

Real Estate Market Overview 2008

Corpus Christi

The Corpus Christi Metropolitan Statistical Area (MSA) has a strong industrial base as well as a tourism industry. Spanish explorer Alonso Alvarez De Pineda named the city's bay "Corpus Christi," Latin for "Body of Christ," because the bay was discovered on a Catholic holiday, the Feast Day of Corpus Christi. Founded in 1838, the city has evolved from a small trading post. Natural gas was discovered at White Point in 1913, and oil was found in the Saxet area in 1930. These two discoveries, along with the gradual deepening of the ship channel to its current depth of 45 feet, helped make Corpus Christi a major Gulf Coast petrochemical center. The Port of Corpus Christi is now the sixth busiest port in the United States in terms of annual tonnage.

Quick Facts	
Land Area	1,779.33 square miles
2007 Population Density	232.9 people per square mile
Counties	Aransas, Nueces, San Patricio
Area Cities and Towns	
Agua Dulce, Aransas Pass, Banquete, Bishop, Chapman Ranch, Corpus Christi, Driscoll, Edroy, Gregory, Ingleside, Mathis, Odem, Padre Island, Port Aransas, Portland, Robstown, Rockport, San Patricio, Sinton, Taft, Tradewinds	

*This report's MSA data reflects either 1999 or 2003 MSA definitions based on data availability. Use of 1999 definition is noted where applicable.

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



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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-Fort Worth-Arlington | 21. Texarkana |
| 9. El Paso | 22. Tyler |
| 10. Houston-Sugar Land-Baytown | 23. Victoria |
| 11. Killeen-Temple-Fort Hood | 24. Waco |
| 12. Laredo | 25. Wichita Falls |
| 13. Longview | |

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Corpus Christi Market Overview 2008 Demographics

Corpus Christi MSA Population

Year	Population	Percent Change
1996	398,529	-
1997	402,504	1.0
1998	403,818	0.3
1999	404,155	0.1
2000	403,280	-0.2
2001	402,105	-0.3
2002	404,400	0.6
2003	405,916	0.4
2004	409,645	0.9
2005	413,553	1.0
2006	415,810	0.5
2007	414,376	-0.3

* July 1 population estimates

Source: U.S. Census Bureau

County Population* Growth

County	1997	2007	Growth 1997-2007 (in percent)
Aransas	21,888	24,721	12.9
Nueces	314,667	321,135	2.1
San Patricio	65,949	68,520	3.9

* July 1 population estimates

Source: U.S. Census Bureau

Texas Metropolitan Area Population* Change

Metropolitan Area	1997	2007	Percent Change
Austin-Round Rock	1,111,264	1,598,161	43.8
McAllen-Edinburg-Mission	519,903	710,514	36.7
Laredo	177,140	233,152	31.6
Dallas-Fort Worth-Arlington	4,770,420	6,145,037	28.8
Houston-Sugar Land-Baytown	4,427,401	5,628,101	27.1
Brownsville-Harlingen	318,281	387,210	21.7
San Antonio	1,628,676	1,990,675	22.2
Texas	19,740,317	23,904,380	21.1
Tyler	168,531	198,705	17.9
Sherman-Denison	105,122	118,675	12.9
El Paso	665,066	734,669	10.5
College Station-Bryan	176,098	203,371	15.5
Amarillo	219,752	242,240	10.2
Killeen-Temple-Fort Hood	321,821	370,008	15.0
Waco	207,991	228,123	9.7
Midland	116,826	126,408	8.2
Longview	192,139	203,611	6.0
Lubbock	247,658	267,211	7.9
Texarkana	128,258	134,215	4.6
Victoria	109,417	113,797	4.0
Odessa	121,749	129,570	6.4
Corpus Christi	402,504	414,376	2.9
San Angelo	105,261	108,085	2.7
Abilene	157,405	159,343	1.2
Beaumont-Port Arthur	381,675	376,241	-1.4
Wichita Falls	151,480	148,148	-2.2

* July 1 population estimates

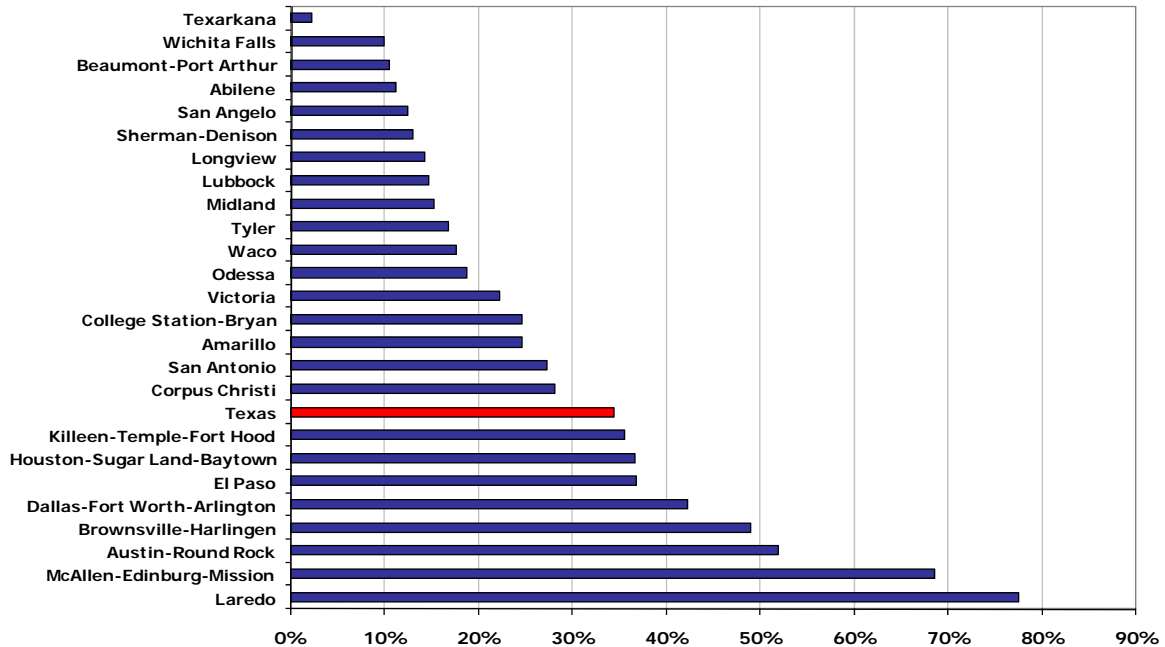
Source: U.S. Census Bureau

Corpus Christi MSA Projected Population

Year	Texas State Data Center (Scenario 0.5)	Texas Water Development Board
2000	403,280	403,280
2005	430,952	-
2010	460,846	465,842
2015	489,651	-
2020	516,695	531,477
2025	541,676	-
2030	564,933	589,092
2035	586,557	-
2040	606,132	638,440

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

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



Source: Texas State Data Center – Scenario 0.5 (2006 projection)

Household Composition

	Corpus Christi MSA	Texas
Average household size (2000)	2.82	2.74
Population younger than 18 (2000, in percent)	28.9	28.2
Population 65 and older (2000, in percent)	11.0	9.9

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

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

	Corpus Christi MSA	Texas
White	72.9	71.0
Black	4.0	11.5
Asian	1.1	2.7
American Indian	0.6	0.6
Other	18.2	11.7
Two or more races	3.1	2.5
Hispanic (of any race)	54.7	32.0

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

Texas Migration Patterns 2007

Data is based on Atlas Van Lines Interstate and Cross-Border Household Goods Moves per calendar year. Atlas analyzes data in January on the origins and destinations of the company's interstate moves during the prior 12 months.

	Year	Inbound / Outbound	
■	2007	8,831	6,665
■	2006	9,714	6,812
■	2005	9,525	7,210
■	2004	8,644	7,442
■	2003	8,075	6,920
■	2002	7,723	6,778
■	2001	9,030	7,584
■	2000	10,063	8,659
■	1999	8,718	7,945
■	1998	10,075	7,965

Source: Atlas Van Lines Jan-2008

<http://www.atlasworldgroup.com/migration/>

Corpus Christi Market Overview 2008 Education

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

Level of Education	Aransas County	Nueces County	San Patricio County	Texas
High school graduate	29.1	25.0	29.8	24.8
Some college, no degree	24.4	24.8	23.8	22.4
Associate's degree	4.4	5.7	4.8	5.2
Bachelor's degree	11.0	12.0	9.2	15.6
Master's degree	3.6	4.4	2.7	5.2
Doctorate degree	0.5	0.7	0.2	0.8

Source: U.S. Census Bureau, 2000 Census

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

Level of Education	Corpus Christi MSA	Texas
High School Graduate or Higher	73.9	75.7
Bachelor's Degree or Higher	17.8	23.2

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

Local College and University Enrollment, Fall Semester

School	2003	2004	2005	2006	2007
Del Mar College	11,289	11,245	11,889	11,301	11,138
Texas A&M University at Corpus Christi	7,861	8,227	8,355	8,585	8,563

Source: Texas Higher Education Coordinating Board

Corpus Christi Market Overview 2008 Employment

Top Ten Employers

Employer	Sector	Employees
Corpus Christi Army Depot	Helicopter repair	4,876
Corpus Christi ISD	Education	4,776
CHRISTUS Spohn Health System	Hospitals	4,260
City of Corpus Christi	City government	3,434
H.E.B. Grocery Co.	Grocery company	2,539
Bay, Ltd.	Industrial construction	2,500
Texas A&M – Corpus Christi	Four-year university	1,994
Driscoll Children's Hospital	Hospital	1,705
Naval Air Station Corpus Christi	Flight training	1,630
Corpus Christi Medical Center	Hospital	1,347

Source: Corpus Christi Regional Economic Development Corporation Feb-2008

Corpus Christi MSA Nonfarm Employment

Year	Employment	Percent Change
1997	158,800	-
1998	161,700	1.8
1999	163,200	0.9
2000	164,900	1.0
2001	166,200	0.8
2002	165,700	-0.3
2003	166,700	0.6
2004	167,300	0.4
2005	170,500	1.9
2006	173,800	1.9
2007	176,000	1.3

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

Employment Growth by Industry

	Corpus Christi MSA	Texas
Employment Growth 2007 (Percent Change)	1.3	3.0
Unemployment Rate 2007 (Percent Change)	4.4	4.3
Net Job Change in 2007	2,200	305,900
2007 Employment Growth by Sector (Percent Change)		
Natural Resources and Mining and Construction	6.3	7.5
Manufacturing	-1.8	0.9
Trade, Transportation, and Utilities	2.9	2.9
Information	-3.8	-0.7
Financial Activities	2.5	3.0
Professional and Business Services	-2.4	5.3
Educational and Health Services	2.7	3.1
Leisure and Hospitality	2.0	3.9
Government	-0.3	0.9

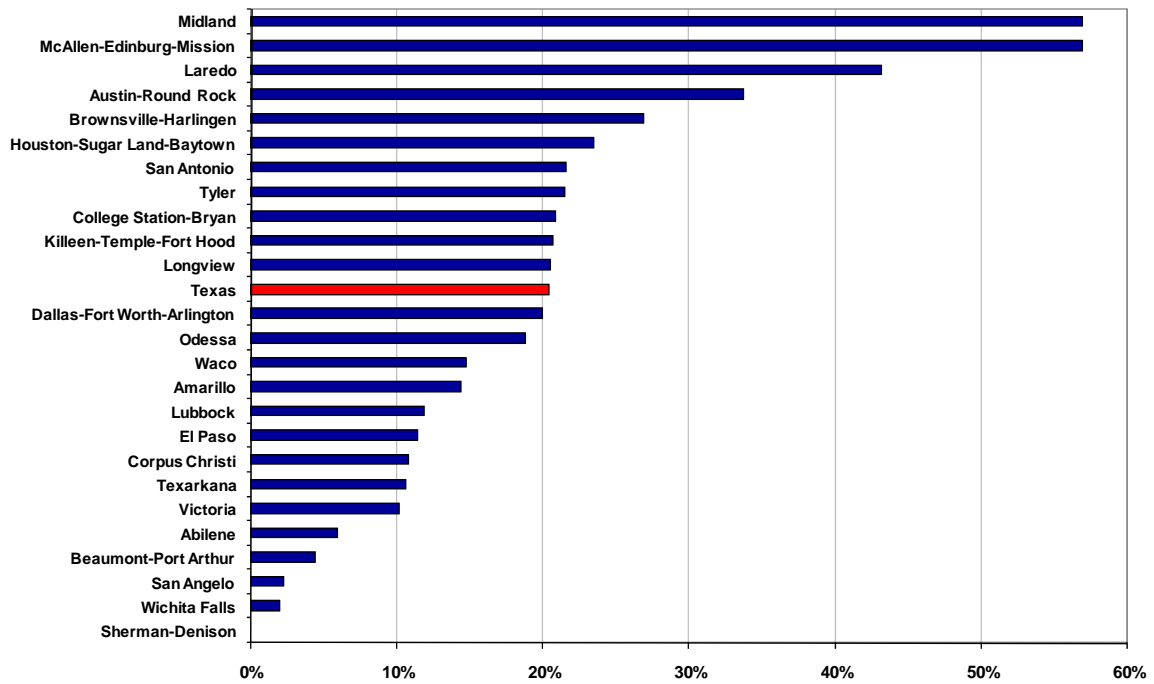
Source: Texas Workforce Commission and Real Estate Center at Texas A&M University

Texas Metropolitan Area Nonfarm Employment Change

Metropolitan Area	1997	2007	Percent Change
Sherman-Denison	43,900	43,800	-0.2
Wichita Falls	61,300	62,500	2.0
San Angelo	43,900	44,900	2.3
Beaumont-Port Arthur	157,400	164,300	4.4
Abilene	62,000	65,700	6.0
Victoria	46,200	50,900	10.2
Texarkana	50,800	56,200	10.6
Corpus Christi	158,800	176,000	10.8
El Paso	243,100	270,900	11.4
Lubbock	114,900	128,500	11.8
Amarillo	97,800	111,900	14.4
Waco	94,800	108,800	14.8
Odessa	50,000	59,400	18.8
Dallas-Fort Worth-Arlington	2,452,900	2,941,700	19.9
Texas	8,608,500	10,359,200	20.3
Longview	79,500	95,800	20.5
Killeen-Temple-Fort Hood	100,600	121,400	20.7
College Station-Bryan	74,600	90,200	20.9
Tyler	76,900	93,400	21.5
San Antonio	684,400	832,400	21.6
Houston-Sugar Land-Baytown	2,064,400	2,549,600	23.5
Brownsville-Harlingen	97,400	123,600	26.9
Austin-Round Rock	566,300	757,300	33.7
Laredo	60,200	86,200	43.2
McAllen-Edinburg-Mission	133,900	210,200	57.0
Midland	133,900	210,200	57.0

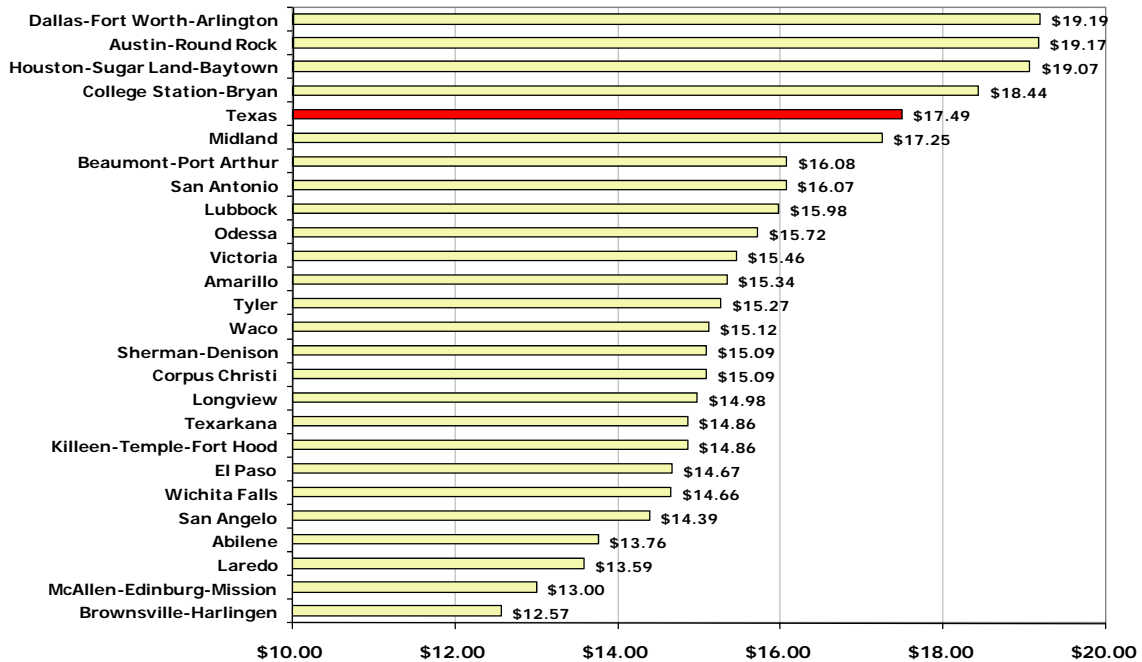
Source: Texas Workforce Commission and Real Estate Center at Texas A&M University

Metropolitan Area Nonfarm Employment Change
1997-2007



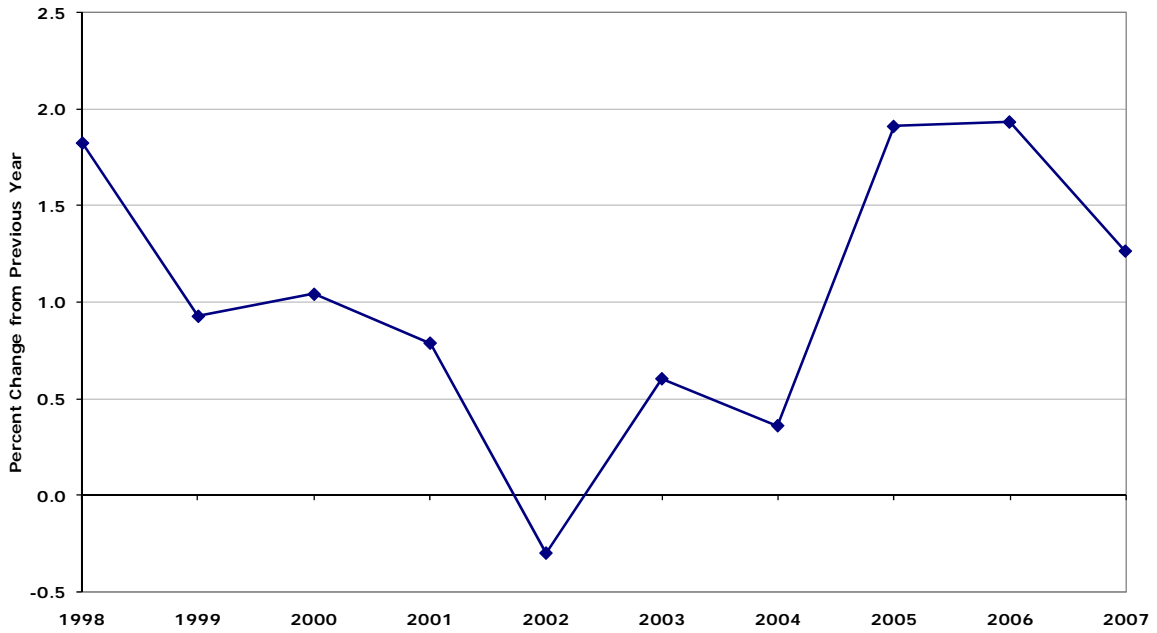
Source: Texas Workforce Commission and Real Estate Center at Texas A&M University

Average Hourly Wage
2006



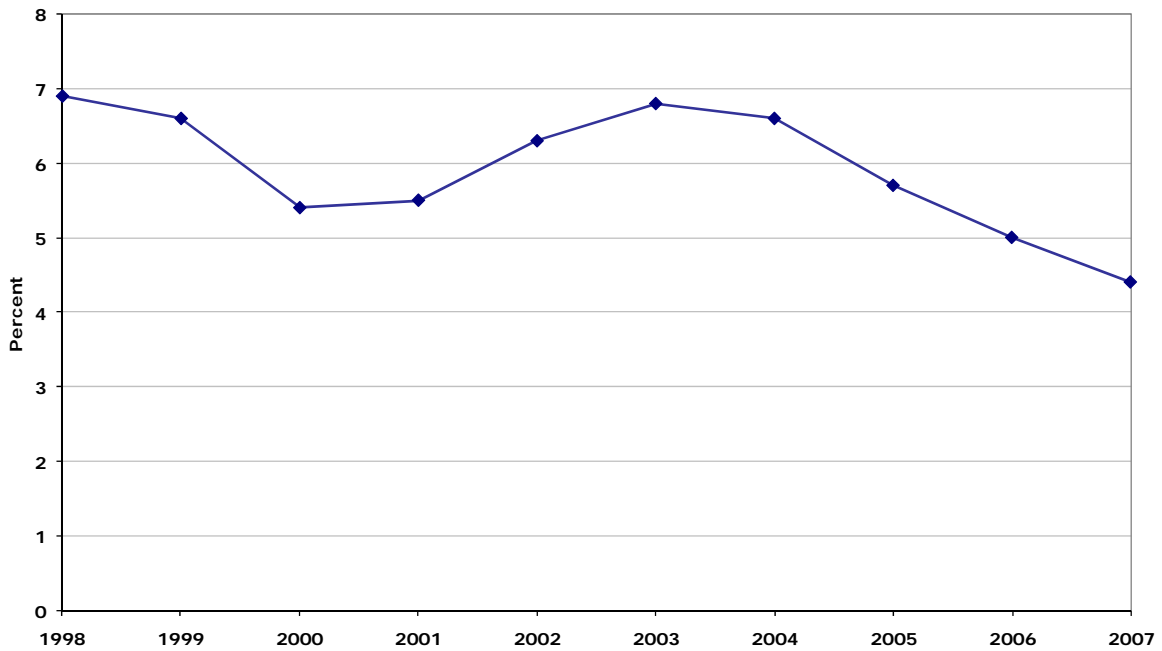
Source: Texas Workforce Commission

**Nonfarm Employment Growth
Corpus Christi MSA**



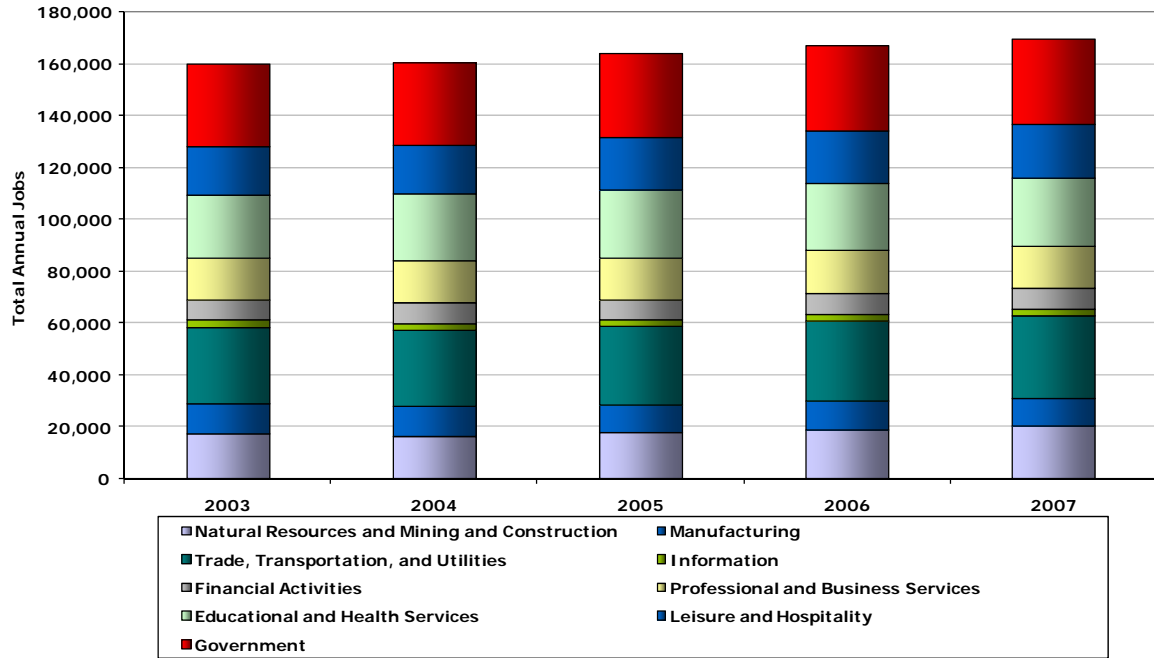
Source: Texas Workforce Commission and Real Estate Center at Texas A&M University

**Corpus Christi MSA
Unemployment Rate**



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

Distribution of Employment in Major Categories
Corpus Christi MSA



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

Corpus Christi Market Overview 2008

Economy

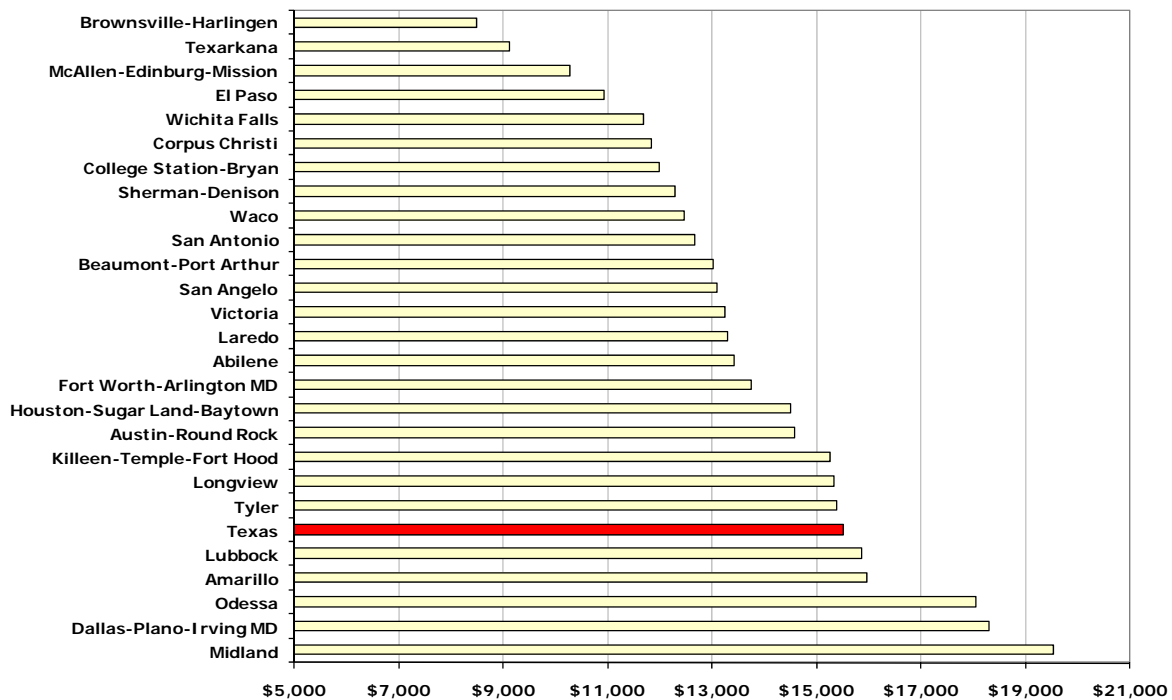
Corpus Christi MSA Gross Retail Sales

Year	Total Sales	Sales per Capita
1996	\$3,566,953,823	\$8,950
1997	\$3,698,087,607	\$9,188
1998	\$3,710,137,474	\$9,188
1999	\$3,708,947,438	\$9,177
2000	\$3,918,914,676	\$9,718
2001	\$4,080,056,376	\$10,147
2002	\$3,723,202,213	\$9,207
2003	\$3,900,844,345	\$9,610
2004	\$4,073,522,720	\$9,944
2005	\$4,315,613,539	\$10,435
2006	\$4,920,957,984	\$11,835
State Average 2006:		\$15,527

* 2007 data not available as of January 2008.

Source: Texas Comptroller's Office

Gross Retail Sales per Capita
2006



Source: Texas Comptroller's Office



Corpus Christi
REGIONAL ECONOMIC
DEVELOPMENT CORPORATION

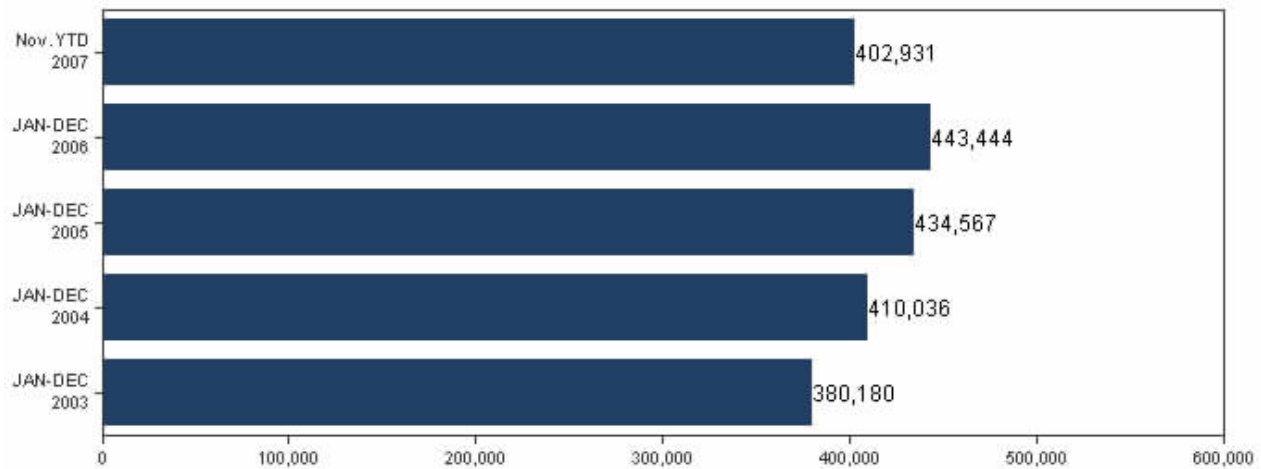
Economic Trends

January 2008

Building Permits	Nov. YTD 2007	2006	2005	2004	2003
CITY OF CORPUS CHRISTI					
New Residential Permits	1,167	1,692	1,531	1,457	1,311
New Residential Valuation	\$137,671,610	\$241,180,554	\$199,543,259	\$172,818,160	\$134,763,458
New Commercial Permits	272	361	318	306	186
New Commercial Valuation	\$99,969,349	\$132,941,420	\$205,205,534	\$118,167,688	\$197,158,530

Source: City of Corpus Christi

Enplanements/Corpus Christi International Airport



Source: Corpus Christi International Airport

Employment by Sector for Selected Month/Corpus Christi MSA	Nov-07	Nov-06	Nov-05	Nov-04	Nov-03
Total Non-Farm Employment	178,600	175,800	169,900	169,000	167,600
Natural Resources, Mining and Construction	20,300	19,500	17,300	16,900	16,800
Manufacturing	11,200	11,500	10,500	11,400	11,900
Trade, Transportation and Utilities	32,400	31,400	31,300	30,200	29,800
Professional and Business Services	17,700	17,000	16,400	16,200	16,300
Educational and Health Services	27,000	26,400	25,700	26,200	25,000
Leisure and Hospitality	20,800	20,100	19,100	18,400	18,200
Government	32,700	33,100	33,100	33,000	32,600

Source: Texas Workforce Commission

Corpus Christi Market Overview 2008 Infrastructure

Corpus Christi Airline Activity

Corpus Christi International Airport	2003	2004	2005	2006	2007
Enplaned (int'l & national)	380,180	410,036	434,567	443,444	438,179
Deplaned (int'l & national)	386,310	407,949	433,617	443,084	436,802
Total (int'l & national)	766,490	817,985	868,184	886,528	874,981

Source: Corpus Christi International Airport

Airport Cargo Statistics (in pounds)

Airport	2003	2004	2005	2006	2007
Corpus Christi International Airport	3,257,634	3,187,756	3,087,069	3,008,298	2,517,578

Source: Corpus Christi International Airport

Port Statistics

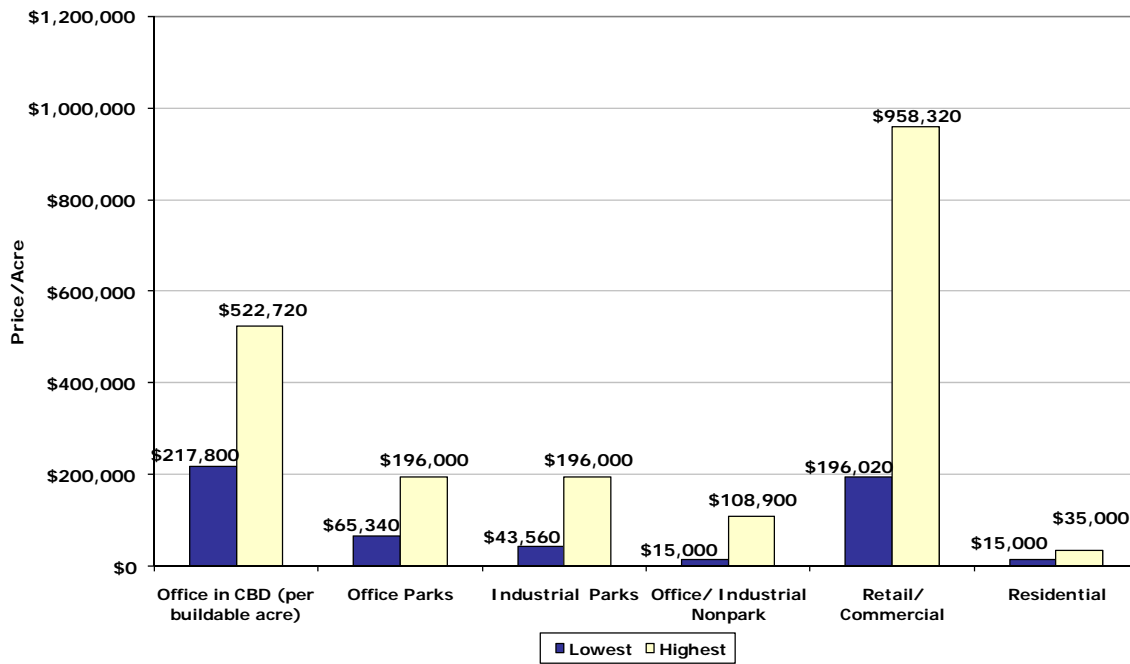
Port of Corpus Christi	2003	2004	2005	2006	2007
Cargo Activity					
Total calls (ships and barges)	6,766	7,237	7,378	6,633	6,744
Total short tons (in millions)	85.1	86.4	86.8	87.0	89.3
Passenger Count					
Day Cruise	150,599	159,282	168,210	178,470	171,773

Source: Port of Corpus Christi

Corpus Christi Market Overview 2008

Development Land

Development Land
Corpus Christi, Year-End 2007



Source: NAI Cravey Real Estate Services, Inc.

Corpus Christi Market Overview 2008

Multifamily

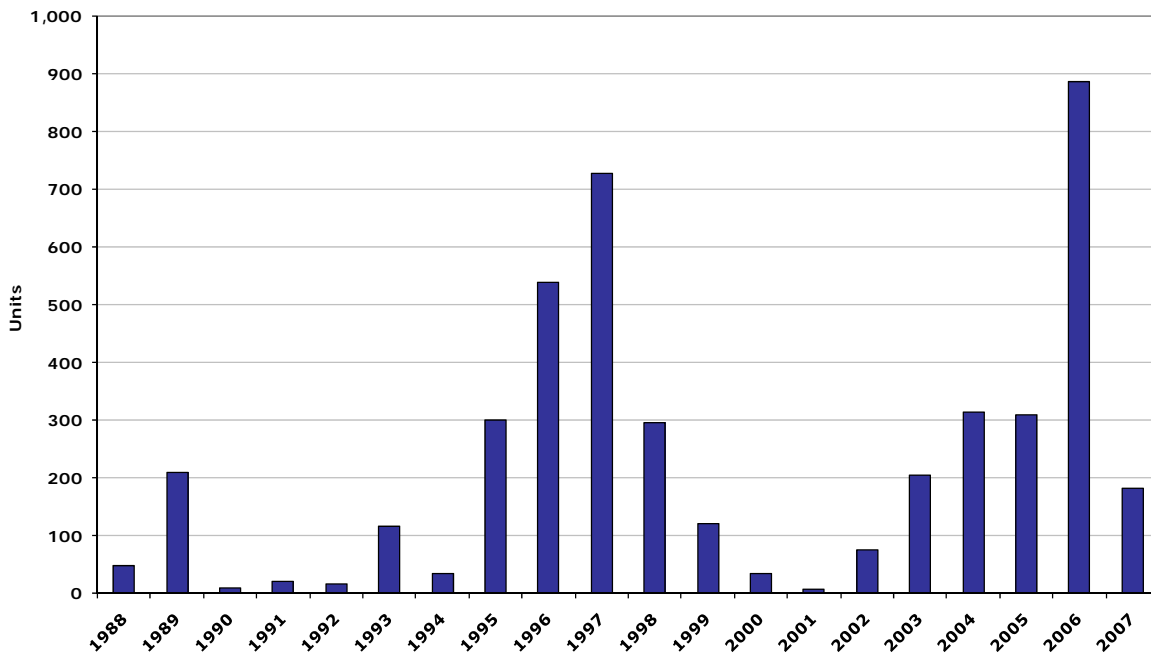
Corpus Christi 2007

	Corpus Christi	Texas Metro Average
Average rent per square foot	\$0.75	\$0.80
Average rent for units built since 2000	\$0.75	\$0.89
Average occupancy	95.1%	92.8%
Average occupancy for units built since 2000	93.9%	93.8%

Source: Apartment MarketData Research

**Corpus Christi MSA
Multifamily Building Permits**
5+ Multifamily Building Permits

1999 MSA definition



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

2007 figure is a preliminary number.

Corpus Christi Market Overview 2008 Housing

2007 Housing Affordability Index

MLS	2007 Median- Priced Home	Required Income to Qualify	Median Family Income	HAI*	HAI for First-Time Homebuyers**
Corpus Christi	\$136,500	\$33,580	\$45,800	1.36	0.92
TEXAS	\$147,500	\$36,286	\$52,600	1.45	1.03
United States	\$217,800	\$53,138	\$59,000	1.11	0.63

* 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.

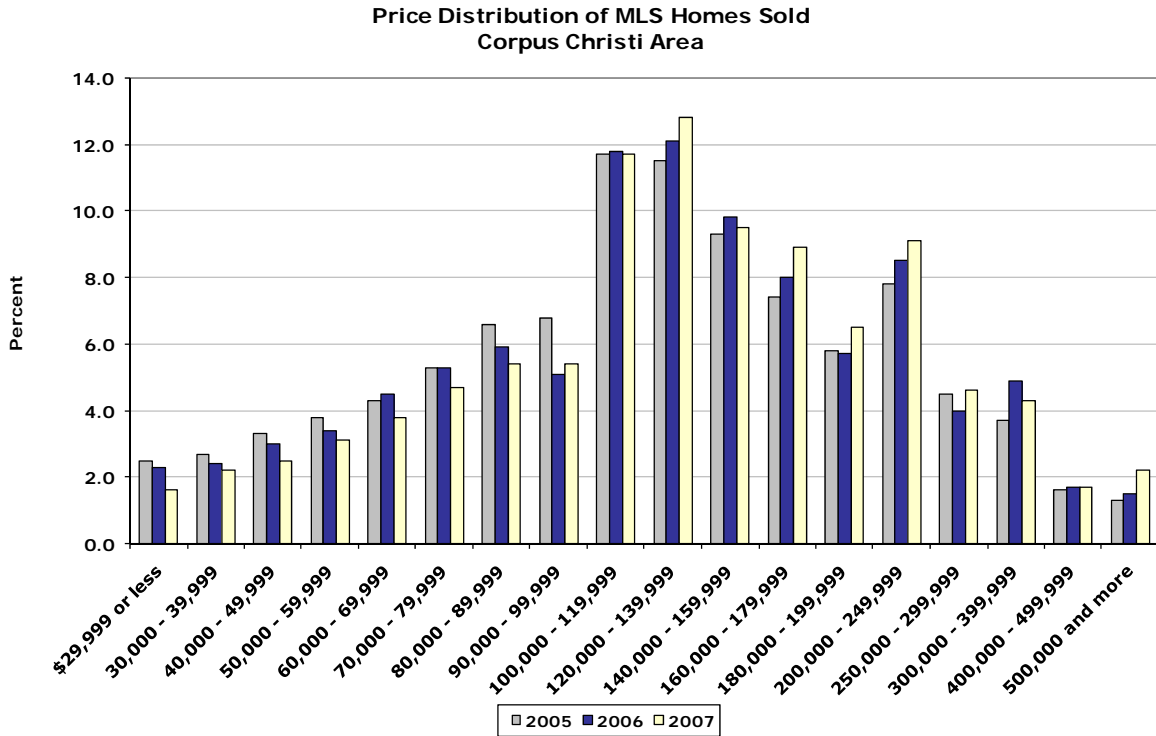
** First-time home buyer is assumed to purchase a home equal to the first quartile home price using a 90% home loan at an interest rate 0.5 percent greater than the standard current rate.

Source: Real Estate Center at Texas A&M University

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

Price Range	2001	2002	2003	2004	2005	2006	2007
\$29,999 or less	4.0	4.2	4.0	3.0	2.5	2.3	1.6
30,000 - 39,999	3.9	3.4	3.5	3.4	2.7	2.4	2.2
40,000 - 49,999	5.6	5.1	4.5	2.9	3.3	3.0	2.5
50,000 - 59,999	7.4	7.0	5.8	4.7	3.8	3.4	3.1
60,000 - 69,999	8.6	7.6	6.7	5.6	4.3	4.5	3.8
70,000 - 79,999	10.2	9.2	7.7	6.3	5.3	5.3	4.7
80,000 - 89,999	11.2	10.8	9.1	8.4	6.6	5.9	5.4
90,000 - 99,999	8.1	8.6	8.1	7.3	6.8	5.1	5.4
100,000 - 119,999	11.0	10.7	10.5	12.1	11.7	11.8	11.7
120,000 - 139,999	9.1	9.3	10.9	11.5	11.5	12.1	12.8
140,000 - 159,999	5.4	7.5	8.3	9.2	9.3	9.8	9.5
160,000 - 179,999	4.1	5.0	5.8	7.3	7.4	8.0	8.9
180,000 - 199,999	2.6	2.6	3.8	4.0	5.8	5.7	6.5
200,000 - 249,999	4.8	4.9	5.0	6.1	7.8	8.5	9.1
250,000 - 299,999	2.2	2.1	3.2	3.6	4.5	4.0	4.6
300,000 - 399,999	1.4	1.3	2.3	3.2	3.7	4.9	4.3
400,000 - 499,999	0.2	0.3	0.6	0.8	1.6	1.7	1.7
500,000 and more	0.2	0.4	0.4	0.6	1.3	1.5	2.2

Source: Real Estate Center at Texas A&M University



Source: Real Estate Center at Texas A&M University

Property Tax Rates, 2007 County, Major City, Major School District

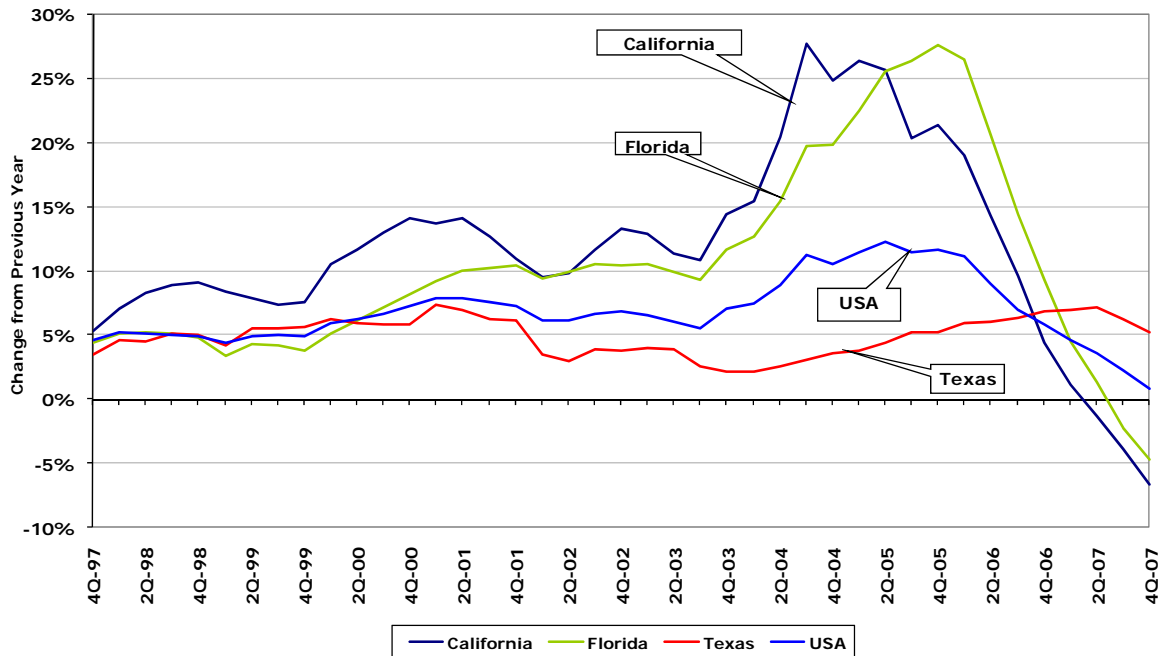
Taxing Entity*	Tax Rate per \$100 Valuation
Corpus Christi	
Nueces County	0.3514
City of Corpus Christi	0.5638
Corpus Christi ISD	1.1561
Total	\$2.07
Rockport	
Aransas County	0.2157
City of Rockport	0.2790
Aransas County ISD	1.0849
Total	\$1.58
Portland	
San Patricio County	0.4646
City of Portland	0.4882
Portland ISD	1.3600
Total	\$2.31

* 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.nueces.tx.us/taxoffice/pdf/taxjurisdictions.pdf>

Source: Aransas, Nueces & San Patricio County Tax Offices

National Home Price Appreciation

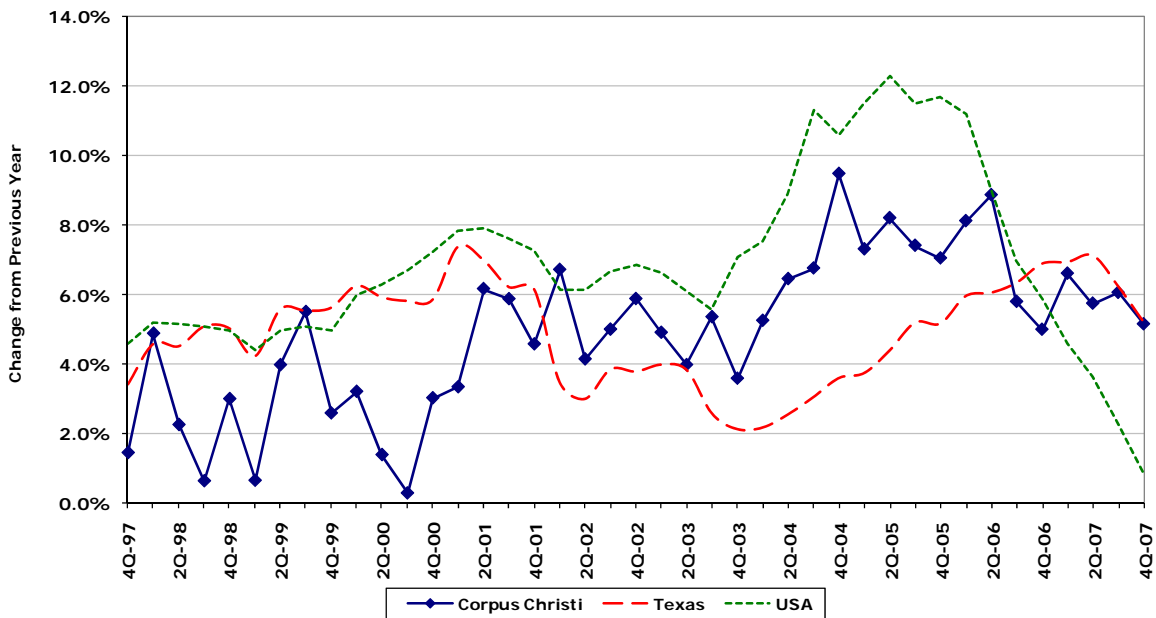
The HPI for each geographic area is estimated using repeated observations of housing values for individual single-family residential properties on which at least two mortgages were originated and subsequently purchased by either Freddie Mac or Fannie Mae.



Source: Office of Federal Housing Enterprise Oversight

**Home Price Appreciation
Corpus Christi 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

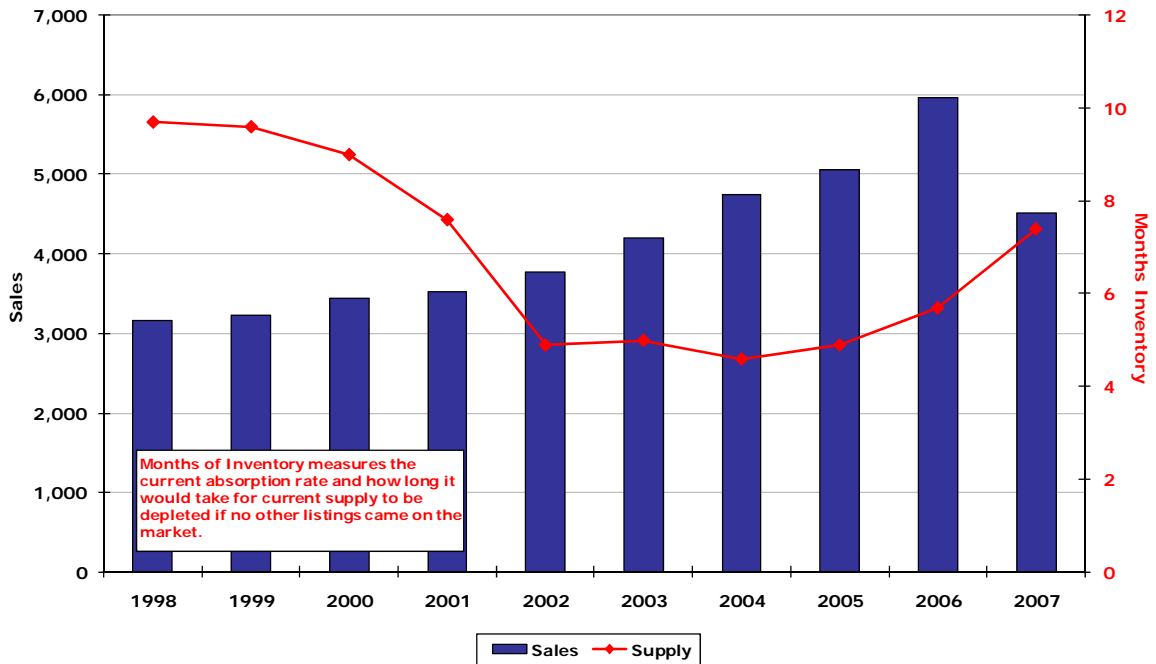
2005 Occupied Housing Unit Characteristics

Housing Unit Characteristics	Corpus Christi MSA			Texas		
	Owner-occupied housing units	Renter-occupied housing units	Total occupied housing units	Owner-occupied housing units	Renter-occupied housing units	Total occupied housing units
Occupied housing units	95,742	52,362	148,104	5,162,604	2,815,491	7,978,095
Household Size						
1-person household	17.8%	34.5%	23.7%	19.1%	35.0%	24.7%
2-person household	34.4%	25.1%	31.1%	34.2%	25.8%	31.2%
3-person household	16.6%	18.0%	17.1%	17.2%	16.0%	16.8%
4-or-more-person household	31.2%	22.4%	28.1%	29.5%	23.2%	27.3%
Race and Hispanic or Latino Origin of Householder						
One Race						
White	84.2%	75.4%	81.1%	79.0%	66.2%	74.5%
Black or African American	1.5%	8.0%	3.8%	8.2%	17.9%	11.6%
American Indian and Alaska Native	0.9%	0.9%	0.9%	0.5%	0.6%	0.6%
Asian	1.4%	1.2%	1.3%	2.9%	3.1%	3.0%
Native Hawaiian and Other Pacific Islander	-	-	0.0%	0.0%	0.1%	0.0%
Some other race	11.0%	13.0%	11.7%	8.3%	10.8%	9.2%
Two or more races	1.0%	1.5%	1.2%	1.0%	1.4%	1.2%
Age of Householder						
Under 35 years	10.1%	41.3%	21.2%	14.4%	46.3%	25.6%
35 to 44 years	18.5%	21.4%	19.5%	21.9%	21.4%	21.7%
45 to 54 years	25.9%	17.1%	22.7%	24.1%	15.4%	21.0%
55 to 64 years	19.4%	11.2%	16.5%	18.1%	8.3%	14.7%
65 to 74 years	14.2%	4.1%	10.6%	11.9%	4.2%	9.2%
75 to 84 years	9.8%	4.1%	7.8%	7.6%	3.1%	6.1%
85 years and over	2.1%	0.7%	1.6%	2.0%	1.3%	1.8%
Units in Structure						
1, detached	87.7%	34.1%	68.7%	87.5%	28.3%	66.6%
1, attached	2.6%	1.8%	2.3%	2.3%	3.6%	2.8%
2 apartments	0.3%	4.1%	1.7%	0.3%	4.9%	1.9%
3 or 4 apartments	0.5%	13.6%	5.1%	0.4%	8.8%	3.3%
5 to 9 apartments	0.2%	20.0%	7.2%	0.3%	13.8%	5.1%
10 or more apartments	0.6%	20.7%	7.7%	0.7%	35.1%	12.9%
Mobile home or other type of housing	8.1%	5.7%	7.2%	8.5%	5.6%	7.5%
Year Structure Built						
2000 or later	7.4%	6.5%	7.1%	13.7%	10.9%	12.7%
1990 to 1999	14.7%	11.9%	13.7%	18.6%	14.8%	17.2%
1980 to 1989	16.5%	25.5%	19.7%	18.7%	22.5%	20.1%
1960 to 1979	31.2%	32.4%	31.6%	28.7%	35.0%	30.9%
1940 to 1959	25.4%	18.6%	23.0%	15.4%	12.4%	14.3%
1939 or earlier	4.8%	5.1%	4.9%	4.9%	4.5%	4.8%
Bedrooms						
No bedroom	0.2%	1.5%	0.6%	0.2%	1.5%	0.6%
1 bedroom	3.3%	29.1%	12.4%	2.1%	32.6%	12.9%
2 or 3 bedrooms	75.9%	64.9%	72.0%	70.8%	61.7%	67.6%
4 or more bedrooms	20.6%	4.6%	14.9%	26.8%	4.2%	18.9%
Annual Household Income and Housing Costs*						
Median household income (dollars)	\$47,795	\$25,548	\$38,158	\$54,610	\$26,782	\$42,139
Annual Median Housing Costs (dollars)	\$9,480	\$7,848	\$8,748	\$10,536	\$8,052	\$9,108
Housing Costs as a percentage of household income	19.8%	30.7%	22.9%	19.3%	30.1%	21.6%

* in 2005 inflation-adjusted dollars

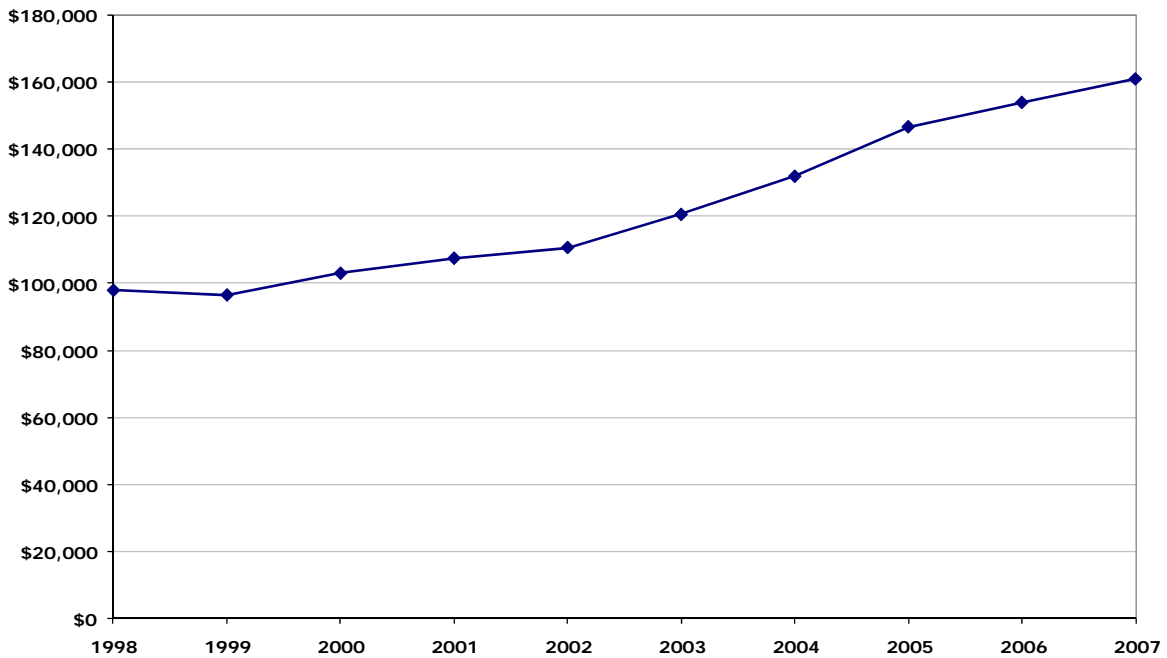
Source: U.S. Census Bureau 2005 and Real Estate Center at Texas A&M University

Yearly Homes Sales and Months Inventory
Corpus Christi MLS



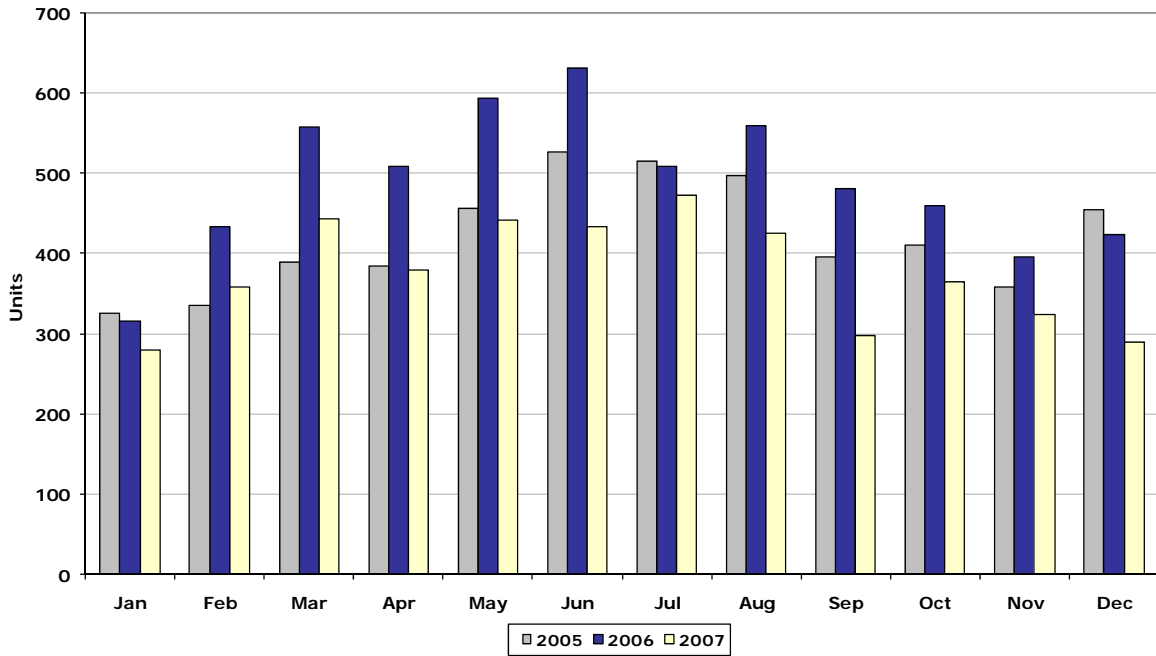
Source: Real Estate Center at Texas A&M University

Average Sales Price
Corpus Christi MLS



Source: Real Estate Center at Texas A&M University

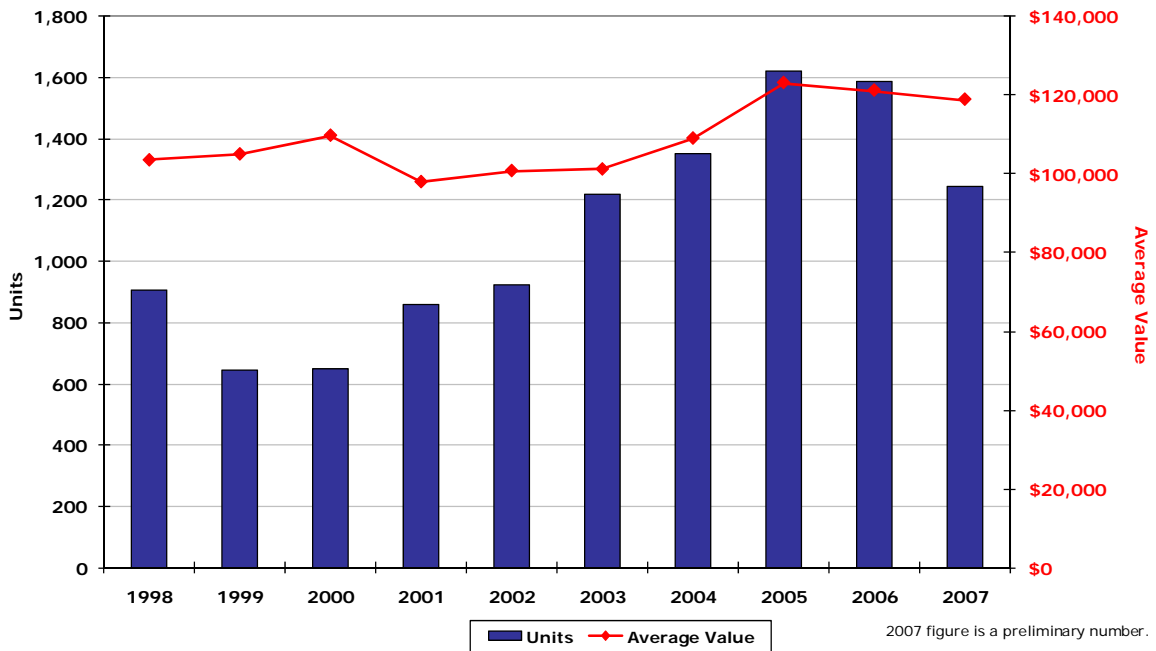
Single-Family Homes Sales Volume
Corpus Christi MSA



Source: Real Estate Center at Texas A&M University

Single-Family Building Permits and Average Value
Corpus Christi MSA

1999 MSA definition



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

Corpus Christi Market Overview 2008

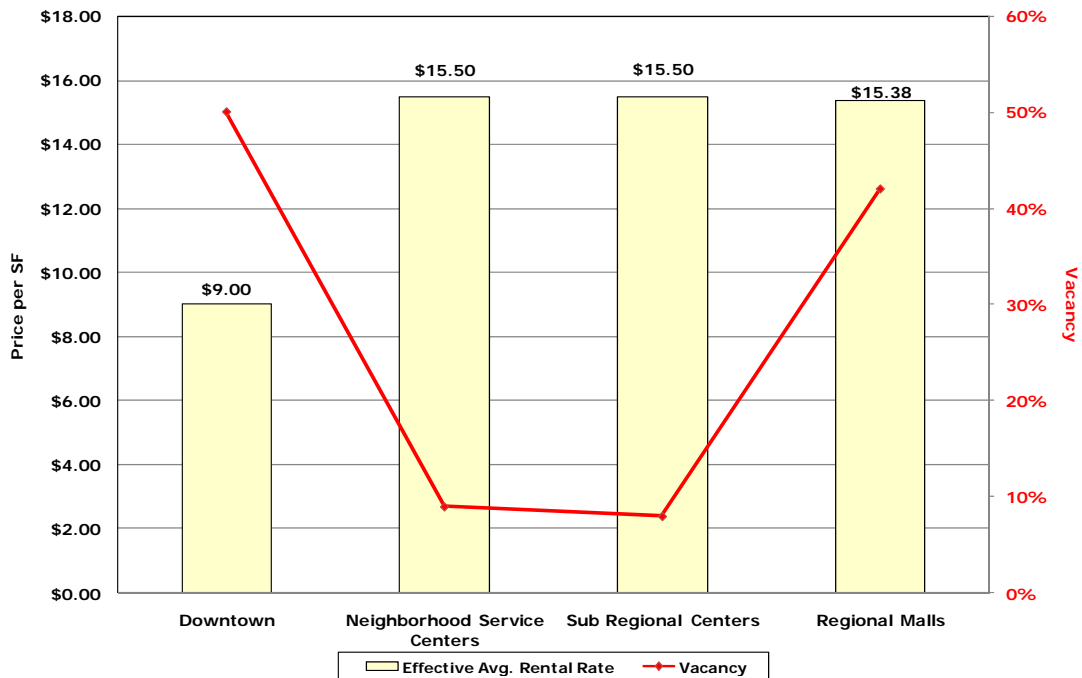
Retail

Summary of Retail Market Indicators Corpus Christi
(Rent/Square foot/Year)

Retail	2006				2007			
	Low	High	Effective Avg.	Vacancy	Low	High	Effective Avg.	Vacancy
Downtown	\$6.00	\$12.00	\$9.00	50.0%	\$6.00	\$12.00	\$9.00	50.0%
Neighborhood Service Centers	\$7.20	\$25.00	\$16.10	9.0%	\$6.00	\$25.00	\$15.50	9.0%
Sub Regional Centers	\$6.50	\$19.00	\$12.75	8.0%	\$7.00	\$24.00	\$15.50	8.0%
Regional Malls	\$9.75	\$21.00	\$15.38	29.0%	\$9.75	\$21.00	\$15.38	42.0%

Source: NAI Cravey Real Estate Services, Inc.

Corpus Christi Retail Market
Year-End 2007



Source: NAI Cravey Real Estate Services, Inc.

Corpus Christi Market Overview 2008 Hotel

Hotel* Occupancy and Rental Rates

	2006		2007	
	Corpus Christi	Texas	Corpus Christi	Texas
# Rooms 000's	10.7	339.9	11.3	349.7
Average daily rate	\$85.26	\$80.74	\$87.64	\$85.28
Occupancy rate (in percent)	52.4	61.3	48.9	61.4

*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

Corpus Christi Market Overview 2008 Office

Office Market Survey - All Space - Second Quarter 2007

Submarket	Existing Inventory (SF)	Vacant (SF)	Vacancy Rate (%)	Available (SF)	Under Const. (SF)	New Const. (SF)	Min Rate	Max Rate
Downtown CC	5,490,609	506,190	9.2%	494,029	0	0	\$14.67	\$15.60
Flour Bluff/Padre Island	96,748	12,172	12.6%	10,000	0	0	\$11.66	\$12.24
Mid-City	906,950	67,408	7.4%	36,056	0	27,077	\$17.40	\$19.64
Northwest	142,692	1,908	1.3%	1,908	0	18,478	\$8.59	\$8.55
Port Area	131,019	0	0.0%	0	0	0	\$0.00	\$0.00
Southside	1,042,085	162,400	15.6%	154,500	17,248	15,858	\$16.66	\$17.40
Westside	404,821	40,665	10.0%	40,665	0	0	\$14.11	\$14.45
Totals/Averages	8,214,924	790,743	9.6%	737,158	17,248	61,413	\$15.15	\$16.07

Source: Adame Realty Advisors, Inc.

Office Market Survey - Class B - Second Quarter 2007

Submarket	Existing Inventory (SF)	Vacant (SF)	Vacancy Rate (%)	Available (SF)	Under Const. (SF)	New Const. (SF)	Min Rate	Max Rate
Downtown CC	3,189,886	227,222	8.7%	274,660	0	0	\$13.80	\$14.78
Four Bluff/Padre Island	78,847	10,000	12.7%	10,000	0	0	\$11.83	\$12.42
Mid-City	505,494	25,590	5.1%	22,266	0	0	\$16.24	\$19.95
Northwest	122,065	1,908	1.6%	1,908	0	18,478	\$9.21	\$9.16
Port Area	122,105	0	0.0%	0	0	0	\$0.00	\$0.00
Southside	652,508	128,760	19.7%	128,760	17,248	15,858	\$17.51	\$18.12
Westside	116,739	7,355	6.3%	7,355	0	0	\$14.71	\$14.71
Totals/Averages	4,787,644	450,835	9.4%	444,949	17,248	34,336	\$14.97	\$15.93

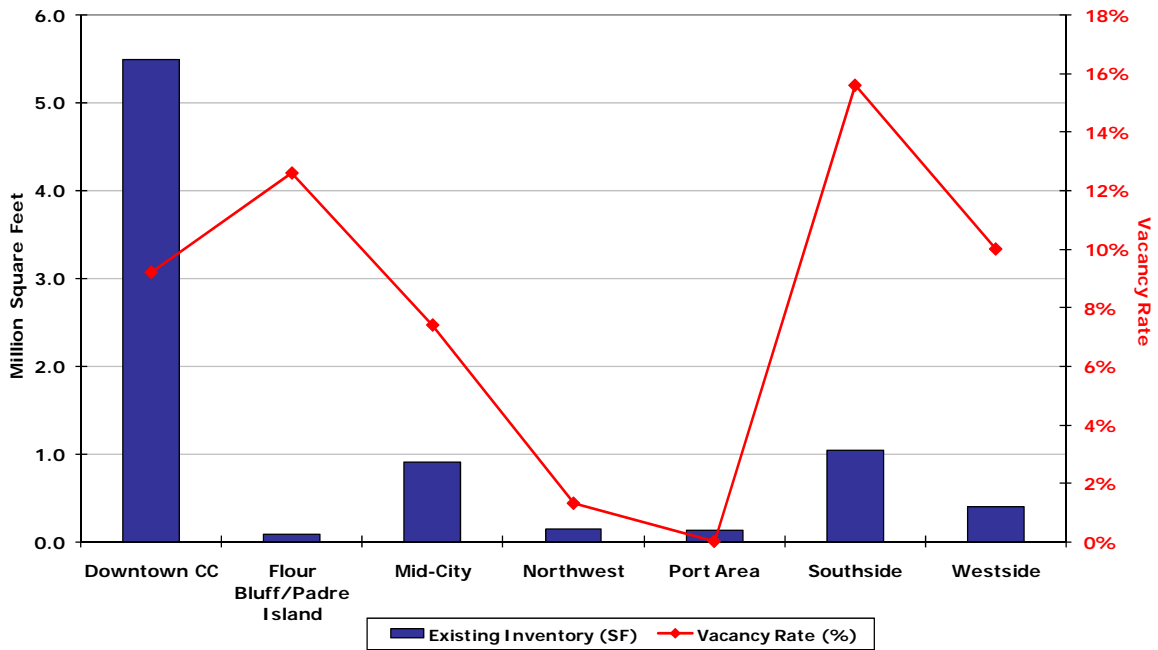
Source: Adame Realty Advisors, Inc.

Office Market Survey - Class C - Second Quarter 2007

Submarket	Existing Inventory (SF)	Vacant (SF)	Vacancy Rate (%)	Available (SF)	Under Const. (SF)	New Const. (SF)	Min Rate	Max Rate
Downtown CC	1,309,647	166,909	12.7%	157,310	0	0	\$15.91	\$16.30
Flour Bluff/Padre Island	17,901	2,172	12.1%	0	0	0	\$0.00	\$0.00
Mid-City	401,456	41,818	10.4%	13,790	0	27,077	\$19.15	\$19.20
Northwest	20,627	0	0.0%	0	0	0	\$0.00	\$0.00
Port Area	8,914	0	0.0%	0	0	0	\$0.00	\$0.00
Southside	185,876	27,767	14.9%	19,867	0	0	\$11.70	\$13.49
Westside	288,082	33,310	11.6%	33,310	0	0	\$13.98	\$14.39
Totals/Averages	2,232,503	271,976	12.2%	224,277	0	27,077	\$15.47	\$15.98

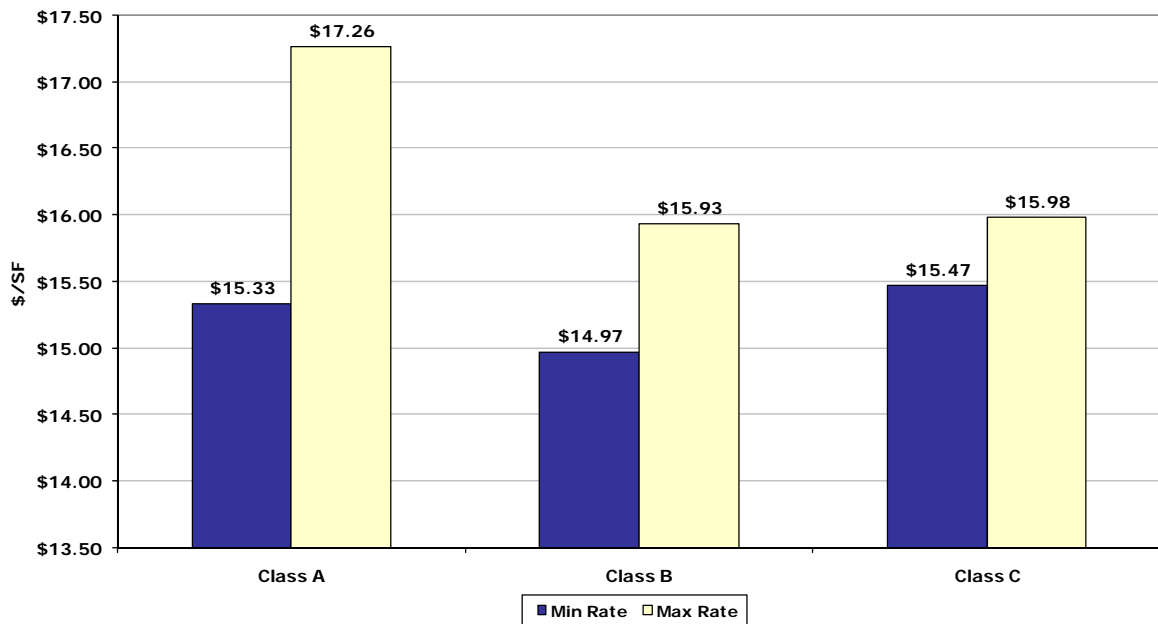
Source: Adame Realty Advisors, Inc.

Corpus Christi Office Market
2Q07



Source: Adame Realty Advisors, Inc.

Rent Rate Analysis of Office Buildings
Corpus Christi MSA
2Q07



Source: Adame Realty Advisors, Inc.

Corpus Christi Market Overview 2008 Industrial

Industrial Market Survey - All Space - Second Quarter 2007

Submarket	Existing Inventory (SF)	Vacant (SF)	Vacancy Rate (%)	Available (SF)	Under Const. (SF)	New Const. (SF)	Min Rate	Max Rate
Downtown CC	1,013,698	140,649	13.9%	49,750	0	0	\$3.82	\$3.82
Flour Bluff/Padre Island	155,467	30,844	19.8%	2,400	0	19,425	\$5.11	\$5.11
Mid-City	812,465	93,550	11.5%	14,308	4,000	4,000	\$7.55	\$7.55
Northwest	4,332,910	326,442	7.5%	64,891	30,436	79,570	\$6.08	\$6.08
Port Area	6,572,139	1,271	0.0%	1,271	0	19,500	\$6.56	\$6.56
Southside	3,505,579	203,708	5.8%	61,803	0	55,700	\$7.75	\$8.06
Westside	10,934,705	490,837	4.5%	310,658	38,436	153,093	\$4.38	\$4.62
Totals/Averages	27,326,963	1,287,301	4.1%	505,081	72,872	331,288	\$5.16	\$5.35

Source: Adame Realty Advisors, Inc.

Industrial Market Survey - Distribution Sector - Second Quarter 2007

Submarket	Existing Inventory (SF)	Vacant (SF)	Vacancy Rate (%)	Available (SF)	Under Const. (SF)	New Const. (SF)	Min Rate	Max Rate
Downtown CC	49,388	37,750	76.4%	37,750	0	0	\$3.65	\$3.65
Flour Bluff/Padre Island	0	0	0.0%	0	0	0	\$0.00	\$0.00
Mid-City	0	0	0.0%	0	0	0	\$0.00	\$0.00
Northwest	245,034	0	0.0%	0	0	0	\$0.00	\$0.00
Port Area	0	0	0.0%	0	0	0	\$0.00	\$0.00
Southside	32,700	0	0.0%	0	0	0	\$0.00	\$0.00
Westside	618,598	149,098	24.1%	28,658	0	0	\$4.66	\$6.59
Totals/Averages	945,720	186,848	19.8%	66,408	0	0	\$4.07	\$4.86

Source: Adame Realty Advisors, Inc.

Industrial Market Survey - Tech / Flex Sector - Second Quarter 2007

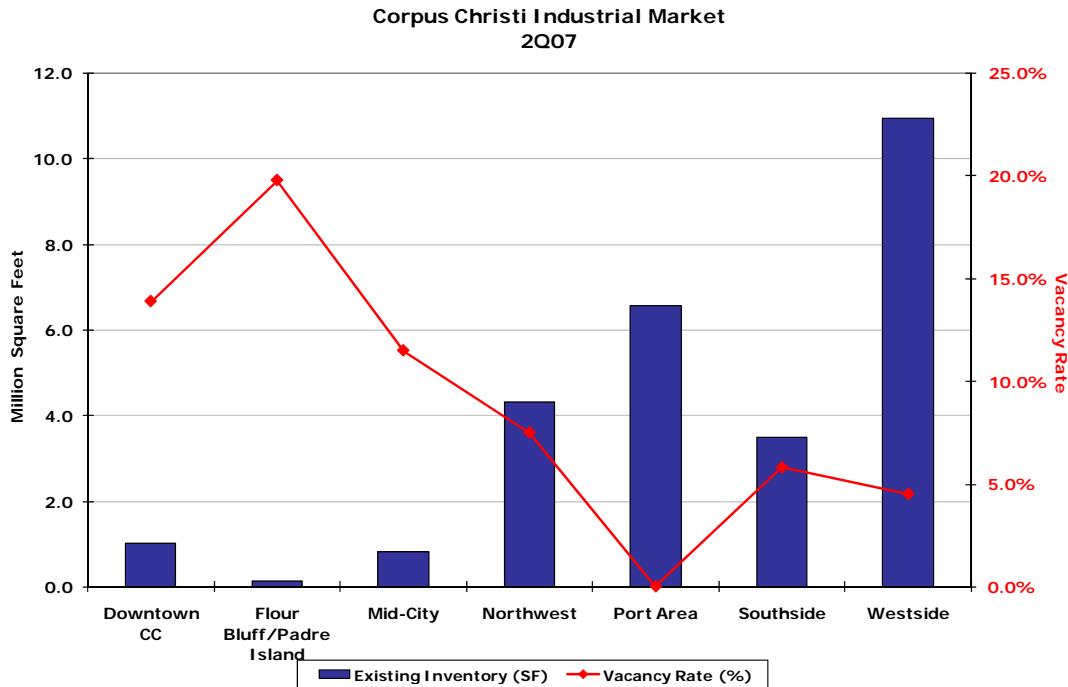
Submarket	Existing Inventory (SF)	Vacant (SF)	Vacancy Rate (%)	Available (SF)	Under Const. (SF)	New Const. (SF)	Min Rate	Max Rate
Downtown CC	45,654	0	0.0%	0	0	0	\$0.00	\$0.00
Four Bluff/Padre Island	17,081	0	0.0%	0	0	0	\$0.00	\$0.00
Mid-City	329,946	12,508	3.8%	12,508	0	0	\$8.27	\$8.27
Northwest	486,551	299,391	61.5%	48,892	0	52,320	\$4.56	\$4.56
Port Area	10,701	0	0.0%	0	0	0	\$0.00	\$0.00
Southside	455,902	22,353	4.9%	18,753	0	14,700	\$10.53	\$10.99
Westside	654,831	70,544	10.8%	65,764	0	0	\$5.66	\$6.05
Totals/Averages	2,000,666	404,796	20.2%	145,917	0	67,020	\$6.16	\$6.39

Source: Adame Realty Advisors, Inc.

Industrial Market Survey - Warehouse Sector - Second Quarter 2007

Submarket	Existing Inventory (SF)	Vacant (SF)	Vacancy Rate (%)	Available (SF)	Under Const. (SF)	New Const. (SF)	Min Rate	Max Rate
Downtown CC	918,656	102,899	11.2%	12,000	0	0	\$4.31	\$4.31
Flour Bluff/Padre Island	138,386	30,844	22.3%	2,400	0	19,425	\$5.26	\$5.26
Mid-City	482,519	81,042	16.8%	1,800	4,000	4,000	\$4.73	\$4.73
Northwest	3,601,325	27,051	0.8%	15,999	30,436	27,250	\$10.37	\$10.37
Port Area	6,561,438	1,271	0.0%	1,271	0	19,500	\$6.82	\$6.82
Southside	3,016,977	181,355	6.0%	43,050	0	41,000	\$6.57	\$6.83
Westside	9,661,276	271,195	2.8%	216,236	38,436	153,093	\$3.95	\$3.95
Totals/Averages	24,380,577	695,657	2.9%	292,756	72,872	264,268	\$4.91	\$4.94

Source: Adame Realty Advisors, Inc.



Source: Adame Realty Advisors, Inc.

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Report compiled by:

Administrative Coordinator
Edith Craig

Market Research Analyst
Beth Thomas, MRE

Technical Consultant
Blake Lacy, LERE

Coordinator Assistant
Kory Merten

Real Estate Center, 2115 TAMU, College Station, TX 77843-2115
Phone: 979.845.2031 | Fax: 979.845.0460