



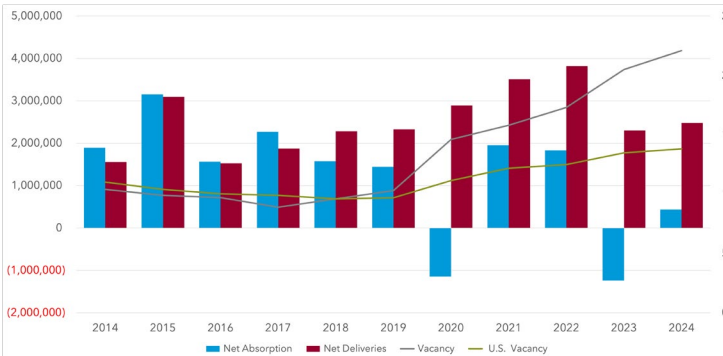
OFFICE MARKET OVERVIEW

ADAM GREEN, *President, Managing Principal*

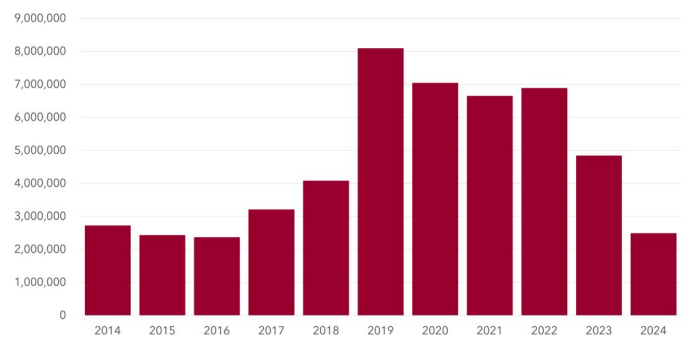
The Austin office market delivered mixed results through Q4 2024. Over the past year, net absorption totaled 435,769 square feet, rebounding from negative absorption in Q1. Vacancy rates held steady at 22.1% compared to Q3 but edged up from 20.5% in Q4 2023. Average asking rents declined to \$30.12 per square foot, down from \$31.39 in Q3. Sales activity reflected strong investor demand, with CoStar reporting an average price of \$276 per square foot, though several distressed sales are underway at lower prices. Construction remains active, with nearly 2.5 million square feet under development-down from 4.8 million in Q4 2023. Demand is strongest for high-quality, amenitized spaces under 10,000 square feet, while large blocks in the CBD face ongoing challenges.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▼ 12 Mo. Net Absorption SF	133,511	390,713	279,693	(293,271)	(127,970)
▲ Vacancy Rate	18.80%	18.29%	18.57%	19.50%	17.90%
▼ Avg NNN Asking Rate PSF	\$30.37	\$30.48	\$30.61	\$29.92	\$29.41
▲ Sale Price PSF	\$238	\$221	\$221	\$224	\$226
▲ Cap Rate	8.39%	8.10%	8.10%	8.10%	8.00%
▼ Under Construction SF	2,552,618	2,584,818	2,562,957	2,740,059	2,565,114
▲ Inventory SF	56,624,490	53,637,865	54,021,376	54,186,663	53,056,998

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3401 Mallory Ln	182,125	\$49,500,000	Strato Capital LLC	Class A
14446 Old Hickory Blvd*	48,247	\$35,302,663.00	ReThink Foward	Class B
2817 West End Ave*	30,100	\$21,617,570.00	The Vanderbilt University	Class B

*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
21 Platform Way, S Nashville, TN	30,571 SF	Southwest Value Partners	Industrious	Property Lessor
4020 Aspen Grove Drive Franklin, TN	29,780 SF	Boyle Investment Company	Undisclosed	Undisclosed
1320 Adams Street Nashville, TN	19,596 SF	Cousins Properties	Undisclosed	Undisclosed

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