

LAS VEGAS SOUTHERN UTAH NORTHERN UTAH AUSTIN SAN ANTONIO

# 2025 MIDYEAR

AUSTIN

MARKET REPORT

VOLUME 36

**NAIExcel**  
COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE

C O M M E R C I A L   R E A L   E S T A T E



# 2025 Mid-year Outlook

Commercial real estate markets are adapting to the new political economy in 2025. Interest rates maintain upward pressure on capitalization rates, and projects that commenced years ago continue to deliver inventory into the marketplace, elevating vacancy in some areas where demand has eased. Business owner and investor sentiment is mixed as growth and innovation are met with more expensive debt financing and changing world policy.

## **Cash and Tax Incentives**

Significant cash and strong business performance continue to drive investment activity. Tariffs and Presidential policy have negotiated hundreds of billions of dollars in future foreign investment in the United States. The Presidents “One Big Beautiful Bill” is now law, bringing favorable tax treatment for many business owners and real estate investors including 100% bonus depreciation.

## **Facility Costs**

Building operating costs continue to increase, creating financial pressure on both landlords and tenants. Insurance and property tax costs can remain mostly flat for years, then increase shockingly with little notice. Changes in interest rates, property taxes, and building operating expenses are giving owners greater cause to reevaluate their investments.

## **Real Estate is Local**

The market for commercial real estate is local and each building and buyer requirement can be highly unique. While availability is increasing generally, it is still not uncommon for buyers and tenants to experience a lack of inventory in some market locations and property types. While less favorable properties can be slow to absorb, quality real estate at reasonable prices continues to move quickly.

Overall, the former market conditions of hyper demand and extremely limited inventory have moved to a more balanced marketplace. In 2025, buyers and tenants can expect to see more product availability, and sellers and landlords should expect more typical market conditions.

Jon Walter  
*President*  
*Principal Broker, Utah*

Todd Manning  
*Principal Broker, Nevada*

Neil Walter  
*Chief Executive Officer*

Tom DeWine  
*Principal Broker, Texas*

# AUSTIN





# Office

## AUSTIN

The Austin office market continued a trend of elevated vacancy and higher asking lease rates, while new construction is tapering off. The average vacancy rate rose to 17.0%, up 2.4% from end of year 2024. The average asking lease rate rose to \$44.22 per square foot gross at mid-year 2025, the highest seen in the last decade, for all classes of office space.

Approximately 838,000 square feet was built in the first half of 2025, with another 4.0 million square feet under construction. Most of the construction is located in the central business district and northern area communities of Georgetown and Round Rock along I-35.

^

17.0%

VACANCY

^

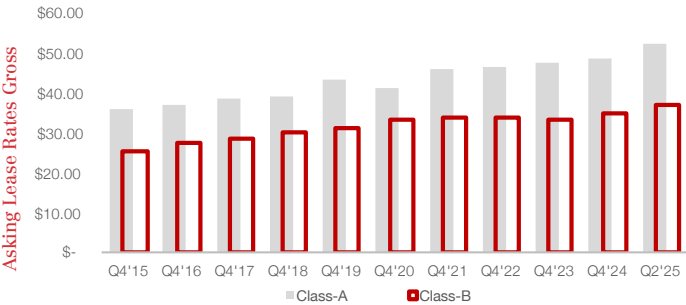
\$44.22

ASKING RENT

^

6-7.5%

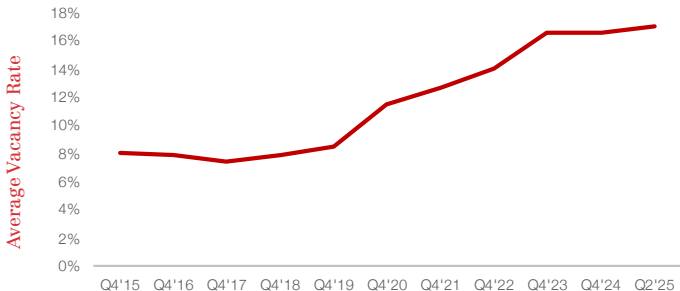
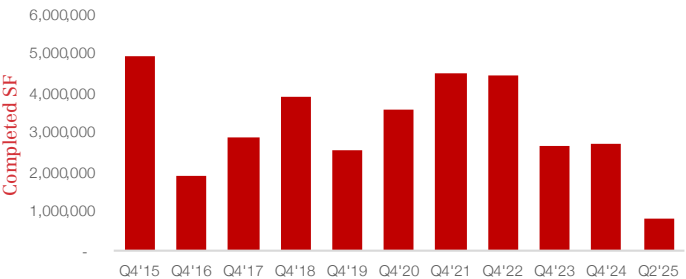
CAP RATE



924 E 7th St

Office 110,000 Completed 2025

Market	Total Inventory	% Vacant	YTD Net Absorption	SF Under Construction	Built YTD	Asking Gross Rent
Class A	59,726,649	23.4%	306,060	3,391,044	540,000	\$52.20
Class B	62,216,555	13.8%	(360,366)	596,290	257,211	\$36.64
Class C	15,261,312	5.3%	(80,992)	32,400	14,958	\$32.89
Bastrop / Caldwell / Hays County	4,223,644	6.6%	52,355	62,187	44,350	\$34.45
CBD	25,174,913	22.8%	(381,062)	1,679,188	140,000	\$60.20
Central / West Central	9,867,109	9.9%	158,904	-	-	\$37.04
Cedar Park	3,519,484	10.9%	9,363	66,106	77,566	\$39.28
East	10,334,947	28.5%	352,159	105,000	355,000	\$45.74
Georgetown / Far North / Round Rock	18,371,883	9.4%	(211,928)	1,620,742	117,560	\$36.97
North	11,081,406	11.6%	20,922	-	-	\$51.89
Northeast	6,036,083	29.2%	2,144	-	5,000	\$30.72
Northwest	18,488,226	23.4%	(351,049)	-	-	\$38.93
South / Southeast / Southwest	30,258,546	12.9%	194,282	497,343	99,243	\$39.35
Totals	137,356,241	17.0%	(153,910)	4,030,566	838,719	\$44.22

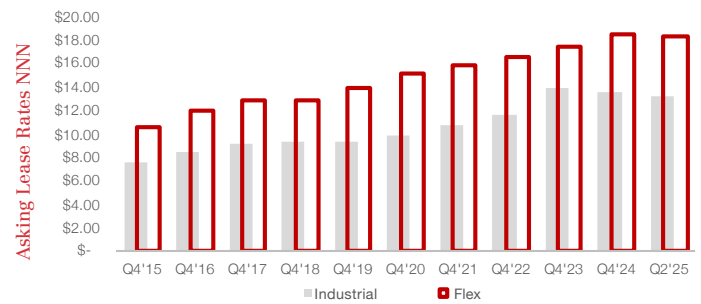


# Industrial

## AUSTIN

The availability in the industrial market increased substantially in the first half of 2025 with some 6.8 million square feet of space completed and absorption of nearly 1.8 million square feet. The average vacancy rate increased from 11.0% to 13.5%, the highest experienced in the recent decade.

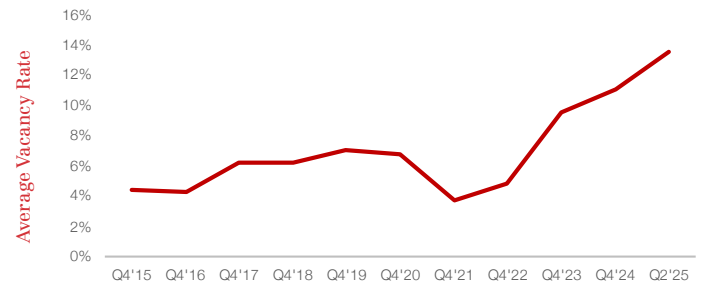
The average lease rate for industrial and flex space combined fell to \$14.57 per square foot NNN, down 1.8% from year-end 2024. With 14.7 million square feet of space under construction, high levels of industrial deliveries are expected to continue well into 2026. Most of the construction is located in the northern and southernmost boundaries of the greater Austin area.



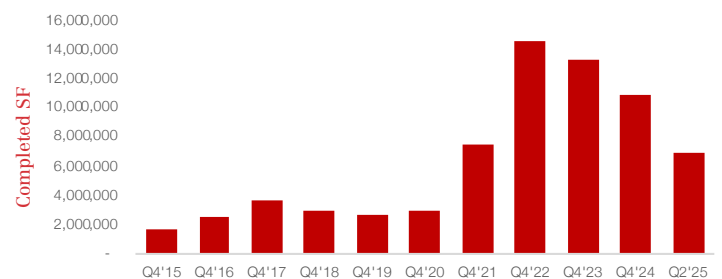
Market	Total Inventory	% Vacant	YTD Net Absorption	SF Under Construction	Built YTD	Asking NNN Rent
Industrial	146,149,488	13.4%	2,425,584	14,230,304	6,475,629	\$13.20
Flex	26,088,691	13.9%	(656,067)	478,625	357,222	\$18.25
Bastrop / Caldwell / Hays County	24,982,154	12.0%	1,155,071	2,091,253	671,376	\$13.85
CBD / Central / West Central	2,343,965	5.0%	(18,175)	-	-	\$18.48
Cedar Park	3,684,716	12.6%	391	858,443	5,800	\$18.72
East	19,689,138	13.0%	341,384	730,093	2,526,788	\$18.27
Georgetown / Far North / Round Rock	46,945,832	16.7%	847,090	8,395,093	2,056,541	\$13.48
North	18,626,734	10.3%	(317,527)	16,698	-	\$14.53
Northeast	18,304,358	11.2%	(386,560)	38,337	-	\$13.65
Northwest	3,724,258	7.2%	(36,718)	-	-	\$20.00
South / Southeast / Southwest	33,937,024	15.0%	184,561	2,579,012	1,572,346	\$16.63
<b>Totals</b>	<b>172,238,179</b>	<b>13.5%</b>	<b>1,769,517</b>	<b>14,708,929</b>	<b>6,832,851</b>	<b>\$14.57</b>

### Johnny Morris Rd & Old Manor Rd

Industrial 530,000 Completed 2025



▲ **13.5%** VACANCY
 ▼ **\$14.57** ASKING RENT
 ▲ **6-7%** CAP RATE



# Retail

## AUSTIN

The Austin retail market remained in balance through the first half of 2025. The average asking lease rate nudged slightly to \$27.17 NNN at mid-year 2025, up 0.5% from \$27.04 NNN at year-end 2024. The vacancy rate of 3.1% held constant from year-end 2024 to mid-year 2025.

Some 921,000 square feet was constructed in the first half of 2025, while 600,000 square feet of net space was absorbed during the same period. Approximately 3.4 million square feet of additional space was under construction as of mid-year 2025.

3.1%

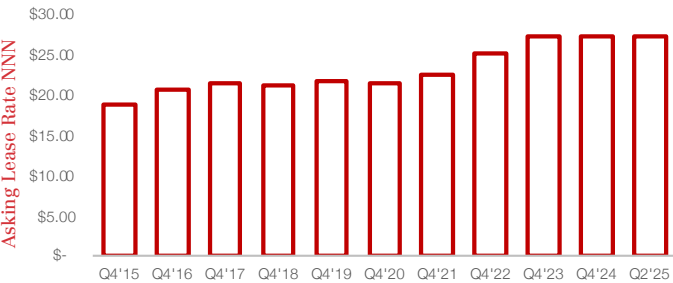
VACANCY

\$27.17

ASKING RENT

5-7%

CAP RATE



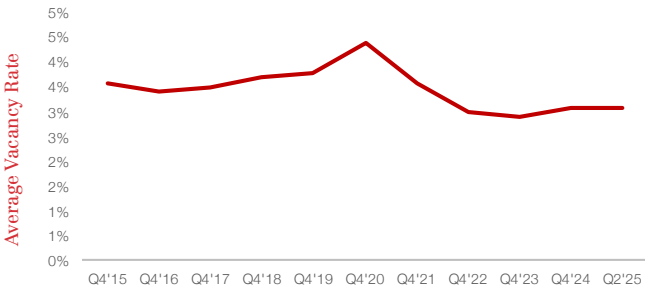
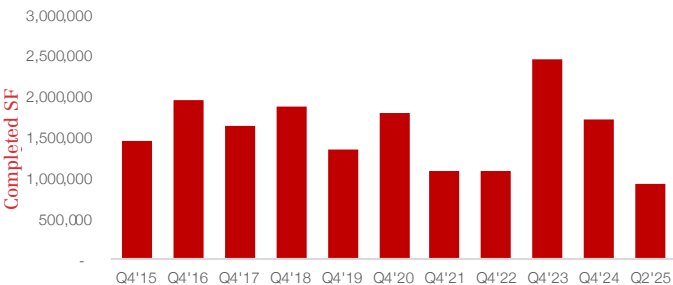
180 Alliance Blvd

Retail

54,000

Completed 2025

Market	Total Inventory	% Vacant	YTD Net Absorption	SF Under Construction	Built YTD	Asking NNN Rent
General Retail	70,631,741	2.8%	546,112	3,172,204	617,198	\$25.46
Mall	7,889,330	1.9%	36,147	23,343	147,318	\$26.43
Power Center	16,398,003	3.2%	87,213	-	62,962	\$21.87
Shopping Center	27,062,496	4.8%	(8,792)	290,145	93,681	\$27.07
Specialty Center	2,009,926	3.2%	(61,120)	-	-	\$33.00
Bastrop / Caldwell / Hays County	18,144,241	1.6%	41,042	232,137	92,770	\$25.33
CBD	2,337,230	2.3%	(22,177)	-	-	\$43.40
Central / West Central	10,496,692	4.3%	91,856	-	-	\$31.20
Cedar Park	10,353,620	3.6%	58,970	1,157,673	63,421	\$30.46
East	4,983,946	3.3%	7,887	49,945	6,500	\$30.10
Georgetown / Far North / Round Rock	30,869,946	3.3%	511,859	1,899,862	578,889	\$26.30
North	8,012,491	3.5%	(67,241)	7,200	4,191	\$21.92
Northeast	4,084,447	7.0%	56,444	47,343	170,563	\$26.98
Northwest	5,830,501	4.3%	(47,296)	-	-	\$25.02
South / Southeast / Southwest	28,878,382	2.2%	(31,784)	91,532	4,825	\$26.60
Totals	123,991,496	3.1%	599,560	3,485,692	921,159	\$27.17



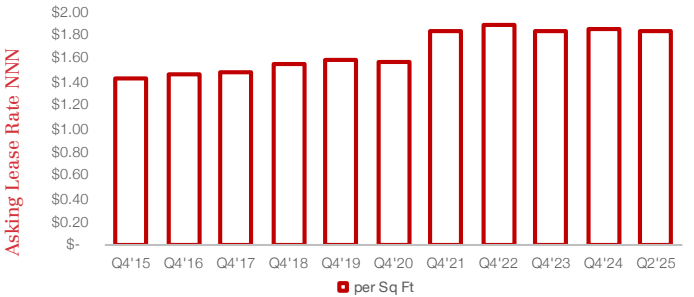


# Multifamily

## AUSTIN

The Austin multifamily market vacancy and lease rate trend held mostly flat at mid-year 2025 relative to year-end 2024, after experiencing unprecedented construction and elevated vacancy in recent years. The average lease rate nudged to \$1.83 per square foot at mid-year 2025. The vacancy rate, moved slightly from 14.7% at the end of 2024 to 14.8% at mid-year 2025.

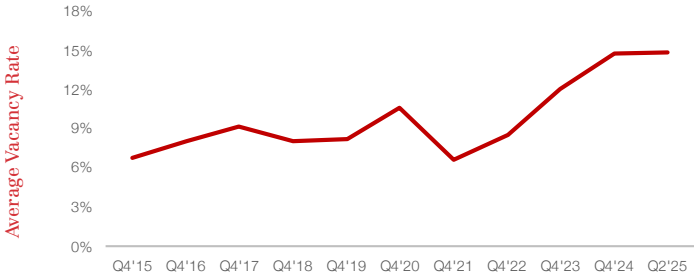
In the first half of 2025, over 13,000 units were delivered and another 22,000 units are in construction. Absorption for the first six months of the year nearly matched the construction deliveries, demonstrating the continued demand for the marketplace.



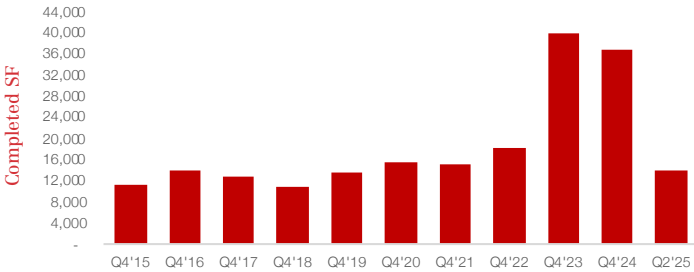
Market	Units	% Vacant	YTD Net Absorption	Units UC	Built YTD	Asking Rent/SF	Asking Studio	Asking 1 Bed	Asking 2 Bed	Asking 3 Bed
Class A	127,956	13.6%	5,688	4,866	2,202	\$2.04	\$1,510	\$1,577	\$2,051	\$2,494
Class B	214,195	16.5%	7,901	17,247	11,594	\$1.75	\$1,300	\$1,362	\$1,700	\$2,052
Class C	68,280	11.6%	(319)	186	-	\$1.58	\$922	\$1,119	\$1,412	\$1,525
Bastrop / Caldwell / Hays County	41,512	17.4%	1,718	2,760	808	\$1.64	\$1,170	\$1,271	\$1,547	\$1,855
Downtown Austin	8,616	12.9%	371	1,278	328	\$3.55	\$1,794	\$2,774	\$4,449	\$9,144
Central Austin	16,017	10.1%	58	478	-	\$3.38	\$1,720	\$1,779	\$2,849	\$3,697
Cedar Park	17,777	15.1%	415	336	557	\$1.70	\$1,692	\$1,345	\$1,741	\$2,074
East Austin	23,326	13.7%	1,209	2,363	153	\$2.16	\$1,366	\$1,685	\$2,024	\$2,027
Georgetown / Far North / Round Rock	108,722	15.0%	4,155	3,001	3,248	\$1.65	\$1,246	\$1,319	\$1,668	\$2,020
Midtown Austin	18,698	15.0%	602	887	803	\$2.05	\$1,121	\$1,442	\$1,954	\$2,745
North Austin	35,473	13.9%	1,119	1,120	215	\$1.84	\$1,108	\$1,352	\$1,724	\$1,959
Northeast Austin	27,009	21.5%	1,189	4,833	3,085	\$1.49	\$925	\$1,249	\$1,558	\$1,646
Northwest Austin	37,270	10.8%	612	429	322	\$1.63	\$1,065	\$1,262	\$1,616	\$2,039
South / Southeast / Southwest	76,352	14.5%	1,823	4,814	4,277	\$1.78	\$1,126	\$1,415	\$1,718	\$2,003
Totals	410,772	14.8%	13,271	22,299	13,796	\$1.83	\$1,285	\$1,404	\$1,773	\$2,087

### 1401 S Lamar

Multifamily 309 Units Completed 2025



14.8% VACANCY \$1.83 ASKING RENT 5-7% CAP RATE



# SELECT 2025 TRANSACTIONS

750+

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JUNE 2025 T12

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± 269,000 SF / 57 ACRES

AGENT: Meeja McAllister



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**LEASED | INDUSTRIAL**

± 188,950 SF

AGENTS: Eric Larkin, Mike Kenny,  
Leslie Houston



**SOLD | RETAIL**

**\$10,222,900**

± 15.11 ACRES

AGENTS: Zach Hatch & Jay Blacker



**Intersection**

**SOLD | INDUSTRIAL**

**\$8,750,000**

± 46,860 SF

AGENT: Erik Sexton



**LEASED | INDUSTRIAL**

± 161,463 SF

AGENTS: Eric Larkin, Mike Kenny,  
Leslie Houston

3970 PARADISE RD

**LEASED | HOSPITALITY**

**\$8,910,000**

251 UNITS

AGENT: Anders Graciano

789 & 791 MIDDLEGATE

**SOLD | INDUSTRIAL**

**\$3,250,00**

± 13,400 SF

AGENTS: Bryan Houser &  
Asim Mehmood

1420 KATY FORT BEND

**SOLD | RETAIL**

**\$6,450,000**

± 2.161 ACRES | 19,971 SF

AGENTS: Jorge Rodriguez, Ernest  
Brown & Juan Carlos Flores



**SOLD | INDUSTRIAL**

**\$4,125,000**

± 13,500 SF

AGENT: Neil Walter










**THE DWELLINGS**

**SOLD | HOSPITALITY**

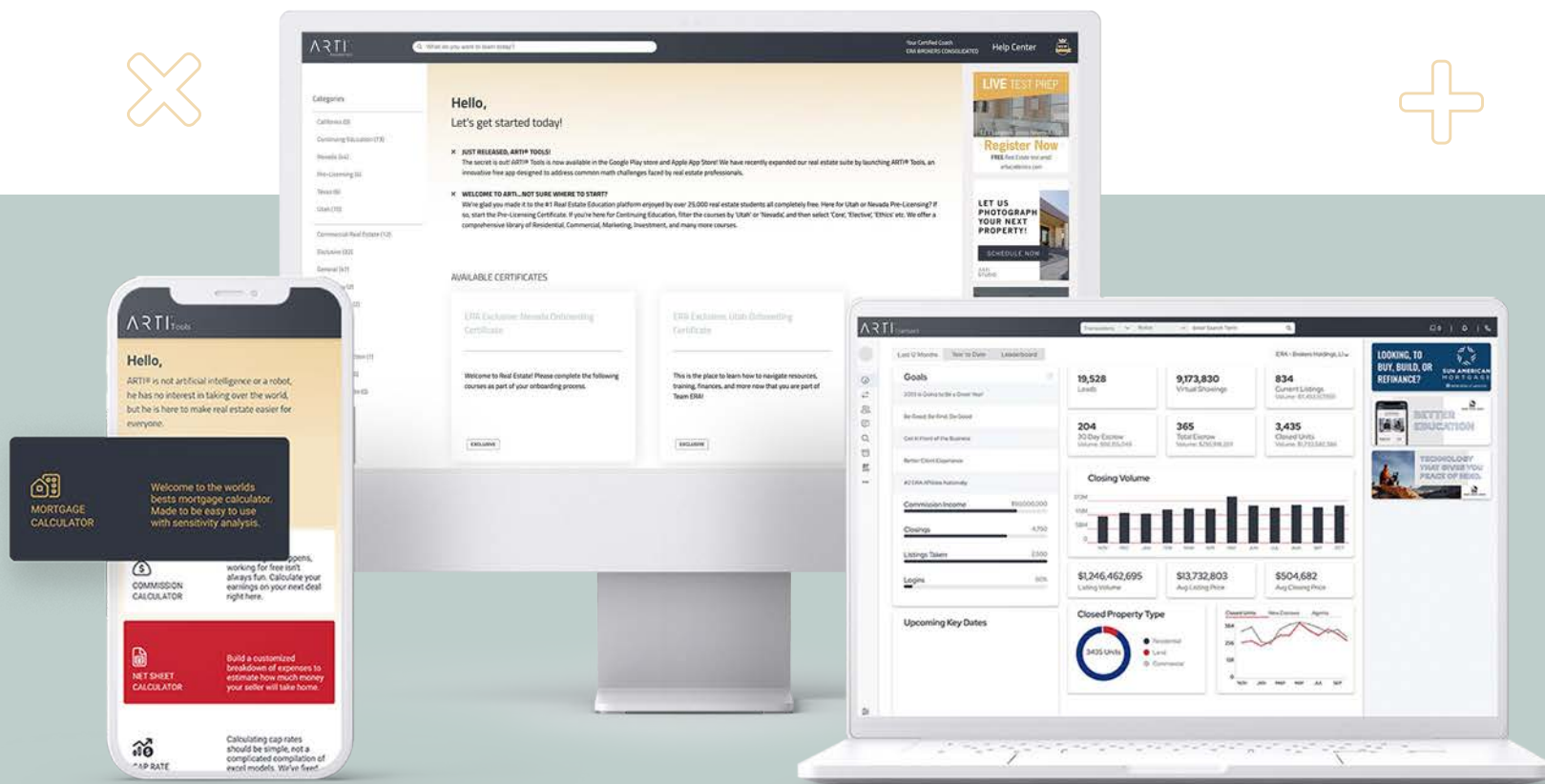
**\$5,000,000**

AGENTS: Kevin O'Brien & Jon Walter



<p>QUAIL CREEK INDUSTRIAL PARK Multiple Transactions</p> <p><b>SOLD   INDUSTRIAL</b></p> <p><b>\$11,760,000</b> ± 8.26 ACRES / 38,713 SF AGENT: Curren Christensen</p>	<p>421 N MEDINA</p> <p><b>SOLD   INDUSTRIAL</b></p> <p><b>\$4,200,000</b> ± 2.27 ACRES AGENT: Tom Rohde</p>	<p>8903 W MILITARY DR</p> <p><b>SOLD   RETAIL</b></p> <p><b>\$2,300,000</b> ± 3,785 SF AGENT: Scott Cummings</p>	<p>RED WATERS Multiple Transactions</p> <p><b>SOLD   INDUSTRIAL</b></p> <p><b>\$3,674,000</b> ± 11.96 ACRES AGENT: Wes Davis</p>
<p> <b>CASCADE</b> COLLISION REPAIR</p> <p><b>SOLD   INDUSTRIAL</b></p> <p><b>\$3,276,900</b> ± 11,388 SF AGENT: Jason Griffith</p>	<p>RIVER RIDGE PARKWAY</p> <p><b>SOLD   LAND</b></p> <p><b>\$1,500,000</b> ± 7.05 ACRES AGENT: Tom DeWine</p>	<p>3503 S SAM HOUSTON PARKWAY</p> <p><b>SOLD   RETAIL</b></p> <p><b>\$4,800,000</b> ± 2.18 ACRES   16,017 SF AGENTS: Jorge Rodriguez, Ernest Brown &amp; Juan Carlos Flores</p>	<p>7830 ELDORADO</p> <p><b>LEASED   INDUSTRIAL</b></p> <p>± 6,890 SF AGENT: Maria Herman</p>
<p>3625 WEST AVENUE</p> <p><b>LEASED   RETAIL</b></p> <p><b>\$1,898,987</b> ± 14,077 SF AGENT: Carla Villarreal</p>	<p> <b>Parkland</b> FUEL CORPORATION Multiple Transactions</p> <p><b>SOLD   RETAIL/C-STORES</b></p> <p><b>\$5,945,000</b> AGENT: Rina Fonua</p>	<p>7150 W GATES AVE</p> <p><b>SOLD   INDUSTRIAL</b></p> <p>± 7,875 SF AGENT: Jaden Malan</p>	<p>SIENNA HILLS AUTO MALL</p> <p><b>SOLD   LAND</b></p> <p><b>\$2,178,000</b> ± 8.14 ACRES AGENTS: Greg Whitehead &amp; Gregg McArthur</p>
<p>3370 PALM PARKWAY</p> <p><b>SOLD   INDUSTRIAL</b></p> <p><b>\$2,875,000</b> ± 10,280 SF AGENT: Erik Sexton</p>	<p>125 W ST GEORGE BLVD Multiple Transactions</p> <p><b>SOLD   MULTIFAMILY</b></p> <p><b>\$4,000,000</b> ± 12,766 SF AGENTS: Jon Walter &amp; Kevin O'Brien</p>	<p> <b>TCB</b> GLOBAL</p> <p><b>LEASED   INDUSTRIAL</b></p> <p>± 49,250 AGENT: Bryan Houser</p>	<p> <b>W</b> WAUSAU COATED</p> <p><b>LEASED   INDUSTRIAL</b></p> <p>± 46,800 SF AGENTS: Eric Larkin, Mike Kenny, Leslie Houston</p>
<p>3857, 3859 &amp; 3875 EAST SOUTHCROSS</p> <p><b>SOLD   OFFICE</b></p> <p><b>\$2,465,000</b> ± 43,156 SF AGENTS: Jorge Rodriguez, Ernest Brown &amp; Juan Carlos Flores</p>	<p> <b>NAIExcel</b> TEXAS HQ 1390 BITTERS</p> <p><b>SOLD   OFFICE</b></p> <p><b>\$4,580,000</b> ± 14,740 SF   2.9 ACRES</p>	<p> <b>Shipdudes</b></p> <p><b>LEASED   INDUSTRIAL</b></p> <p>± 22,990 SF AGENT: Bryan Houser</p>	<p> <b>Las Vegas</b> DC Warehousing</p> <p><b>LEASED   INDUSTRIAL</b></p> <p>± 82,240 SF AGENTS: Eric Larkin, Mike Kenny, Leslie Houston</p>

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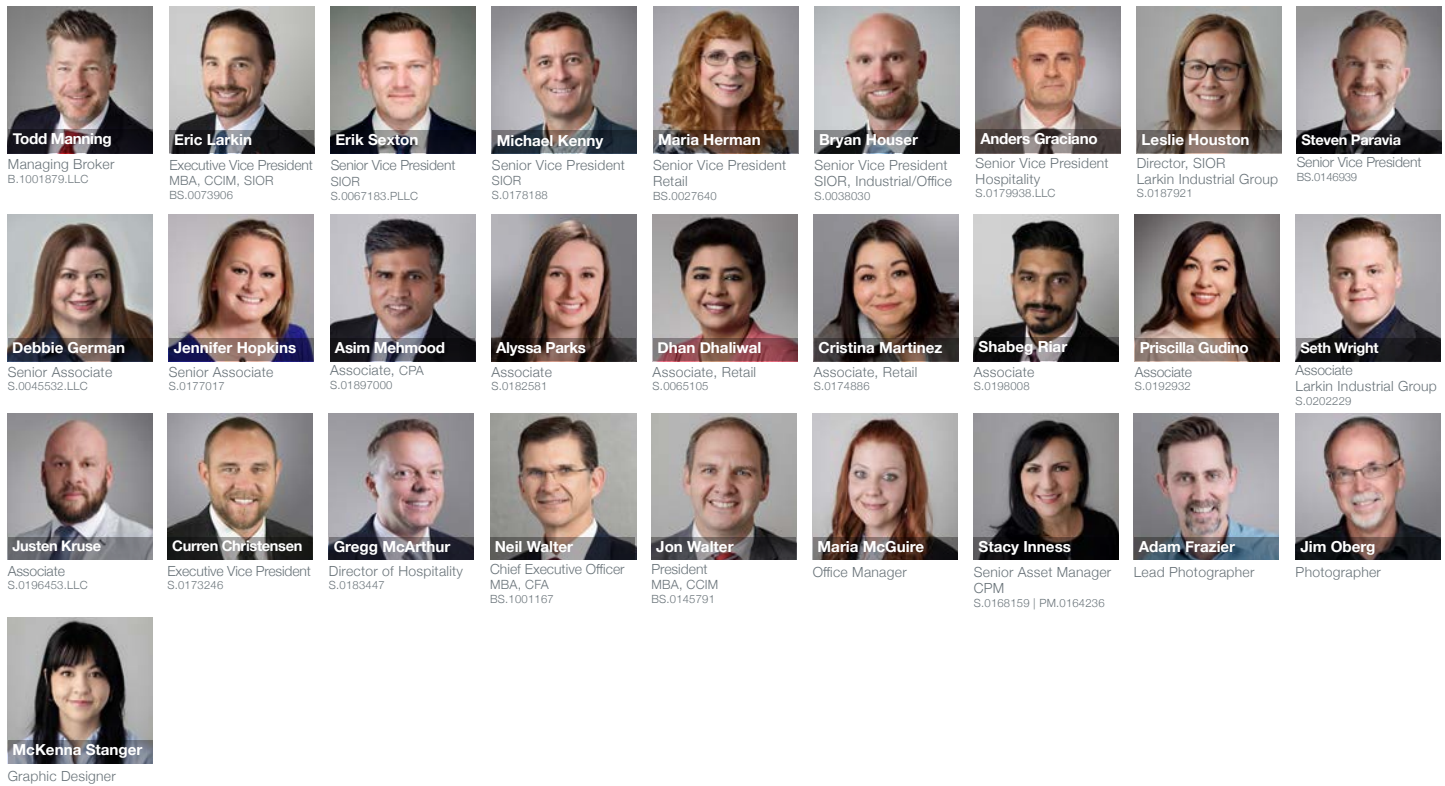
# NEW TEXAS HQ

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COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE

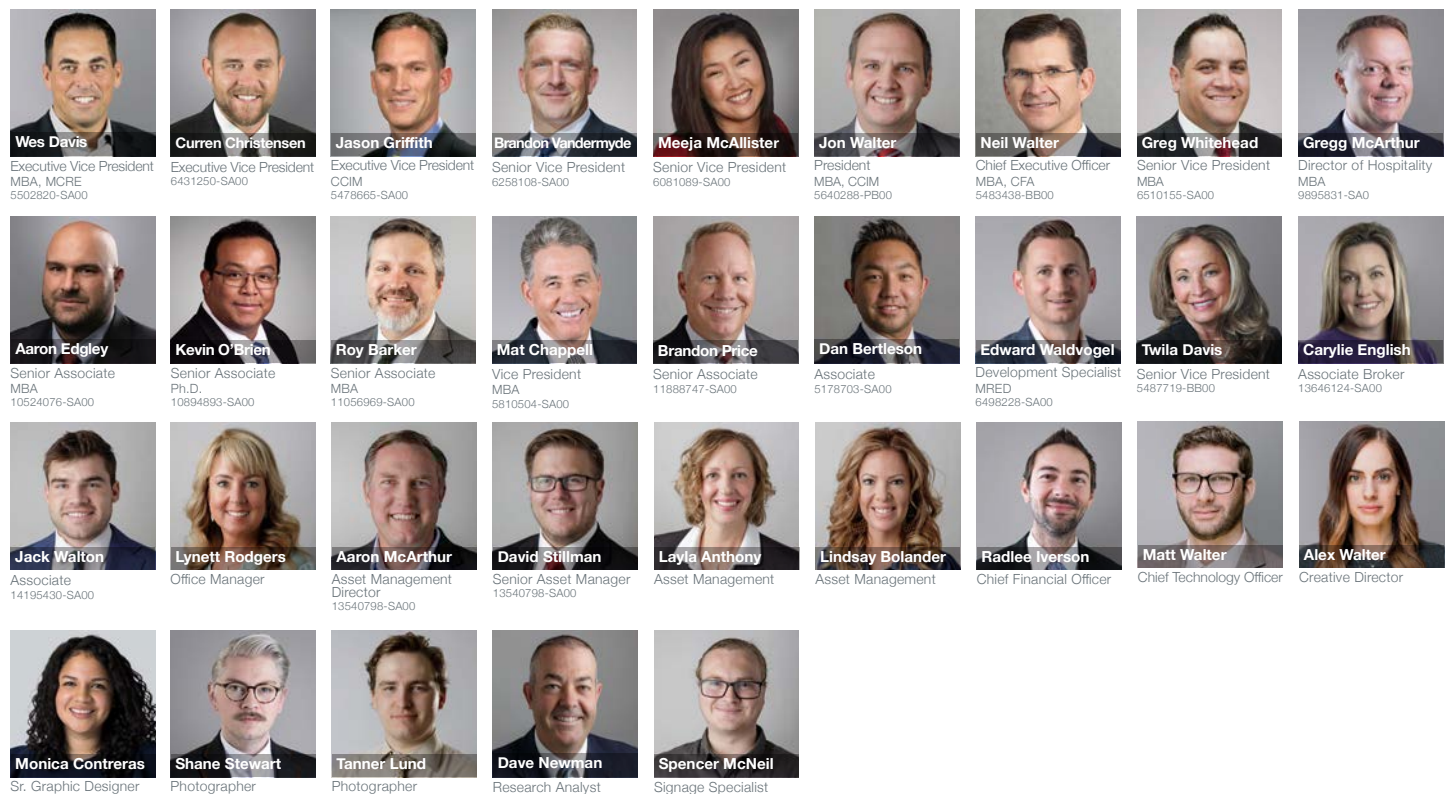
1390 E Bitters Rd  
San Antonio, TX 78216

# Our Team

## Las Vegas

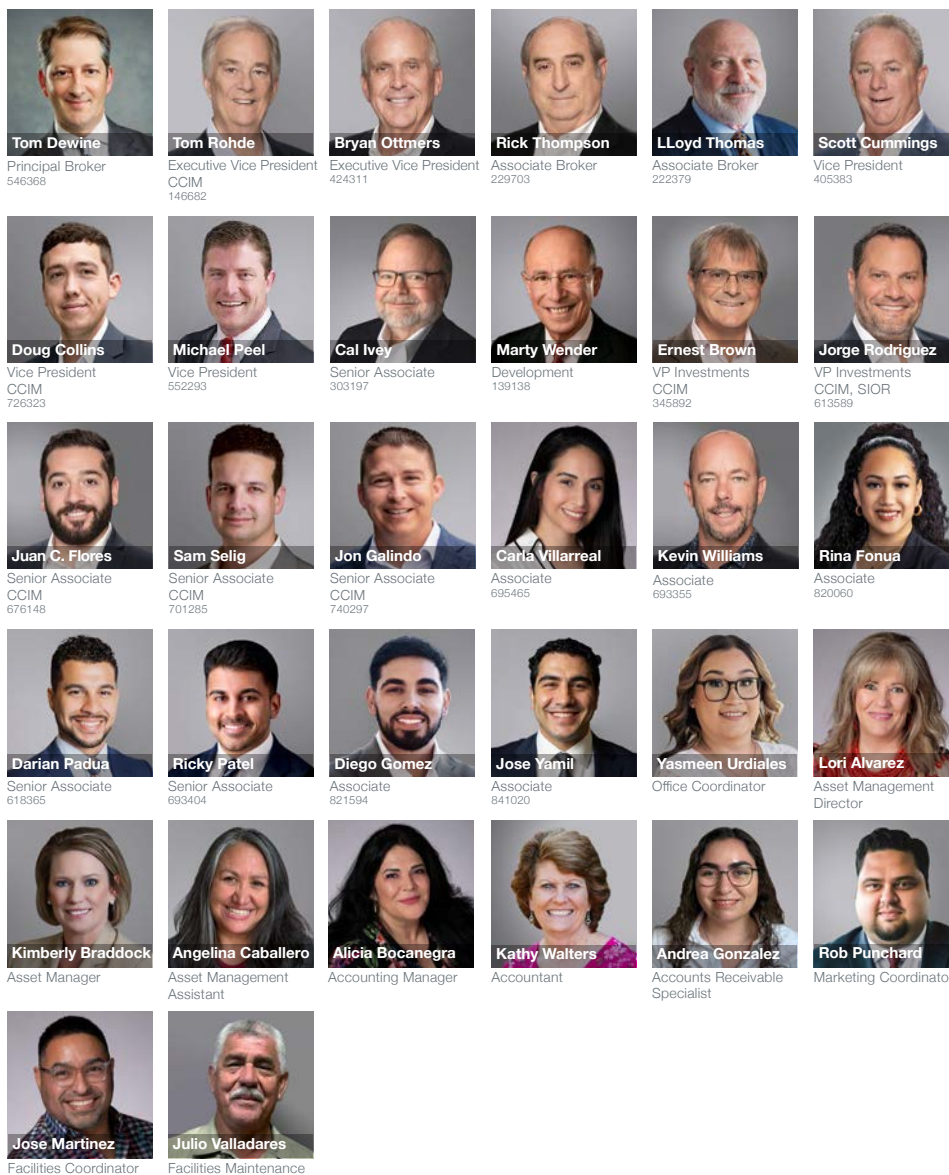


## Southern Utah

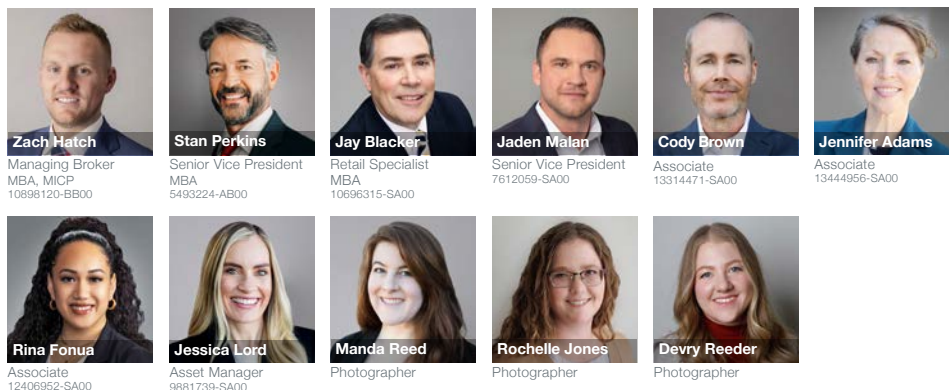




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