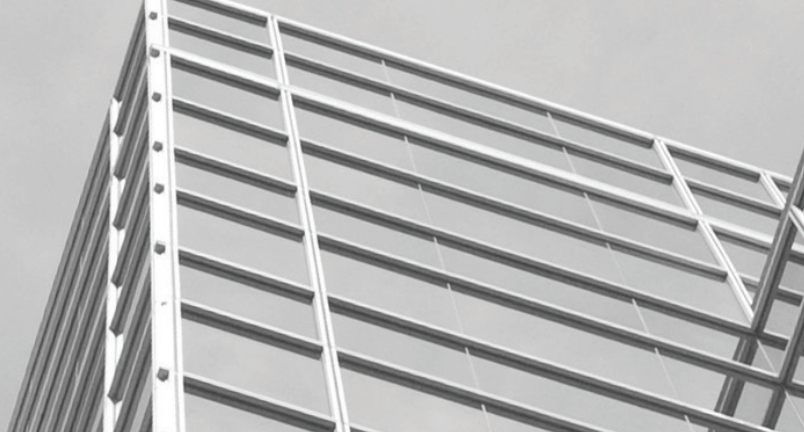


AUSTIN OFFICE MARKET WATCH

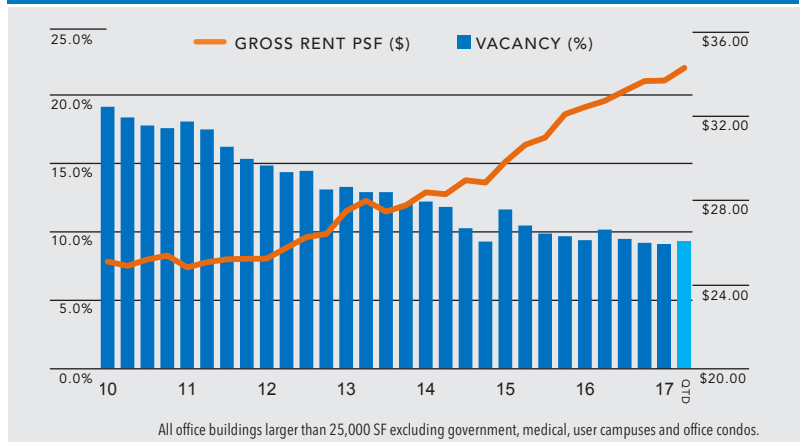
JUNE 2017



Recent Office Leases

- **Northwest :: Hays Software (renew)**
11,110 SF at Riata Gateway
- **Northwest :: Fathom Water Mgmt (subs)**
14,053 SF at Riata Corporate Park 7
- **CBD :: Dykema Gosset**
10,891 SF at One Eleven Congress
- **Central :: Cobb Fendley & Assoc.**
16,444 SF at Centennial Towers

OFFICE LEASE STATISTICS :: VACANCY & RENTAL RATE



Recent Office Sales

- **Southwest :: Capital Ridge**
320 S. Capital of Texas Highway
217,000 SF 7 story Class A office building
Buyer: GLL Real Estate Partners
Seller: Miller Global JV Riverside Resources

Office Sales Statistics

	AUSTIN TRAILING 12 MO.	AUSTIN Q1 2017	AUSTIN QUARTER TO DATE	U.S. TRAILING 12 MO.	U.S. Q1 2017
Volume (\$ Mil)	\$2,842.3	\$539.9	\$123.5	\$139,691	\$28,758.5
No. of Properties	77	14	5	5,769	1,428
Total SF	9,849,227	2,036,349	354,064	583,995,689	124,764,923
Average Price/SF	\$299	\$341	\$382	\$253	\$246
Average Cap Rate (Yield)	6.3%	5.4%	N/A	6.6%	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	85	13,012,400	428,149	362,145	92.9%	91.7%	\$41.32	\$28.82	\$29.28	\$36.85
Central & West Central	79	5,433,337	106	114,446	95.0%	94.5%	\$30.83	\$19.86	\$19.59	\$22.65
North	67	7,046,571	315,923	104,676	93.6%	92.4%	\$29.03	\$19.71	\$14.92	\$22.64
Northeast & East	72	5,790,570	314,829	297,979	87.0%	86.9%	\$25.99	\$17.81	\$15.83	\$18.96
Northwest & Far NW	216	16,936,745	(143,272)	414,232	91.9%	89.7%	\$23.44	\$19.18	\$17.24	\$21.52
Round Rock & Cedar Park	47	3,044,111	88,748	67,560	88.4%	87.9%	\$21.70	\$19.61	\$14.82	\$19.97
South	41	2,835,600	(1,649)	84,415	93.6%	92.8%	\$23.00	\$20.58	\$14.66	\$19.80
Southeast	21	2,365,372	(5,464)	562,657	90.2%	90.1%	\$17.50	\$16.51	\$15.65	\$15.47
Southwest	134	11,274,737	429,276	409,129	91.1%	89.6%	\$25.35	\$20.59	\$17.54	\$24.00
AUSTIN	762	67,739,443	1,426,646	2,417,239	91.8%	90.5%	\$29.58	\$20.17	\$18.36	\$24.52

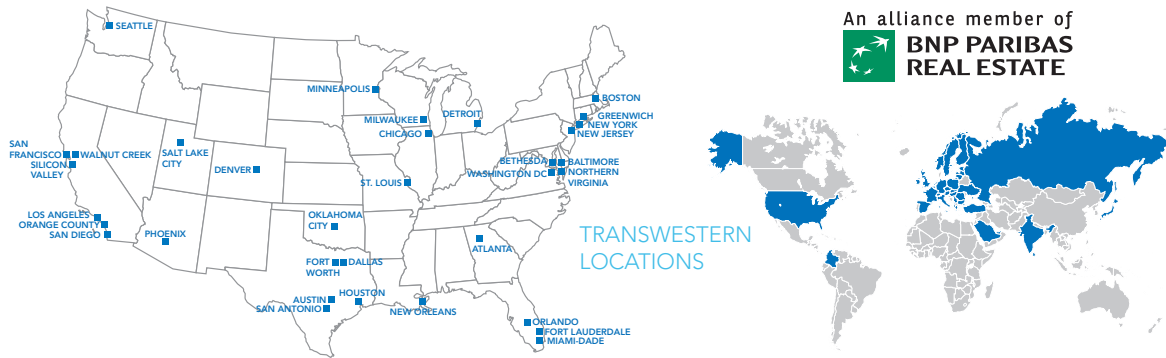
SOURCE: Transwestern, CoStar

AUSTIN OFFICE MARKET WATCH

JUNE 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 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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