

# AUSTIN INDUSTRIAL MONTHLY MARKET SNAPSHOT | SEPTEMBER 2021

Austin Industrial market records all-time record for volume of lease transactions signed year-to-date through August

## MARKET HIGHLIGHTS

### SUPPLY

Demand for industrial space (4.0 million sq. ft.) outpaced supply (1.2 million sq. ft.) during the first eight months of 2021 in the Austin metro. This is the highest level of demand ever recorded for January through August. With 2.3 million sq. ft. delivered since the beginning of the year, 14 million sq. ft. under construction, and another 6 million sq. ft. planned through 2022, envisioned growth in population and consumer demand could attract other ecommerce distributors to set up larger facilities in Austin. According to commercial real estate association NAIOP's most recent Industrial Space Demand Forecast, the nationwide push toward industrial development is likely to continue for the rest of the year and through 2022—counting Austin.

### CONSTRUCTION

With 50 properties comprising an all-time high of 14 million sq. ft. in the construction pipeline, developers are encouraged by the Samsung expansion, Tesla's growth, and Amazon's recent leasing spree. The Amazon and Tesla projects make up more than 9 million sq. ft. of development, and of the remaining 5 million sq. ft. underway, about 44% of the space is available.

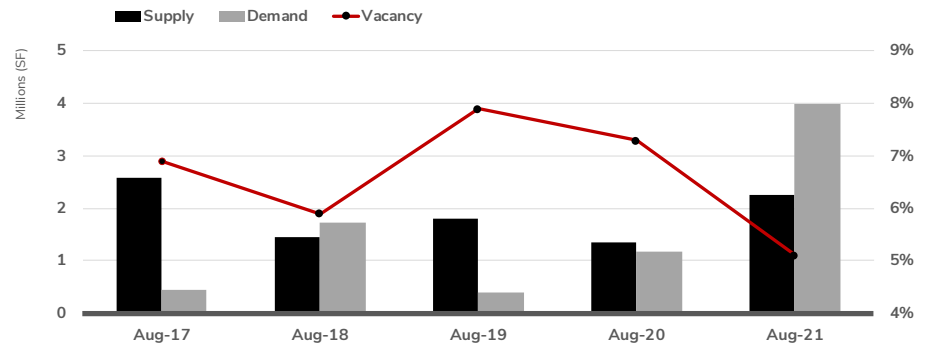
### LEASING

The volume of signed lease transactions year-to-date through August hit an all-time record at 7.8 million sq. ft.—up from the prior period at 5.9 million sq. ft. Austin industrial leasing volume was up 33% through the first eight months of 2021 compared with the same period last year. In total, 31 new building lease transactions of more than 50,000 sq. ft. were executed over the eight-month period. Some of the largest leases in 2021 include: Amazon for 767,600 sq. ft. at 1346 Fortuna Road (delivers December 2021) in Hays County in January; Simwon for 491,651 sq. ft. at Plum Creek Industrial Center (delivers January 2022) in Hays County in April; and DXC Technology for 185,757 sq. ft. at 14500 Single Trace in the North submarket in April.

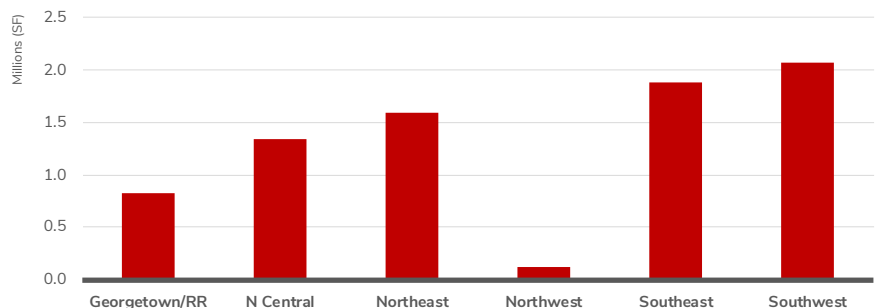
## MARKET ACTIVITY

	AUGUST 2021	vs	AUGUST 2020
Vacancy	5.1%	↓	7.3%
Availability	7.1%	↓	10.2%
Under Construction SF	14,010,087	↑	7,103,894
NNN Avg Asking Rent/MO	\$0.95	↑	\$0.92
Net Absorption SF YTD	3,986,149	↑	1,180,478
Leasing Activity SF YTD	7,840,558	↑	5,899,755
Deliveries SF YTD	2,265,002	↑	1,359,033

## SUPPLY & DEMAND | AUGUST - YEAR OVER YEAR



## LEASING ACTIVITY | AUGUST 2021 YEAR-TO-DATE



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