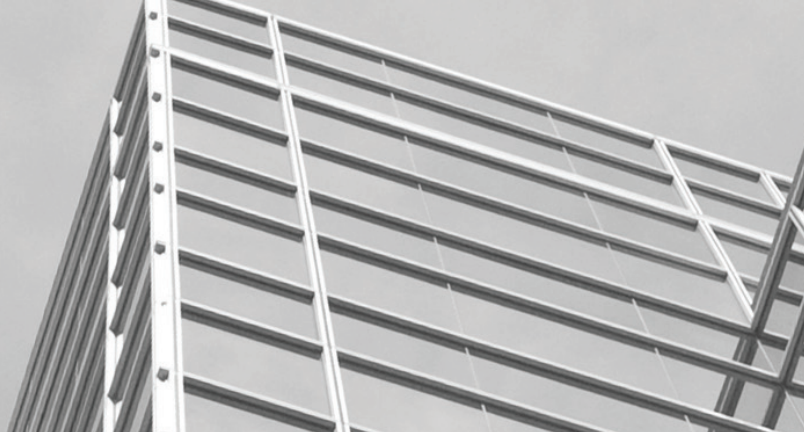


AUSTIN OFFICE MARKET WATCH

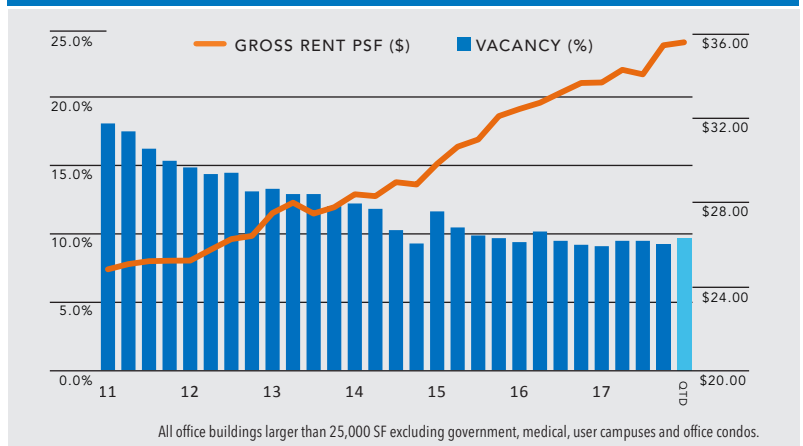
JANUARY 2018



Recent Office Leases

- **Southwest :: Virtu Financial**
18,778 SF at Walsh Tarlton Overlook
- **Northwest :: Shapiro Settlement (renew)**
10,277 SF at Canyon Hills Office Center
- **Southwest :: O'Connell Robertson (renew)**
10,016 SF at 811 Barton
- **North :: Indeed.com (prelease)**
309,883 SF at Domain Tower (under constr.)

OFFICE LEASE STATISTICS :: VACANCY & RENTAL RATE



Recent Office Sales

- **Far Northwest :: Paloma Ridge A & B**
13620 Ranch Road 620
210,100 SF two 2-story value office buildings
Buyer: Alliance Bernstein JV Stream Realty
Seller: Ascentris

Office Sales Statistics

	AUSTIN TRAILING 12 MO.	AUSTIN Q4 2017	AUSTIN QUARTER TO DATE	U.S. TRAILING 12 MO.	U.S. Q4 2017
Volume (\$ Mil)	\$1,690.5	\$367.9	\$47.1	\$125,885.7	\$31,213.6
No. of Properties	60	15	2	5,463	1,160
Total SF	5,938,497	1,439,535	194,000	630,288,094	123,221,407
Average Price/SF	\$351	\$229	\$243	\$251	\$253
Average Cap Rate (Yield)	6.7%	6.5%	N/A	6.7%	6.7%

SOURCE: Real Capital Analytics

Monthly Office Lease Statistics By Submarket

SUBMARKET	NO. OF BLDGS	INVENTORY	YTD NET ABSORPTION	YTD LEASING ACTIVITY	DIRECT OCCUP.	TOTAL OCCUP.	CLASS A NET RENT	CLASS B NET RENT	CLASS C NET RENT	AVE NET RENT
CBD	86	13,208,090	766,113	1,207,646	92.6%	91.6%	\$41.88	\$30.16	\$26.83	\$37.43
Central & West Central	80	5,461,552	(12,130)	354,326	94.5%	94.1%	\$29.98	\$17.49	\$16.80	\$20.59
North	67	7,057,373	300,129	1,072,906	92.4%	92.0%	\$31.24	\$19.25	\$14.65	\$23.07
Northeast & East	74	6,117,224	317,025	481,787	81.7%	81.2%	\$34.94	\$22.41	\$15.01	\$23.65
Northwest & Far NW	214	16,796,471	(49,244)	917,517	92.3%	91.5%	\$23.43	\$20.41	\$15.53	\$21.82
Round Rock & Cedar Park	49	3,209,316	281,721	190,902	91.5%	90.7%	\$23.04	\$18.83	\$15.31	\$20.11
South	44	2,972,390	83,896	236,303	95.0%	94.9%	\$32.35	\$21.68	\$19.55	\$23.92
Southeast	22	2,394,577	38,670	653,281	90.8%	90.8%	\$18.50	\$16.37	\$16.21	\$16.44
Southwest	136	11,437,042	476,200	1,304,343	91.9%	89.1%	\$27.32	\$21.56	\$18.75	\$25.71
AUSTIN	772	68,654,035	2,202,380	6,419,011	91.5%	90.6%	\$30.87	\$21.12	\$17.76	\$25.50

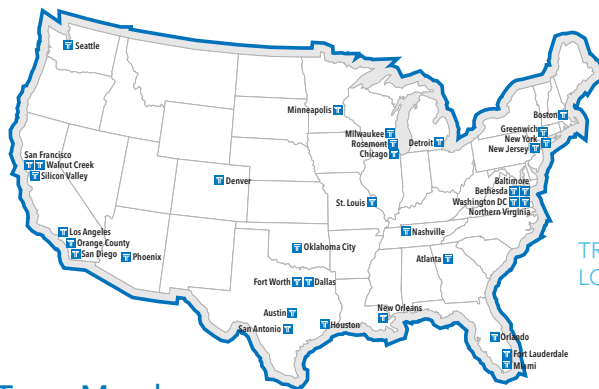
SOURCE: Transwestern, CoStar

AUSTIN OFFICE MARKET WATCH

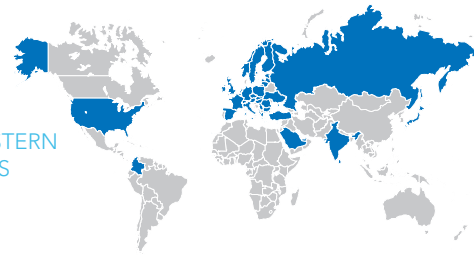
JANUARY 2018

About Transwestern

Transwestern is a privately held, SSAE 16 compliant commercial real estate firm specializing in agency leasing, property and facilities management, tenant advisory, capital markets, research and sustainability. The fully integrated global enterprise leverages competencies in office, industrial, retail, multifamily and healthcare properties to add value for investors, owners and occupiers of real estate. As a member of the Transwestern family of companies, the firm capitalizes on market insights and operational expertise of independent affiliates specializing in development, real estate investment management and research. Based in Houston, Transwestern has 34 U.S. offices and assists clients through more than 180 offices in 40 countries as part of a strategic alliance with Paris-based BNP Paribas Real Estate. For more information, please visit transwestern.com/austin and follow us on Twitter: @TranswesternATX.



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METHODOLOGY

The information in this report is the result of a compilation of information on office properties located in the Austin metropolitan area. This report includes single-tenant and multi-tenant properties 25,000 SF and larger, excluding condo and medical office facilities and those properties owned and occupied by a government agency. Unless otherwise stated, the statistics in this report are monthly, meaning they reflect a 'snapshot in time' and are not cumulative. *Net Absorption* refers to the change in vacant space. *Gross Leasing Activity* refers to the change in available space, including renewals, new leases, expansions and subleases.



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