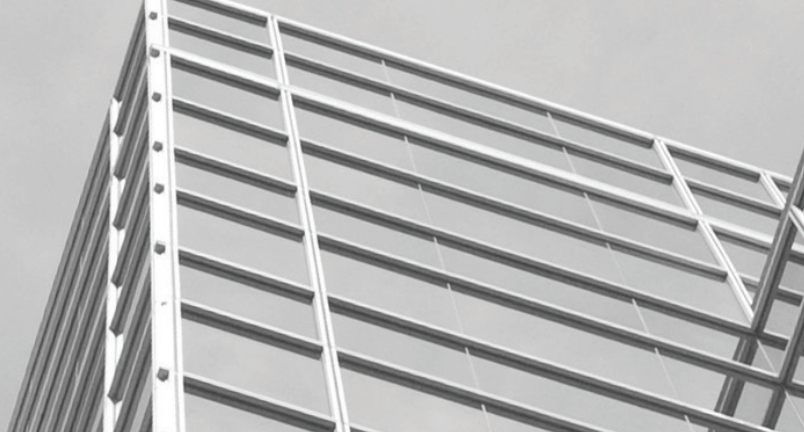


AUSTIN OFFICE MARKET WATCH

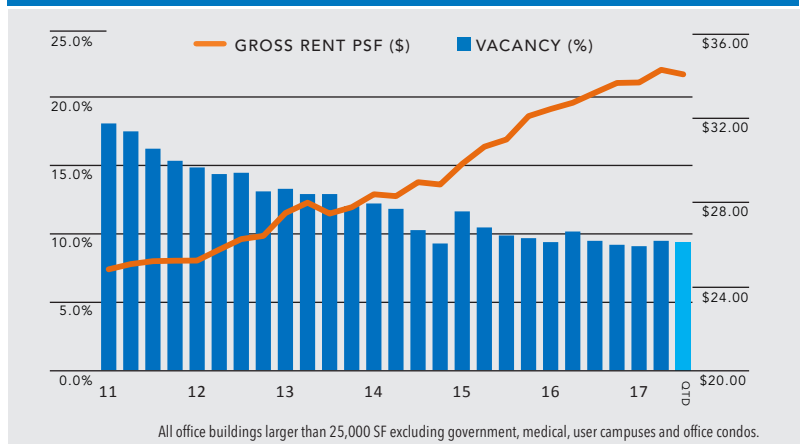
AUGUST 2017



Recent Office Leases

- **Southeast :: Opcity**
49,293 SF at Bergstrom Tech Center 312
- **Northwest :: Marcus & Millichap (renew)**
11,015 SF at Stonebridge Plaza II
- **Southwest :: Linebarger Goggan Law Firm**
29,854 SF at The Terrace 2 (renew)
- **Round Rock :: Kingsisle**
23,669 SF at 301 Sundance Parkway (TG)

OFFICE LEASE STATISTICS :: VACANCY & RENTAL RATE



Recent Office Sales

- **Southeast :: TXDOT Riverside Campus**
118 East Riverside Drive
284,367 SF in four office buildings
Buyer: Mae Crockett Partners
Seller: Texas Dept. of Transportation

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)	\$2,789.2	\$395.1	\$76.5	\$141,000.3	\$31,179.7
No. of Properties	75	14	3	5,842	1,366
Total SF	9,709,022	1,452,115	224,822	577,597,802	123,320,411
Average Price/SF	\$295	\$315	N/A	\$253	\$249
Average Cap Rate (Yield)	6.7%	7.5%	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	520,766	526,640	93.6%	92.4%	\$40.12	\$29.30	\$29.15	\$36.21
Central & West Central	79	5,433,337	47,322	177,663	95.9%	95.4%	\$31.08	\$19.64	\$18.22	\$22.30
North	67	7,046,571	316,814	288,984	92.8%	92.0%	\$29.07	\$19.41	\$15.22	\$22.47
Northeast & East	73	5,843,682	289,609	320,604	87.2%	86.6%	\$27.00	\$23.46	\$15.18	\$23.07
Northwest & Far NW	217	17,036,680	273	823,616	92.3%	90.1%	\$23.67	\$19.67	\$15.80	\$21.72
Round Rock & Cedar Park	46	2,932,173	66,882	113,960	90.1%	89.5%	\$22.64	\$18.97	\$14.07	\$19.92
South	41	2,835,600	2,926	146,363	93.2%	92.9%	\$25.00	\$20.70	\$15.01	\$20.45
Southeast	22	2,394,577	(35,029)	624,089	87.8%	87.7%	\$18.50	\$16.54	\$14.69	\$16.18
Southwest	134	11,307,021	395,542	808,016	91.6%	89.0%	\$25.69	\$21.04	\$17.18	\$24.36
AUSTIN	764	67,826,174	1,605,105	3,829,935	92.1%	90.7%	\$29.54	\$21.08	\$17.63	\$24.83

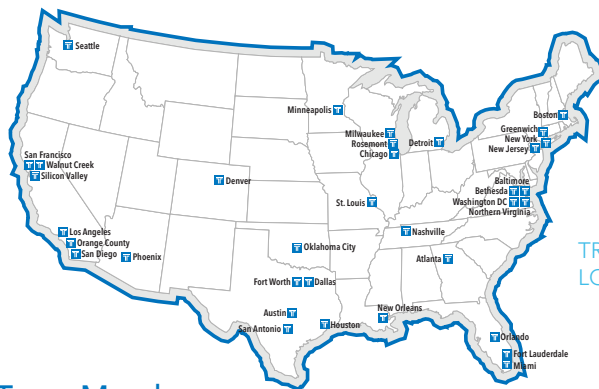
SOURCE: Transwestern, CoStar

AUSTIN OFFICE MARKET WATCH

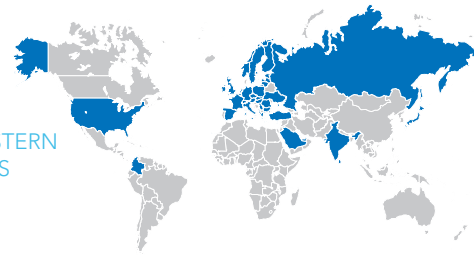
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About Transwestern

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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