Austin *Industrial* Market

Market Report + Economic Overview

Q3 2026



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FULL-SERVICE COMMERCIAL REAL ESTATE SOLUTIONS

ECR

Our Story

ECR was established in 2010, by Founder and Managing Partner, Matt Levin, with a different approach to real estate. Placing a focus on relationships over transactions, our team is able to devote their focus, hard work, and attention to our clients. Our unique business model provides favorable commission splits, profit share, and an innovative approach to supporting our team members.

Our Approach

We place the highest value on our people – both our clients and our team. Always striving to exceed expectations for ourselves and for the people around us, we invest in genuine, authentic, and long-lasting relationships. Our team believes in the power of partnerships, which allow us to grow and share success together.





BROKERAGE SERVICES

- Project leasing strategy & execution
- Market research & pricing analysis
- Custom marketing & lead generation
- Lease negotiation & transaction management

PROPERTY MANAGEMENT

- Strategic asset performance & value optimization
- Integrated leasing collaboration to minimize vacancy
- Proactive tenant experience & retention programs
- Data-driven financial reporting & forecasting
- Capital planning & operational efficiency initiatives
- Vendor performance optimization & cost control

CONSTRUCTION MANAGEMENT

- Full lifecycle project oversight
- Budgeting, cost modeling & value engineering
- Schedule development & milestone tracking
- Contractor bidding & negotiation
- Tenant buildouts & remodels
- Owner's representative services
- Design team & municipal coordination
- Document review & constructability analysis
- Change order & cost control management
- Quality control & project closeout



AUSTIN'S SPEC SPACE IS STARTING TO FILL UP

Austin industrial had its strongest quarter in at least a year, with about 2.6 million SF of net absorption. Last quarter's report asked whether demand would spread beyond the Samsung corridor. Looking at who signed leases, it seems to have, and the tenants tell a more interesting story than the totals.

WHO'S LEASING, AND WHY

The biggest names are clustering around Austin's anchor employers. In the southeast, Tesla leased all of Mustang Ridge Distribution Center I, about 10 miles from the Gigafactory, next to a building its supplier Xinquan already occupies, while Amazon is planning a robotics factory nearby at the Dog's Head.

To the north, much of the activity looks tied to AI hardware. Flex, the Austin-based contract manufacturer that builds products for companies like Apple and Dell, took a 310,000 SF building in Georgetown as its data center business grows, in the same park where Pegatron is setting up its first U.S. factory.

Down I-35 in Buda, food companies are building out a distribution hub. PepsiCo-owned Siete now leases a full 396,000 SF building, joining US Foods and Night Hawk Frozen Foods.

It isn't only large users. USA Packaging, a Round Rock food container maker with four employees, signed for 60,000 SF in Georgetown and plans to grow to 30. Georgetown's mayor summed it up after the Flex deal: "We are filling up."

CONSTRUCTION IS LEVELING OFF

Meanwhile, the construction pipeline has stopped shrinking. About 7.1 million SF is underway, roughly flat with last quarter but less than half the 15.5 million SF under construction a year ago. Most of this quarter's additions came from EdgeConneX's 578,000 SF AUS04 data center in Bastrop County, which is pre-leased to CoreWeave. Elsewhere, many proposed projects keep getting pushed back, dropped, or taken off the list and added back later. What does break ground tends to be very large and farther out, like the 573,000 SF building starting next to Samsung in Taylor.

OUTLOOK

Vacancy will likely keep coming down. The market absorbed most of what delivered this quarter, and the pipeline behind it is less than half the size it was a year ago. Rents haven't moved up yet, so tenants still have room to negotiate, but landlords may start pushing rents in 2027 if vacancy keeps falling. Data centers mostly don't show up in vacancy numbers, but they're getting harder to ignore. They are behind a lot of the supplier demand above, so Gov. Abbott's September pause on new data center permits is the main caution, since it could slow that demand down. Overall, Austin industrial appears to be moving past the oversupply of the last few years and into a more balanced market, with demand coming from a wider mix of users than it was a year ago.

AVG. GROSS RENT

FLEX $18.09 ▼ **WAREHOUSE** $14.12 ▼

FLEX
Q2 2026 **$18.17** · Q3 2025 **$18.70**

WAREHOUSE
Q2 2026 **$14.24** · Q3 2025 **$13.37**

VACANCY RATE

FLEX 12.4% ▼ **WAREHOUSE** 15.8% ▼

FLEX
Q2 2026 **14.3%** · Q3 2025 **12.5%**

WAREHOUSE
Q2 2026 **17.0%** · Q3 2025 **14.9%**

Q3 DELIVERIES

2.61M SF ▲

Q2 2026 **2.06M SF** · Q3 2025 **1.54M SF**

UNDER CONSTRUCTION

7.12M SF ▲

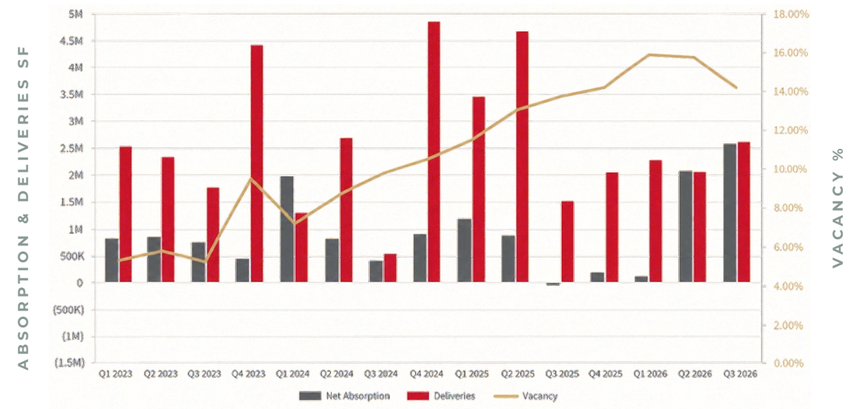
Q2 2026 **7.08M SF** · Q3 2025 **15.53M SF**

NET ABSORPTION

2.57M SF ▲

Q2 2026 **2.06M SF** · Q3 2025 **-11.7K SF**

Austin Historical Vacancy, Deliveries, and Net Absorption



AUSTIN ECONOMIC & LABOR OVERVIEW

BUSINESS CYCLE INDEX

4.6% ▲

A broad measure of economic activity, grew an annualized 4.6 percent in July, slower than the 6.7 percent gain in June

UNEMPLOYMENT

Austin	3.8% ▲
Texas	4.5% ▲
US	4.1% ▼

LABOR FORCE GROWTH

Austin	0.8% ▲
Texas	1.5% ▲
US	0.5% ▲

TOP INDUSTRIES

Professional & Business Services up **+6,900 jobs**
Construction & Mining up **+1,900 jobs**
Government down **-2,100 jobs**

DEVELOPMENT OUTLOOK

UNDER CONSTRUCTION

1 CROSSPOINT PHASE II - BLDG 5
GEORGETOWN
606,060 SF
Jackson-Shaw Company

2 NORTHWEST DEPOT - 6 BLDGS
CEDAR PARK
769,590 SF
Prologis

3 AUSTIN HILLS COMMERCE CENTER - BLDG 6
EAST
681,259 SF
Sansone Group

4 AUS04
BASTROP COUNTY
578,000 SF
EdgeConneX

5 POINT FORTY FIVE - BLDGS 1-3
FAR NORTHEAST
570,627 SF
Sansone Group

6 GRADIANT TECHNOLOGY PARK - 3 BLDGS
ROUND ROCK
510,204 SF
iMarket America

7 BURLESON TECH - 3 BLDGS
SOUTHEAST
508,041 SF
Holt Lunsford Commercial, Inc.

8 AUS03
BASTROP COUNTY
500,000 SF
EdgeConneX

9 METCENTER – 2 BUILDINGS
SOUTHEAST
318,400 SF
Zydeco Development

10 NORTHPARK 35 - BLDG 9
GEORGETOWN
283,390 SF
Titan Development

PROPOSED CONSTRUCTION

11 CHANDLER RD
GEORGETOWN
2,039,407 SF
Undisclosed

12 GTX LOGISTICS PARK - 2 BLDGS
GEORGETOWN
2,031,240 SF
Green Point Property Company

13 GRADIANT TECHNOLOGY PARK - 8 BLDGS
ROUND ROCK
1,484,647 SF
iMarket America

14 FUSION 130 - 9 BLDGS
EAST
1,478,495 SF
Lovett Industrial, LLC

RECENTLY DELIVERED

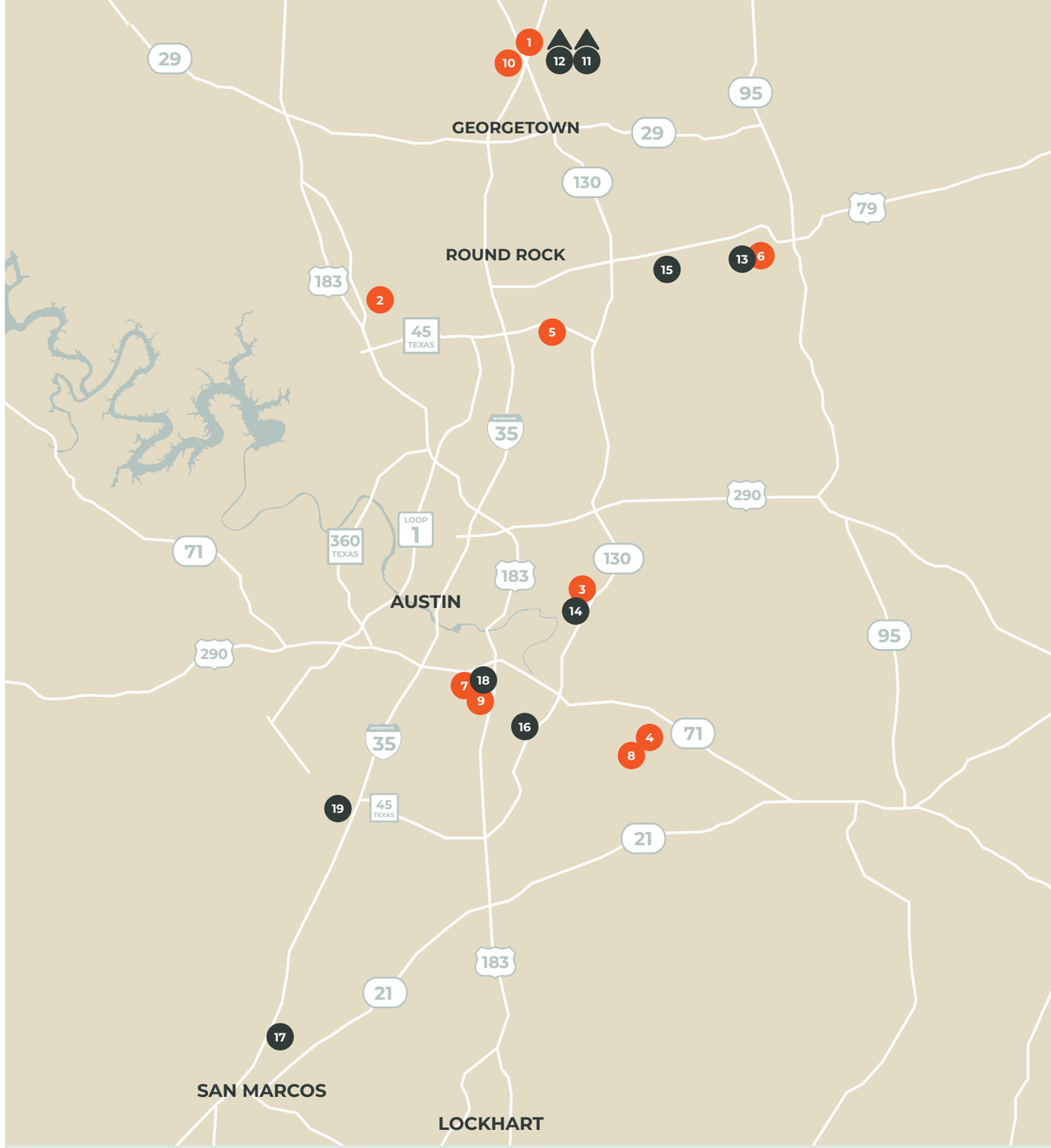
15 POWERCAMPUS AUSTIN - BLDG 2
ROUND ROCK
469,000 SF
Prologis

16 AIRPARK 130 - BLDGS 1,3,4
SOUTHEAST
445,078 SF
Clarius Partners, LLC

17 435 AIKEN DR - BLDG C
HAYS COUNTY
377,300 SF
St Clair Commercial Real Estate

18 SOUTHEAST CROSSING – 6 BLDGS
SOUTHEAST
366,400 SF
Bridge Logistics Properties

19 TRAVIS SOUTH – BLDGS 1-2
SOUTH
303,112 SF
Stillwater Capital



7,116,339 SF
TOTAL UNDER CONSTRUCTION

36,969,155 SF
TOTAL PROPOSED CONSTRUCTION

2,611,423 SF
TOTAL RECENTLY DELIVERED

MAJOR LEASES

COREWEAVE
AUS04
BASTROP COUNTY
578,000 SF
Direct

TESLA
Mustang Ridge Business Park - Building 2
SOUTHEAST
538,720 SF
Direct

SIETE FAMILY FOODS
Buda Commerce Center
HAYS COUNTY
395,567 SF
Direct

FLEX
Blue Springs Business Park
GEORGETOWN
310,366 SF
Direct

FOUR HANDS
Airport Logistics Center
SOUTHEAST
235,740 SF
Direct

AI PREFAB SOLUTIONS
Innovation Business Park
GEORGETOWN
196,523 SF
Direct

ALLEN CONTROL SYSTEMS
Vista Business Park
NORTH
191,207 SF
Direct

FLEX
Springbrook Corporate Center
FAR NORTHEAST
144,000 SF
Direct

HYLIION
Brushy Creek Corporate Center
CEDAR PARK
124,780 SF
Direct

AUSTIN IN THE NEWS

"Data Center Packaging Firm Signs 81,348 SF Lease at Titanium Commerce Park"
AUSTIN BUSINESS JOURNAL

"Partners Real Estate to Break Ground on 573,000 SF TaylorPort 3 Next to Samsung"
AUSTIN BUSINESS JOURNAL

"Austin Council Approves Dog's Head TIRZ, Clearing the Way for Amazon Robotics Factory"
AUSTIN BUSINESS JOURNAL

KEY SALES



1100 E HOWARD LN - BLDG 5
1100 E Howard Ln
FAR NORTHEAST
153,000 SF
Buyer: EastGroup Properties
Seller: TA Realty (Part of 5-Property Portfolio)
Price: $34.85M (Allocated)



NORTHGATE 35 COMMERCE CENTER
16235 N Interstate 35
FAR NORTHEAST
145,454 SF
Buyer: The Stone Collection
Seller: Brookfield Property Group
Price: Undisclosed



PROLOGIS METRIC - BLDG 6
9715-A Burnet Rd
NORTH
107,940 SF
Buyer: Live Oak
Seller: Prologis & OakPoint Real Estate
Price: Undisclosed



WARESPACE SOUTH AUSTIN
210 E Saint Elmo Rd
SOUTH
102,934 SF
Buyer: WareSpace
Seller: Link Logistics (Blackstone) (Part of 2-Property Portfolio)
Price: Undisclosed



CORRIDOR PARK 1
3815 A Jarrett Way
NORTH
96,000 SF
Buyer: Stonemont Financial Group & PCCP
Seller: Link Logistics (Blackstone) (Part of 6-Property Sale)
Price: Undisclosed



CORRIDOR PARK 5
200 Parker Dr
NORTH
88,000 SF
Buyer: Stonemont Financial Group & PCCP
Seller: Link Logistics (Blackstone) (Part of 6-Property Sale)
Price: Undisclosed



WARESPACE NORTH AUSTIN
11209 Metric Blvd
NORTH
81,348 SF
Buyer: WareSpace
Seller: Link Logistics (Blackstone) (Part of 2-Property Portfolio)
Price: Undisclosed



CORRIDOR PARK 4
v
NORTH
80,000 SF
Buyer: Stonemont Financial Group & PCCP
Seller: Link Logistics (Blackstone) (Part of 6-Property Sale)
Price: Undisclosed



SOUTHPARK D
2124 Saint Elmo Rd E
SOUTHEAST
75,525 SF
Buyer: Leifer Properties
Seller: Pennybacker
Price: Undisclosed

INDUSTRIAL STATISTICS BY VACANCY

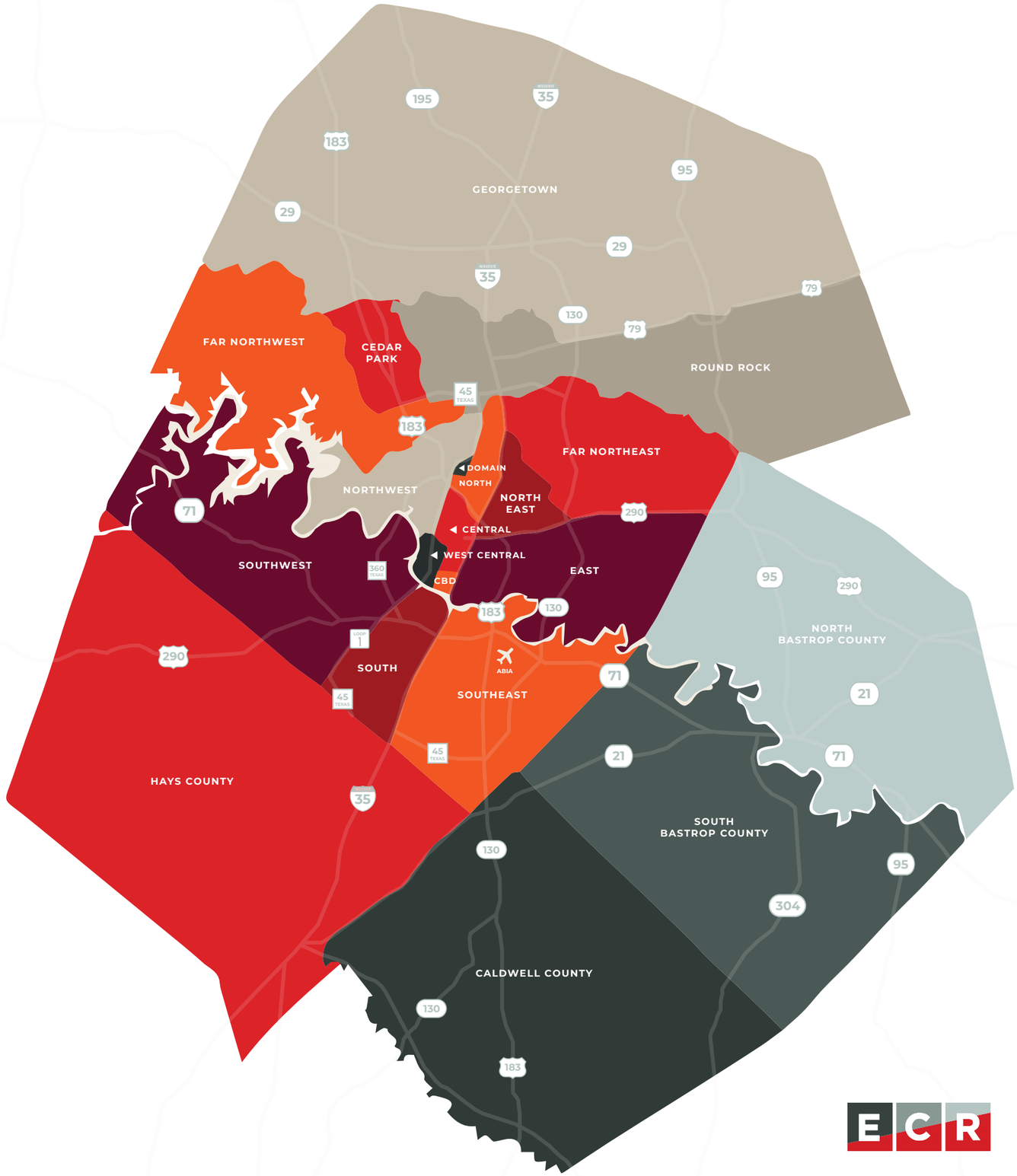
TOTAL WAREHOUSE

SUBMARKET	TOTAL INV. SF	VACANCY %	AVG. RENTAL RATES
Austin MSA	100,311,275	15.8%	$14.12
Bastrop	857,502	.2%	$6.00
Caldwell	1,221,552	14.1%	-
CBD	309,325	-	-
Cedar Park	1,577,633	11.2%	$20.00
Central	896,623	4.7%	-
East	6,381,157	34.7%	$17.37
Far Northeast	9,806,773	15.1%	$11.08
Far Northwest	586,162	4.8%	$14.29
Georgetown	13,902,271	17.3%	$13.78
Hays County	16,320,820	18.2%	$13.17
North	11,125,571	9.9%	$12.55
Northeast	7,229,233	11.3%	$10.98
Northwest	1,068,495	9.1%	-
Round Rock	8,811,150	12.3%	$15.24
South	2,158,168	19.3%	$15.00
Southeast	17,116,606	16.6%	$19.35
Southwest	942,234	4.0%	$14.59

TOTAL FLEX

SUBMARKET	TOTAL INV. SF	VACANCY %	AVG. RENTAL RATES
Austin MSA	19,882,518	12.4%	$18.09
Bastrop	85,435	2.9%	-
Caldwell	30,150	0%	-
Cedar Park	911,140	15.0%	$21.66
Central	570,161	9.1%	-
East	1,334,837	3.8%	-
Far Northeast	440,976	16.4%	$18.01
Far Northwest	653,913	4.6%	$17.50
Georgetown	947,953	25.1%	$18.3
Hays County	743,356	21.6%	$17.5
North	3,732,961	12.9%	$17.9
Northeast	3,246,528	6.6%	$17.78
Northwest	1,741,603	7.1%	$20.00
Round Rock	894,513	11.3%	$19.41
South	671,000	15.2%	$18.62
Southeast	3,369,678	19.5%	$15.64
Southwest	508,314	10.4%	$17.81

*Research information is sourced from CoStar data compiled through ECR from custom reports using existing, non-owner occupied properties above 20,000 SF.



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Report + Economic Overview

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