

Austin, Texas

Industrial Market | Q1 2026

Positive Net Absorption Offsets Vacancy

Market Observations

- The Austin industrial market recorded positive absorption of 894K square feet for the quarter, bringing the trailing 12-month net absorption to 4.4M square feet.
- Direct vacancy stood at 12.6% across all classes, a 1.1% increase over last quarter and a 2.1 increase year over year. Total availability, which includes sublease space, was 13.7% for the quarter.
- There was 14.6M square feet under construction as of this quarter. A total of 3.0M square feet delivered this quarter, bringing the trailing 12-month total to 8.6M square feet delivered in the Austin MSA.
- The average asking rate totaled \$12.84 net per square foot for the Austin MSA. For flex space, the average net rate was \$16.62 per square foot for the quarter, and industrial space averaged \$12.21 per square foot for the same period.



160.4 MSF
Inventory



894K SF
Net Absorption



12.6%
Direct Vacancy



13.7%
Total Availability



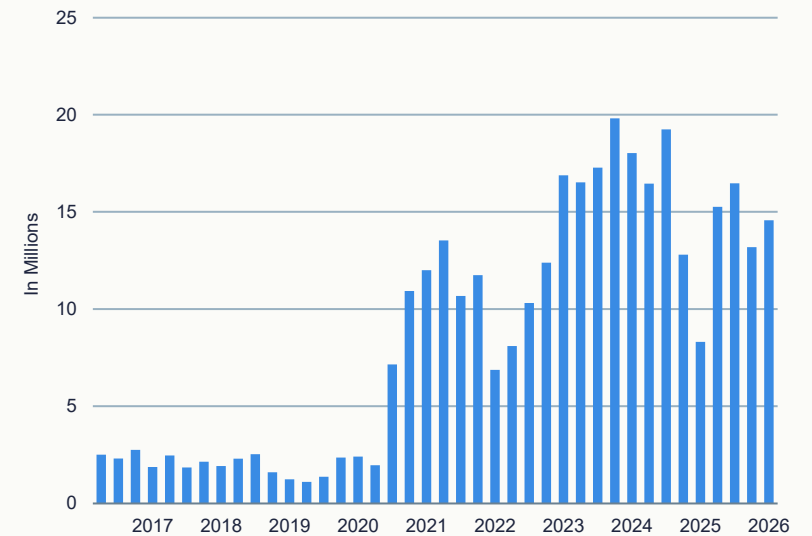
14.6M SF
Under Construction



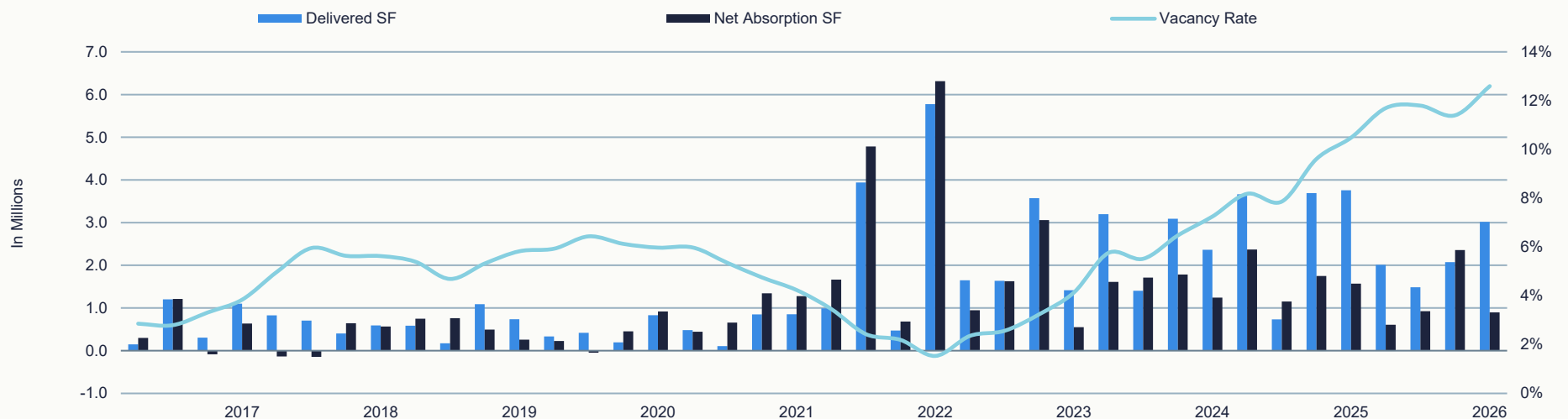
\$12.84 PSF
Net Asking Rent

- The **vacancy rate** was 12.6% as of this quarter. This is up 1.1% from last quarter and up 2.1% year over year. The submarkets with the highest vacancy included the Southwest with 22.0% vacancy and Georgetown with 22.6% vacancy as of this quarter.
- **Net absorption** totaled positive 894K for the quarter and positive 4.4M over the trailing 12 months. Submarkets with the highest absorption rate included Round Rock with 752K square feet of absorption and the East Submarket with 180K square feet of absorption for the quarter.
- Inventory for the Austin MSA totaled 160M square feet across 2,862 projects as of this quarter. **Under construction** projects totaled 14.6M square feet and **new deliveries** totaled 3M square feet for the quarter.

Under Construction

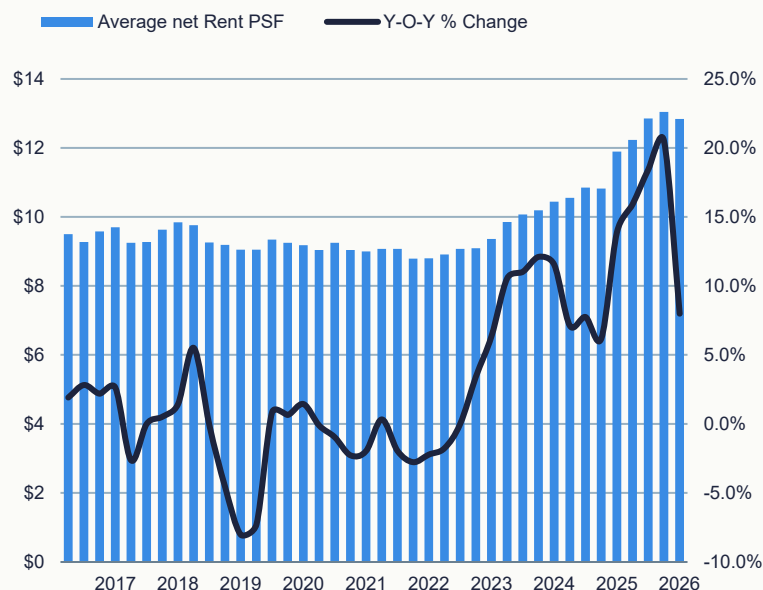


Delivery Impact On Key Indicators



- **Net rents** averaged \$12.84 per square foot across all product types for the quarter, which is down (1.5%) from last quarter and up 8.0% year over year. Flex rates averaged \$16.62 net per square foot, and Class C rates averaged \$12.21 net per square foot for the quarter. The submarkets with the highest per square foot average rent included the South with \$16.85 net per square foot and Cedar Park with \$14.83 net per square foot for the quarter.
- Large **industrial lease transactions** this quarter include ZT System's 412K sf lease at GTX Logistics Park and Samsung's 140K sf lease at Park 79 Commerce Center, both in Georgetown, as well as Atomic Semi's 122K sf lease in Southeast Austin's Expo 8 and TNT Crane & Rigging's 76K sf lease at Buda Commerce Center in Hays County.
- Recent **industrial sales transactions** include the sale ATX 130 Building 3 in Southeast Austin to Bixby Capital Management. Jackson Shaw sold this 207K sf industrial building for a reported \$43.025M.

Asking Rent



Industrial Sales Statistics

	Austin Trailing 12 Mo.	Austin This Quarter	U.S. Trailing 12 Mo.	U.S. This Quarter
Volume (\$ Mil)	\$1,130.2	\$670.8	\$120,048.2	\$30,341.6
Number of Properties	66	22	9,484	2,270
Total Square Feet	5,592,558	3,415,379	909,613,466	235,915,289
Average Price per SF	\$240.00	\$255.00	\$138.00	\$140.00
Average Cap Rate (Yield)	6.1%	6.1%	7.4%	7.3%

Source: Real Capital Analytics, Transwestern

Market Indicators Table

All Classes of Space | Q1 2026

Submarket	Inventory (SF)	Direct Vacant (SF)	Direct Vacancy Rate (%)	Total Availability Rate (%)	Under Construction (SF)	Year to Date Deliveries (SF)	Quarterly Net Absorption (SF)	YTD Net Absorption (SF)	Average Net Asking Rent PSF
Bastrop (BAS)	2,159,425	10,171	1.3%	1.3%	1,168,910	0	20,429	20,429	\$16.26
Caldwell County (CC)	1,490,637	0	11.5%	11.5%	103,500	0	0	0	\$20.00
CBD (CBD)	87,500	3,565,086	0.0%	0.0%	0	0	0	0	\$41.42
Cedar Park (CP)	3,182,894	198,644	7.0%	7.7%	1,091,612	63,484	(11,637)	(11,637)	\$24.90
Central (C)	2,140,396	448,953	7.8%	8.1%	0	0	7,369	7,369	\$24.16
East (E)	19,004,259	1,614,997	9.9%	11.3%	1,629,454	0	179,573	179,573	\$37.53
Far Northeast (FNE)	15,777,593	59,243	16.1%	16.9%	899,281	0	(12,842)	(12,842)	\$27.60
Far Northwest (FNW)	1,456,970	940,994	9.2%	10.0%	0	0	(27,427)	(27,427)	\$26.82
Georgetown (GTN)	17,284,493	111,565	20.7%	20.3%	1,568,036	505,870	160,043	160,043	\$28.28
Hays County (HC)	19,075,845	49,349	17.2%	18.3%	708,525	1,346,623	(571)	(571)	\$27.73
North (N)	16,894,653	1,098,613	8.7%	11.9%	0	0	(126,589)	(126,589)	\$31.91
Northeast (NE)	17,642,179	1,007,541	6.8%	8.2%	321,074	0	40,999	40,999	\$20.18
Northwest (NW)	3,546,669	3,833,505	9.2%	10.2%	0	0	(101,438)	(101,438)	\$25.31
Round Rock (RR)	11,041,422	85,624	12.4%	14.6%	4,897,218	495,872	751,950	751,950	\$24.09
South (S)	3,937,114	1,236,094	5.6%	5.6%	303,112	35,000	(9,047)	(9,047)	\$30.23
Southeast (SE)	23,845,786	400,361	13.3%	14.2%	1,862,238	558,720	28,394	28,394	\$20.81
Southwest (SW)	1,795,537	1,563,085	22.0%	22.6%	11,000	12,750	(5,093)	(5,093)	\$29.87
West Central (WC)	57,300	33,145	0.0%	0.0%	0	0	0	0	\$40.44
TOTAL	160,420,672	16,256,970	12.6%	13.7%	14,563,960	3,018,319	894,113	894,113	\$30.67

Source: CoStar, Transwestern

Research Methodology

The information in this report is the result of a compilation of information on industrial and flex properties located in the Austin MSA. This report includes single tenant, multi-tenant and owner-user properties 10,000 SF and larger, excluding properties owned by a government agency.

About Transwestern

Transwestern is a preeminent, vertically integrated commercial real estate firm dedicated to serving investors, partners and clients through expertise in investment, development, brokerage and property management. We own, lease and operate \$57 billion¹ in assets and have completed or commenced development on more than \$9 billion of real estate projects since 2012. Our experience spans diverse property types, including logistics, multifamily, retail, mixed-use, healthcare, office, data centers, hotel, and life sciences. Across 33 offices nationwide, our team is united by a culture that cultivates agility, mutual trust and high performance. Learn more at transwestern.com.

¹ Includes the Transwestern organization and RIA AUM as of June 30, 2025.

For More Information

Karen Judson

Senior Vice President
Marketing & Research
Karen.Judson@transwestern.com
(512) 328-5600

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