

# Quarterly Report

03.31.25



## **Economy**

### **The Fed – Beige Book – April 23, 2025 Federal Reserve Bank of Dallas**

#### **Summary of Economic Activity**

Growth in the Eleventh District economy slowed to a slight pace over the reporting period. Nonfinancial services activity was flat, but manufacturing output rose modestly. Retail sales dipped, and loan demand increased slightly. Commercial real estate activity was stable, while housing demand remained tepid. Oilfield activity rose modestly. Employment and wages grew, while input cost pressures accelerated largely due to the expected pass through of higher tariff costs. Outlooks worsened with weakening demand, policy uncertainty, and inflation cited as primary concerns going forward. Numerous contacts voiced concern that heightened uncertainty stemming from on-again, off-again tariffs was making it increasingly challenging to plan. Stricter immigration policy, federal government layoffs, and a cutback in spending were also cited as headwinds for growth.

#### **Labor Markets**

Employment rose modestly over the reporting period. Several contacts noted a wait-and-see posture on hiring amid elevated domestic and trade policy uncertainty, while some firms, including airlines, cited layoffs. Energy executives said layoffs are expected this year, and that the pace may increase if oil prices remain close to or fall below \$60. Wage pressures were stable during the reporting period. One manufacturer noted cutting wages due to cash flow issues. Firms expect wage growth to slow to 3.4 percent over the next 12 months, down from 3.8 percent over the past 12 months.

#### **Prices**

Prices continued to increase at a moderate pace. Firms broadly expressed trepidation about the effect of tariffs on demand and costs, with some contacts indicating they will not be able to pass on the increases to clients. Several manufacturers cited higher raw material prices. The impact of tariffs on steel and machinery prices was a drag on the energy sector, particularly for firms with ongoing construction projects for whom the materials were a sizable share of costs. A few construction and real estate contacts said that tariffs had given their suppliers an excuse to raise prices, and some retailers cited being notified by their vendors of forthcoming tariff surcharges. Manufacturers and retailers expect selling price increases to accelerate over the next 12 months, while service sector executives expect price growth to remain moderate.

#### **Manufacturing**

Manufacturing output rebounded in March after weakening in February. The pickup in production spanned both durable and nondurable goods, with strength seen in transportation equipment, machinery, computer products, and food manufacturing. Utilization rates at Gulf Coast refineries remained at healthy levels despite seasonal softness. While manufacturing activity picked up, outlooks worsened. Manufacturers widely voiced concern that tariffs were becoming an increasing source of uncertainty, dampening demand, pushing up prices, and delaying and complicating business planning.

#### **Retail Sales**

Retail sales dipped during the reporting period. Declining growth in sales of nondurable consumer products outweighed growth in durable goods. Among durables, auto vehicle sales strengthened in anticipation of the announced tariffs. Overall retail outlooks weakened, as the potential impact of tariffs on pricing and demand weighed on sentiment.

#### **Nonfinancial Services**

Activity in nonfinancial services stalled out following moderate growth in the previous reporting period. Revenue rose in some sectors, however, with increases seen in transportation, health, and professional and business services. Demand for staffing services was flat to slightly up. Airlines noted that passenger demand had softened, with some of the weakness attributable to a marked decline in federal government travel. Port traffic remained strong as companies accelerated their inventory purchases ahead of tariffs.



Growth paused in the leisure and hospitality sector, which was attributed to uncertainty causing consumers to be more cautious with their discretionary spending. Outlooks deteriorated overall, with numerous contacts stating that heightened uncertainty surrounding domestic and trade policy was hindering their ability to plan with confidence.

### **Construction and Real Estate**

Housing demand remained tepid. The spring selling season was characterized as modest and choppy, with a slight pickup in sales seen toward the end of the reporting period. Incentives for new homes, including price discounts, remained prevalent. However, there were scattered reports of builders being less aggressive on mortgage rate buy downs due to high costs. Home inventories rose, and prices were flat to down. Outlooks were cautious, weighed down by sluggish demand, high mortgage rates, and concerns regarding the impact of immigration and trade policy on consumer sentiment, labor supply, and construction costs.

Commercial real estate activity was stable during the reporting period. Apartment demand remained solid, though rent growth continued to be lackluster. Office absorption was positive in some major markets, though vacancies remained elevated. Industrial demand stayed positive but there was apprehension about the impact of shifting trade policies on leasing activity and investment sales.

### **Financial Services**

Loan volume and loan demand growth decelerated sharply in March. Credit tightening continued, but loan pricing declined. Loan nonperformance increased. In addition, bankers reported that business activity contracted after expanding over the last three months, and their outlooks retreated to cautiously optimistic. While respondents expect an improvement in loan demand and business activity six months from now, the sentiment is less broad-based, and it is tempered by expectations of a continued increase in loan nonperformance.

### **Energy**

Activity in the oil and gas sector increased modestly over the reporting period. While drilling and completion activity is expected to remain steady over the next few months, contacts were worried that lower oil prices, eroding global growth outlooks, and tariffs would dampen activity later this year and lower spending plans for 2026. Outlooks worsened, and contacts expressed concern that heightened uncertainty surrounding tax, trade, and regulatory policy was making planning difficult and would likely hinder investment decisions.

### **Agriculture**

Drought conditions persisted in parts of the district, though widespread rainfall was received late in the reporting period and provided much-needed moisture. Some extreme weather was seen, from wind and dust storms in the Texas panhandle to flooding along the coast. Grain prices moved down. Cattle and beef prices continued to trend up over most of the reporting period, with beef prices rising to new highs, though cattle prices faltered somewhat in early April. Drought conditions are a hurdle for ranchers looking to expand their herds. Looking ahead, contacts expressed some concern for agricultural exports due to tariff impacts.

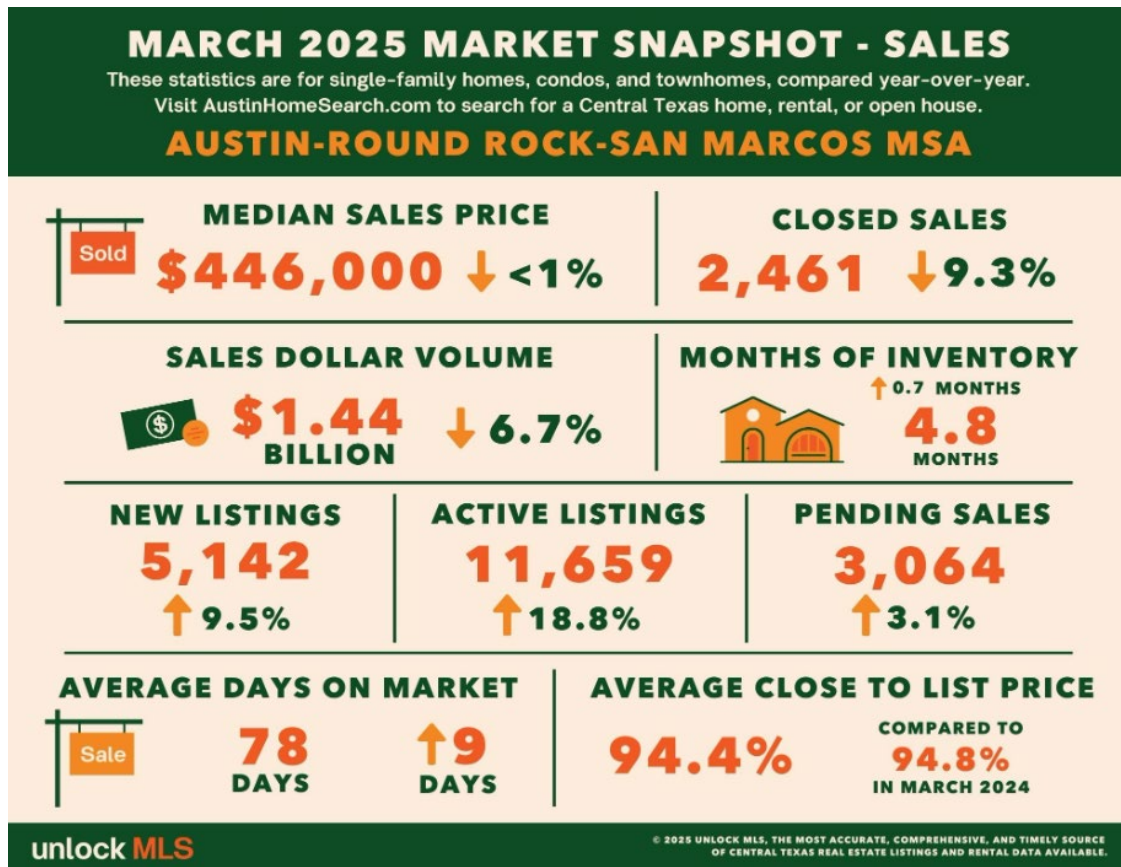
### **Community Perspectives**

Demand for social services remained elevated. Contacts said many private companies were under a hiring freeze, and the jobs posted online were not being filled. Nonprofit organizations, particularly those heavily reliant on federal funding, reported trimming budgets, implementing hiring freezes, laying off workers, and downsizing programming. There was a report of a housing services nonprofit possibly shutting down operations in mid-2025 due to funding disruptions. One contact noted that landlords were less willing to rent apartments to tenants reliant on federal funds due to the current policy climate and funding freezes. Some social service organizations said they have observed a slowdown in applications for new benefits and trepidation among clients seeking services in light of recent immigration policies. Research universities were also facing significant uncertainty due to the funding cuts from the National Institute of Health and National Science Foundation.



## Housing / Construction & Demographics

### March 2025 Central Texas Housing Market Report:



AUSTIN, Texas – According to the 2025-Q1 Central Texas Housing Report released by Unlock MLS, residential home sales across the Austin-Round Rock-San Marcos MSA declined to 6,698 listings, a 9.1% drop from the first quarter of 2024. During the same time frame, median sales price dipped 2.3% to \$429,869 while housing inventory reached 5.3 months, moving the region closer into balanced housing market conditions. Quarterly numbers were strongly impacted by March 2025 sales activity, during which the five-county MSA experienced 9.3% fewer sales, gained 9.5% new listings and median sales price remained flat year-over-year.

Clare Knapp, Ph.D., housing economist for Unlock MLS and the Austin Board of REALTORS®, pointed to affordability constraints as well as growing economic headwinds as key factors shaping early-year market activity. “We started the year with a continuation of similar trends that shaped the market in 2024. However, stubbornly high mortgage rates and a weaker local labor market weighed on buyer confidence, while many sellers remained reluctant to adjust pricing expectations. That squeeze on buyer power shaped much of the activity we saw in the first quarter, reinforcing the need for greater flexibility and balance on both sides of the transaction.”

For the first quarter of 2025, the number of active listings on the market saw an 18.9% increase from 2024-Q1, allowing buyers to benefit from greater choice and negotiating power, leading to longer decision timelines and more strategic purchases. These continued shifts point to a market that is evolving—offering a more thoughtful pace for both buyers and sellers.

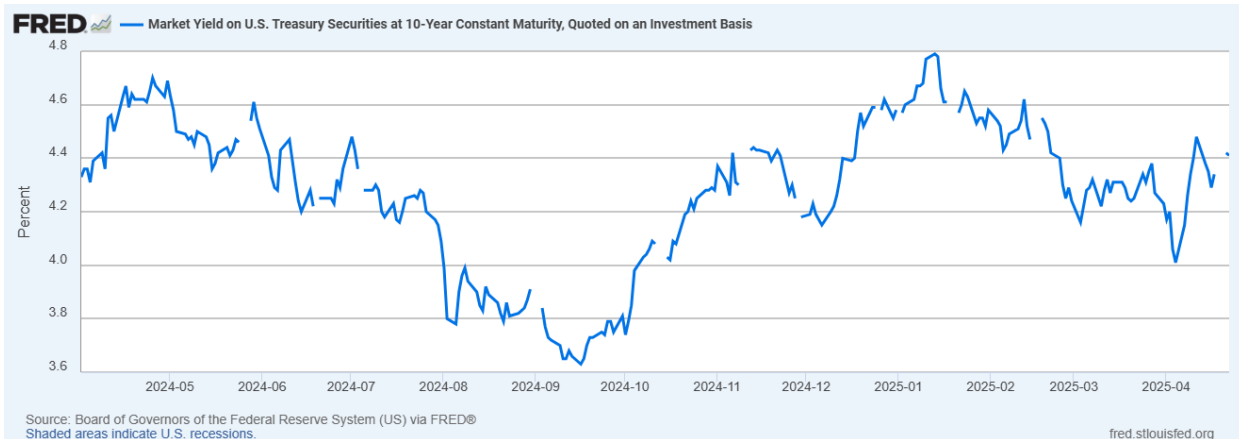
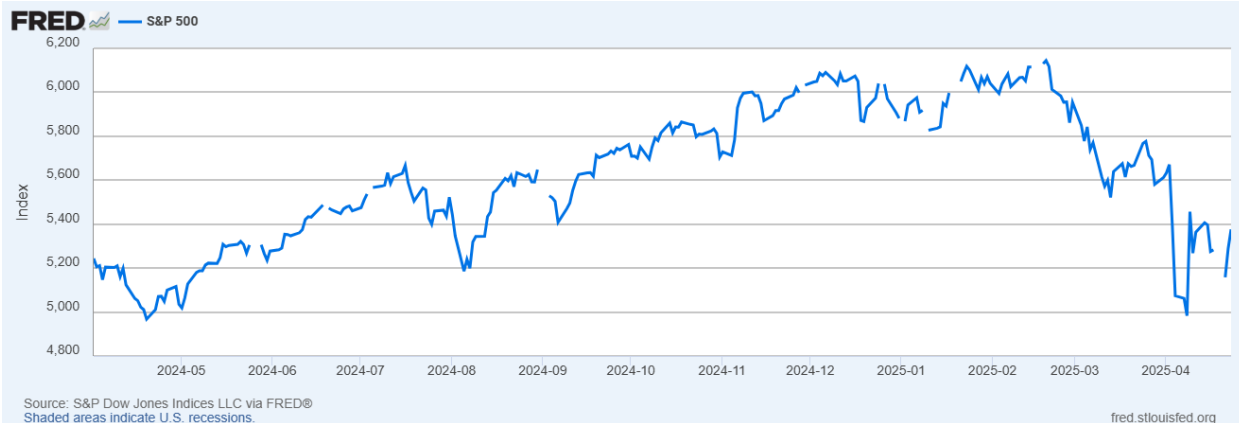


Brandy Wuensch, 2025 Unlock MLS and ABoR president, noted that current market conditions are enabling buyers to slow down, weigh their options and make more thoughtful decisions. “With a wider range of listings to choose from, buyers are using this time to evaluate their choices, be selective and focus on homes that best fit their needs and lifestyle. This shift allows buyers to be more intentional with their decisions and to plan for long-term success. Working with a REALTOR® is essential in this kind of environment someone who understands the nuances of the local market can help buyers navigate every step of the process with confidence and make more informed, strategic moves along the way.”

Source: Unlock MLS: Central Texas home sales decline in Q1 amid economic uncertainty in continued high-rate environment

## Capital Markets

As of 03/31/25 mortgage interest rate levels for conventional, conforming fixed rate 30-year mortgage loans, was 6.50% according to TIB. The U.S. 10 Year Treasury closed at 4.16%. The S&P 500 closed at 5,674.50.



## Austin Market

AUSTIN, Texas – According to data released from the Texas Workforce Commission, the Austin-Round Rock MSA unemployment rate decreased slightly from November 2024 to December 2024, and is now at 3.1%, as represented by 46,403 unemployed residents. Key takeaways include:





- The Austin metro unemployment rate remains below the Texas (3.7%) and national rates (3.8%) in December.
- According to TWC, the Austin metro gained 3,200 jobs from November to December. The region has experienced an annual growth rate of 1.7%, representing the collective addition of 22,700 jobs since December 2023.
- Furthermore, TWC reports unemployment in the Capital Area/Travis County region decreased slightly to 3% from November to December, representing 26,573 unemployed residents.

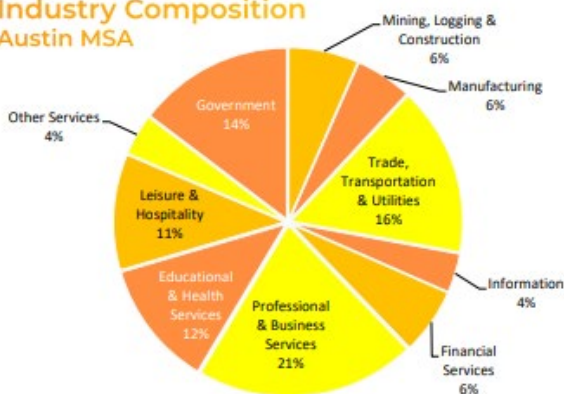
Sources: Texas Workforce Commission, Workforce Solutions Capital Area

### Austin Employment By Industry

INDUSTRY (NON FARM)	DEC 2024	DEC 2023	% GROWTH
Mining, Logging & Construction	91,100	86,000	5.9%
Manufacturing	73,300	73,700	-0.5%
Trade, Transportation & Utilities	220,400	218,500	0.9%
Information	50,700	52,300	-3.1%
Financial Services	86,200	83,600	3.1%
Professional & Business Services	286,200	286,700	-0.2%
Education & Health Services	164,300	159,000	3.3%
Leisure & Hospitality	150,700	147,100	2.4%
Other Services	53,800	52,600	2.3%
Government	202,700	197,200	2.8%
<b>TOTAL</b>	<b>1,379,400</b>	<b>1,356,700</b>	<b>1.7%</b>

SOURCE: Texas Workforce Commission

### Industry Composition Austin MSA



### Unemployment Rate

	AUSTIN MSA	TEXAS	U.S.
Year-End 2017	2.7%	3.7%	3.9%
Year-End 2018	2.7%	3.6%	3.7%
Year-End 2019	2.4%	3.3%	3.4%
Year-End 2020	5.1%	7.1%	6.5%
Year-End 2021	2.9%	4.3%	3.7%
Year-End 2022	2.7%	3.6%	3.3%
Year-End 2023	3.0%	3.5%	3.5%
December 2024	3.1%	3.7%	3.8%

SOURCE: Texas Workforce Commission

### Population

YEAR-END	AUSTIN MSA	TEXAS	U.S.
2017	2,115,999	28,291,024	326,838,191
2018	2,166,805	28,624,564	328,329,953
2019	2,228,106	28,986,794	329,484,123
2020	2,299,994	29,360,759	331,449,281
2021	2,358,130	29,527,541	334,233,854
2022	2,421,115	30,503,301	339,996,563
2023	2,499,236	31,172,832	341,074,669

SOURCE: Texas A&M Real Estate Center

### Average Home Prices :: December 2024

	AUSTIN MSA	TEXAS	U.S.
Average Price	\$568,258	\$428,969	\$484,800
Median Price	\$444,002	\$340,000	\$391,300
Mo. of Inventory	3.4	4.2	3.3

SOURCE: Texas A&M Real Estate Center, US Census Bureau

Sales taxes, the barometer of local economies statewide, are listed below, according to the State Comptroller's Office for the most recent quarter available.

County	Sales Subject to Tax (000's)	% Change from year on year
Bell	1,215,600	2.4%
Williamson	3,292,130	6.5%
Milam	65,084	38.8%
Lee	178,768	6.6%
Travis	10,203,150	-1.0%



## Projects

ROCKDALE (*REBusiness*) – Xebec is redeveloping a 33,000-acre former industrial park into a mixed-use district called Sandow Lakes. Built in the early 1950s, the property was an aluminum manufacturing plant until 2008. Phase one of the project will be called the Advanced Manufacturing Logistix Campus at Sandow Lakes and consist of 35 million sf of industrial space, including build-to-suit space. Development began last fall. First move-ins are slated to begin in third quarter 2026. Further plans for the development include the addition of residential, retail, office, and hospitality space connected by a series of lakes.

MILAM COUNTY – T1 Energy Inc. will open an \$850 million solar cell manufacturing facility. The plant, called G2 Austin, will be developed on 100 acres at the 3,300-acre Advanced Manufacturing Logistix Campus. According to T1, G2 Austin will be one of the largest solar manufacturing facilities in the U.S. G2 Austin is expected to begin production in the second half of 2026.

AUSTIN (*Connect CRE*) – Seamless Capital is developing SoLa Mixed Use, a project with plans for office, residential, restaurant, and retail space. The development would rise on multiple lots at S. Lamar Blvd. and Skyway Circle, totaling about five acres. The first building would be eight stories tall and have 387 multifamily units totaling 452,531 sf. The second building would be five stories and have 102,440 sf of office space and 4,480 sf of retail space.

MANOR (*Yahoo! Finance*) – TransPak has opened a 300,000-sf facility at 12540 Entrada Blvd. The two-building project will serve customers in the semiconductor, data center, aerospace, and defense industries. The buildings have temperature-controlled environments, advanced rigging capabilities, and warehousing, packaging, and logistics services. Other amenities include employee cafeterias, locker rooms, and a mezzanine overlooking operations. Construction lasted for three years.

AUSTIN (*Austin American-Statesman*) –The 314-acre development previously known as Velocity, now renamed The Row, is set to transform the southeastern Austin area near Austin-Bergstrom International Airport. Developed by Presidium, the project will include thousands of apartments, retail and restaurant spaces, a hotel, and about 100 acres of green space. It has approvals for seven million sf of development. The first phase, expected to break ground in early 2025, will have a 6,250-sf restaurant site and 22,000 sf of retail space. The development's first apartment complex, the 307-unit Del Via, is already underway. Units are expected to be ready in February. A third phase will include an AC Hotel by Marriott, 100,000 sf of additional retail space, and over 300 additional apartments. The project team includes Chioco Design, Blacksmith Collaborative, KFM Engineering & Design, Asterisk Design, Retail Street Advisors, LandDesign, Leap!, Bay MEP, HWA Parking, and O'Brien Architects.

CEDAR PARK (*Austin Business Journal*) – Holt Lundsford Commercial Investments has acquired 22 acres along Scottsdale Dr. to develop a 281,000-sf industrial project. Plans call for three rear-load buildings measuring 138,600 sf, 97,200 sf, and 45,240 sf. Construction will begin in late 2025.

GEORGETOWN (*Austin Business Journal*) - A Dallas-based developer is aiming to bring another "Main Street" to fast-growing Georgetown in the form of a high-end, mixed-use project encompassing about 620 acres. Columnar Investments presented plans to the Georgetown City Council on March 25 for the Heirloom development, which would be located at the northwest intersection of Ronald Reagan Boulevard and County Road 248, across from where H-E-B LP is building a new store. Plans for the site include potentially 3,600 housing units, which would be a mixture of single-family homes, townhomes and apartments alongside 48 acres of parkland. It would also include at least 200,000 square feet of commercial space centered around a Main Street development that officials want to be similar to what the city has in its downtown square. The Georgetown Independent School District owns about 120 acres that would likely be used for a school site. The cost of the project was estimated at \$100 million. Columnar officials told Community Impact that they're aiming to break ground in 2026.

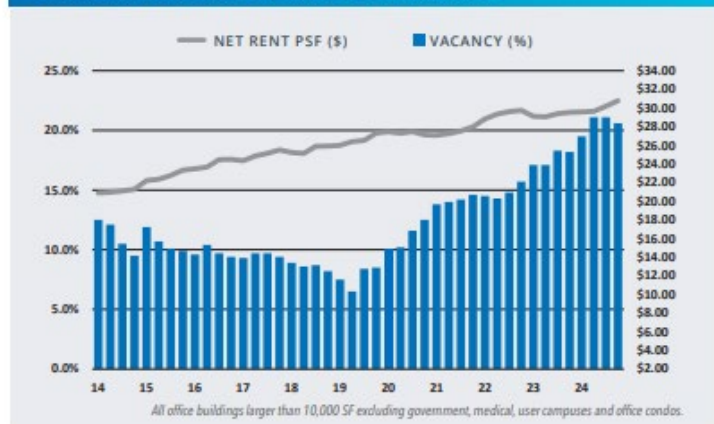


# Office

## Recent Office Leases

- **CBD :: Bain & Company**  
38,138 SF at 405 Colorado
- **North :: Wise PLC**  
60,682 SF at Domain Tower 2
- **Southwest :: US Money Reserve**  
59,634 SF at Seven Oaks
- **Northwest :: AT&T (renew)**  
150,033 SF at Arboretum Point

## OFFICE LEASE STATISTICS :: VACANCY & RENTAL RATE



## Recent Office Sales

- **CBD :: Sail Tower**  
601 West 2nd Street  
723,000 SF high-rise CBD office building  
Buyer: Cousins Properties  
Seller: Trammell Crow Company

## Office Sales Statistics

	AUSTIN TRAILING 12 MO.	AUSTIN Q4 2024	U.S. TRAILING 12 MO.	U.S. Q4 2024
Volume (\$ Mil)	\$1,694.4	\$658.1	\$58,727.7	\$16,560.8
Number of Properties	43	6	3,893	731
Total Square Feet	4,254,412	1,228,413	275,076,039	71,643,689
Average Price per SF	\$314	\$283	\$208	\$223
Average Cap Rate (Yield)	7.0%	7.2%	7.3%	7.3%

SOURCE: Real Capital Analytics

## Q4 2024 Office Lease Statistics By Submarket

SUBMARKET	NO. OF BLDGs	INVENTORY	YTD NET ABSORPTION	YTD LEASING ACTIVITY	DIRECT OCCUP.	TOTAL OCCUP.	ALL UNDER CONSTR.	CLASS A NET RENT	CLASS B NET RENT	CLASS C NET RENT	AVE NET RENT
Bastrop County	12	238,798	(12,801)	0	89.3%	89.3%	0	\$0.00	\$21.00	\$18.00	\$20.11
Caldwell County	2	21,722	0	0	100.0%	100.0%	0	\$0.00	\$0.00	\$20.00	\$9.97
CBD	145	19,604,425	(109,441)	1,122,610	77.6%	69.4%	2,229,815	\$47.15	\$33.26	\$23.86	\$43.15
Cedar Park	75	2,113,379	(27,519)	57,796	81.2%	75.7%	90,194	\$25.90	\$24.40	\$18.60	\$24.82
Central	116	5,104,068	7,664	248,793	80.2%	77.8%	0	\$37.39	\$20.33	\$19.10	\$23.52
East	104	7,086,337	(106,446)	272,885	73.7%	69.4%	453,000	\$44.07	\$29.48	\$26.15	\$36.28
Far Northeast	25	591,773	46,537	22,031	92.2%	92.2%	9,414	\$24.00	\$22.81	\$19.91	\$21.77
Far Northwest	62	4,523,604	(20,787)	161,217	76.6%	66.3%	573,402	\$28.76	\$24.00	\$15.91	\$25.86
Georgetown	55	1,217,389	50,557	77,564	90.9%	89.1%	207,786	\$29.00	\$24.50	\$22.01	\$24.90
Hays County	71	1,679,910	39,216	91,659	86.1%	84.8%	73,022	\$25.00	\$23.88	\$15.58	\$22.87
North	93	9,584,577	422,235	855,190	86.9%	82.7%	0	\$40.50	\$24.38	\$19.23	\$33.09
Northeast	61	4,106,043	(57,736)	138,255	65.9%	50.2%	5,000	\$24.00	\$17.07	\$15.29	\$20.19
Northwest	261	15,127,106	32,253	994,699	71.9%	69.4%	0	\$28.57	\$21.35	\$17.47	\$25.48
Round Rock	96	2,912,154	(10,570)	123,175	93.2%	90.4%	829,150	\$26.57	\$20.43	\$17.80	\$21.90
South	138	5,374,346	155,808	245,914	76.8%	71.8%	97,679	\$34.84	\$26.30	\$23.77	\$29.34
Southeast	42	3,439,349	19,315	216,505	86.3%	78.7%	0	\$26.84	\$23.41	\$20.68	\$23.98
Southwest	302	14,603,640	(12,703)	836,746	83.7%	80.2%	139,015	\$32.30	\$25.26	\$22.97	\$29.10
West Central	41	1,985,297	(5,549)	68,241	92.9%	90.3%	0	\$37.27	\$25.15	\$20.72	\$31.75
<b>AUSTIN</b>	<b>1,701</b>	<b>99,313,917</b>	<b>410,033</b>	<b>5,533,280</b>	<b>79.4%</b>	<b>74.1%</b>	<b>4,707,477</b>	<b>\$37.04</b>	<b>\$24.60</b>	<b>\$20.55</b>	<b>\$30.78</b>

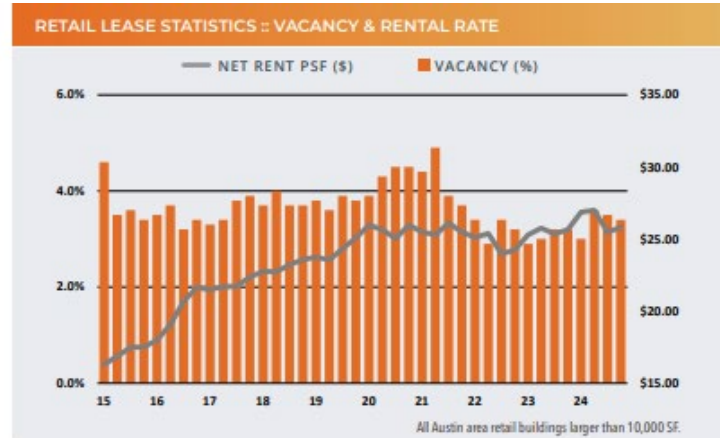




## Retail

### Recent Retail Leases

- **Georgetown :: Mi Celine Mercado 2**  
64,500 SF at Lake Drive Shopping Center
- **Georgetown :: House of Gainz**  
36,000 SF at The Market at Georgetown
- **Northeast :: Club Studio Fitness**  
34,000 SF at EastVillage Shopping Center
- **Northeast :: 810 Billards & Bowling**  
30,000 SF at EastVillage Shopping Center



### Recent Retail Sales

- **Round Rock :: University Commons**  
IH 35 & University Blvd  
197,352 SF grocery anchored retail center  
Buyer: Regency Centers  
Seller: Universal Investment BVK

### Retail Sales Statistics

	AUSTIN TRAILING 12 MO.	AUSTIN Q4 2024	U.S. TRAILING 12 MO.	U.S. Q4 2024
Volume (\$ Mil)	\$516.3	\$182.3	\$50,871.7	\$10,820.7
Number of Properties	42	5	5,648	864
Total Square Feet	1,418,968	495,633	261,270,337	51,130,369
Average Price per Square Foot	\$476	\$408	\$210	\$215
Average Cap Rate (Yield)	6.5%	6.1%	7.0%	7.0%

SOURCE: Real Capital Analytics

### Q4 2024 Retail Lease Statistics By Submarket

SUBMARKET	NO. OF BLDGS	INVENTORY	YTD NET ABSORPTION	YTD LEASING ACTIVITY	DIRECT OCCUPANCY	TOTAL OCCUPANCY	ALL RETAIL UNDER CONST.	AVE. ASKING NET RENT
Bastrop County	86	2,543,298	(11,618)	6,162	99.2%	99.2%	0	\$29.05
Caldwell County	24	614,931	7,779	0	93.7%	93.7%	32,236	\$22.24
CBD	58	1,431,915	7,289	23,581	98.4%	96.5%	0	\$42.01
Cedar Park	205	8,103,303	88,889	258,900	96.0%	95.9%	357,091	\$32.00
Central	198	6,805,417	17,834	150,915	93.9%	93.9%	0	\$28.69
East	100	3,362,091	(872)	64,755	96.7%	96.7%	49,645	\$25.11
Far Northeast	116	4,392,220	118,968	42,414	97.5%	97.5%	720,904	\$23.57
Far Northwest	101	3,521,575	44,377	87,818	94.2%	94.2%	0	\$25.32
Georgetown	266	7,490,700	107,947	260,196	96.8%	96.8%	536,860	\$20.95
Hays County	250	8,588,392	124,813	139,735	98.8%	98.8%	196,409	\$28.03
North	167	7,095,887	(4,147)	138,522	97.0%	96.7%	0	\$21.50
Northeast	80	3,265,682	4,772	123,910	88.0%	87.8%	177,092	\$27.93
Northwest	130	4,709,426	94,321	132,542	96.4%	96.3%	0	\$26.12
Round Rock	203	7,109,418	141,248	141,219	97.7%	97.5%	127,132	\$24.96
South	256	10,213,851	237,600	242,892	97.7%	97.7%	21,178	\$24.05
Southeast	70	2,175,098	(6,342)	39,231	98.5%	98.5%	12,156	\$23.39
Southwest	213	7,807,686	63,429	96,188	97.9%	97.9%	0	\$23.30
West Central	39	925,466	43,444	34,584	92.1%	92.1%	0	\$29.06
AUSTIN	2,562	90,156,356	1,079,731	1,983,564	96.6%	96.6%	2,230,703	\$25.81



# Industrial

## Recent Industrial Leases

- Southeast :: Jiangsu Xinquan Automotive  
218,400 SF at Mustang Ridge 1
- Georgetown :: TSS, Inc.  
212,740 SF at Georgetown Logistics
- Hays County :: Mattress Firm  
119,952 SF at Whisper Hills West
- Northeast :: Mygrant Glass  
71,280 SF at Tuscany Crossing 3
- Georgetown :: Batchelor & Kimball  
58,312 at Woodgate Corporate Park



## Recent Industrial Sales

- Southeast :: Southpark Comm. Ctr II 1-4  
4509 Freidrich Ln  
372,125 SF in 4 industrial & flex buildings  
Buyer: EQT Exeter  
Seller: Principal Real Estate Investors

## Industrial Sales Statistics

	AUSTIN TRAILING 12 MO.	AUSTIN Q4 2024	U.S. TRAILING 12 MO.	U.S. Q4 2024
Volume (\$ Mil)	\$957.1	\$122.7	\$86,164.4	\$22,333.0
Number of Properties	49	5	6,741	1,355
Total Square Feet	7,058,279	2,055,391	677,256,328	152,648,938
Average Price per SF	\$181	\$180	\$134	\$151
Average Cap Rate (Yield)	5.7%	5.5%	6.3%	6.2%

SOURCE: Real Capital Analytics

## Q4 2024 Industrial Lease Statistics By Submarket

SUBMARKET	NO. OF BLDGs	INVENTORY	YTD NET ABSORPTION	QUARTERLY ABSORPTION	DIRECT OCCUP.	TOTAL OCCUP.	ALL UNDER CONSTR.	ALL YTD DELIVERIES	FLEX NET RENT	INDUST. NET RENT	AVE NET RENT
Bastrop County	45	1,927,501	107,100	0	97.6%	96.6%	157,250	105,000	\$15.36	\$8.94	\$9.71
Caldwell County	24	1,241,934	305,605	0	67.8%	67.8%	372,360	62,884	\$14.39	\$11.50	\$11.64
CBD	4	55,500	0	0	100.0%	100.0%	0	0	N/A	N/A	N/A
Cedar Park	92	2,954,295	40,907	5,814	84.9%	81.8%	102,318	388,363	\$16.54	\$11.29	\$13.46
Central	73	1,792,913	40,149	59,609	92.7%	92.3%	0	0	\$16.54	\$11.94	\$13.70
East	179	7,544,610	440,434	9,095	92.1%	91.7%	5,854,345*	423,032	\$18.00	\$11.48	\$12.73
Far Northeast	216	10,833,276	344,288	(84,185)	83.8%	81.7%	1,166,346	1,173,247	\$13.94	\$10.29	\$10.43
Far Northwest	46	1,341,894	(656)	3,150	95.7%	95.7%	0	0	\$14.97	\$10.80	\$12.20
Georgetown	307	14,785,607	2,151,543	278,440	78.8%	78.7%	2,075,334	2,038,096	\$11.85	\$11.28	\$11.32
Hays County	296	17,472,819	1,990,813	204,943	84.3%	84.1%	1,477,168	2,270,844	\$15.01	\$11.37	\$11.52
North	366	17,161,405	(499,574)	(37,756)	88.3%	85.7%	0	2,833	\$13.30	\$10.80	\$11.45
Northeast	252	15,249,381	(447,666)	44,093	87.6%	85.2%	38,337	560,058	\$12.83	\$10.03	\$10.83
Northwest	37	3,688,855	(157,614)	(93,600)	93.0%	91.3%	0	0	\$12.00	\$9.00	\$10.43
Round Rock	210	8,727,221	1,137,243	227,336	85.7%	85.1%	5,487,852 **	1,244,099	\$13.18	\$11.68	\$11.92
South	137	3,329,184	8,922	15,000	91.5%	91.4%	15,000	42,800	\$12.96	\$10.03	\$10.55
Southeast	353	21,153,660	974,367	796,861	86.4%	83.7%	1,734,244	2,817,547	\$11.02	\$10.55	\$10.65
Southwest	77	4,191,830	48,986	11,736	91.7%	91.3%	269,959	10,396	\$15.70	\$10.96	\$11.75
West Central	2	69,128	0	0	100.0%	100.0%	0	0	N/A	N/A	N/A
AUSTIN	2,716	133,521,013	6,484,847	1,440,536	86.3%	84.9%	18,750,513	11,139,199	\$13.36	\$10.82	\$11.27



# Apartment

## Recent Apartment Sales

- North :: Twelve 100 Apartments**  
384 Units at 12100 Metric Blvd  
Buyer: Austin Housing Finance Corp  
Seller: Nuveen
- Northeast :: The Grand at Manor**  
271 Units at 10700 Genome Dr  
Buyer: Presidium  
Seller: CLX Ventures
- San Marcos :: Oasis at Plum Creek**  
264 Units at 4925 Cromwell Dr  
Buyer: City of Pleasanton  
Seller: Marlin Spring
- Northeast :: Forest Park**  
228 Units at 1088 Park Plaza  
Buyer: Strategic Housing Finance Corp.  
Seller: Delphi Affordable Housing

## Apartment Statistics At-A-Glance

AUSTIN MSA	TRAILING 12 MONTHS	HISTORICAL AVE (YOY)
Vacancy Change	1.8%	8.8%
Units Absorbed	21,668	6,622
Units Delivered	31,713	8,365
Units Under Construction	20,775	
Average Unit Size (SF)	875	
Asking Rent Growth (YoY)	-4.7%	2.0%
Effective Rent Growth (YoY)	-5.0%	2.0%
Sales Volume	\$307M	\$1.2B
% Offering Concessions	46.0%	
Average Concession Package	9.1%	

SOURCE: ALN Apartment Data, CoStar, RCA

## APARTMENT STATISTICS :: VACANCY & RENTAL RATE



## Q4 2024 :: Apartment Statistics By Submarket

SUBMARKET	NO. OF PROJECTS	NO. OF UNITS	VACANCY	TRAILING 12 ABSORPTION	AVE RENT (PER UNIT)	AVE RENT (PSF)
Bastrop County	18	1,694	25.3%	36	\$1,447	\$1.59
Buda-Kyle	40	10,417	21.9%	1,181	\$1,510	\$1.57
Caldwell County	15	788	22.9%	78	\$1,445	\$1.43
Cedar Park	50	15,377	12.1%	481	\$1,489	\$1.61
Central Austin	165	4,190	8.8%	(40)	\$1,634	\$2.32
Downtown Austin	45	7,878	15.6%	724	\$3,311	\$3.47
East Austin	133	18,105	17.5%	2,216	\$1,850	\$2.29
Far North Austin	25	3,171	16.3%	510	\$1,569	\$1.57
Far West Austin	8	149	7.4%	8	\$1,174	\$1.01
Georgetown-Leander	82	15,447	21.9%	2,773	\$1,615	\$1.61
Hill Country	9	1,259	21.7%	38	\$1,788	\$1.82
Lake Travis	17	3,656	7.4%	(42)	\$1,791	\$1.65
Midtown Austin	241	16,538	14.9%	797	\$1,561	\$2.03
North Austin	156	31,831	15.2%	2,864	\$1,492	\$1.88
Northeast Austin	75	15,866	18.5%	1,405	\$1,444	\$1.62
Northwest Austin	125	35,257	11.7%	407	\$1,429	\$1.61
Pflugerville	79	22,957	14.2%	924	\$1,466	\$1.62
Riverside	87	18,610	12.7%	1,139	\$1,460	\$1.81
Round Rock	92	21,361	16.9%	2,333	\$1,507	\$1.59
San Marcos	77	9,784	24.8%	760	\$1,283	\$1.47
South Austin	107	20,805	10.8%	589	\$1,468	\$1.71
South Central Austin	152	13,325	9.6%	28	\$1,797	\$2.27
Southeast Austin	50	14,477	19.1%	2,172	\$1,453	\$1.63
Southwest Austin	55	13,079	9.4%	311	\$1,685	\$1.80
West Austin	87	2,152	8.1%	(27)	\$2,025	\$2.53
<b>AUSTIN MSA TOTAL:</b>	<b>1,990</b>	<b>318,173</b>	<b>15.0%</b>	<b>21,665</b>	<b>\$1,580</b>	<b>\$1.81</b>

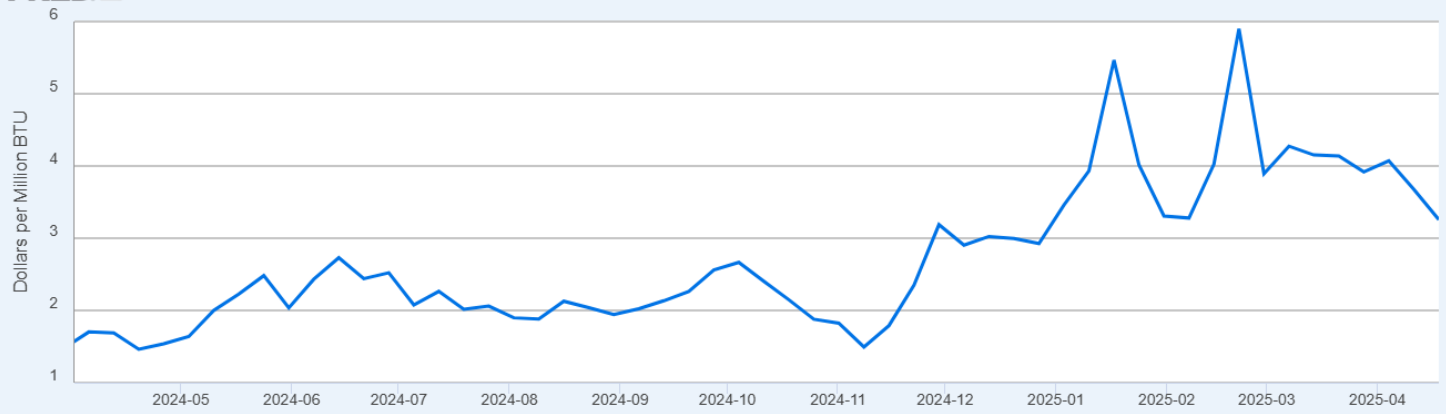
Source: CoStar





# Energy

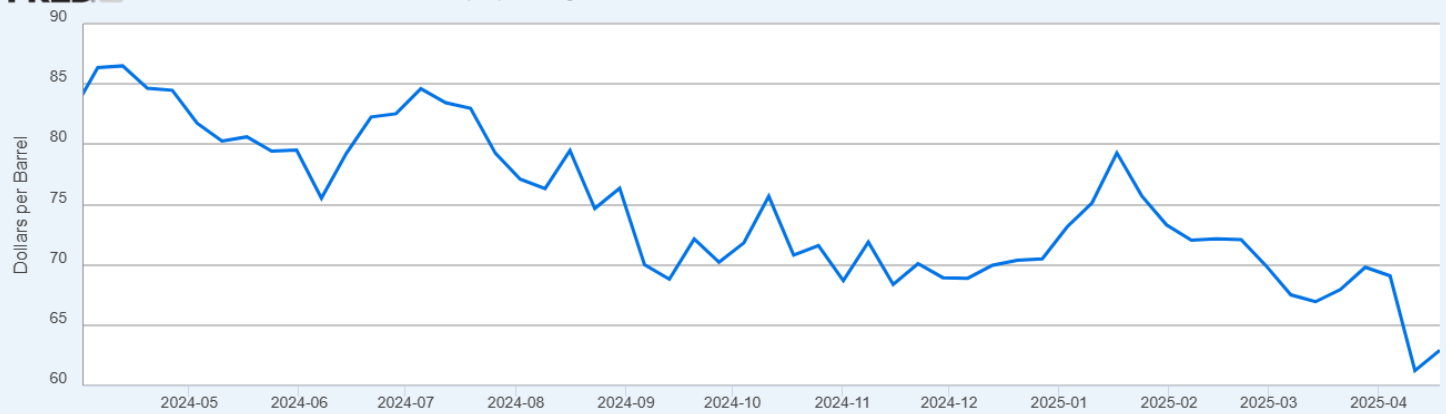
**FRED** Henry Hub Natural Gas Spot Price



Source: U.S. Energy Information Administration via FRED®  
Shaded areas indicate U.S. recessions.

fred.stlouisfed.org

**FRED** Crude Oil Prices: West Texas Intermediate (WTI) - Cushing, Oklahoma



Source: U.S. Energy Information Administration via FRED®  
Shaded areas indicate U.S. recessions.

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