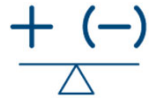




155.3 MSF
Inventory



3.1 MSF
YTD Net Absorption



11.8%
Direct Vacancy



19.3%
Total Availability



16.4 MSF
Under Construction



\$12.85 PSF
Net Asking Rent

Data Center space makes up a significant amount of new construction

Market Observations

- As of Q3, Austin's direct vacancy rate is 11.8% and has been steadily increasing for the last 14 quarters. This is mostly due to new construction delivering with vacancy. Total availability, which includes sublease, is at 19.3% for the quarter.
- Year-to-date net absorption is 3.1M square feet, and Q3 absorption totaled 923K square feet, a healthy uptick from last quarter but still well below historical totals.
- Asking rents increased to \$12.85 net PSF for the quarter, which is a year-over-year increase of 18.5% Flex rates averaged \$15.03 net PSF and Industrial rates averaged \$12.48 net PSF for the quarter.
- Approximately 7.7 MSF of new industrial construction delivered year to date, and there is 16.4 MSF of industrial product under construction as of this quarter. Of that 16.4 MSF, 3.5 MSF is data center product, concentrated in the Round Rock submarket.

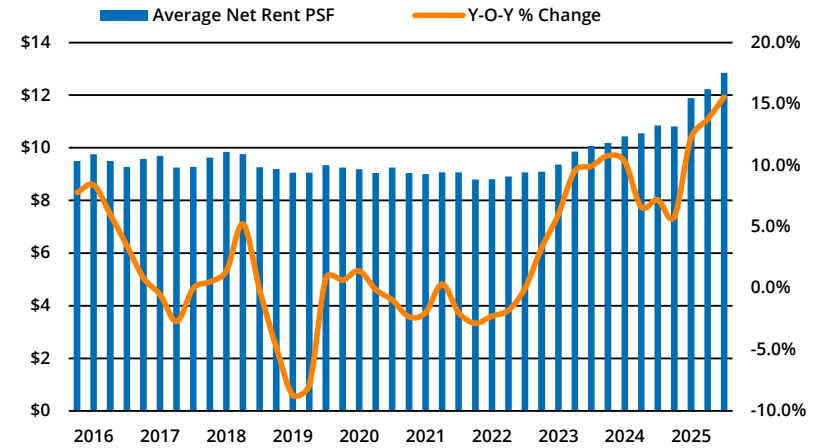




AUSTIN INDUSTRIAL MARKET | Q3 2025

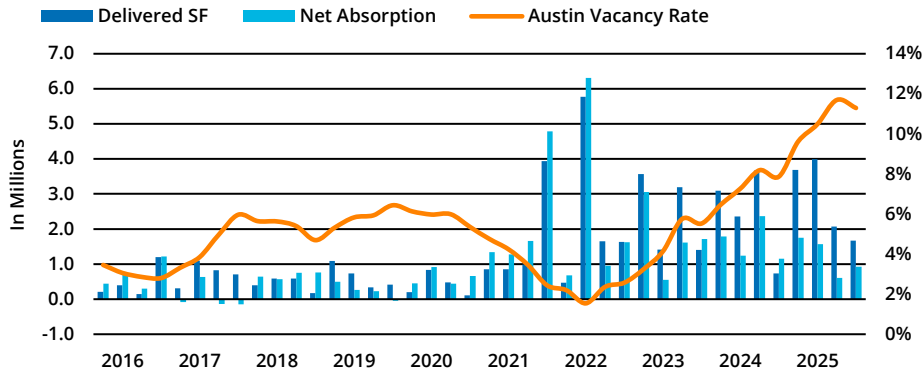
- Net absorption** totaled 923,036 square feet in Q3, and year-to-date net absorption totaled 3.1M square feet for the Austin metro area.
- The **direct vacancy** rate is 11.8% for the quarter, a 0.1% increase over last quarter and a 1.3% increase year-over-year. Total availability was 19.3% for the quarter.
- Asking rents** for Flex space averaged \$15.03 PSF for the quarter, and Industrial space averaged \$12.48 PSF for the same period. The combined asking rate averaged \$12.85 for the quarter, a 5.1% increase from last quarter and a 18.5% increase year-over-year.
- There is 16.4 MSF **under construction** this quarter which is 56% pre-leased, and 7.7 MSF of new industrial product delivered year-to-date. Approximately 3.5 MSF of under-construction product is data center space, which is concentrated in the Round Rock submarket.

ASKING RENT



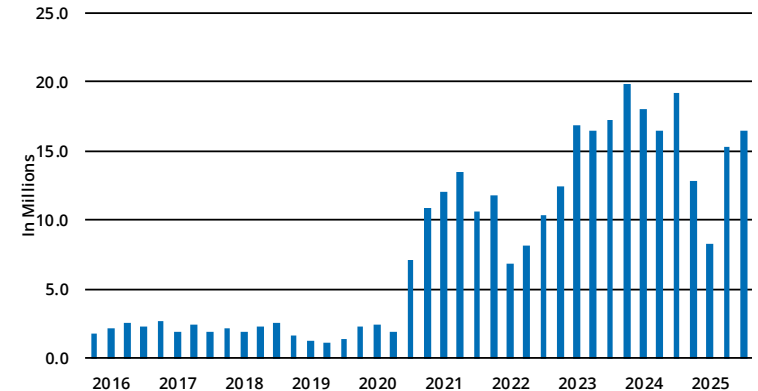
Source: CoStar, Transwestern

DELIVERY IMPACT ON KEY INDICATORS



Source: CoStar, Transwestern

UNDER CONSTRUCTION



Source: CoStar, Transwestern



AUSTIN INDUSTRIAL MARKET | Q3 2025

All Classes of Space | Q3 2025

SUBMARKET	INVENTORY SF	DIRECT VACANT SF	DIRECT VACANCY RATE	TOTAL VACANCY RATE	UNDER CONSTRUCTION SF	THIS QUARTER NET ABSORPTION SF	YTD NET ABSORPTION SF	AVERAGE NET RENT PSF
Bastrop Count (BC)	2,147,121	40,600	1.9%	4.4%	173,160	0	0	\$8.20
Caldwell County (CC)	1,428,277	172,000	12.0%	13.0%	87,860	0	323,076	\$11.71
Central Business Distr. (CBD)	87,500	0	0.0%	0.0%	0	12,000	12,000	N/A
Cedar Park (CP)	3,083,651	103,687	3.4%	15.1%	1,159,266	(25,334)	13,079	\$14.16
Central (C)	1,940,396	153,953	7.9%	9.4%	0	11,083	1,322	\$12.70
East (E)	19,003,859	1,995,814	10.5%	11.4%	718,093	(29,668)	360,807	\$13.37
Far Northeast (FNE)	14,800,274	1,825,724	12.3%	21.1%	399,070	285,503	652,798	\$11.60
Far Northwest (FNW)	1,456,970	111,285	7.6%	8.3%	26,000	10,350	(2,300)	\$12.51
Georgetown (GTN)	16,347,317	3,393,901	20.8%	28.2%	2,381,480	340,339	625,060	\$11.23
Hays County (HC)	17,663,876	1,921,017	10.9%	24.8%	1,915,355	117,045	889,308	\$13.10
North (N)	16,893,803	1,265,584	7.5%	15.7%	0	70,518	11,584	\$11.63
Northeast (NE)	17,641,579	1,544,114	8.8%	13.2%	0	13,710	(236,487)	\$12.26
Northwest (NW)	3,546,669	206,483	5.8%	8.1%	0	(9,264)	(45,982)	\$10.38
Round Rock (RR)	9,764,350	1,772,715	18.2%	20.6%	7,118,661	(43,695)	202,169	\$12.16
South (S)	3,937,114	222,766	5.7%	8.2%	0	297,252	(30,106)	\$14.26
Southeast (SE)	23,745,280	3,279,537	13.8%	28.1%	2,458,725	(129,245)	322,134	\$11.72
Southwest (SW)	1,795,537	337,453	18.8%	25.5%	28,000	2,442	2,553	\$12.97
West Central (WC)	57,300	0	0.0%	0.0%	0	0	0	N/A
Total	155,340,873	18,346,633	11.8%	19.3%	16,465,670	923,036	3,101,015	\$12.23

Source: CoStar, Transwestern.

RECENT INDUSTRIAL LEASES

East :: Tesla

296,960 SF at Austin Hills Commerce Ctr 1

Northeast :: ZellerField

135,442 SF at Tech Ridge

Southeast :: Lower Colorado River Autho.

101,000 SF at 71 Logistics Center

Georgetown :: Loram Technologies

96,450 SF at 3502 South Austin Ave

RECENT INDUSTRIAL SALE

Round Rock :: TaylorPort Rail Park

781 FM 3349

183,300 SF manufacturing building

Buyer: Manulife Financial

Seller: Partners Real Estate

INDUSTRIAL SALES STATISTICS

	Austin Trailing 12 Mo.	Austin This Quarter	U.S. Trailing 12 Mo.	U.S. This Quarter
Volume (\$ Mil)	\$970.2	\$185.2	\$107,069.0	\$25,477.9
Number of Properties	65	15	8,628	2,188
Total Square Feet	6,486,268	866,954	807,106,097	194,921,100
Average Price per SF	\$203	\$205	\$136	\$134
Average Cap Rate (Yield)	6.1%	6.1%	6.4%	6.2%

Source: Real Capital Analytics, Transwestern



AUSTIN INDUSTRIAL MARKET | Q3 2025

Research Methodology

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

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

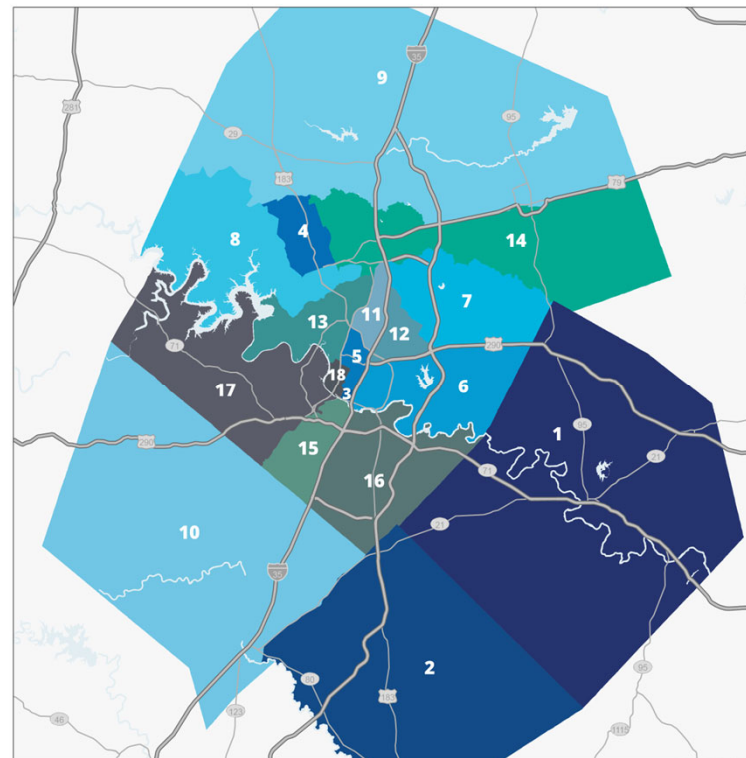
For more information

Karen Judson

Senior Vice President
Marketing & Research
Karen.Judson@transwestern.com
512.328.5600

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Austin Office Submarkets

- 1 Bastrop County
- 2 Caldwell County
- 3 CBD
- 4 Cedar Park
- 5 Central
- 6 East
- 7 Far Northeast
- 8 Far Northwest
- 9 Georgetown
- 10 Hays County
- 11 North/Domain
- 12 Northeast
- 13 Northwest
- 14 Round Rock
- 15 South
- 16 Southeast
- 17 Southwest
- 18 West Central