

AUSTIN OFFICE MARKET WATCH

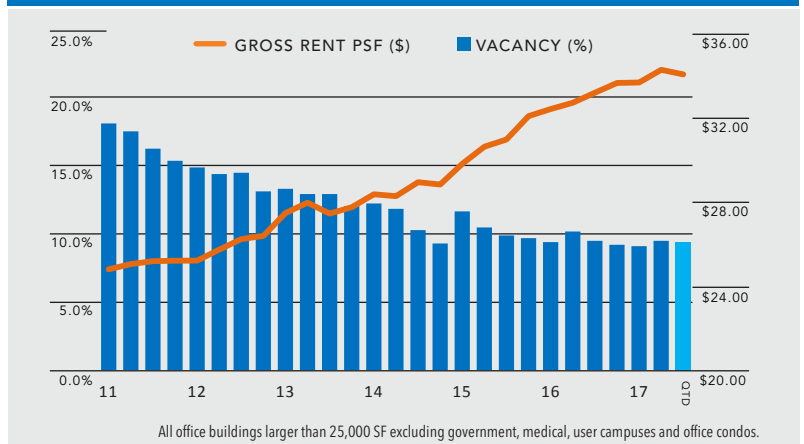
SEPTEMBER 2017



Recent Office Leases

- **CBD :: Facebook (prelease)**
231,506 SF at Third + Shoal
- **Northwest :: Flahive Ogden Latson (renew)**
17,055 SF at Westtech 360
- **Southwest :: AlienVault**
42,369 SF at Encino Trace
- **Southwest :: Meyerton Hood Kivlin Kowert**
22,252 SF at Cityview 2 (renew)

OFFICE LEASE STATISTICS :: VACANCY & RENTAL RATE



Recent Office Sales

- **CBD :: 5th + Colorado**
201 West 5th Street
Class A highrise totaling 179,351 SF
Buyer: Intercontinental Real Estate
Seller: Goldman Sachs JV Lincoln Property Co.

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)	\$2,820.5	\$466.4	\$238.7	\$142,280.0	\$32,220.5
No. of Properties	75	15	7	5,870	1,377
Total SF	9,663,425	1,535,508	582,556	589,432,392	130,124,519
Average Price/SF	\$295	\$315	N/A	\$253	\$247
Average Cap Rate (Yield)	6.7%	7.6%	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	86	13,095,479	335,025	614,877	91.6%	90.5%	\$40.52	\$29.59	\$29.26	\$36.56
Central & West Central	80	5,459,728	35,606	188,088	95.6%	95.2%	\$31.07	\$19.69	\$18.60	\$22.41
North	67	7,046,571	355,935	618,216	93.3%	92.6%	\$29.04	\$19.40	\$18.13	\$22.54
Northeast & East	73	5,843,682	286,786	329,229	87.3%	86.6%	\$27.00	\$23.40	\$15.14	\$23.02
Northwest & Far NW	217	17,045,220	13,454	889,648	92.2%	90.2%	\$23.72	\$19.76	\$15.09	\$21.73
Round Rock & Cedar Park	46	2,932,173	67,361	133,631	90.4%	89.5%	\$22.65	\$18.77	\$16.54	\$20.04
South	41	2,835,600	5,190	170,834	93.4%	93.0%	\$25.00	\$22.24	\$16.18	\$21.51
Southeast	22	2,394,577	(37,133)	631,249	87.7%	87.7%	\$18.50	\$16.54	\$14.14	\$16.04
Southwest	134	11,307,021	496,628	990,776	92.0%	89.9%	\$25.71	\$21.22	\$17.91	\$24.43
AUSTIN	766	67,960,051	1,558,852	4,566,548	91.8%	90.5%	\$29.69	\$21.21	\$17.90	\$24.98

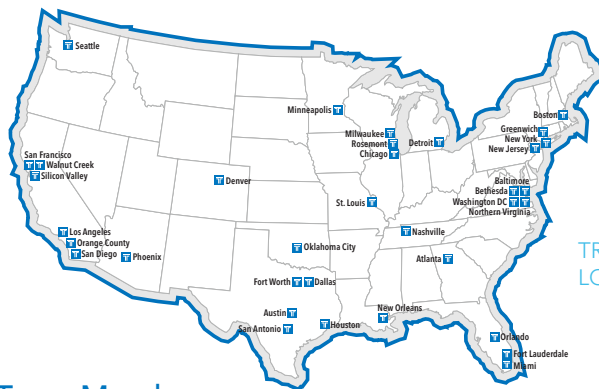
SOURCE: Transwestern, CoStar

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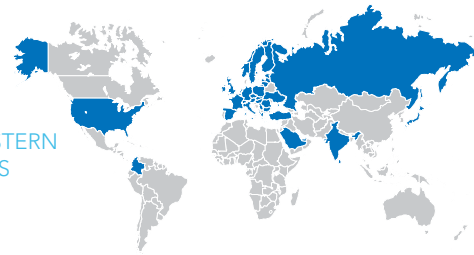
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Transwestern is a privately held, SSAE 16 compliant commercial real estate firm specializing in agency leasing, property and facilities management, tenant advisory, capital markets, research and sustainability. The fully integrated global enterprise 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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