

Hot downtown office space hits market at bargain price

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[Conley Covert](#), a commercial real estate broker with SkylesBayne Co., has a deal for office tenants desperately seeking a downtown Austin address but can't afford the escalating price tags.

Covert represents a technology company that is downsizing its Austin office at 98 San Jacinto Blvd. — a Central Business District trophy building that also just happens to be 100 percent occupied.

“Here’s a great opportunity for a company that wants to be downtown but doesn’t have a downtown budget,” Covert said.

He’s quoting \$29.50 per square foot for the 7,360-square-foot space on the fifth floor with spectacular views of Lady Bird Lake.

Given that full service rents in Class A office towers nearby — with or without views — now top \$50 per square foot, the savings would be substantial. Even subleases are averaging \$36 per square foot, Covert said.

Here’s a key part of the deal, however: There likely won’t be much in the way of tenant improvement allowance.

“We’re just trying to break even on this,” Covert said.

Since the space was designed two years ago by one of Austin’s most lauded firms — STG Design — he’s convinced there are tenants out there that could fit right in, as is.

Up to 45 employees could fit here, Covert said.

Another added amenity? It’s adjacent to the Four Seasons Hotel.