



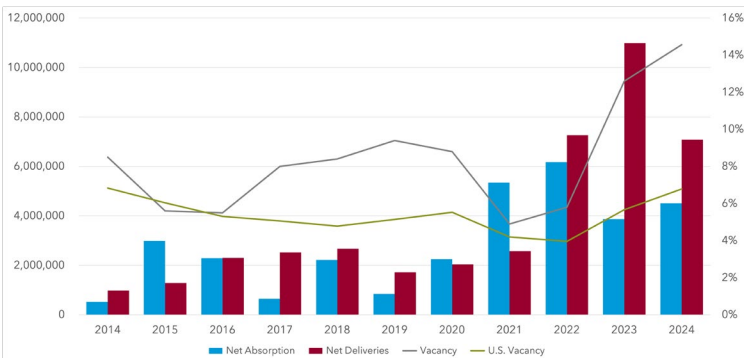
INDUSTRIAL MARKET OVERVIEW

ADAM GREEN, SIOR, *President*

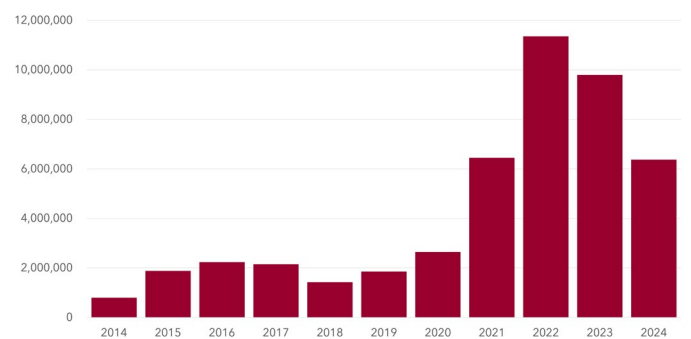
The Austin industrial market showed strong performance in Q4 2024, with 4.5 million square feet of net absorption over the year. Vacancy rates rose to 14.56%, driven by 7 million square feet of new supply. However, this increase was less than in 2022-2023, when 11 million square feet of inventory caused vacancy to jump from 5.8% to 12.6%. This moderation reflects stronger demand and improving fundamentals despite ongoing supply growth. Asking rents softened in some submarkets, with rising concessions, though sales prices continued climbing. Construction remains active, with 6.3 million square feet underway. Key leases from Saronic Technologies and Four Hands highlight continued activity. Competitive leasing is expected in 2025, with oversupply pressuring rents.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▼ 12 Mo. Absorption Units	4,509,153	5,652,440	6,275,466	5,538,152	3,869,852
▲ Vacancy Rate	14.56%	13.55%	12.48%	11.99%	12.59%
▲ Avg NNN Asking Rent PSF	\$15.38	\$15.07	\$15.04	\$15.04	\$14.75
▲ Sale Price PSF	\$202	\$191	\$161	\$141	\$381
▼ Cap Rate	-	7.44%	4.13%	5.82%	-
▼ Under Construction	6,373,896	6,503,161	6,761,530	8,700,588	9,799,236
▲ Inventory	102,873,265	100,954,751	99,397,856	97,254,391	95,355,392

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Kyle 35 Logistics Park* Kyle, TX	1,392,379 SF	Undisclosed	MDH Partners Alliance Industrial Company	Class A
19200 Marketplace Avenue Kyle, TX	491,651 SF	Undisclosed	City of Kyle NorthPoint Development	Class A
1205 Reed Drive Lockhart, TX	283,332 SF	Undisclosed	Evergen Equity Development Specialists, Inc.	Class C

*Multiple Buildings with One Tenant Occupancy

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Eastside Commerce Center* Austin, TX	415,510 SF	Stream Realty Partners	Saronic Technoliges	Manufacturing
820 W. Howard Lane Austin, TX	241,875 SF	Stockbridge Capital Group	Us Farathane	Manufacturing
4101 N. Interstate 35 Georgetown, TX	200,000 SF	Headwater Commercial Realty LLC	Hanwha Advanced Materials America LLC	Manufacturing

*5-Building Portfolio Sale

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