

# Austin

## Industrial market snapshot | Q1 2024

Austin's industrial sector launches into 2024 with a strong start, marked by an impressive absorption of 2.6 million square feet (msf). This surge underscores the market's vitality, which is further evidenced by its sustained leasing momentum and a bustling construction pipeline. Particularly noteworthy are the Hays and Far Northeast submarkets, which have emerged as frontrunners, experiencing substantial year-over-year growth.

# 13.5%

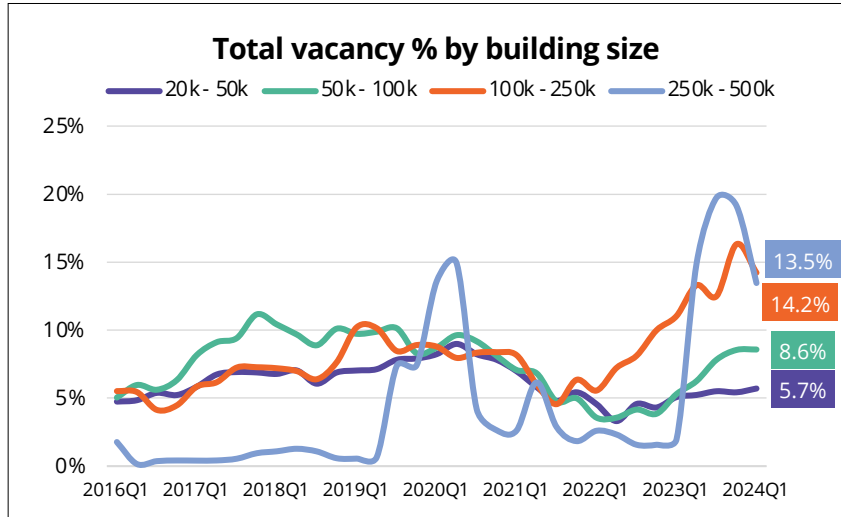
Properties larger than 250,000 sf have experienced the largest spike in vacancy from 2.0% to 13.5% year-over-year due to deliveries.

# 17.8 msf

Hays and Far Northeast are the leading submarkets, showing remarkable growth since 2016. Both have seen the delivery total of 17.8 msf of new properties.

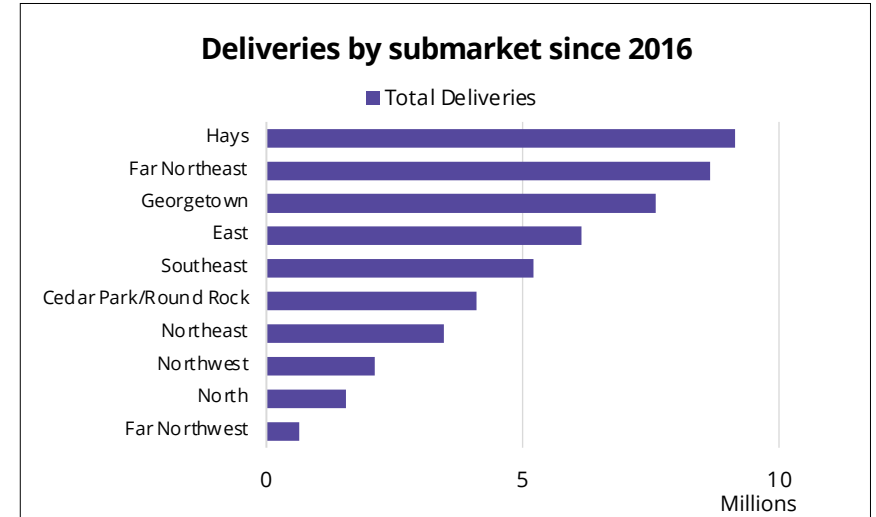
# 1.7 msf

Leasing volume totaled 1.7 msf to start the year with large move-ins from Pro Lift Rigging and Onx Homes, totaling 433k sf, to help kick-start the year on a positive note.



As occupiers seek out industrial space, an emerging trend showcases the desire for smaller space. This is reinforced by vacancy rates segmented by property size, with big box product exceeding 250,000 sf experiencing a dramatic year-over-year increase while product in the 20k to 50k sf range boast the lowest vacancy rate.

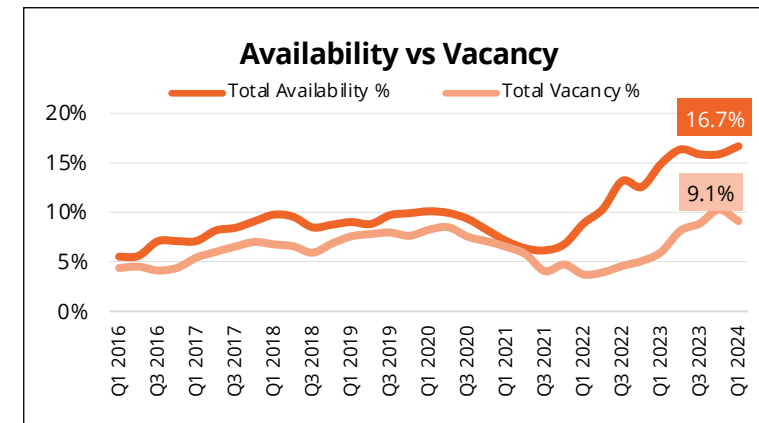
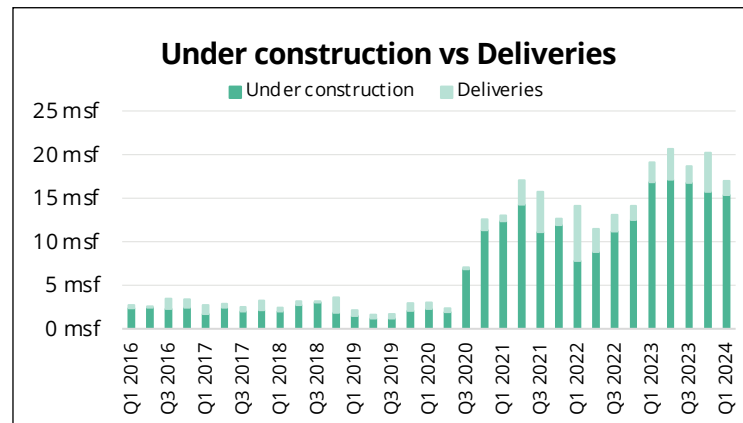
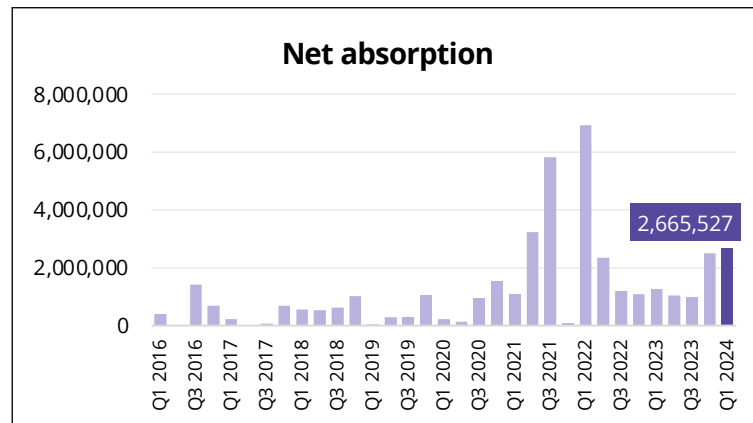
Sources: AVANT by Avison Young, CoStar



Hays and Far Northeast have emerged as the leading submarkets in terms of growth since 2016, boasting 9.1 msf and 8.7 msf of new product delivered respectively. Noteworthy properties such as those by Kyle 35 Logistics Park and Whisper 35 have significantly contributed to this expansion.

# Austin

## Industrial market snapshot | Q1 2024



### Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Prolift Rigging	1305 Opportunity Blvd	229,312	New	Direct
FMT	500 SH-130	187,558	New	Direct
Cangshan	201 Velocity Dr	158,351	New	Sublease
Flextronics	2200 Chisholm Trail	152,400	New	Direct

### Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
EQT Exeter	110 SE Inner Loop	\$60,900,000	\$135	Portman Holdings
Hanyangeng	1615 Scottsdale Dr	\$5,300,000	\$265	TIG Real Estate Services

Note 1: Availability inclusive of under construction developments and future space availability.

Source: AVANT by Avison Young, CoStar

# Austin

## Industrial market snapshot | Q1 2024

## Get in touch

Ariel Guerrero  
Regional Lead, Texas & Denver  
Ariel.Guerrero@avisonyoung.com

Misha Smith  
Insights Analyst  
Misha.Smith@avisonyoung.com

	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Direct availability	Sublet availability	Total availability	Total availability change (YoY)	Net absorption (QTD)	Net absorption (YTD)	Annual direct asking rent psf NNN
Bastrop	1,411,628	-	85,000	1.3%	-	1.3%	1.2%	-	1.2%	-	-	-	\$15.34
Caldwell County	421,202	-	-	-	-	-	-	-	-	-	-	-	\$11.50
Cedar Park/Round Rock	8,650,276	366,115	3,713,519	14.4%	1.7%	16.2%	16.4%	1.3%	17.7%	0.4%	142,727	142,727	\$20.25
Central	1,186,533	-	-	10.2%	-	10.2%	11.5%	-	11.5%	(0.6%)	(3,503)	(3,503)	\$16.98
East	10,489,438	-	4,398,939	2.5%	0.1%	2.6%	14.5%	0.2%	14.6%	4.8%	(22,100)	(22,100)	\$17.12
Far Northeast	11,707,532	25,400	962,075	6.6%	1.3%	7.8%	11.5%	1.1%	12.6%	(0.1%)	(26,562)	(26,562)	\$13.68
Far Northwest	1,898,640	47,210	-	4.3%	-	4.3%	6.2%	3.6%	9.8%	1.0%	(14,808)	(14,808)	\$17.00
Georgetown	10,676,556	344,832	1,221,944	26.0%	-	26.0%	24.3%	1.3%	25.6%	(1.6%)	748,125	748,125	\$11.09
Hays	13,558,683	575,869	1,451,581	13.2%	0.8%	14.0%	21.8%	1.5%	23.3%	(2.0%)	1,519,748	1,519,748	\$12.22
North	14,662,104	-	145,454	5.9%	0.4%	6.3%	13.0%	1.6%	14.6%	1.1%	(56,404)	(56,404)	\$17.52
Northeast	14,996,942	-	358,169	3.6%	1.5%	5.2%	9.3%	1.5%	10.6%	2.5%	(54,490)	(54,490)	\$14.49
Northwest	2,205,181	-	-	3.1%	2.2%	5.3%	5.6%	1.5%	7.1%	1.4%	(32,400)	(32,400)	\$20.74
South	2,127,101	-	-	4.3%	0.1%	4.4%	7.8%	1.4%	9.2%	(1.6%)	27,280	27,280	\$17.88
Southeast	16,145,330	263,226	3,044,511	4.1%	0.6%	4.8%	20.4%	1.4%	21.9%	1.1%	451,614	451,614	\$10.75
Southwest	3,056,545	-	-	4.3%	0.4%	4.8%	7.6%	0.4%	8.0%	0.2%	(13,700)	(13,700)	\$20.62
<b>Market total</b>	<b>113,193,691</b>	<b>1,622,652</b>	<b>15,381,192</b>	<b>8.3%</b>	<b>0.8%</b>	<b>9.1%</b>	<b>15.5%</b>	<b>1.2%</b>	<b>16.7%</b>	<b>0.8%</b>	<b>2,665,527</b>	<b>2,665,527</b>	<b>\$14.53</b>

	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Direct availability	Sublet availability	Total availability	Total availability change (YoY)	Net absorption (QTD)	Net absorption (YTD)	Annual direct asking rent psf NNN
Warehouse	42,335,624	132,000	3,179,830	5.5%	0.5%	6.0%	12.0%	1.2%	13.2%	0.6%	851,049	851,049	\$15.09
Distribution	31,171,529	1,230,610	6,601,938	17.9%	0.5%	18.4%	30.5%	1.1%	31.7%	0.8%	2,007,386	2,007,386	\$17.18
Manufacturing	22,598,163	212,832	5,382,924	2.4%	0.7%	3.1%	2.8%	0.5%	3.4%	0.2%	(42,521)	(42,521)	\$18.22
Office Showroom	14,661,706	47,210	216,500	4.5%	1.5%	6.0%	10.7%	2.2%	12.9%	1.8%	(92,021)	(92,021)	\$13.43
R&D	2,426,669	-	-	12.9%	5.8%	18.7%	20.2%	5.1%	25.3%	1.0%	(58,366)	(58,366)	\$13.51
<b>Market total</b>	<b>113,193,691</b>	<b>1,622,652</b>	<b>15,381,192</b>	<b>8.3%</b>	<b>0.8%</b>	<b>9.1%</b>	<b>15.5%</b>	<b>1.2%</b>	<b>16.7%</b>	<b>0.8%</b>	<b>2,665,527</b>	<b>2,665,527</b>	<b>\$14.53</b>

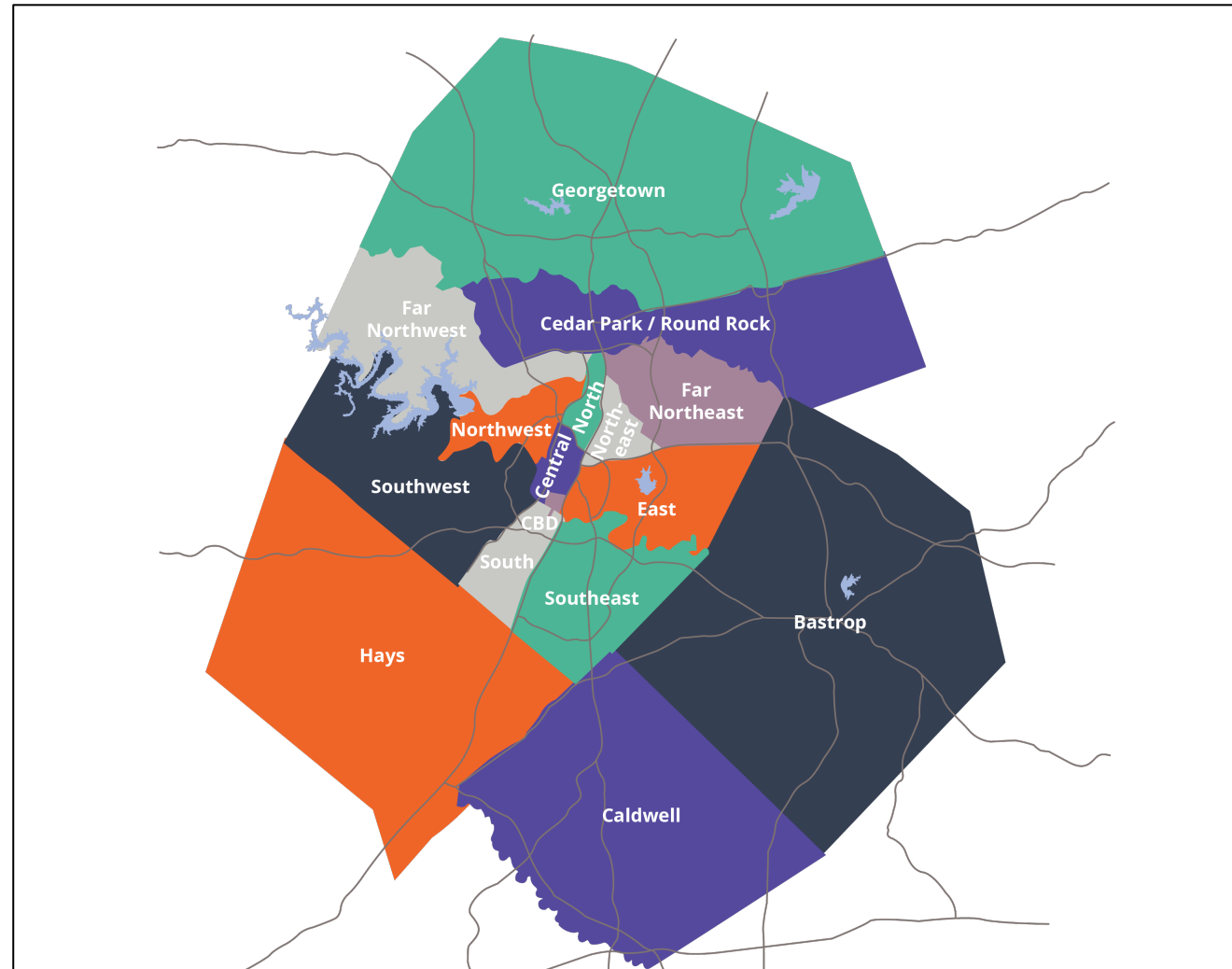
Note 1: Availability inclusive of under construction developments and future space availability.

Source: AVANT by Avison Young, CoStar

**AVISON  
YOUNG**

# Austin

## Industrial submarket map



Source: AVANT by Avison Young