

# AUSTIN INDUSTRIAL Monthly Market Snapshot

JUNE 2020

## Market Highlights

**Vacancy and Availability.** Overall vacancy is at 8.6%, unchanged from this time last year. Overall availability (all space available regardless of whether it is vacant) is at 10.8%. Available sublease space has seen a recent increase, reaching 1.1 million sq. ft. so far this year. Of the 1.4 million sq. ft. of industrial space completed in the Austin area in 2020 (1.4% of the total inventory), 75.6% of that space is available for lease. In addition, 1.8 million sq. ft. is currently under construction, with 48.2% of that space spoken for. The vacancy rate for Class A properties is at 26.5%, up from the prior period at 24.9%. The Austin industrial market has recorded 3.8 million sq. ft. of leasing activity—which is comprised of both new leases and renewals—while net absorption (move-ins minus move-outs) year-to-date is at 328,000 sq. ft., up significantly from -216,000 sq. ft. year-over-year.

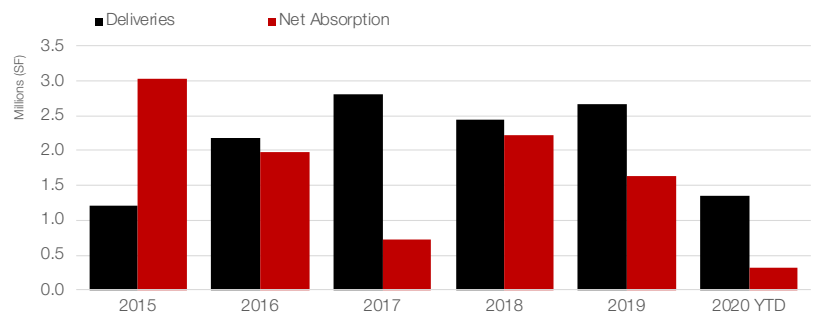
### Amazon signs mega-deal in Round Rock.

Amazon has leased the entire three-building, 441,225-sq.-ft. Chisholm Trail Trade Center located off I-35 and Old Settlers Boulevard. The new industrial project is scheduled for completion by the end of June. It is reported that Building 1 at 90,420 sq. ft. and Building 2 at 179,555 sq. ft. will be used to park employee and delivery vehicles. Building 3 at 180,550 sq. ft. will be used for the distribution center. In addition, in nearby Pflugerville Amazon is building a 3.8 million-sq.-ft. distribution center, which will be the biggest facility of its kind constructed in the Central Texas region in two decades; and the company also plans to open another 305,000-sq.-ft. distribution facility this year in neighboring Buda. Amazon's latest expansion in Central Texas is said to be driven by the increase of online shopping due to the coronavirus pandemic.

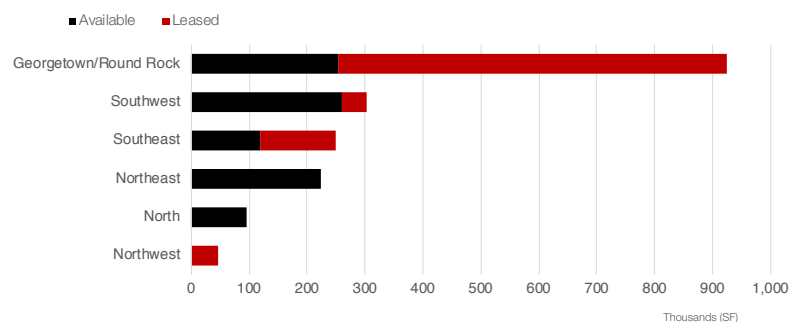
## Market Activity

	Year-to-Date	
	June 2020	June 2019
<b>Vacancy</b>	8.6%	8.6%
<b>Availability</b>	10.8%	11.3%
<b>Net Absorption (SF)</b>	327,977	-216,326
<b>Leasing Activity (SF)</b>	3,753,905	2,336,931
<b>Deliveries (SF)</b>	1,350,094	1,569,724
<b>Under Construction (SF)</b>	1,841,133	1,553,960
<b>NNN Avg Asking Rent (PSF)</b>	\$0.91	\$0.89

## Supply & Demand



## Construction Activity



**Leta Wauson**

Director of Research

leta.wauson@naipartners.com

tel 713 275 9618

**NAIPartners**

HOUSTON | AUSTIN | SAN ANTONIO

[www.naipartners.com](http://www.naipartners.com)