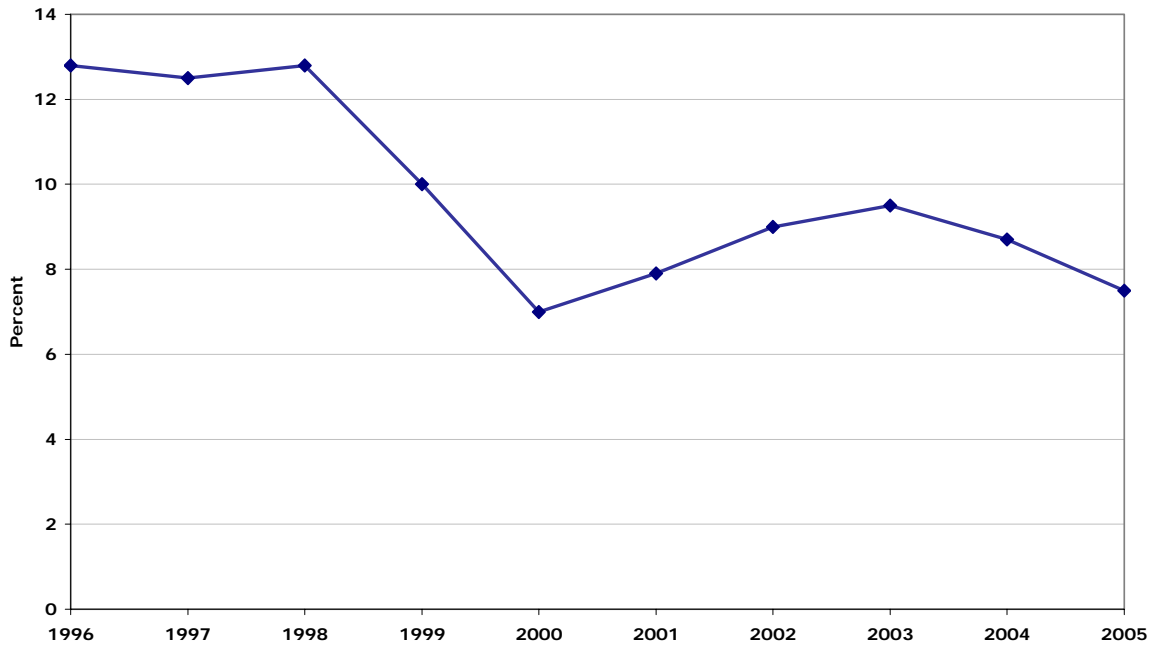
Source: U.S. Bureau of Labor Statistics and Real Estate Center at Texas A&M University

**Distribution of Employment in Major Categories
Brownsville-Harlingen MSA**



Source: Texas Workforce Commission and Real Estate Center at Texas A&M University

**Brownsville-Harlingen MSA
Unemployment Rate**



Source: U.S. Bureau of Labor Statistics and Real Estate Center at Texas A&M University

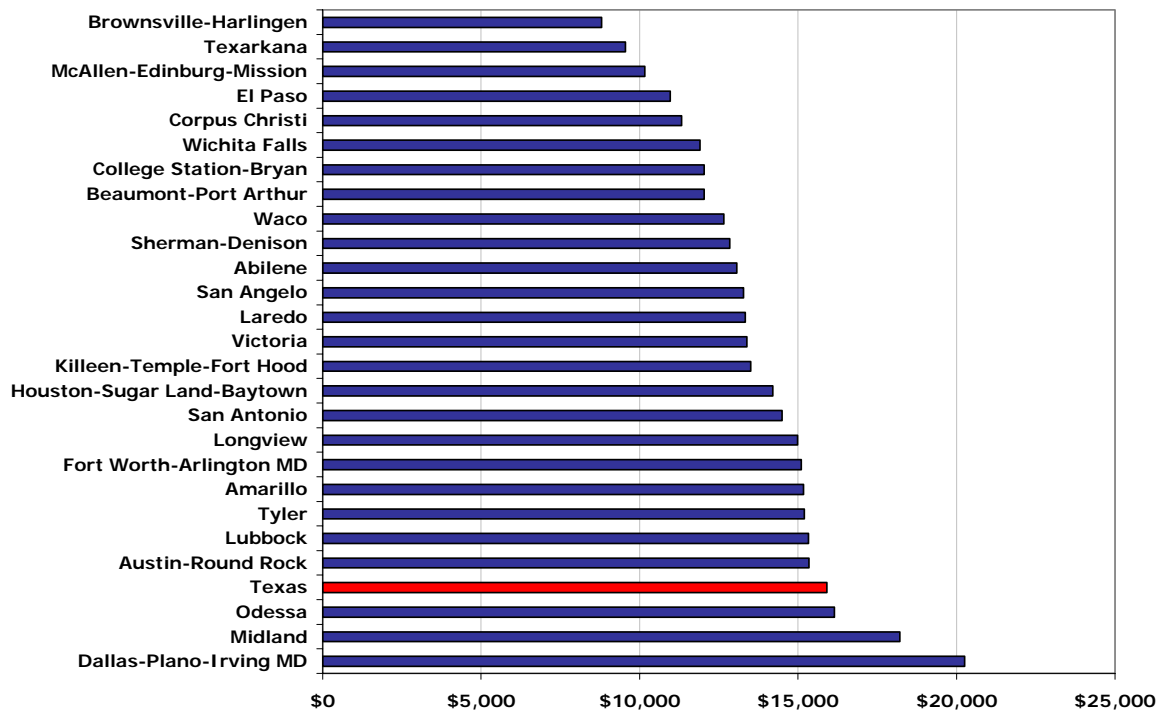
Brownsville-Harlingen Market Overview 2006 Economy

Brownsville-Harlingen Gross Retail Sales

Year	Total Sales	Sales per Capita
1995	\$1,928,108,028	\$6,323
1996	\$2,019,237,643	\$6,470
1997	\$2,134,575,151	\$6,707
1998	\$2,265,221,671	\$6,979
1999	\$2,439,207,037	\$7,385
2000	\$2,674,843,960	\$7,979
2001	\$2,890,644,663	\$8,399
2002	\$2,975,604,755	\$8,430
2003	\$3,048,040,189	\$8,416
2004	\$3,157,163,176	\$8,514
2005	\$3,328,539,228	\$8,798
State Average 2005:		\$15,903

Source: Texas Comptroller's Office

Gross Retail Sales per Capita 2005



Source: Texas Comptroller's Office

Brownsville-Harlingen Market Overview 2006 Infrastructure

Rio Grande Valley Airline Activity (Domestic enplaned only)

Airport	2001	2002	2003	2004	2005
Brownsville-South Padre Island International (BRO)	71,398	70,074	61,973	67,821	76,848
McAllen International (MFE)	298,298	278,697	284,567	317,806	368,492
Valley International Airport (Harlingen - HRL)	438,559	391,325	401,567	444,025	438,874
Total Rio Grande Valley domestic boardings	808,255	740,096	748,107	829,652	884,214

Source: BRO, HRL and MFE Airport Management (Assembled and Distributed by HRL Management)

Air Cargo Statistics (in pounds)

Airport	2001	2002	2003	2004	2005
Brownsville-South Padre Island International (BRO)	51,877,568	48,841,290	38,420,130	8,505,154*	5,155,080
Valley International Airport (Harlingen - HRL)	35,495,655	39,305,734	39,441,293	71,627,971	78,014,541

*Numbers reflect Mid-May departure of two cargo carriers

Source: Brownsville-South Padre Island International and Valley International Airport

Port Activity

Port of Brownsville	2001	2002	2003	2004	2005
Total calls *	973	873	921	1,190	1,068
Total metric tonnage (in millions)	3.68	4.21	3.65	3.76	4.50

*includes barges and cargo vessels

Port of Harlingen**	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05
Total tonnage	1,065,945	1,137,759	1,031,465	995,251	986,089

**Based on fiscal year

Source: Brownsville and Harlingen Port Authority

Brownsville Border Crossings*

	2001	2002	2003	2004	2005
Rail Crossings					
Northbound	11,415	7,832	10,055	6,266	6,820
Southbound	40,935	50,309	41,059	34,917	38,585
Total	52,350	58,141	51,114	41,183	45,405
Vehicle Crossings					
Northbound	6,991,739	7,463,926	6,872,032	6,753,606	5,804,686
Southbound	7,215,436	7,529,858	6,873,466	6,727,312	5,936,143
Total	14,207,175	14,993,784	13,745,498	13,480,918	11,740,829
Truck Crossings **					
Northbound	251,613	200,444	189,319	186,947	158,020
Southbound	217,731	215,573	199,498	201,447	191,723
Total	469,344	416,017	388,817	388,394	349,743
Pedestrian Crossings					
Northbound	3,198,168	3,044,681	2,765,884	2,715,080	2,169,075
Southbound	2,792,043	2,697,340	2,438,581	2,392,260	1,971,299
Total	5,990,211	5,742,021	5,204,465	5,107,340	4,140,374

* Due to the different data gathering procedures that each bridge system follows, 2005 year-to-end data may not reflect all twelve months and may be subject to change till the following year.

** Includes only 2 to 6 axle loaded and unloaded commercial vehicles.

Source: Texas Center for Border Economic and Enterprise Development Jan-2006

Harlingen Border Crossings* **

	2001	2002	2003	2004	2005
Vehicle Crossings					
Northbound	753,820	863,459	790,184	787,040	645,050
Southbound	583,315	681,837	652,097	665,667	596,085
Total	1,337,135	1,545,296	1,442,281	1,452,707	1,241,135
Truck Crossings ***					
Northbound	52,092	49,425	40,070	39,342	36,711
Southbound	42,598	39,296	37,235	37,026	40,060
Total	94,690	88,721	77,305	76,368	76,771
Pedestrian Crossings					
Northbound	-	-	-	-	-
Southbound	950	805	830	1,006	1,037
Total	950	805	830	1,006	1,037

* Through Los Indios / Free Trade International Bridge

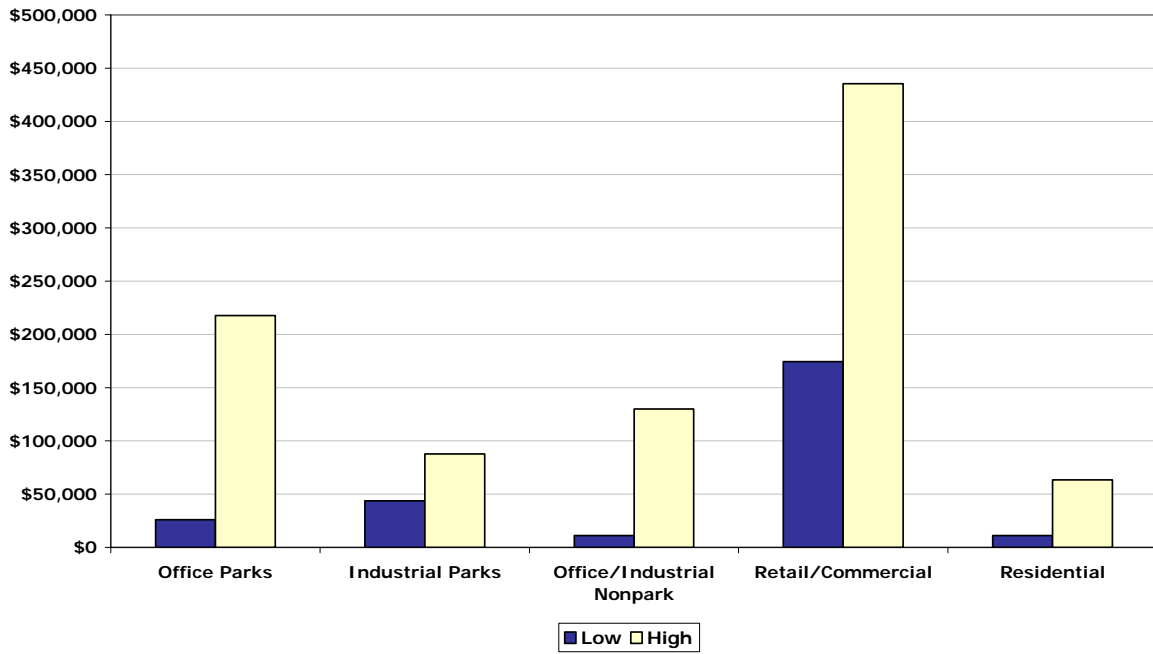
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*** Includes only 2 to 6 axle loaded and unloaded commercial vehicles.

Source: Texas Center for Border Economic and Enterprise Development Jan-2006

Brownsville-Harlingen Market Overview 2006 Public Facilities

Brownsville-Harlingen Development Land
(Price/Acre) 2005



Source: NAI Rio Grande Valley

Brownsville-Harlingen Market Overview 2006

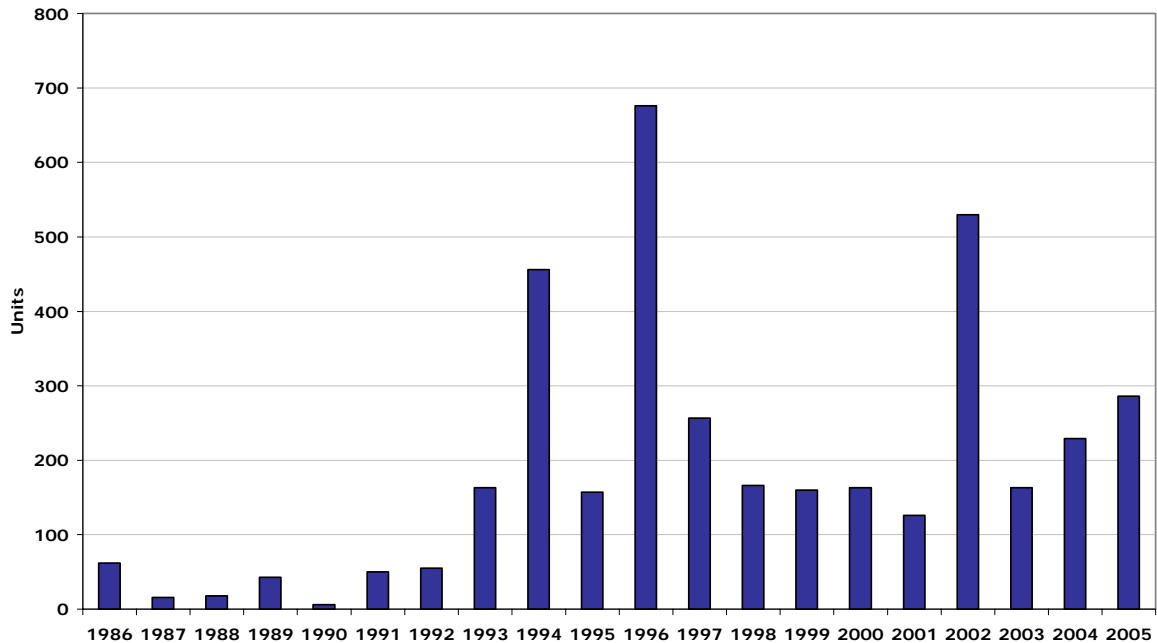
Multifamily

Rio Grande Valley Apartment Statistics 2005

	Rio Grande Valley	Texas Metro Average
Average rent per square foot	\$0.61	\$0.78
Average rent for units built since 2000	\$0.63	\$0.89
Average occupancy (in percent)	93.4	91.4
Average occupancy for units built since 2000 (in percent)	93.2	93.1

Source: Apartment MarketData Research

**Brownsville-Harlingen-San Benito
 Multifamily Building Permits
 5+ Multifamily Building Permits**



Source: U.S. Bureau of Census and Real Estate Center at Texas A&M University

Brownsville-Harlingen Market Overview 2006 Housing

2005 Housing Affordability Index

MLS	2005 Median- Priced Home	Required Income to Qualify	Median Family Income	HAI*	HAI for First- Time Homebuyers**
Brownsville	\$104,000	\$24,511	\$31,850	1.30	0.86
Texas Total	\$136,500	\$31,561	\$53,000	1.68	1.14
U.S. Total	\$206,600	\$47,132	\$58,000	1.23	0.68

* The HAI is the ratio of the median family income to the income required to buy the median-priced house using standard mortgage financing at the current interest rate. Standard financing is a fixed-rate, 30-year loan covering 80 percent of the cost of the home. A HAI of 1.00 indicates that the median family income is exactly equal to the required income to qualify for the standard loan to purchase the median-priced house.

** First-time home buyer is assumed to purchase a home equal to the first quartile home price using a 90% home loan at an interest rate 0.5 percent greater than the standard current rate.

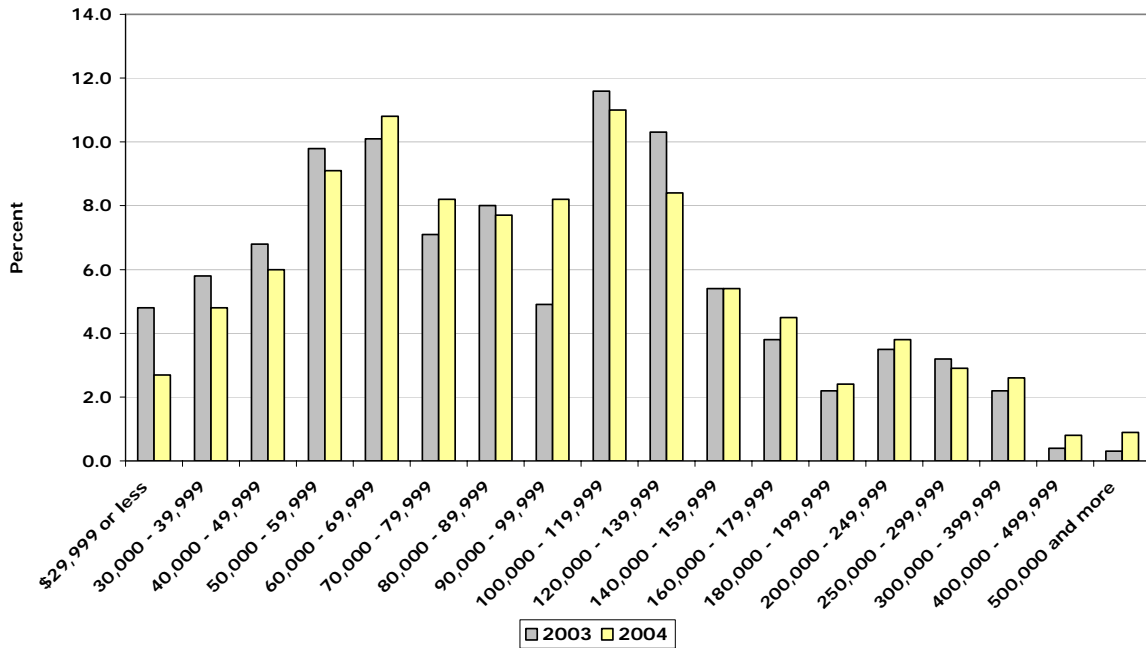
Source: Real Estate Center at Texas A&M University

**Price Distribution of MLS Homes Sold, Brownsville Area
(in percent)**

Price Range	1999	2000	2001	2002	2003	2004	2005
\$29,999 or less	5.7	7.2	4.9	4.2	4.8	2.7	-
30,000 - 39,999	10.6	7.7	6.3	6.2	5.8	4.8	-
40,000 - 49,999	9.7	7.7	8.8	7.2	6.8	6.0	-
50,000 - 59,999	11.4	12.6	11.4	9.8	9.8	9.1	-
60,000 - 69,999	14.8	11.7	11.2	11.0	10.1	10.8	-
70,000 - 79,999	10.6	6.6	8.6	7.7	7.1	8.2	-
80,000 - 89,999	9.3	12.6	7.6	8.6	8.0	7.7	-
90,000 - 99,999	4.4	6.6	6.9	6.9	4.9	8.2	-
100,000 - 119,999	6.3	7.4	8.4	11.0	11.6	11.0	-
120,000 - 139,999	6.3	5.5	8.0	8.3	10.3	8.4	-
140,000 - 159,999	4.0	4.0	3.9	5.0	5.4	5.4	-
160,000 - 179,999	1.9	2.6	3.7	4.8	3.8	4.5	-
180,000 - 199,999	1.3	1.7	2.5	2.1	2.2	2.4	-
200,000 - 249,999	2.3	2.8	4.3	3.8	3.5	3.8	-
250,000 - 299,999	0.6	1.3	0.8	2.3	3.2	2.9	-
300,000 - 399,999	0.9	1.3	1.8	1.2	2.2	2.6	-
400,000 - 499,999	0.2	0.4	0.4	0.2	0.4	0.8	-
500,000 and more	0.0	0.2	0.4	0.0	0.3	0.9	-

Source: Real Estate Center at Texas A&M University

Price Distribution of MLS Homes Sold
Brownsville Area



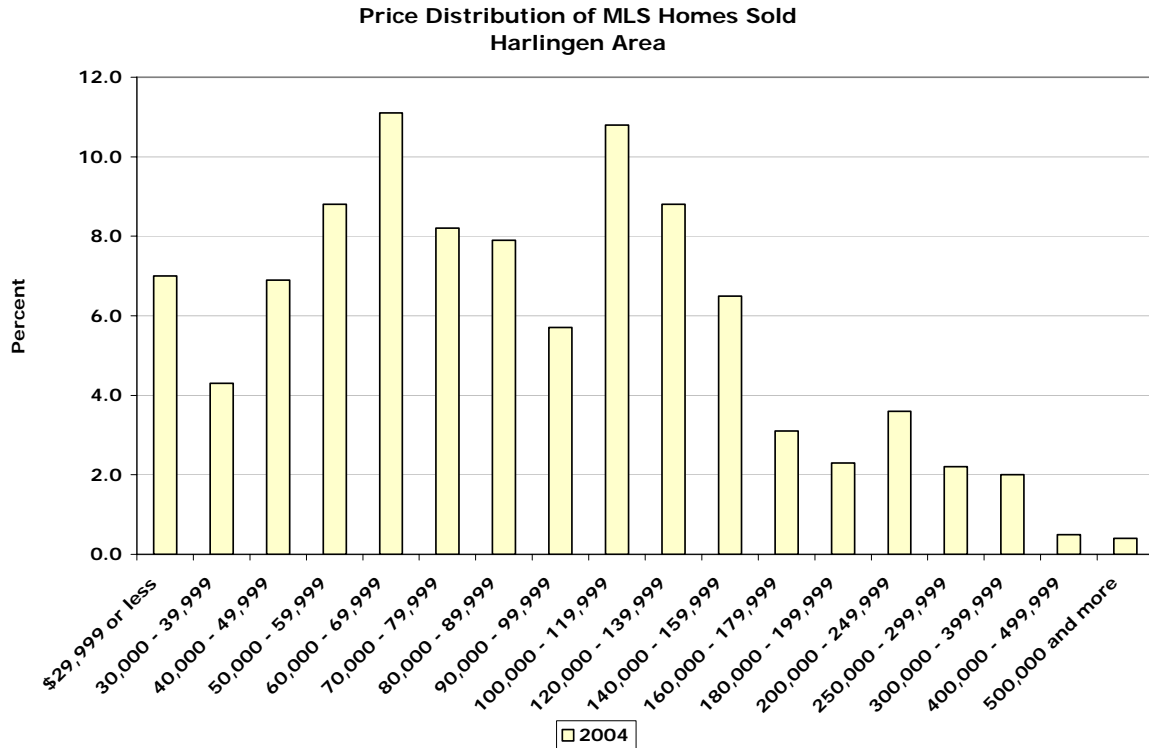
Source: Real Estate Center at Texas A&M University

Price Distribution of MLS Homes Sold, Harlingen Area
(in percent)

Price Range	1999	2000	2001	2002	2003	2004	2005
\$29,999 or less	10.1	5.2	10.8	-	-	7.0	-
30,000 - 39,999	6.2	7.5	5.7	-	-	4.3	-
40,000 - 49,999	6.5	6.8	9.8	-	-	6.9	-
50,000 - 59,999	8.5	9.1	8.1	-	-	8.8	-
60,000 - 69,999	9.8	12.3	10.5	-	-	11.1	-
70,000 - 79,999	14.4	8.1	9.8	-	-	8.2	-
80,000 - 89,999	8.2	8.8	9.5	-	-	7.9	-
90,000 - 99,999	5.2	7.8	5.7	-	-	5.7	-
100,000 - 119,999	8.2	8.4	8.4	-	-	10.8	-
120,000 - 139,999	5.9	6.5	5.4	-	-	8.8	-
140,000 - 159,999	6.5	3.9	7.1	-	-	6.5	-
160,000 - 179,999	5.2	4.5	4.1	-	-	3.1	-
180,000 - 199,999	1.3	2.6	0.3	-	-	2.3	-
200,000 - 249,999	2.3	3.2	2.7	-	-	3.6	-
250,000 - 299,999	0.7	1.9	0.3	-	-	2.2	-
300,000 - 399,999	0.3	1.9	0.0	-	-	2.0	-
400,000 - 499,999	0.0	0.6	0.0	-	-	0.5	-
500,000 and more	0.0	0.6	1.0	-	-	0.4	-

"-" represents unreported data or nonparticipation in Real Estate Center's survey.

Source: Real Estate Center at Texas A&M University



Source: Real Estate Center at Texas A&M

**Property Tax Rates, 2005
County, Major City, Major School District**

Tax Rate per \$100	
Taxing Entity*	Valuation
City of Brownsville	0.68
School District	1.49
Cameron County	0.36
Total	\$2.52
Tax Rate per \$100	
Taxing Entity*	Valuation
City of Harlingen	0.59
School District	1.55
Cameron County	0.36
Total	\$2.50
Tax rate per \$100	
Taxing Entity*	Valuation
City of San Benito	0.68
School District	1.59
Cameron County	0.36
Total	\$2.63

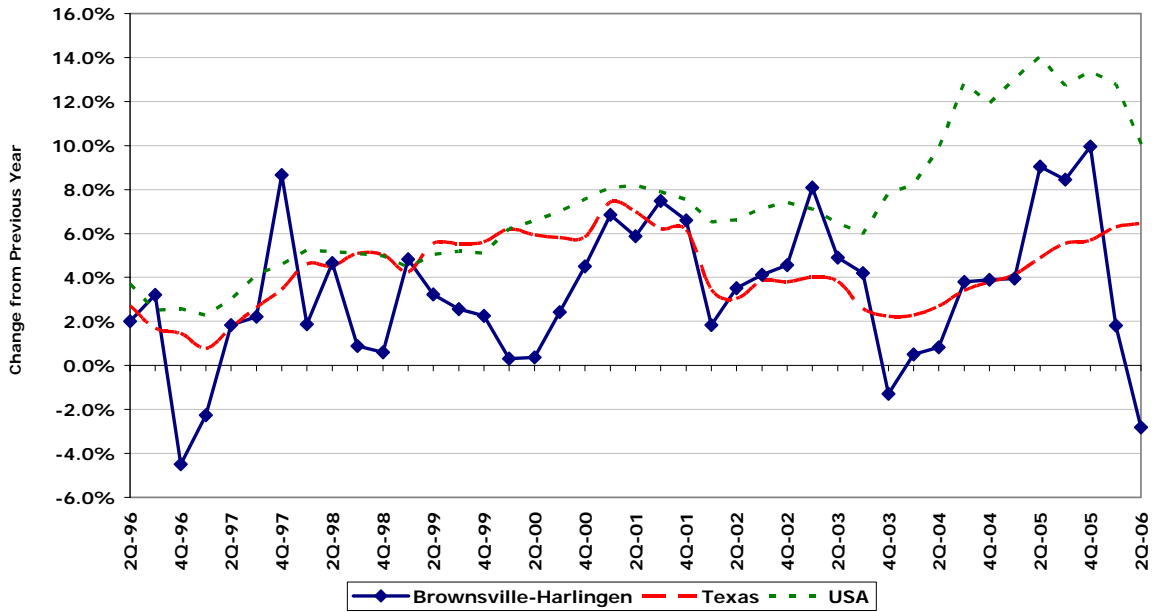
* Only the typical taxing entities are listed. However, there are numerous numbers of taxing entities that need to be taken into account for an actual tax rate calculation. See following link for a more complete list:
http://www.cameroncad.org/taxrates_2005.htm

Source: Cameron County Appraisal District

Real Estate Center Market Overview 2006
Brownsville – Harlingen, TX

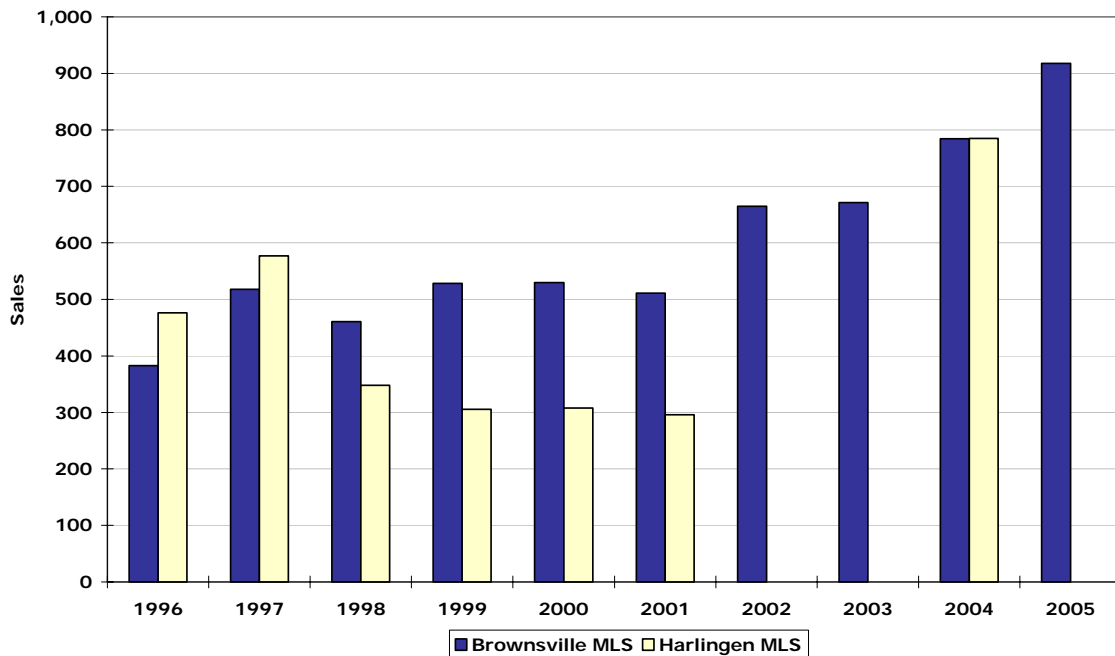
**Home Price Appreciation
Brownsville-Harlingen MSA**

The HPI for each geographic area is estimated using repeated observations of housing values for individual single-family residential properties on which at least two mortgages were originated and subsequently purchased by either Freddie Mac or Fannie Mae.



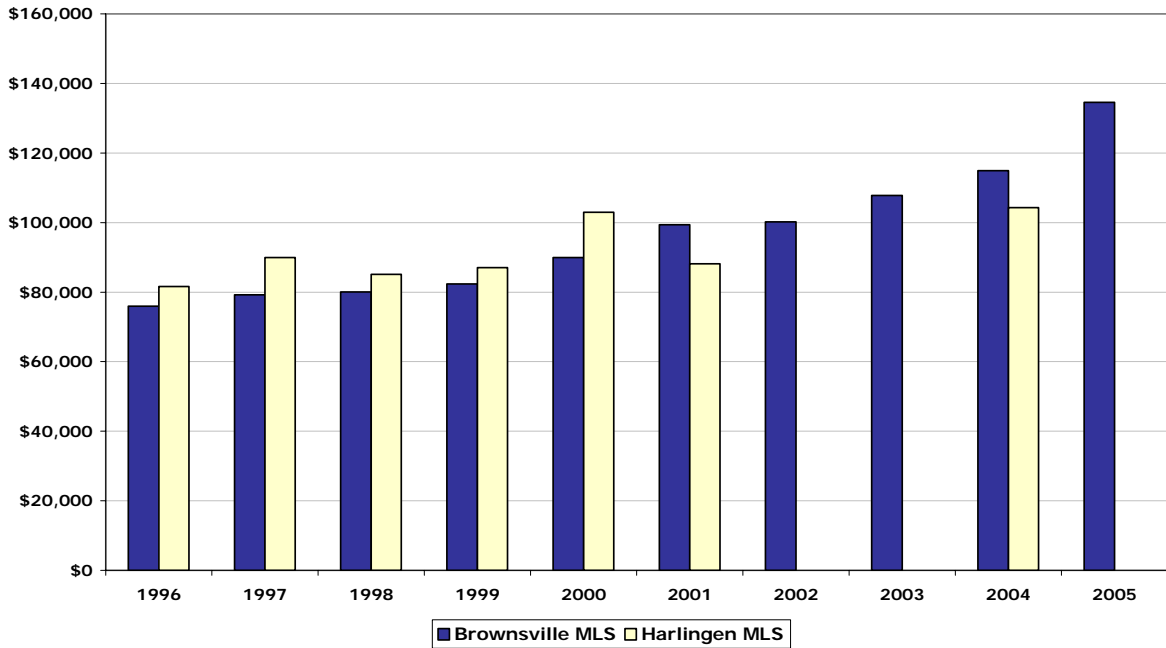
Source: Office of Federal Housing Enterprise Oversight

**Single-Family Home Sales
Brownsville-Harlingen**



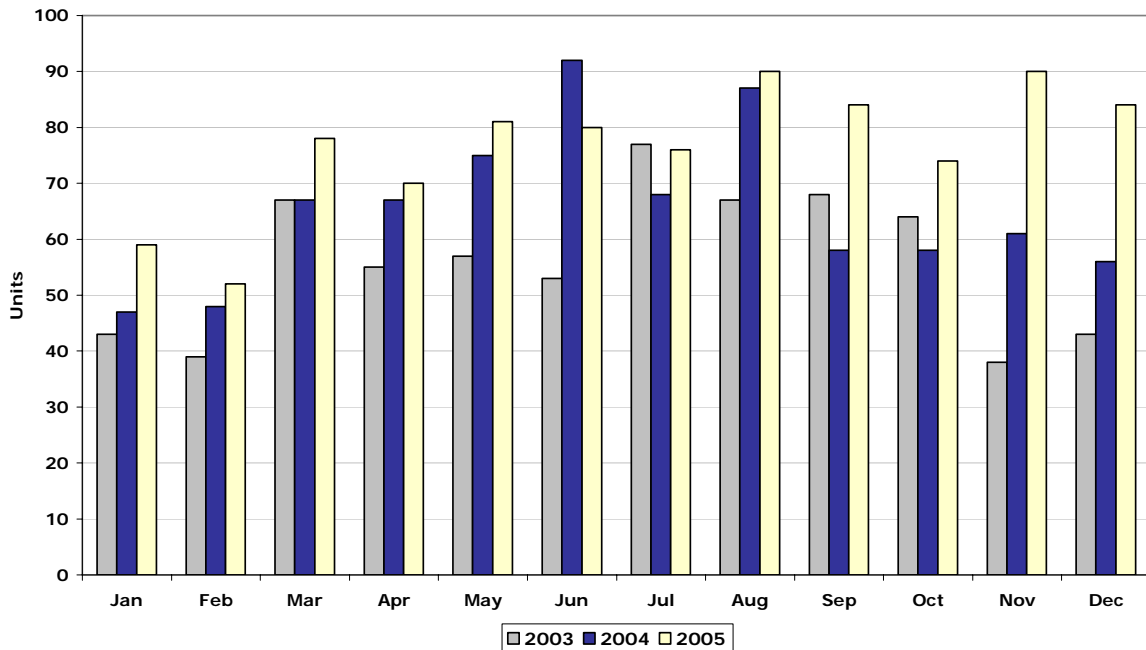
Source: Real Estate Center at Texas A&M University

**Average Sales Price
 Brownsville-Harlingen**



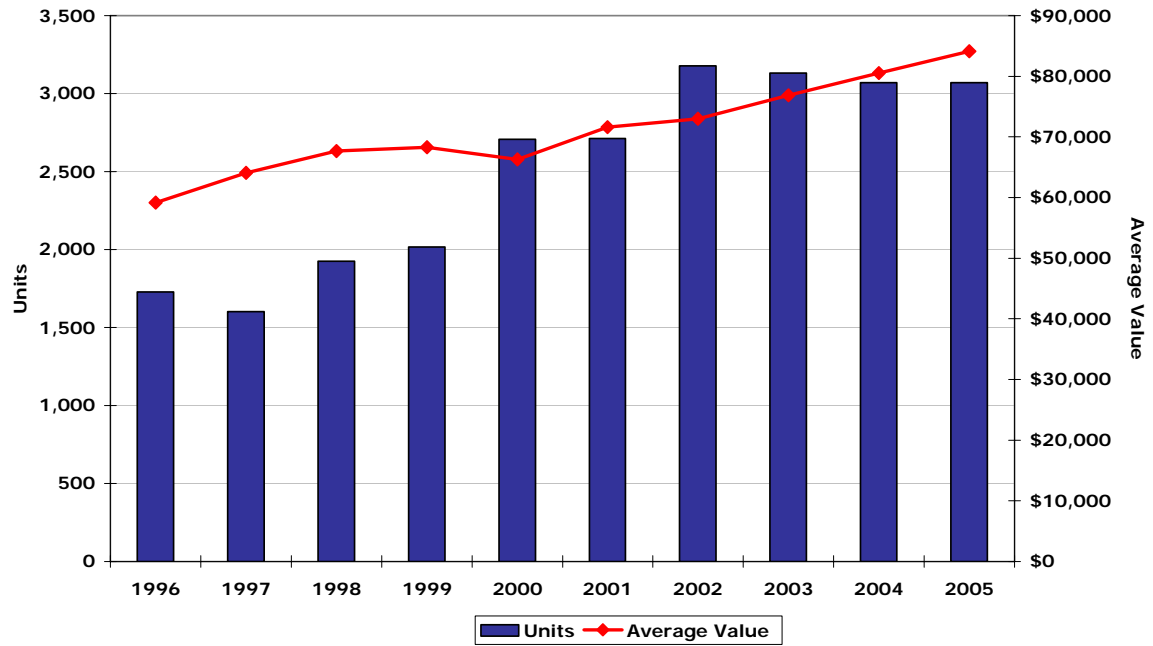
Source: Real Estate Center at Texas A&M University

**Single-Family Homes Sales Volume
 Brownsville MLS**



Source: Real Estate Center at Texas A&M University

Single-Family Building Permits and Average Value
Brownsville-Harlingen-San Benito MSA



Source: U.S. Bureau of Census and Real Estate Center at Texas A&M University

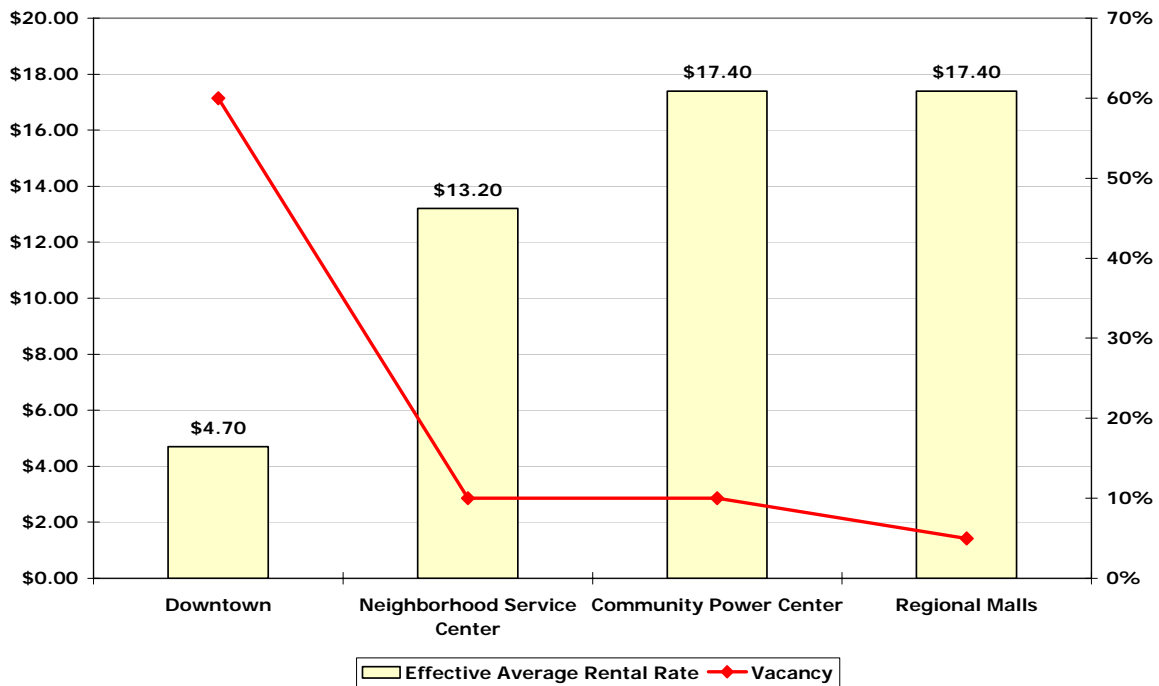
Brownsville-Harlingen Market Overview 2006 Retail

**Summary of Retail Market Indicators (Harlingen/Brownsville) - Year-End 2005
(Rent/Square foot/Year)**

Retail	Low	High	Effective Avg.	Vacancy
Downtown	\$4.00	\$5.40	\$4.70	60%
Neighborhood Service Center	\$10.20	\$16.40	\$13.20	10%
Community Power Center	\$7.00	\$18.00	\$17.40	10%
Regional Malls	\$15.40	\$21.00	\$17.40	5%

Source: NAI Rio Grande Valley

**Brownsville-Harlingen Retail Market
Year-End 2005**



Source: NAI Rio Grande Valley

Brownsville-Harlingen Market Overview 2006 Hotel

Hotel* Occupancy and Rental Rates

	2004		2005	
	Brownsville - Harlingen	Texas	Brownsville - Harlingen	Texas
# Rooms 000's	7.2	328.1	7.7	334.7
Average daily rate	\$82.08	\$70.39	\$82.14	\$74.26
Occupancy rate (in percent)	49.2	55.9	48.0	59.7

*Only properties exceeding \$18,000 in the current quarter are included; those units below \$18,000 only result in 1.5% of the total state revenues, and have been excluded from this database.

Source: Office of the Governor Economic Development and Tourism and Source Strategies, Inc. of San Antonio

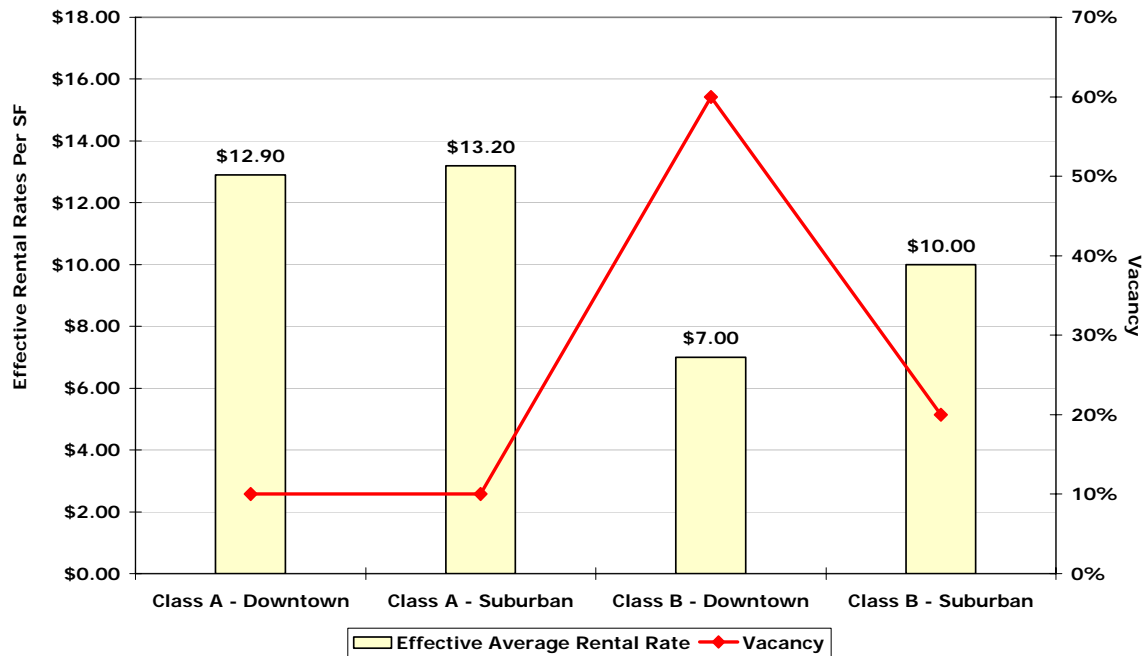
Brownsville-Harlingen Market Overview 2006 Office

Summary of Office Market Indicators (Harlingen/Brownsville) - Year-End 2005
(Rent/Square foot/Year)

Office Market	Low	High	Effective Avg.	Vacancy
Downtown Office				
New Construction	N/A	N/A	N/A	N/A
Class A	\$12.00	\$13.80	\$12.90	10%
Class B	\$3.60	\$10.20	\$7.00	60%
Suburban Office				
New Construction	\$12.00	\$20.00	\$15.00	5%
Class A	\$12.00	\$18.00	\$13.20	10%
Class B	\$9.60	\$12.00	\$10.00	20%

Source: NAI Rio Grande Valley

Brownsville-Harlingen Office Market
Year-End 2005



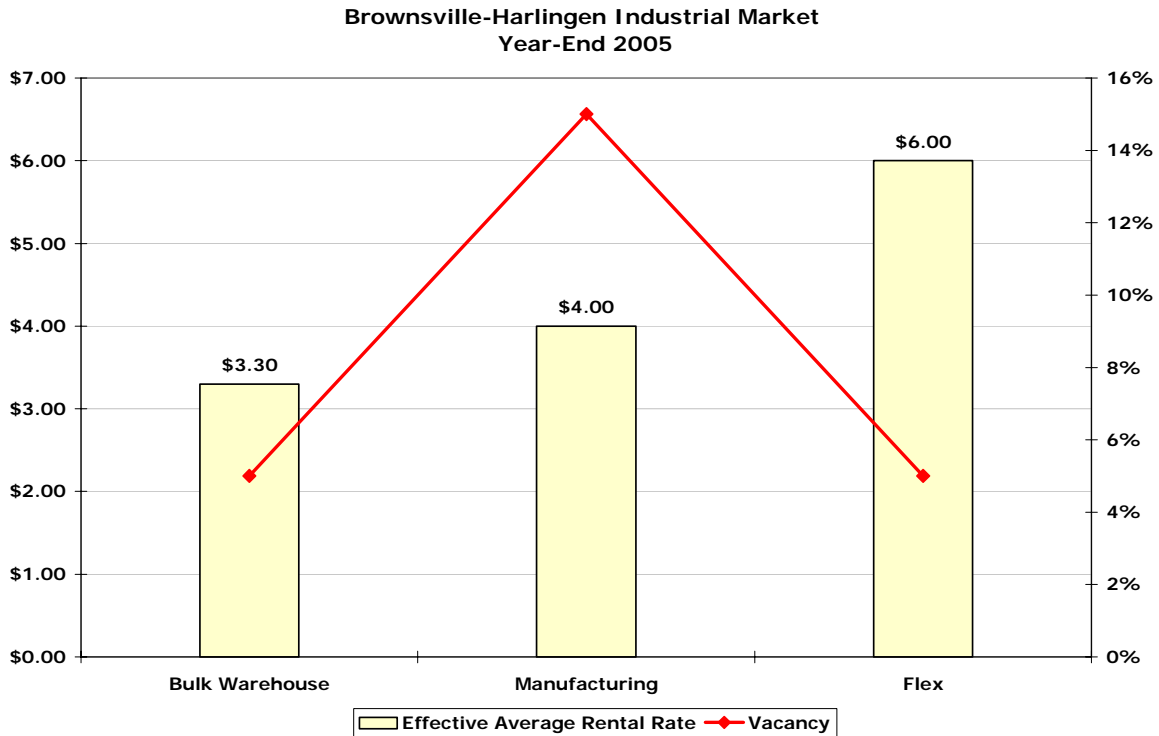
Source: NAI Rio Grande Valley

Brownsville-Harlingen Market Overview 2006 Industrial

Summary of Industrial Market Indicators (Harlingen/Brownsville) - Year-End 2005
 (Rent/Square foot/Year)

Industrial	Low	High	Effective Avg.	Vacancy
Bulk Warehouse	\$3.00	\$3.60	\$3.30	5%
Manufacturing	\$3.60	\$6.00	\$4.00	15%
Flex	\$4.80	\$12.00	\$6.00	5%

Source: NAI Rio Grande Valley



Source: NAI Rio Grande Valley



This annual report is created free of charge by the Real Estate Center at Texas A&M University. We strive to provide the most accurate, up-to-date, and insightful data to paint a detailed picture of Texas' Metropolitan Statistical Areas. The Center also provides numerous publications, resources, and data on building permits, employment, population, and home sales at <http://recenter.tamu.edu>.

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