



INDUSTRIAL MARKET OVERVIEW

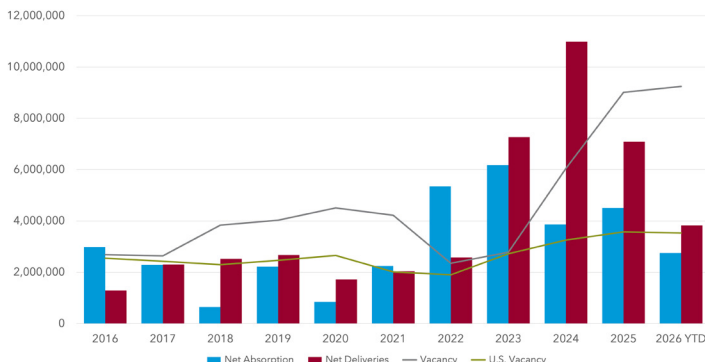
MITCHELL BECKER, *Managing Principal*

Momentum in the Austin industrial market continued into Q3 2026, driven by growing demand from advanced manufacturing, energy infrastructure, and other power-intensive users. These groups are becoming an increasingly significant source of leasing activity, with electrical capacity playing a larger role in site selection. Despite continued deliveries, new construction starts, and reports of slowing data center development, demand remains supported by companies expanding domestic manufacturing operations and the industries serving them. While new supply will continue to place pressure on certain submarkets, tenant demand is expected to keep pace with deliveries, supporting steady absorption and a gradual decline in vacancy rates through the remainder of 2026.

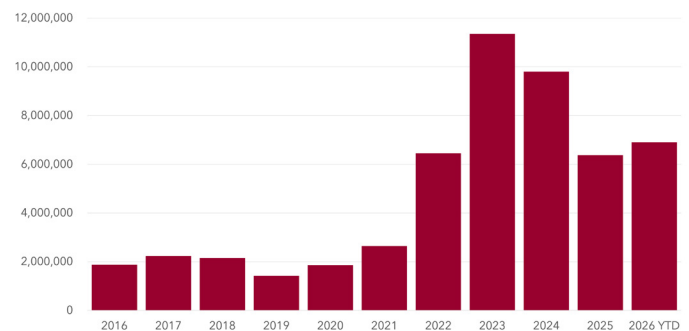
MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▲ 12 Mo. Net Absorption SF	3,151,627	1,700,463	1,064,910	2,744,449	2,195,570
▼ Vacancy Rate	19.26%	19.59%	20.19%	18.78%	18.77%
◀ ▶ Avg NNN Asking Rent PSF	\$-	\$-	\$-	\$-	\$-
◀ ▶ Sale Price PSF	\$175.00	\$175.00	\$175.00	\$180.00	\$180.00
◀ ▶ Cap Rate	*	*	*	*	*
▼ Under Construction	6,902,686	7,290,237	6,218,078	6,341,526	6,949,027
▲ Inventory	113,815,727	112,262,899	111,901,195	109,986,706	109,379,205

*Please contact Lee & Associates Austin, TX for Lease Rates and Cap Rate Information

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Harris Ridge Business Center Austin, TX	386,000 SF	Undisclosed	EastGroup TA Realty	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
610 Blue Springs Blvd Georgetown, TX	310,366 SF	Molto	Flex	Advanced Manufacturing
1501 Innovation Blvd Hutto, TX	196,523 SF	Titan	AI Prefab Solutions	Modular Power
6025 FM 973 Del Valle, TX	146,216 SF	Clarius	Amrbosia Energy	Renewable Energy

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2026 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com