

# Austin

## Industrial market snapshot | Q3 2024

The Austin industrial market continues its positive trajectory with strong leasing activity and absorption quarter-over-quarter, reflecting ongoing demand in a recovering market. The construction pipeline remains active, especially in submarkets like Hays and East Austin, as development projects move forward. Austin's strategic location, coupled with its strong economic fundamentals, has positioned it as a resilient hub in the region, even amidst fluctuating market conditions.

### 1.7 msf

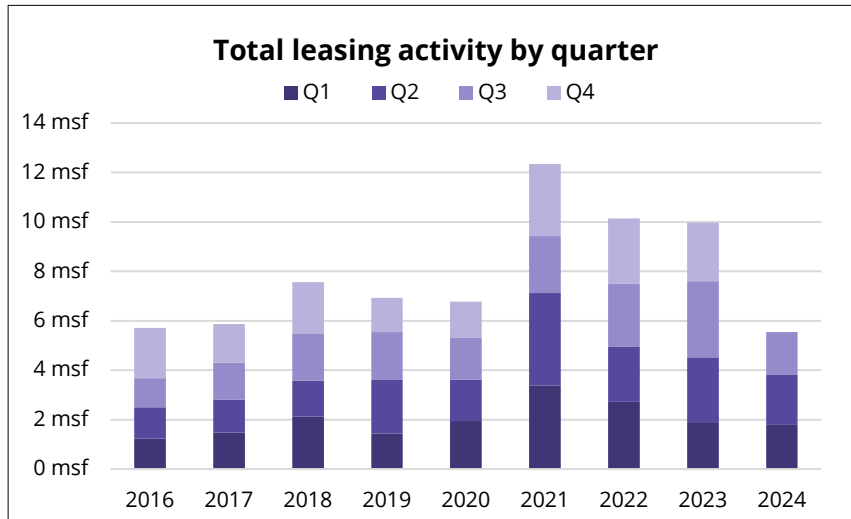
A total of 1.7 msf of industrial space was leased in Q3, with key occupiers like FMT signing for 218,400 sf and Cangshan committing to 158,351 sf.

### 4.1 msf

Absorption continues to show positive momentum, with 511,367 sf of space being occupied, bringing the year-to-date total to 4.1 msf.

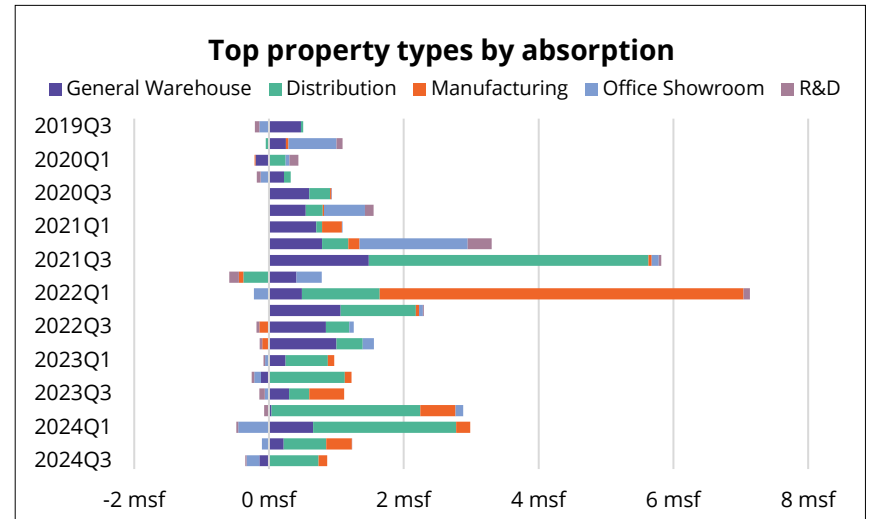
### 3.5 msf

The distribution sector has experienced the highest absorption levels year-to-date at 3.5 msf. Major deals inked in Q3 include Texas Plumbing Supply and Tokyo Electron.



A total of 1.7 msf of space was leased in the third quarter, with notable occupiers such as Tesla and Hotline Delivery securing pre-lease commitments within new development projects. The presence of such high-profile tenants underscores the strength and appeal of the market as companies position themselves for growth in a recovering market.

Sources: AVANT by Avison Young, CoStar

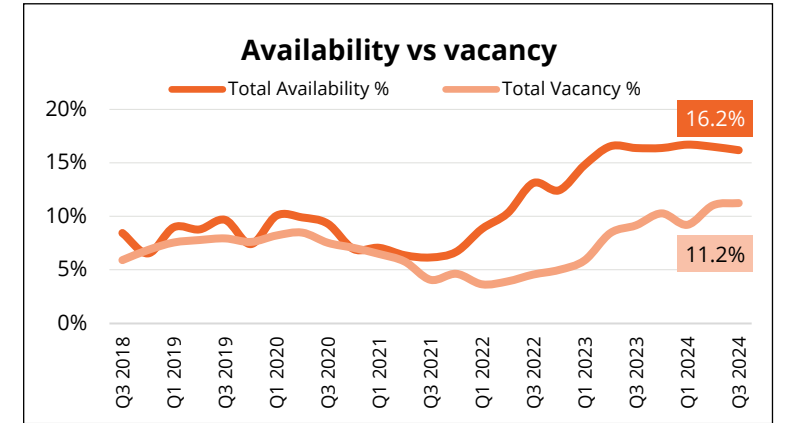
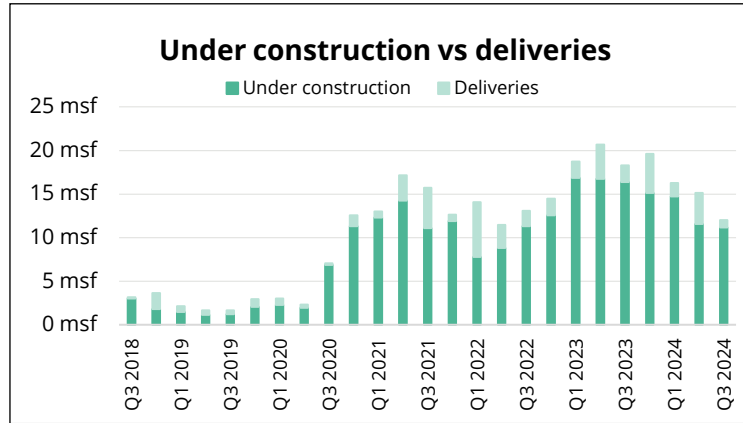
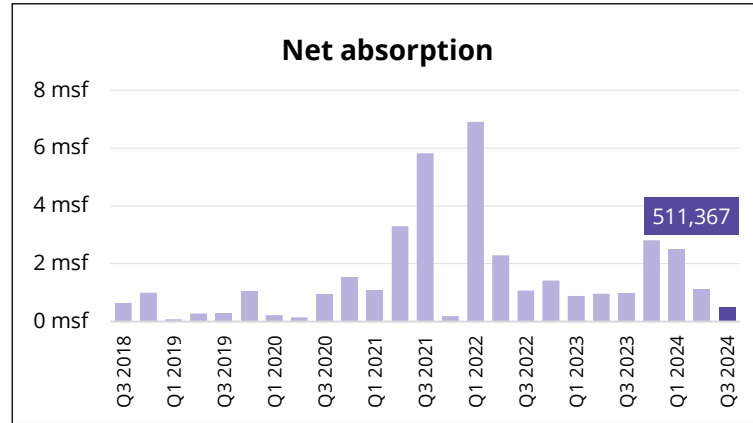


Year-to-date, 3.5 msf of distribution space has accounted for the highest absorption gains, followed by 725,000 sf of warehouse space. The strong demand for distribution space reflects Austin's strategic location as businesses seek proximity to key transportation routes and population centers. The absorption gain for warehouse space indicates sustained demand for storage and fulfillment centers.



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### Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Tesla	1069 FM 3349	183,000	New	Direct
Hotline Delivery Systems	10902 McAngus Road	120,440	New	Direct
Texas Plumbing Supply	1225 Fortuna Road	117,919	New	Direct

### Top project under developments

Address	Submarket	Building size	% Preleased	Delivery date
Bluebonnet Business Center	East	816,584	46%	October 2025
4901 Mueller Boulevard	East	350,000	100%	December 2024
4655 Mueller Boulevard	East	245,000	100%	August 2024

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

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## Get in touch

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	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	1,496,628	85,000	-	1.2%	-	1.2%	1.2%	-	1.2%	-	85,000	85,000	\$ 6.00
Caldwell County	664,534	-	-	35.3%	-	35.3%	35.3%	-	35.3%	2.0%	-	48,900	-
Cedar Park/Round Rock	8,996,391	712,230	3,553,329	14.8%	0.8%	15.6%	15.9%	1.1%	17.0%	1.8%	31,763	482,511	\$ 18.52
Central	1,186,533	-	-	10.3%	-	10.3%	5.2%	-	5.2%	-	2,250	(5,541)	\$ 20.33
East	11,010,036	423,032	3,562,249	2.7%	0.2%	2.9%	14.5%	0.4%	14.9%	(0.4%)	(18,091)	474,810	\$ 11.78
Far Northeast	11,478,980	205,916	1,189,719	5.7%	1.0%	6.7%	15.1%	1.1%	16.2%	0.2%	136,102	299,142	\$ 10.27
Far Northwest	1,863,250	11,820	-	4.1%	-	4.1%	3.0%	3.7%	6.7%	(0.8%)	(466)	(44,725)	\$ 18.00
Georgetown	11,634,920	976,981	518,845	20.4%	-	20.4%	19.2%	-	19.2%	0.3%	298,825	1,377,160	\$ 9.99
Hays	13,660,832	708,653	1,318,797	13.5%	-	13.5%	17.1%	0.3%	17.3%	(5.1%)	87,507	1,602,932	\$ 9.75
North	14,714,168	145,454	-	9.1%	0.8%	9.8%	13.6%	2.8%	16.3%	1.5%	(166,028)	(485,617)	\$ 16.87
Northeast	15,034,214	358,169	-	6.5%	1.4%	7.9%	11.2%	3.3%	14.5%	3.8%	89,769	(194,163)	\$ 14.41
Northwest	2,184,578	-	-	5.2%	0.7%	5.9%	5.9%	0.7%	6.7%	(0.7%)	16,200	10,800	\$ 19.72
South	2,127,101	-	-	3.8%	-	3.8%	3.5%	1.3%	4.8%	(1.2%)	64,835	39,941	\$ 19.50
Southeast	18,518,358	2,311,356	1,020,770	15.2%	1.2%	16.4%	18.5%	2.2%	20.6%	(3.2%)	(120,049)	467,669	\$ 15.08
Southwest	3,056,545	-	-	4.8%	0.3%	5.1%	8.1%	0.3%	8.4%	0.4%	3,750	(23,980)	-
<b>Market total</b>	<b>117,627,068</b>	<b>5,938,611</b>	<b>11,163,709</b>	<b>10.6%</b>	<b>0.7%</b>	<b>11.2%</b>	<b>14.8%</b>	<b>1.4%</b>	<b>16.2%</b>	<b>(0.3%)</b>	<b>511,367</b>	<b>4,134,839</b>	<b>\$12.51</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)
Warehouse	43,166,577	1,320,969	2,446,774	9.0%	0.6%	9.6%	13.9%	1.6%	15.4%	1.2%	(145,535)	725,709
Distribution	33,913,316	3,817,056	3,934,069	18.7%	0.5%	19.2%	24.8%	1.2%	26.1%	(3.9%)	734,195	3,488,471
Manufacturing	23,297,220	761,266	4,729,706	1.7%	0.4%	2.1%	2.5%	0.5%	3.0%	0.1%	128,527	715,195
Office Showroom	14,823,286	39,320	-	9.4%	1.0%	10.4%	13.4%	2.8%	16.2%	2.3%	(187,120)	(749,233)
R&D	2,426,669	-	53,160	16.3%	4.1%	20.4%	25.5%	4.4%	29.9%	6.8%	(18,700)	(45,303)
<b>Market total</b>	<b>117,627,068</b>	<b>5,938,611</b>	<b>11,163,709</b>	<b>10.6%</b>	<b>0.7%</b>	<b>11.2%</b>	<b>14.8%</b>	<b>1.4%</b>	<b>16.2%</b>	<b>(0.3%)</b>	<b>511,367</b>	<b>4,134,839</b>

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Source: AVANT by Avison Young, CoStar

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## Industrial submarket map

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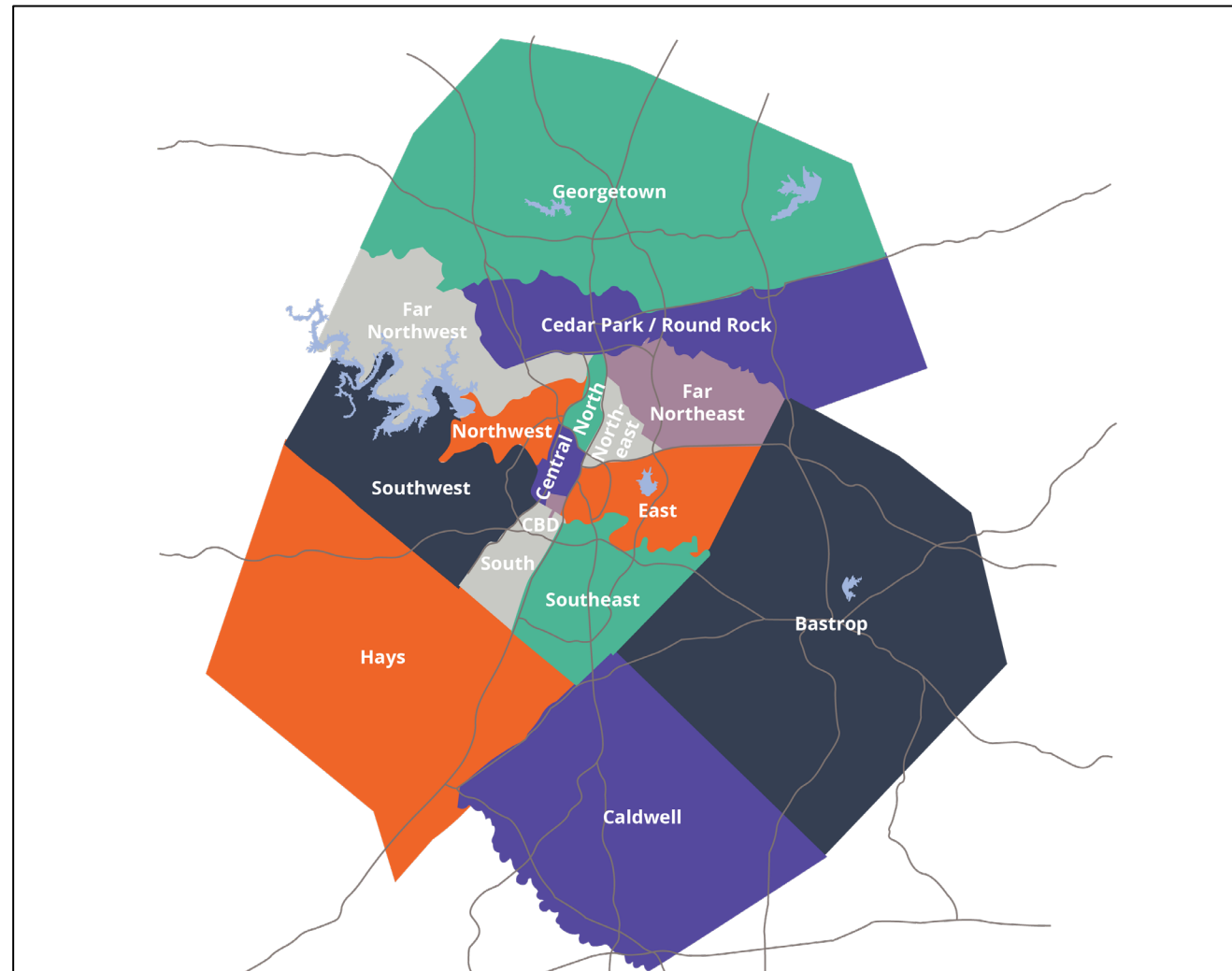
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