

Austin

Office - Q3 2026

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Austin office demand remains strong with an increase in leasing activity

The Austin office market continued to strengthen in Q3 2026, supported by solid fundamentals and an uptick in total transaction volume. Leasing activity totaled 1.4 million square feet, 12.4% above the five-year quarterly average. Notable transactions included Jackson Walker's 117,038-square-foot lease at 401 West 4th Street in the Central Business District (CBD). Supported by several significant leases, the CBD accounted for 30.0% of total leasing volume in Q3. As the flight to quality persisted, Class A space represented nearly 70.0% of leasing activity.

Apollo Global Management expands with Austin headquarters

Private capital firm Apollo Global Management selected Austin as the location for its second headquarters, marking a major expansion beyond its longtime New York base. The metro's deep talent pool, favorable business environment and robust innovation ecosystem influenced the decision. The expansion is expected to support a significant portion of Apollo's future growth, further strengthening Austin's position as an established financial services and technology hub. Once the firm finalizes its permanent location, the move could drive additional demand for high-quality office space and boost leasing activity in the coming quarters.

Steady demand drives lower availability and higher rental rates

With office demand holding firm, the overall availability rate decreased to 24.0% in Q3, down 300 basis points year over year and marking the sixth consecutive quarterly decline. The West Central and Central submarkets remained the market's tightest, supported by limited available inventory and persistent tenant demand. Class A availability also trended downward, recording 26.5% in Q3, well below the 30.2% reported in Q3 2025. Tenants' preference for higher-quality space pushed Class A asking rents to \$54.54, 5.2% above the five-year quarterly average. Given current market conditions, asking rents are expected to increase throughout the remainder of 2026.

KEY STATISTICS

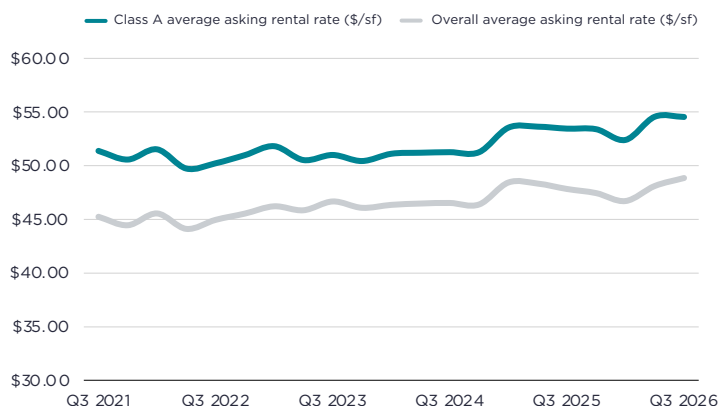
	Q3 2025	Q3 2026	Y-O-Y
Inventory	75.7 msf	77.8 msf	+2.1 msf
Availability rate	27.0%	24.0%	-300 bps
Asking rental rate	\$47.83	\$48.85	+2.1%
Class A asking rental rate	\$53.45	\$54.54	+2.0%
Quarterly leasing activity	1.1 msf	1.4 msf	+0.3 msf
Available sublease space	4.0 msf	3.1 msf	-0.9 msf

Outlook

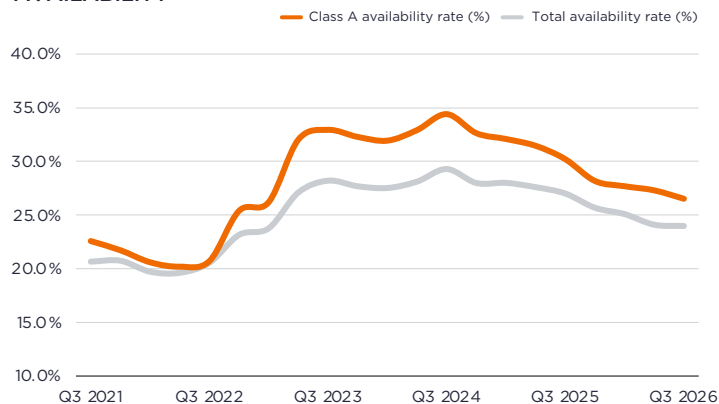
- 01** A favorable business climate and strong ecosystem will likely attract more corporate relocations and new business establishments to the region.
- 02** With several major tenants currently in lease negotiations, the market is expected to see an increase in leasing demand throughout 2026 and into 2027.

- 03** Availability in newer, high-quality properties is expected to become increasingly limited as the flight to quality continues.

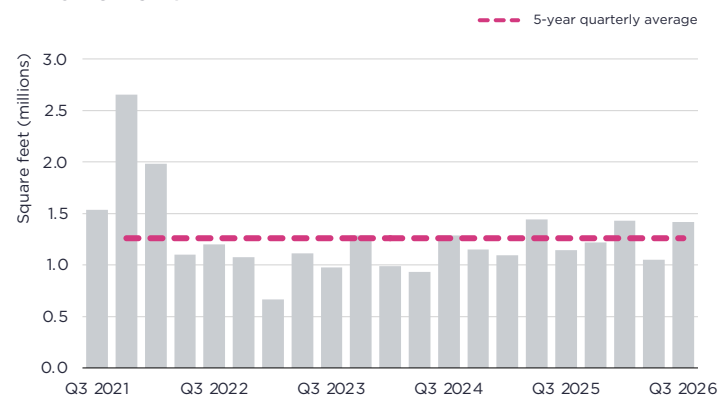
ASKING RENT



AVAILABILITY



LEASING ACTIVITY

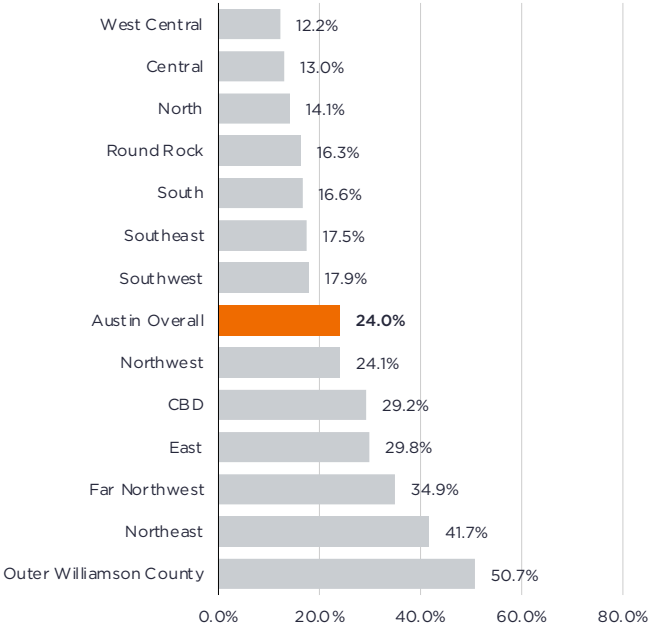


NOTABLE LEASES

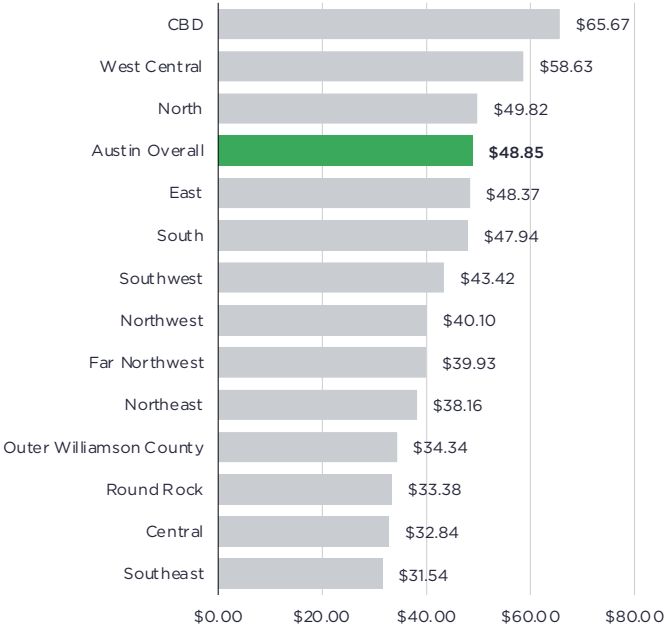
*Trophy building **Sublease

Tenant	Industry	Submarket	Address	Size (SF)	Transaction type
Jackson Walker	Legal Services	CBD	401 W 4th Street	117,038	Relocation
Tesla	Transportation	Northeast	717 E Parmer Lane	82,251	New Location
Qualcomm	Technology, Advertising, Media & Information	Northeast	13929 Center Lake Drive	65,628	Relocation**
Virtu Financial	Financial Services & Insurance	CBD	401 W 4th Street	54,288	Relocation
Freese & Nichols	Architecture, Engineering & Construction	Northwest	10901 Stonelake Boulevard	38,990	Relocation
Flex/Axiom Systems	Technology, Advertising, Media & Information	North	10025 Alterra Parkway	30,341	New Location
Valkyrie	Technology, Advertising, Media & Information	CBD	401 Congress Avenue	20,354	Relocation**
Global Foundries	Technology, Advertising, Media & Information	CBD	98 San Jacinto Boulevard	20,302	Expansion
Joint Parachute	Healthcare	South	811 Barton Springs Road	18,525	Renewal
Corridor Title	Financial Services & Insurance	West Central	1200 W 5th Street	18,500	Relocation

AVAILABILITY RATE COMPARISON (%)
AUSTIN SUBMARKETS



RENTAL RATE COMPARISON (\$/SF)
AUSTIN SUBMARKETS



Savills Research

For more information, please contact us:

Savills Austin
300 W 6th Street,
Suite 1510
Austin, TX 78701
+1 213 553 3800

Isabel Choi
Director, Research
ichoi@savills.us
+1 713 237 5545



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Unless otherwise noted, all rents quoted throughout this report are average asking gross (full service) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical availability and rent data are subject to change due to changes in inventory. The information in this report is obtained from sources deemed reliable, but no representation is made as to the accuracy thereof. Unless otherwise noted, source for data is Savills Research. Copyright © 2026 Savills