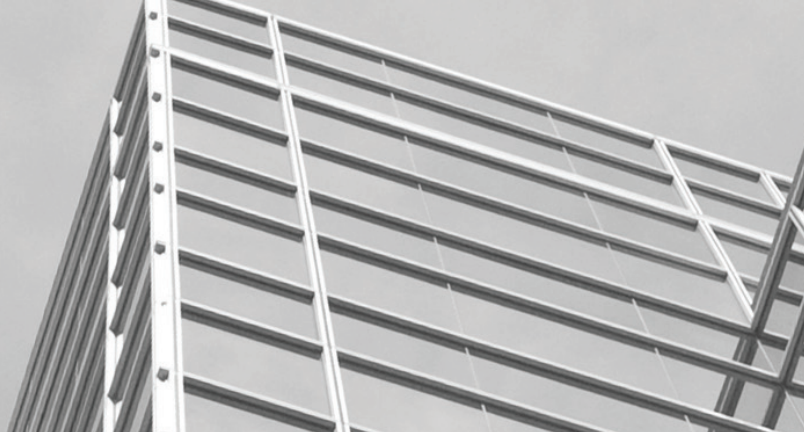


AUSTIN OFFICE MARKET WATCH

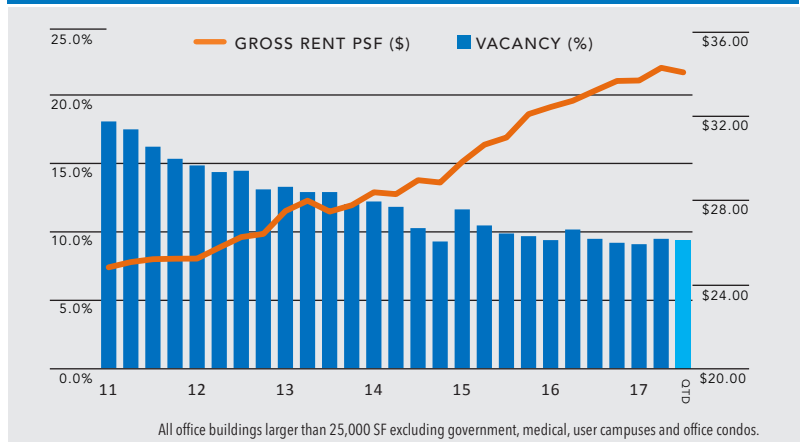
JULY 2017



Recent Office Leases

- **CBD :: Texas Tribune**
13,207 SF at Capitol Tower
- **Southwest :: Ascendant Technology**
10,358 SF at Hill Country Galleria (Offices)
- **CBD :: Deloitte**
31,694 SF at 500 West 2nd
- **CBD :: FirmSpace**
33,932 SF at 500 West 2nd

OFFICE LEASE STATISTICS :: VACANCY & RENTAL RATE



Recent Office Sales

- **Northwest :: The Campus @ Aboretum**
10415-10431 Morado Circle (5 Bldgs)
318,217 SF in 5 three-story office buildings
Buyer: Vanderbilt JV True North Mgmt
Seller: DivcoWest Real Estate

Office Sales Statistics

	AUSTIN TRAILING 12 MO.	AUSTIN Q2 2017	AUSTIN QUARTER TO DATE	U.S. TRAILING 12 MO.	U.S. Q2 2017
Volume (\$ Mil)	\$2,789.1	\$395.0	\$4.5	\$140,132.7	\$33,234.4
No. of Properties	74	13	1	5,769	1,302
Total SF	9,703,929	1,447,022	29,394	572,533,998	122,025,520
Average Price/SF	\$295	\$315	N/A	\$254	\$273
Average Cap Rate (Yield)	6.4%	6.8%	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	12,996,533	534,265	381,042	92.9%	91.7%	\$41.11	\$28.51	\$24.74	\$36.31
Central & West Central	79	5,433,097	35,426	125,769	95.4%	94.9%	\$31.11	\$20.09	\$19.48	\$22.82
North	66	6,755,513	364,378	98,216	93.0%	92.3%	\$29.05	\$20.85	\$16.75	\$23.43
Northeast & East	72	5,790,570	316,926	307,755	87.0%	87.0%	\$25.99	\$17.20	\$15.18	\$18.45
Northwest & Far NW	216	16,930,112	(23,402)	280,594	91.8%	89.6%	\$23.17	\$19.44	\$17.43	\$21.46
Round Rock & Cedar Park	47	3,037,478	95,356	91,229	88.3%	87.8%	\$23.00	\$20.03	\$16.15	\$20.81
South	41	2,835,600	5,511	94,443	93.4%	92.9%	\$30.80	\$21.50	\$19.50	\$23.42
Southeast	22	2,394,577	(4,251)	563,903	89.1%	89.0%	\$18.50	\$16.45	\$15.09	\$16.21
Southwest	133	11,219,521	214,040	468,158	90.1%	88.4%	\$26.89	\$20.51	\$17.54	\$25.11
AUSTIN	761	67,393,001	1,538,249	2,411,109	91.6%	90.3%	\$30.15	\$20.31	\$18.31	\$24.86

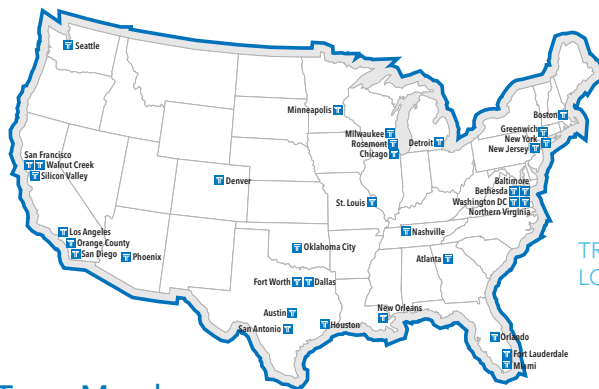
SOURCE: Transwestern, CoStar

AUSTIN OFFICE MARKET WATCH

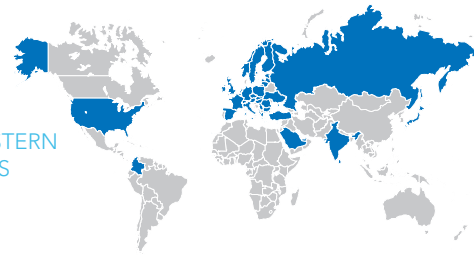
JULY 2017

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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