

AUSTIN INDUSTRIAL MONTHLY MARKET SNAPSHOT | JUNE 2022

Austin awarded the country's strongest job market among major metro areas.

MARKET HIGHLIGHTS

AN ANALYSIS OF ACTIVITY DURING THE FIRST FIVE MONTHS OF THE YEAR—MAY 2022 COMPARED TO MAY 2021.

GROWING MARKET DEMAND

Almost halfway through 2022, the completion of the Tesla Gigafactory at 4.5 million sq. ft. and Amazon Sat6 at 767,000 sq. ft. added 5.3 million sq. ft. of absorption to the Austin industrial market. In addition, 3.1 million sq. ft. of leasing activity comprised of new leases and renewals took place during the same period. Seventy-eight properties 10,000 sq. ft and larger are under construction, tallying 9.7 million sq. ft. with a 48% availability rate. 22.5 million sq. ft. has been added to the Austin Industrial market in the past five years, a 25% increase in total inventory, registering at 111 million sq. ft. as of May 2022.

VACANCY REMAINS TIGHT

As of May 2022, vacancies are at a low 3.9%. As a result, landlords have pushed the NNN average asking monthly rents up 4.8% to \$1.01 per sq. ft.—a significant amount—from last year's \$0.96 per sq. ft. Austin's job market continues to be on fire. For the third consecutive year, a study by The Wall Street Journal and Moody's Analytics awards Austin the country's strongest job market among major metro areas, driven by the tech industry.

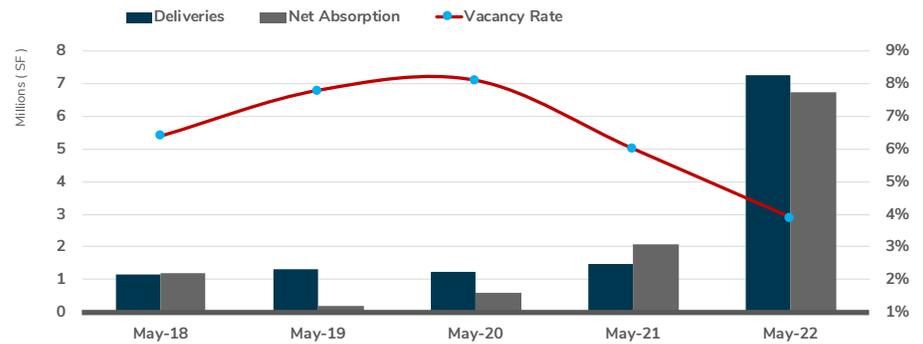
AMAZON SCALING BACK

Amazon is stopping early-stage plans for a distribution center on 193 acres outside Austin. The decision was made not to proceed at this time with the permitting process to build a \$250 million distribution center on Robinson Ranch it bought last year in Round Rock. Amazon still has a significant distribution presence in the Austin area. A 94-acre Amazon distribution center in Pflugerville, a growing suburb about 15 miles north of Austin, was delivered in Q4 2021.

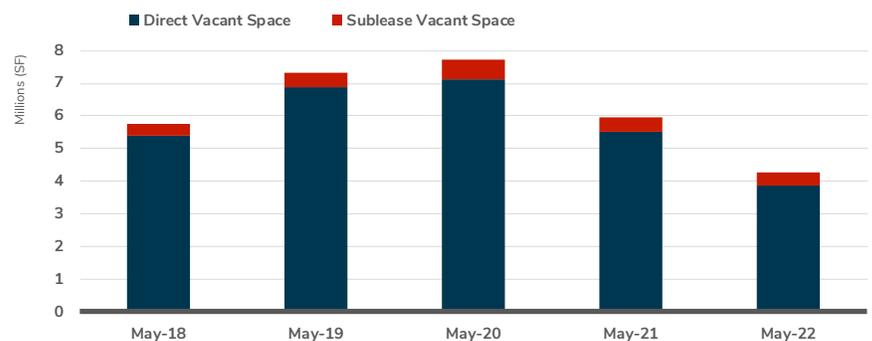
MARKET ACTIVITY

	MAY 2022	vs	MAY 2021
Vacancy	3.9%	↓	6.0%
Availability	8.6%	↑	6.7%
Under Construction SF	9,715,376	↓	14,366,865
NNN Avg Asking Rent/MO	\$1.01	↑	\$0.96
Net Absorption SF YTD	6,768,244	↑	2,082,779
Leasing Activity SF YTD	3,113,631	↓	6,694,836
Deliveries SF YTD	7,254,277	↑	1,472,232

SUPPLY & DEMAND | MAY - YEAR OVER YEAR



VACANT SPACE | MAY - YEAR OVER YEAR



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