



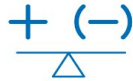
111.0M

Inventory SF



22.8%

Total Availability



(415.2K)

Net Absorption SF



4.4M

Under Construction SF



14.5%

Direct Vacant Available Rate



\$51.14

Asking Rent PSF

Market headwinds continue to push vacancy higher

Market Observations

- Direct vacant available rate reached 14.5% in Q1 2025, up from 13.9% last quarter and 12.3% year-over-year. The East submarket recorded the highest rate at 23.3% with 343K SF of office space under construction.
- Net absorption totaled -415K SF in Q1 2025, down from +526K SF last quarter and +603K SF year-over-year. The Northwest submarket registered the largest negative net absorption at -357K SF across 257 recorded events.
- Full-service rents averaged \$51.14 PSF in Q1 2025, down from \$51.22 PSF last quarter and up from \$49.40 PSF year-over-year. The Central Business District led at \$65.65 PSF for all classes and Class A CBD averaged \$71.01 PSF.
- Construction pipeline totals 4.35M SF in Q1 2025, down from 4.39M SF last quarter and 5.62M SF year-over-year. The CBD accounts for the largest share with 2.22M SF 40.5% preleased (900K SF) and 1.32M SF available.



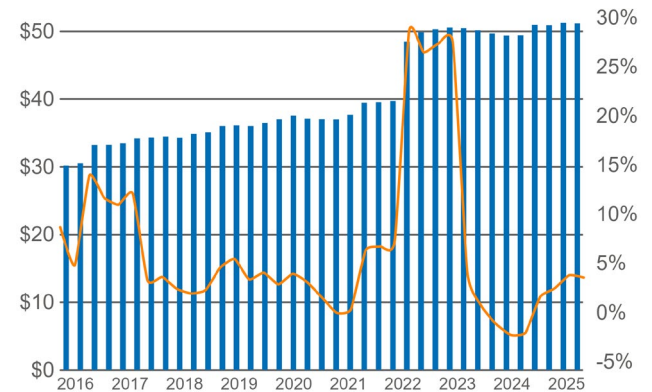


AUSTIN OFFICE MARKET | Q1 2025

- **Direct vacant available rate** in Austin reached 14.5% this quarter. Total availability stands at 22.8%, down 50 basis points from last quarter and 40 year-over-year.
- **Net absorption** in Austin totaled -415.19K SF in Q1 2025. This was led by Northwest submarket which posted the largest move-outs at -356.77K SF.
- **Full-service rents** in Austin averaged \$51.14 PSF this quarter. The Central Business District led growth at \$65.65 PSF, up \$0.51 PSF QoQ.
- **Construction pipeline** in Austin totals 4.35M SF this quarter. 3 buildings totaling 173.55K SF delivered this quarter with 21.2% pre-leased.

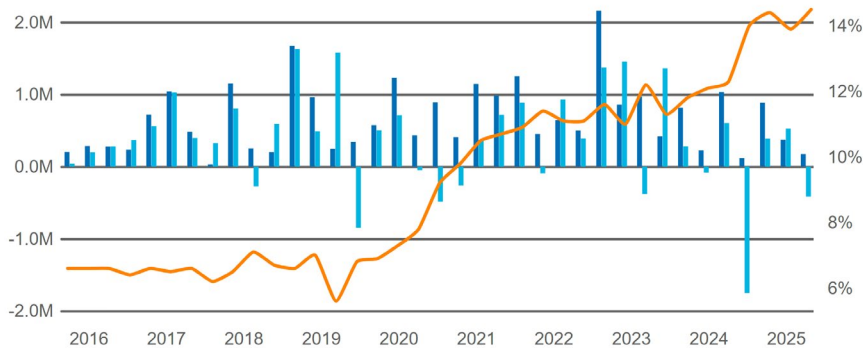
ASKING RENT

● Asking Rent PSF, Full Service — Y-O-Y % Change

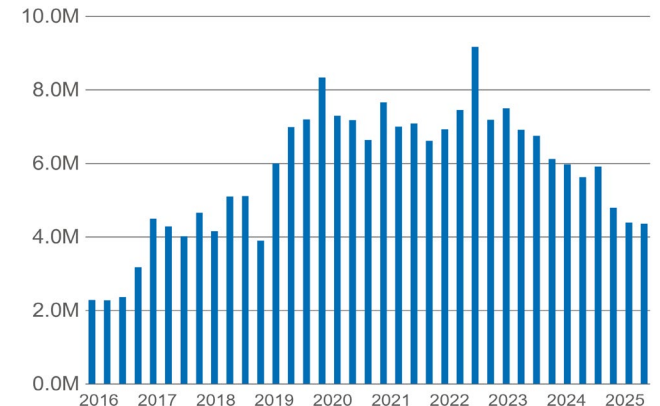


DELIVERY IMPACT ON KEY INDICATORS

● Delivered SF ● Net Absorption SF — Direct Vacancy Rate



UNDER CONSTRUCTION





AUSTIN OFFICE MARKET | Q1 2025

OFFICE MARKET INDICATORS - ALL SPACE

MARKET	INVENTORY	DIRECT VACANT AVAILABLE SF	DIRECT VACANT AVAILABLE RATE	TOTAL AVAILABILITY RATE	UNDER CONSTRUCTION SF	QUARTERLY NET ABSORPTION SF	Y-O-Y NET ABSORPTION SF	ASKING RENT PSF, FULL SERVICE
Bastrop (BAS)	192,874	2,325	1.2%	6.5%	0	(290)	(2,325)	\$19.09
Caldwell County (CC)	21,722	0	0.0%	0.0%	0	0	0	\$0.00
Central Business District (CBD)	22,908,926	3,159,623	13.8%	28.1%	2,222,215	25,254	(350,440)	\$65.65
Cedar Park (CP)	1,841,900	193,581	10.5%	26.3%	27,800	24,472	50,748	\$41.45
Central (C)	5,324,279	834,908	15.7%	21.0%	0	(96,650)	(23,837)	\$35.06
East (E)	8,208,177	1,909,096	23.3%	26.9%	343,000	126,931	194,378	\$51.04
Far Northeast (FNE)	548,871	38,555	7.0%	7.0%	0	978	(12,305)	\$39.48
Far Northwest (FNW)	5,399,234	802,776	14.9%	26.0%	606,402	(135,793)	(149,628)	\$45.07
Georgetown (GTN)	1,320,076	73,896	5.6%	10.0%	979,480	(4,672)	23,810	\$44.44
Hays County (HC)	1,359,413	90,865	6.7%	15.4%	53,523	15,770	36,915	\$37.22
North (N)	10,100,990	964,387	9.5%	14.5%	0	(37,253)	231,947	\$53.75
Northeast (NE)	5,938,060	1,371,148	23.1%	34.1%	0	(105,599)	(88,623)	\$29.69
Northwest (NW)	16,565,055	3,752,723	22.7%	28.3%	0	(356,772)	(1,441,880)	\$45.37
Round Rock (RR)	4,950,240	86,994	1.8%	3.9%	0	672	9,287	\$34.67



AUSTIN OFFICE MARKET | Q1 2025

OFFICE MARKET INDICATORS - ALL SPACE - Cont.

MARKET	INVENTORY	DIRECT VACANT AVAILABLE SF	DIRECT VACANT AVAILABLE RATE	TOTAL AVAILABILITY RATE	UNDER CONSTRUCTION SF	QUARTERLY NET ABSORPTION SF	Y-O-Y NET ABSORPTION SF	ASKING RENT PSF, FULL SERVICE
South (S)	5,468,760	991,766	18.1%	27.1%	46,565	38,307	68,270	\$40.72
Southeast (SE)	5,598,853	225,942	4.0%	12.9%	0	13,826	18,236	\$35.93
Southwest (SW)	13,964,718	1,545,794	11.1%	18.2%	75,000	64,871	181,684	\$50.20
West Central (WC)	1,334,195	30,755	2.3%	8.1%	0	10,754	2,237	\$55.74
Total	111,046,343	16,075,134	14.5%	22.8%	4,353,985	(415,194)	(1,251,526)	\$51.14

RECENT OFFICE LEASES

North :: Big Commerce (sublease)

65,050 SF at Domain 11

CBD :: Texas Permanent School Fund

53,252 SF at Innovation Tower

Southwest :: Action Behavior Centers

94,518 SF at Dimensional Place II

North :: LegalZoom (sublease)

30,654 SF at Domain 3

RECENT OFFICE SALE

Southeast :: MetCenter Creative C & D

8000 Metropolis Drive
 142,349 SF in 2 creative office buildings
 Buyer: Preylock Real Estate Holdings
 Seller: Zydeco Development

OFFICE SALES STATISTICS

	Austin Trailing 12 Mo.	Austin This Quarter	U.S. Trailing 12 Mo.	U.S. This Quarter
Volume (\$ Mil)	\$763.4	\$108.4	\$58,590.7	\$11,661.8
Number of Properties	45	9	4,044	786
Total Square Feet	2,906,943	394,291	287,710,179	56,054,849
Average Price per SF	\$256	\$208	\$205	\$201
Average Cap Rate (Yield)	7.1%	7.5%	7.4%	7.5%

Source: Real Capital Analytics, Transwestern



Research Methodology

The information in this report is the result of a compilation of information on office properties located in the Austin metropolitan area. This report includes single-tenant and multi-tenant properties 10,000 SF and larger, excluding condo and medical office facilities and those properties owned and occupied by a government agency.

About Transwestern

Four dynamic, integrated companies make up the Transwestern enterprise, giving us the perspective to think broadly, deeply and creatively about commercial real estate. Clients and investors rely on us for expertise that spans institutional and opportunistic investment, development, hospitality, and brokerage and asset services. Our award-winning, collaborative culture empowers team members with resources and independence to work across boundaries in pursuit of innovative solutions, reinforcing a reputation for service excellence that translates to measurable results. Through offices nationwide and alliance partners around the globe, we positively impact the built environment and our communities while fostering a work climate that champions career vitality for all. Learn more at transwestern.com and [@Transwestern](https://www.instagram.com/transwestern).

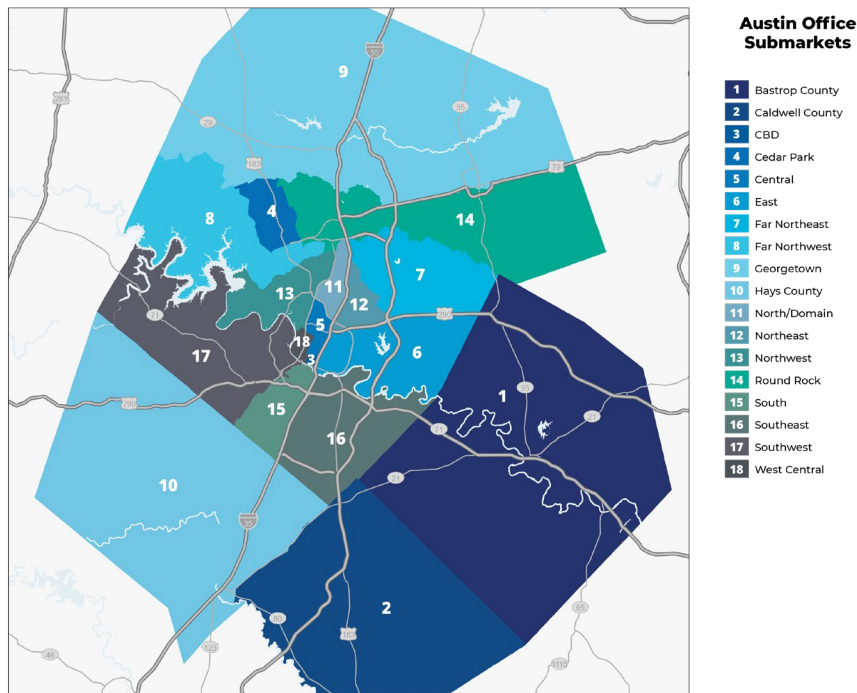
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