



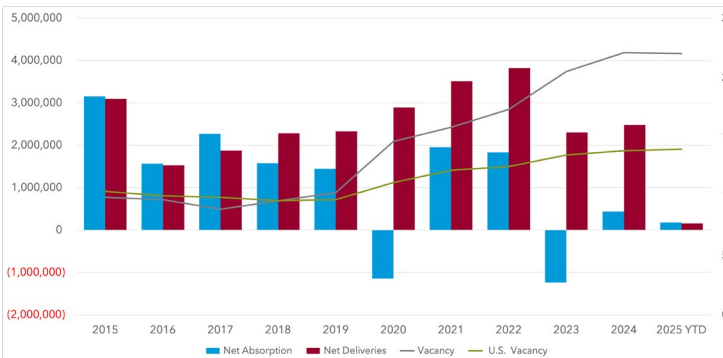
OFFICE MARKET OVERVIEW

ADAM GREEN, SIOR, *President*

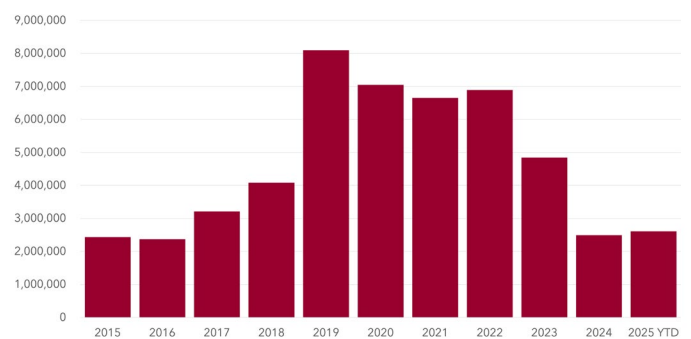
The Austin office market showed improvement in Q1 2025, with 821,074 SF of trailing 12-month net absorption, a sharp increase from Q4 2024. Vacancy rates remained relatively stable at 22.01%, slightly down from 22.08% in the previous quarter. Average asking rents decreased slightly to \$29.47 PSF. The market remains active, with 2.6 MSF under construction. Despite challenges, Austin's office market is showing positive signs of recovery, driven by the city's strong tech and innovation sectors, which continue to attract talent and investment. Economic growth in Austin is robust, with job creation in technology, life sciences, and advanced manufacturing contributing to the demand for office space. While vacancy rates remain elevated, the diverse economic base provides optimism for continued market stabilization and positive absorption moving forward.

MARKET INDICATORS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
▲ 12 Mo. Net Absorption SF	821,074	435,769	745,423	473,428	(106,228)
▼ Vacancy Rate	22.01%	22.08%	22.10%	21.90%	21.70%
▼ Avg NNN Asking Rate PSF	\$29.47	\$30.12	\$31.39	\$31.23	\$30.05
▼ Sale Price PSF	\$198	\$276	\$239	\$325	\$405
◀▶ Cap Rate	6.20%	6.20%	8.16%	6.00%	-
▲ Under Construction SF	2,610,095	2,489,594	2,794,590	2,814,539	2,917,513
▼ Inventory SF	98,259,400	99,252,657	98,926,763	98,859,334	98,743,760

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
915 Colorado Street* Austin, TX	269,771 SF	\$46,100,333 \$170.89 PSF	Reign Capital AT&T, Inc.	Class C
7010 Easy Wind Drive* Austin, TX	29,277 SF	\$8,836,612 \$301.83 PSF	Belveron Partners MIG Real Estate LLC	Class B
7020 Easy Wind Drive* Austin, TX	29,277 SF	\$7,777,549 \$265.65 PSF	Belveron Partners MIG Real Estate LLC	Class B

*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
11920 Domain Drive Austin, TX	65,050 SF	Cousins Properties	BigCommerce	Professional, Scientific, and Technical Services
301 Congress Avenue Austin, TX	60,033 SF	PGIM, Inc.	NinjaOne	Professional, Scientific, and Technical Services
6301 E. Highway 290 Austin, TX	57,204 SF	Crockett Partners Ltd.	Undisclosed	Undisclosed

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