

# AUSTIN OFFICE MONTHLY MARKET SNAPSHOT | NOVEMBER 2021

Austin Office leasing activity up more than 30% year-over-year

## MARKET HIGHLIGHTS

### VACANCY CONTINUES TO RISE

Overall vacancy in the Austin office market is at 15.0%, up from 12.8% in October 2020, an increase of 220 basis points. Net absorption (move-ins minus move-outs) is at positive 1.2 million sq. ft., up significantly from negative 78,000 sq. ft. at this time last year. There have been 31 properties totaling 3.8 million sq. ft. delivered so far in 2021 with an occupancy rate of 50%. The amount of square feet delivered to the Austin office market has been equal to or outpaced net absorption—representing demand for office space—for the fifth consecutive period since 2016.

### LEASING ACTIVITY REACHES PRE-PANDEMIC LEVELS

Even with the spike in vacancy, leasing activity and net absorption are headed in the right direction. Office leasing activity—which is comprised of both new leases and renewals—from January through October registered 5.7 million sq. ft., up more than 30% from the same period last year. As the market has strengthened over the year, along with the new development added to the market, asking rents have risen to an all-time high of \$40.64 per sq. ft., up 7.2% from this time last year at \$37.91 per sq. ft.

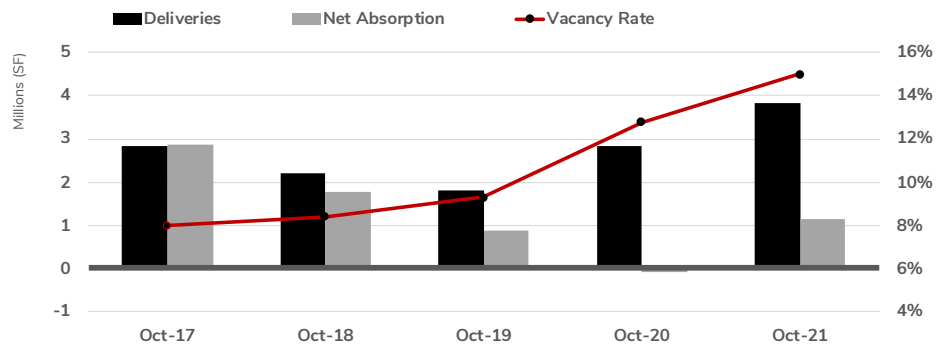
### SIGNIFICANT LEASE TRANSACTIONS IN 2021

Q2 inked a deal for 128,990 sq. ft. in Aspen Lake Park in the Far Northwest submarket in May; Cloudflare signed a lease for 124,393 sq. ft. in Foundry II in the East submarket in July; Amazon signed a lease for 114,665 sq. ft. in The Domain submarket in June; Peak6 signed a new sublease for 114,417 sq. ft. at 2010 E. 6th Street in the East submarket in September; and Skyworks inked a deal for 96,467 sq. ft. in Eastlake at Tillery at 3212 E. Cesar Chavez St. in the East submarket during July.

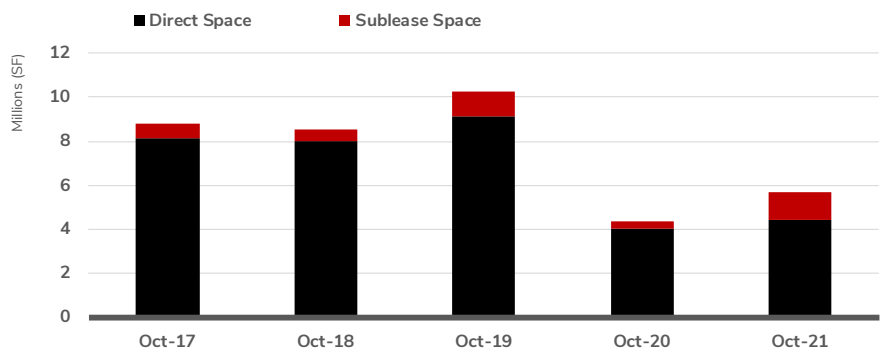
## MARKET ACTIVITY

	OCTOBER 2021	vs	OCTOBER 2020
Vacancy	15.0%	▲	12.8%
Availability	20.0%	▲	18.8%
Under Construction SF	6,654,907	▼	8,005,531
Gross Average Asking Rent	\$40.64	▲	\$37.91
Net Absorption SF YTD	1,151,582	▲	(78,211)
Leasing Activity SF YTD	5,690,708	▲	4,343,262
Deliveries SF YTD	3,832,107	▲	2,833,981

## SUPPLY & DEMAND | OCTOBER - YEAR OVER YEAR



## LEASING ACTIVITY | OCTOBER - YEAR OVER YEAR



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