



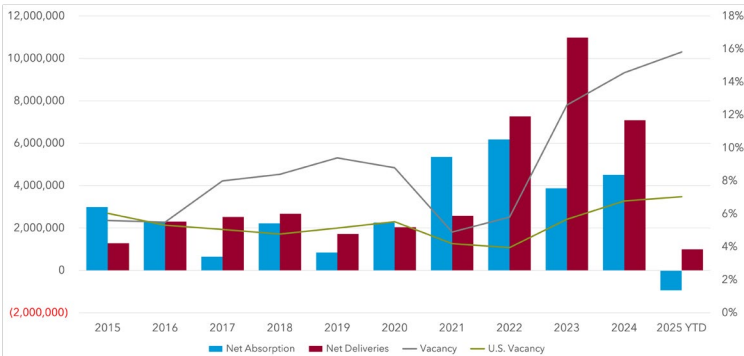
INDUSTRIAL MARKET OVERVIEW

ADAM GREEN, SIOR, *President*

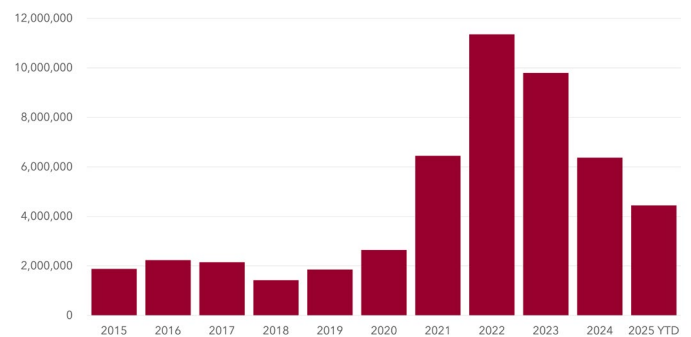
The Austin industrial market showed mixed performance in Q1 2025, with vacancy rates rising to 15.82%, up from 14.56% in Q4 2024, primarily due to supply additions. Despite this, developers remain bullish on the area's long-term prospects, with nearly 4.5 million square feet under construction. While tariffs are a concern, their full impact on the local market is still uncertain. Austin's thriving tech and manufacturing sectors, alongside its business-friendly environment, continue to drive demand for industrial space. As development activity remains strong, the market is expected to experience continued growth and expansion in the coming quarters, supported by Austin's economic fundamentals and its reputation as a key business hub.

MARKET INDICATORS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
▼ 12 Mo. Absorption Units	1,654,669	4,509,153	5,652,440	6,275,466	5,538,152
▲ Vacancy Rate	15.82%	14.56%	13.55%	12.48%	11.99%
▼ Avg NNN Asking Rent PSF	\$12.94	\$15.38	\$15.07	\$15.04	\$15.04
▼ Sale Price PSF	\$196	\$202	\$191	\$161	\$141
▼ Cap Rate	6.70%	7.00%	7.44%	4.13%	5.82%
▼ Under Construction	4,445,516	6,373,896	6,503,161	6,761,530	8,700,588
▲ Inventory	106,348,936	102,873,265	100,954,751	99,397,856	97,254,391

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2200 Chisholm Trail Road, Bldgs 1-3 Round Rock, TX	495,151 SF	Undisclosed	EQT Real Estate Highland Resources, Inc.	Class A
9400 Tuscany Way, Bldgs 1-3* Austin, TX	373,648 SF	Undisclosed	Starwood Capital Group Dalfen Industrial	Class A
1310 Blue Ridge Georgetown, TX	230,954 SF	Undisclosed	Ares Management Corp Stonemont Financial Group	Class A

*Part of Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6106 Ross Road Del Valle, TX	570,489 SF	Dalfen Industrial	Four Hands	Furniture Design & Wholesale
1800 Aviation Drive, Building 1 Georgetown, TX	231,408 SF	Stonelake Capital Partners	TSS	Professional, Scientific, and Technical Services
4811 N. Interstate 35 Georgetown, TX	145,450 SF	Jackson Shaw	Control Panels USA	Manufacturing, Environmental Controls

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