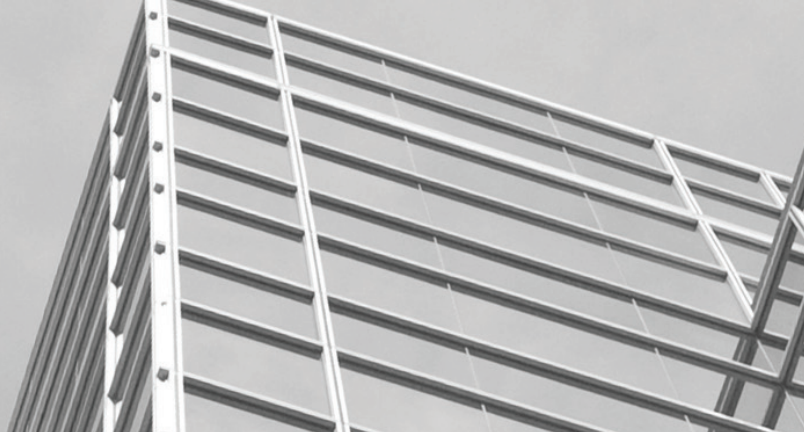


# AUSTIN OFFICE MARKET WATCH

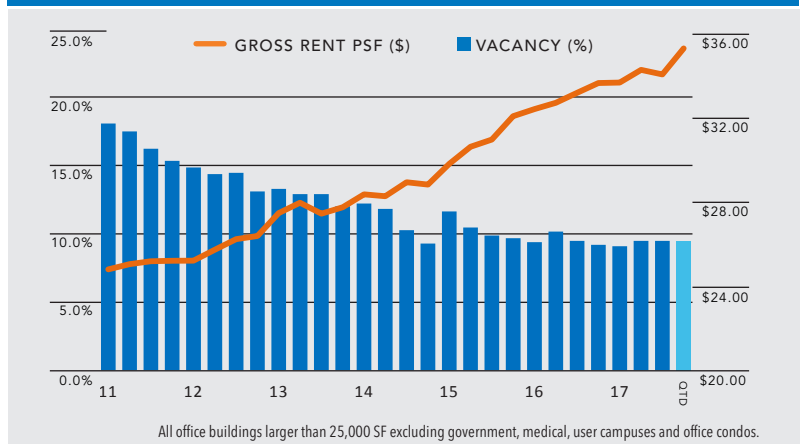
DECEMBER 2017



## Recent Office Leases

- **Southwest :: Gehan Homes (renew)**  
10,907 SF at Barton Creek Plaza III
- **East :: W2O Group Marketing**  
11,833 SF at 507 Calles Street
- **Southwest :: ARM (expansion)**  
20,000 SF at Encino Trace 1
- **CBD :: HNTB Corporation**  
14,051 SF at Austin Centre

## OFFICE LEASE STATISTICS :: VACANCY & RENTAL RATE



## Recent Office Sales

- **Round Rock :: Houghton Mifflin Harcourt**  
2700 La Frontera Blvd.  
97,311 SF 3-story value office building  
Buyer: Empire Square Group  
Seller: Redleaf Properties JV Live Oak

## Office Sales Statistics

	AUSTIN TRAILING 12 MO.	AUSTIN Q3 2017	AUSTIN QUARTER TO DATE	U.S. TRAILING 12 MO.	U.S. Q3 2017
Volume (\$ Mil)	\$2,414.9	\$268.7	\$342.8	\$135,240.4	\$28,422.4
No. of Properties	64	12	13	5,833	1,356
Total SF	7,952,075	702,941	1,337,074	564,161,626	128,106,446
Average Price/SF	\$296	\$458	\$243	\$255	\$230
Average Cap Rate (Yield)	6.6%	6.1%	N/A	6.7%	6.6%

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	87	13,310,756	496,057	1,219,299	91.4%	90.2%	\$40.99	\$29.14	\$26.83	\$36.56
Central & West Central	80	5,459,728	(29,849)	355,680	94.4%	94.0%	\$30.91	\$18.69	\$18.02	\$21.72
North	67	7,057,373	295,500	814,099	92.4%	91.8%	\$32.50	\$19.23	\$15.47	\$23.50
Northeast & East	73	6,001,224	284,442	367,226	83.3%	82.7%	\$34.40	\$23.10	\$16.47	\$24.23
Northwest & Far NW	216	17,009,002	143,262	1,071,764	92.4%	91.1%	\$23.75	\$20.12	\$16.04	\$21.94
Round Rock & Cedar Park	46	2,970,523	134,057	147,139	92.8%	91.9%	\$23.03	\$17.75	\$17.10	\$19.70
South	43	2,922,390	101,020	208,839	95.3%	95.2%	\$33.04	\$22.98	\$20.68	\$25.02
Southeast	22	2,394,577	35,905	656,480	90.7%	90.7%	\$18.50	\$16.78	\$16.32	\$16.75
Southwest	135	11,404,345	382,015	1,418,967	91.8%	89.0%	\$26.76	\$21.35	\$17.72	\$25.23
<b>AUSTIN</b>	<b>769</b>	<b>68,529,918</b>	<b>1,842,409</b>	<b>6,259,493</b>	<b>91.5%</b>	<b>90.3%</b>	<b>\$30.77</b>	<b>\$21.10</b>	<b>\$18.45</b>	<b>\$25.50</b>

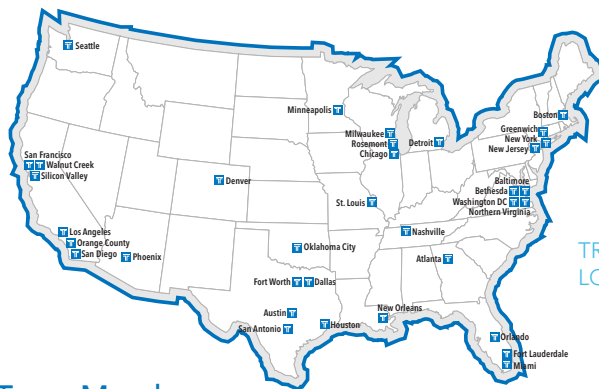
SOURCE: Transwestern, CoStar

# AUSTIN OFFICE MARKET WATCH

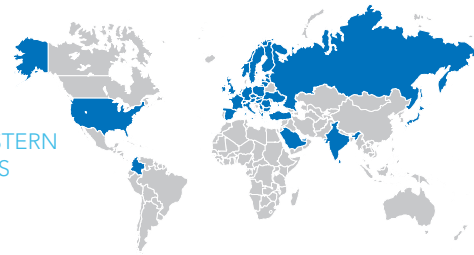
DECEMBER 2017

## 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](http://transwestern.com/austin) and follow us on Twitter: @TranswesternATX.



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LOCATIONS

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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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