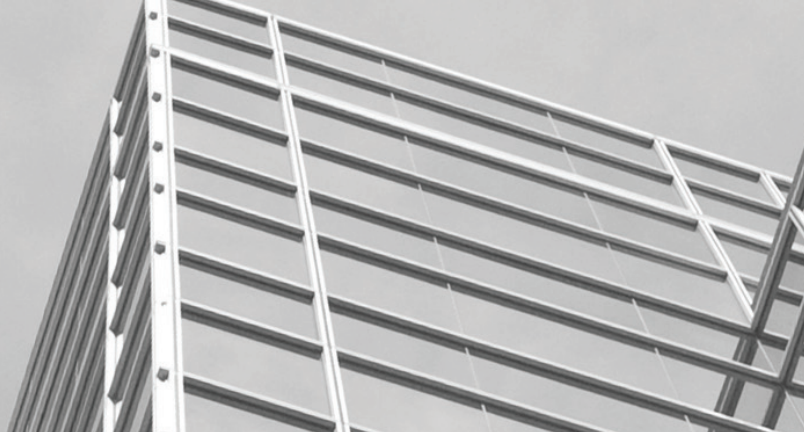


AUSTIN OFFICE MARKET WATCH

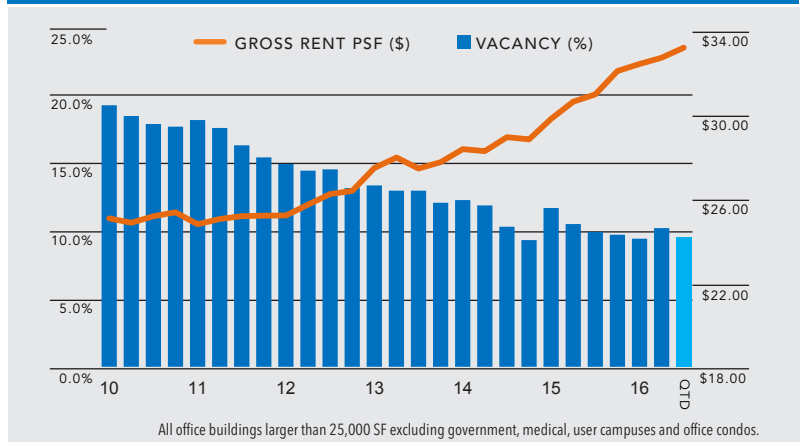
SEPTEMBER 2016



Recent Office Leases

- **Northwest :: Bankers Toolbox (exp)**
31,715 SF at Riata Corporate Park
- **Northwest :: SecuritiesNational Mortgage**
19,891 SF at Arboretum Atrium
- **North :: Cantillo & Bennett (renew)**
21,132 SF at Offices at the Domain I
- **Northwest :: SureTec (exp/renew)**
17,524 SF at Arboretum Atrium

OFFICE LEASE STATISTICS :: VACANCY & RENTAL RATE



Recent Office Sales

- **Northwest :: Stonebridge Plaza I & II**
9600 / 9606 North MoPac Expressway
Two Class A office bldgs totaling 384,000 SF
Buyer: KBS
Seller: Heitman

Office Sales Statistics

	AUSTIN TRAILING 12 MO.	AUSTIN Q2 2016	AUSTIN QUARTER TO DATE	U.S. TRAILING 12 MO.	U.S. Q2 2016
Volume (\$ Mil)	\$1,725.7	\$462.2	\$440.0	\$142,018.5	\$33,408.4
No. of Properties	57	17	10	5,664	1,233
Total SF	6,475,772	1,645,454	1,562,180	615,227,523	132,810,794
Average Price/SF	\$310	\$326	N/A	\$254	\$276
Average Cap Rate (Yield)	6.5%	6.5%	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	81	12,185,062	137,383	589,612	94.6%	94.2%	\$33.87	\$27.91	\$23.29	\$31.40
Central & West Central	78	5,474,000	255,041	378,101	94.8%	94.5%	\$27.13	\$18.50	\$16.46	\$20.30
North	67	6,813,902	(61,673)	299,440	90.7%	90.3%	\$28.15	\$19.24	\$13.00	\$21.99
Northeast & East	68	5,509,029	(46,996)	89,209	82.8%	82.7%	\$20.66	\$16.43	\$12.95	\$16.73
Northwest & Far NW	214	16,801,868	351,877	1,608,299	92.7%	92.0%	\$22.99	\$19.77	\$16.09	\$21.38
Round Rock & Cedar Park	42	2,806,135	157,275	97,798	84.3%	83.8%	\$19.60	\$18.38	\$14.88	\$18.53
South	41	2,821,097	(96,175)	92,997	94.7%	94.3%	\$23.81	\$18.52	\$14.50	\$18.93
Southeast	20	2,271,626	(11,568)	237,774	80.3%	80.3%	N/A	\$16.52	\$12.50	\$15.52
Southwest	131	11,055,490	41,400	655,365	90.5%	88.0%	\$25.37	\$21.50	\$19.01	\$24.28
AUSTIN	742	65,738,209	726,564	4,048,595	91.1%	90.3%	\$27.02	\$19.71	\$16.01	\$22.89

SOURCE: Transwestern, CoStar

AUSTIN OFFICE MARKET WATCH

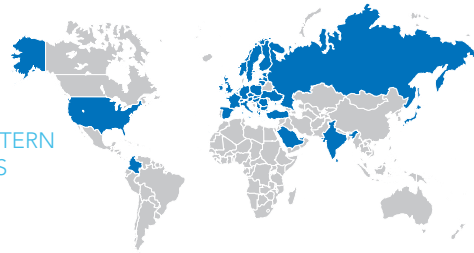
SEPTEMBER 2016

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. Transwestern has 34 U.S. offices and assists clients through more than 181 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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