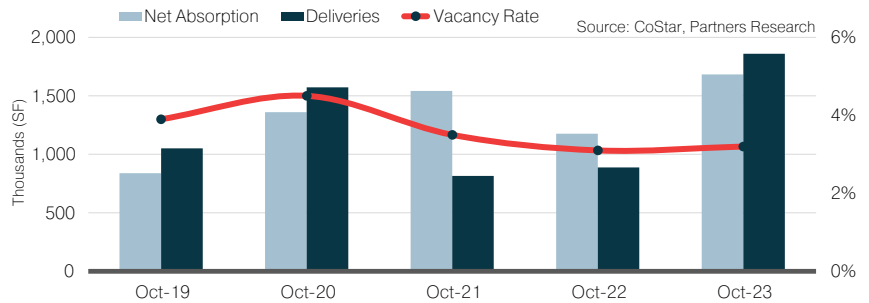


Austin Retail vacancy remains near all-time lows

Austin Retail

As of October 2023, the overall vacancy rate in Austin's retail market is 3.2%, up 10 basis points from 3.1% the previous year. Year-to-date, net absorption—move-ins minus move-outs—is at 1.6 million sq. ft., up 43% from the prior year-to-date number of 1.1 million sq. ft. Build-to-suit retailer expansions within Austin's suburban areas have fueled positive net absorption over the past year. The 177,900-sq. ft. department store (Target) at 1101 C-Bar Ranch Trail built in January, still reigns as the largest delivery completed in 2023 thus far. Year-to-date, deliveries registered at 1.8 million sq. ft.—roughly 83% of these deliveries are fully leased, further driving the availability rate down to 4.1%. In turn, the average asking rent increased 10% year-over-year to \$26.39 per sq. ft.—a record high for the metro's retail sector.

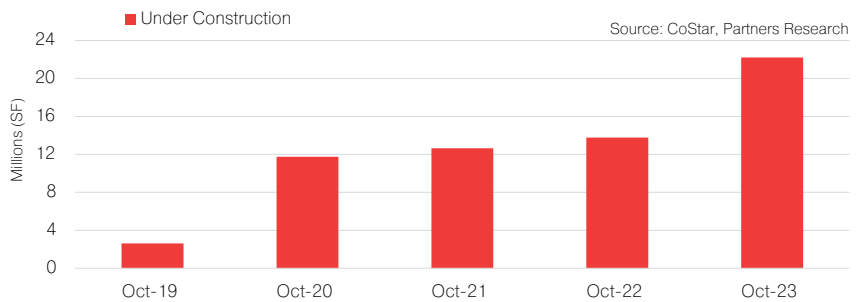
Retail | Supply & Demand



Austin Industrial

The overall vacancy rate in the Austin industrial market as of October 2023 is 8.7%, marking a 430-basis point increase from 4.4% in October 2022. Year-to-date, net absorption is at 3.5 million sq. ft., down from the prior year-to-date statistic of 11.2 million sq. ft. Construction reached 22.2 million sq. ft.—a record-high for the metro's retail sector—increasing 61% from the previous year's 13.7 million sq. ft. A notable project underway in October included a 1.5 million-sq.-ft. manufacturing building (Bobcat Project) at 13101 Harold Green Drive, which is set to be completed by March 2024. In addition, the metro's average monthly rate currently stands at \$1.15 per sq. ft., up 7% from the \$1.07 per sq. ft. the previous year.

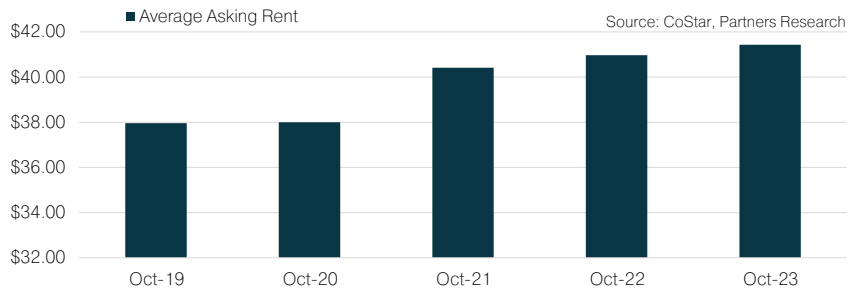
Industrial | Construction



Austin Office

Ten months into 2023, the overall vacancy rate in the Austin office market is 18.1%, up 340 basis points from the prior year's 14.7%. Year-to-date, net absorption -1.7 million sq. ft., down from the prior year-to-date tally of 1.6 million sq. ft. Tenants continue to reassess their office space needs through downsizing and decelerating corporate expansions, which has continued to temper demand throughout 2023. Year-to-date, leasing activity—comprised of new leases and renewals—is at 3.1 million sq. ft., 53% down from 6.8 million sq. ft. last year. The average asking rent currently stands at \$41.43 per sq. ft., slightly up from \$40.97 per sq. ft. in October 2022.

Office | Annual Rent Growth



Austin Multifamily

Year-to-date, 8,660 multifamily units have been absorbed in Austin, up 10% from 7,872 units this time last year. Overall occupancy in the metro's multifamily sector declined to 87.6% in October 2023, down 330 basis points from 90.9% in October 2022. Year-to-date, deliveries amounted to 21,255 units, up 47% from the prior year-to-date figure of 14,495 units. Notable completions within the last year include a 4-story, 450,000-sq.-ft. (463 units) apartment building at 3001 East Pecan Street in August 2023, and a 2-story, 550,000-sq.-ft. (409 units) apartment building at 18612 Pfluger Farm Lane in July 2023. The average monthly rate currently stands at \$1,578 per unit, 4% down from \$1,641 per unit last year.

Multifamily | Deliveries

