

### Austin Retail asking rent increases 14% year-over-year

#### Austin Retail

As of July 2023, the overall vacancy rate in the Austin retail market remained flat from July 2022 at 3.2%. Year-to-date, net absorption—move-ins minus move-outs—is at 1.2 million sq. ft., up 29% from the prior year-to-date figure of 979,071 sq. ft. This improvement in net absorption was partially due to the surge in retail deliveries year-over-year. Year-to-date, deliveries more than doubled from 605,854 sq. ft. in July 2022 to 1.3 million sq. ft. in July 2023. In addition, tighter vacancies and higher demand have contributed to a 14% increase in the average monthly rate over the past year. The average monthly rate currently stands at \$26.47 per sq. ft., compared to \$23.14 per sq. ft. one year prior.

#### Austin Industrial

The overall vacancy rate in the Austin industrial market as of July 2023 was 7.9%, marking a 400-basis point increase from 3.9% in July 2022. Year-to-date, net absorption is at 2.4 million sq. ft., down from 9.4 million sq. ft. in 2022. New construction completions have outpaced net absorption over the last year, increasing the overall vacancy rate. As of July 2023, industrial construction registered at 16.7 million sq. ft.—a 30% increase from the prior year's 12.8 million sq. ft. Over the past three years, construction averaged roughly 11.5 million sq. ft. annually. The average asking rent decreased slightly year-over-year from \$1.11 per sq. ft. to \$1.08 per sq. ft.

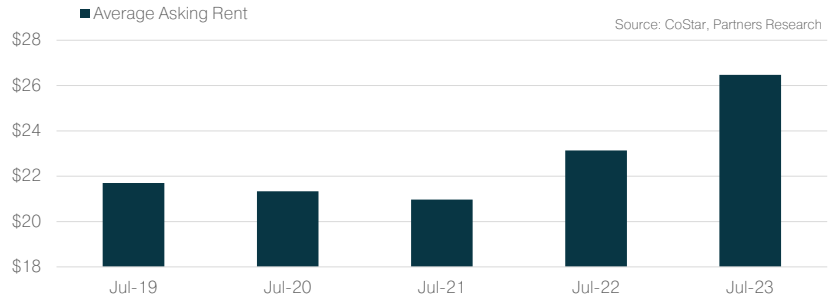
#### Austin Office

Seven months into 2023, the overall vacancy rate in the Austin office market was 17.9%, up 390 basis points from the previous year's 14.0%. Year-to-date, net absorption is at -1.8 million sq. ft., down from the prior year-to-date tally of 1.3 million sq. ft. Year-to-date, deliveries total 1.4 million sq. ft. Roughly 57% of deliveries are less than 50% leased thus far in 2023, contributing to the year-over-year increase in the overall vacancy rate. Furthermore, this reduction in demand has contributed to the return of 1.7 million sq. ft. of unoccupied sublet space to Austin's office market over the last year. On the flip side, the average asking rent was \$41.30 per sq. ft. in July 2023, up slightly from \$40.27 per sq. ft. in July 2022.

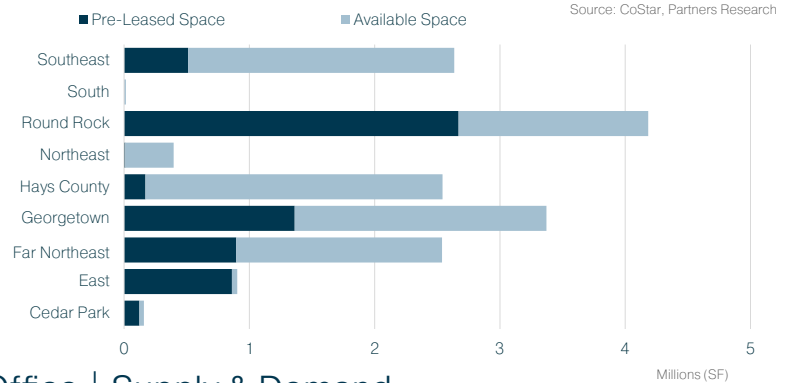
#### Austin Multifamily

Year-to-date, 9,312 multifamily units have been absorbed in Austin, nearly doubling from 5,907 units this time last year. Overall occupancy in the Austin multifamily market decreased to 89.8% in July 2023, down 200 basis points from 91.8% in July 2022. Year-to-date deliveries total 14,032 units, up 35% from the prior year-to-date amount of 10,415 units. As of July 2023, 47,734 units filled Austin's multifamily pipeline. Over the prior three years, construction averaged roughly 35,000 units annually. Lastly, multifamily rental rates in Austin decreased year-over-year, from \$1,665 in July 2022 to \$1,625 in July 2023.

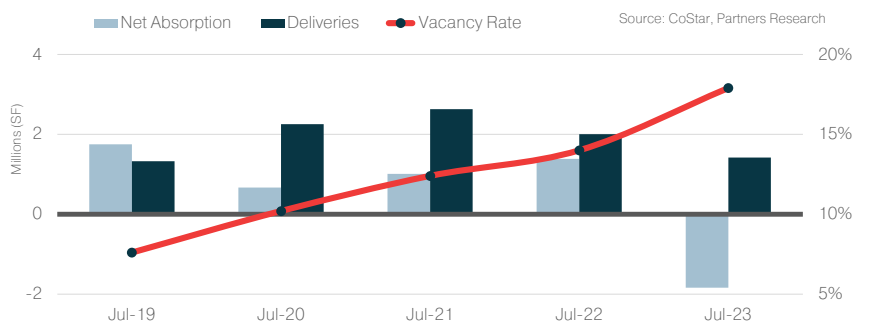
#### Retail | Rent



#### Industrial | Construction



#### Office | Supply & Demand



#### Multifamily | Deliveries

