

Austin Industrial Monthly Market Snapshot | December 2022

Over 14 Million sq. ft of space was added to the Austin Industrial market in 2022, a 100% increase from last year.

Market Highlights

An analysis of activity during the eleven months of the year—November 2022 compared to November 2021.

Increasing market demand

Eleven months into 2022, there has been 12.2 million sq. ft. of net absorption—including the completion of the Tesla Gigafactory at 4.5 million sq. ft. and Amazon Sat6 at 767,000 sq. ft. for a combined 5.3 million sq. ft.—to the Austin industrial market. In addition, 8.3 million sq. ft. of leasing activity comprised of new leases and renewals took place during the same period. 134 properties 10,000 sq. ft and larger are under construction, tallying 15.1 million sq. ft. with a 68% availability rate. 14.2 million sq. ft. has been added to the Austin Industrial market in 2022, an over 100% increase at 6.8 million sq. ft. as of November 2022.

Vacancy at 4.9%

As of November 2022, overall vacancy in the Austin industrial market is at 4.9%, up 130 basis points from last year at 3.6%. Availability is at 13.1%, up from November 2021 at 7.1%. The difference between this figure and the vacancy rate reflects expected future move-outs. As vacancy rates tighten, landlords have pushed the NNN average asking monthly rents up to \$1.01 per sq. ft. Austin's economy has recovered at one of the fastest rates nationally, and more companies and people continue to move to Texas' capital city.

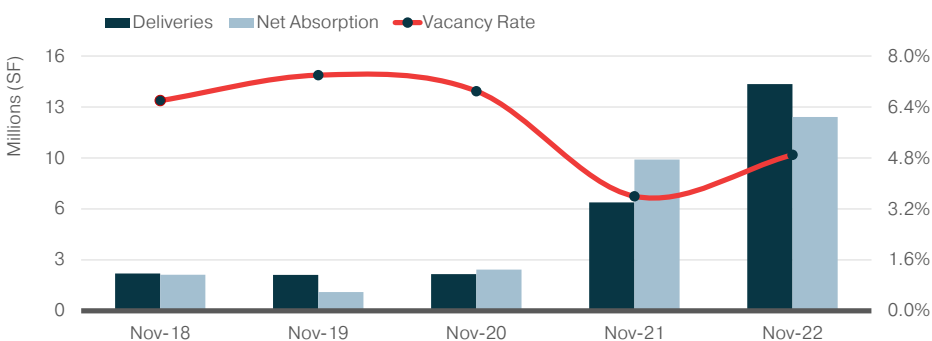
Construction of an electric vehicle manufacturing facility

Elon Musk's Tesla Inc. filed paperwork to start construction of an electric vehicle manufacturing facility at the automaker's Gigafactory site in Austin and to upgrade a nearby building. Tesla seeks to build a \$58 million 174,979-sq.-ft. electric vehicle manufacturing facility at 1 Tesla Road in Austin and filed a separate application to make interior improvements at a distribution warehouse it plans to move into in 2023. The application for construction was filed with the Texas Department of Licensing and Regulation.

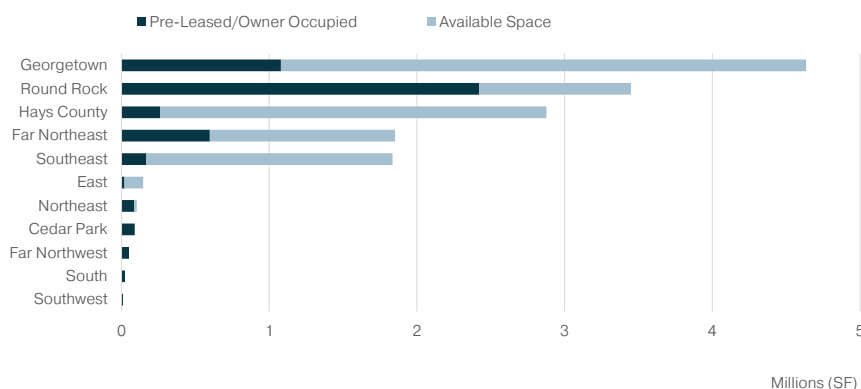
Market Activity

	November 2022	vs	November 2021
Vacancy	4.9%	▲	3.6%
Availability	13.1%	▲	7.1%
Under Construction SF	15,072,416	▲	12,942,667
NNN Avg Asking Rent/MO	\$1.01	▼	\$1.02
Net Absorption SF YTD	12,174,719	▲	9,495,164
Leasing Activity SF YTD	8,254,598	▼	12,616,462
Deliveries SF YTD	14,236,814	▲	6,809,563

Supply & Demand | November - Year Over Year



Construction | November - Year To Date



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