

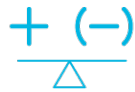
# HOUSTON

## MULTIFAMILY MARKET | Q3 2025



**787,507**

Units



**10,293 Units**

Net Absorption



**896 SF**

Average Size/Unit



**90.0%**

Occupancy



**7,236 Units**

Under Construction



**\$1,272**

Effective Rent/Unit

### 10K Units Absorbed in Q3, Highest Since 2021

#### Market Observations

- Demand gains were seen this quarter in all class categories as renters moved into just over 10.3K apartments. On top of the robust leasing activity, fueled by late-summer immigration population growth, Houston's multifamily construction pipeline subsided 17% now totaling slightly more than 7,200 units, coming down by 1,500 units at the close of the second quarter. New additions include Williams Ranch Vista, a 375-unit, low-rise community in the Richmond/ Rosenberg submarket, and Echo Lake At Springwoods Village, a 326-unit complex in the Tomball/ Spring submarket.
- Meanwhile, Houston developers completed 6,541 new operating units during the third quarter of 2025. This is quite a notable increase in the past 90 days when the deliveries totaled just north of 1,800 units at midyear.
- Significant new openings this quarter include the 371-unit, mid-rise, Class B Westgrove in the Brookhollow/ Northwest Crossing; the 370-unit, low-rise, Class B Prose Riviana in the Katy/ Cinco Ranch/ Waterside submarket; and the 366-unit, low-rise, Class B The Davy At The Grid in the Sugar Land/ Stafford/ Sienna submarket. As a result of the strong leasing gains, slowing construction pipeline and population growth, overall occupancy rose to 90%, up 100 basis points over the second quarter.

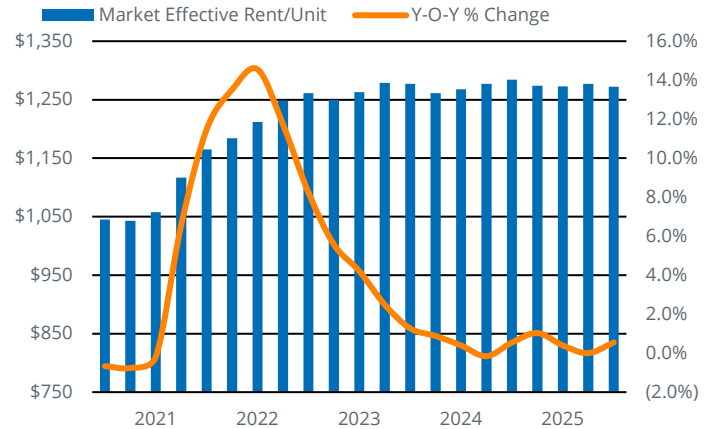




# HOUSTON MULTIFAMILY MARKET | Q3 2025

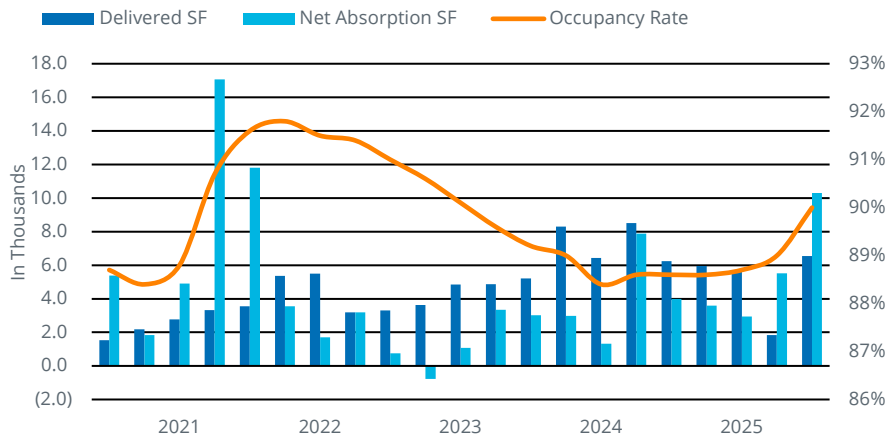
- Houston's multifamily sector was home to 11 consecutive quarters of metro-wide net positive demand. The new leasing was mainly seen in Class A at 4,393 units, followed by more affordable Class C with 3,260, Class B with 2,052 and last, Class D registering 588 units of leasing growth.
- The market effective rent for Houston clocked in at \$1,272/unit, a slight decrease of 40 basis point quarter-over-quarter, while the year-over-year change experienced a 90 basis points decrease.
- The hotbeds for new construction include Med Center/ Braes Bayou with 825 units currently under development spread across two communities; UofH/ I-45 South which currently hosts three communities with a total unit count of 760 under construction; and Tomball/ Spring with 755 units being constructed between three communities. The Woodlands/ Conroe South was bumped from the top three this quarter with the recent delivery of the Class B, 269-unit, three-story Imperial Oaks Square, managed and owned by Houston-based, Sueba USA.

## ASKING RENT



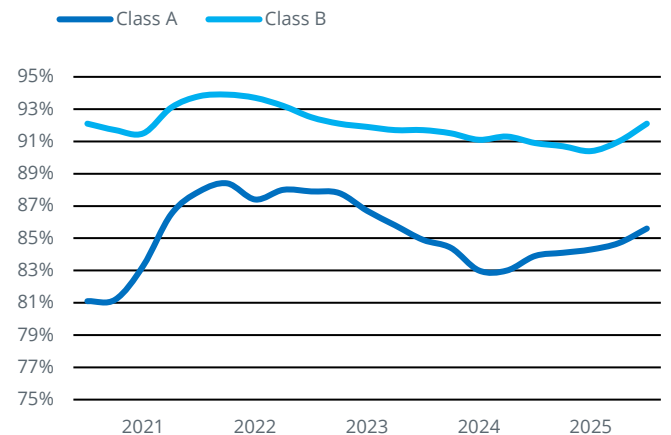
Source: Transwestern, MRI - Apartment Data

## DELIVERY IMPACT ON KEY INDICATORS



Source: Transwestern, MRI - Apartment Data

## OVERALL OCCUPANCY BY CLASS, CLASS A & CLASS B



Source: Transwestern, MRI - Apartment Data



# HOUSTON MULTIFAMILY MARKET | Q3 2025

## MARKET INDICATORS TABLE

All Classes of Space | Q3 2025

SUBMARKET (# CORRESPONDS TO MAP, PG 5)	# OF APT. COMMUNITIES	# OF APT. UNITS	OCCUPANCY	NET ABSORPTION UNITS	AVERAGE EFFECTIVE RENT	RENT % CHANGE YOY	UNITS UNDER CONSTRUCTION
1. Montrose/ Museum/ Midtown	81	20,472	85.4%	(111)	\$2,017	1.9%	134
2. Highland Village/ Upper Kirby/ West U	70	19,603	92.3%	(14)	\$1,956	(0.3%)	317
3. Med Center/ Braes Bayou	88	26,147	92.3%	253	\$1,447	(2.4%)	825
4. Heights/ Washington Ave	86	21,753	87.0%	375	\$1,726	(4.1%)	-
5. Downtown	35	8,983	85.3%	210	\$1,967	(4.9%)	-
6. Galleria/ Uptown	107	25,396	88.4%	309	\$1,412	(3.1%)	185
7. Woodlake/ Westheimer	38	12,361	92.4%	120	\$1,144	(1.6%)	-
8. Energy Corridor/ CityCentre/ Briar Forest	117	35,520	91.1%	724	\$1,326	(2.9%)	101
9. Westchase	53	15,512	88.4%	95	\$1,070	(6.2%)	-
10. Alief	115	28,040	90.6%	272	\$1,073	0.4%	-
11. Sharpstown/ Westwood	106	25,539	93.0%	142	\$910	(0.3%)	-
12. Westpark/ Bissonnet	58	16,958	93.3%	192	\$894	(2.8%)	-
13. Braeswood/ Fondren SW	83	22,161	92.2%	329	\$935	(2.6%)	-
14. Almeda/ South Main	27	5,351	92.5%	40	\$1,035	0.3%	155
15. Sugar Land/ Stafford/ Sienna	79	18,822	90.0%	280	\$1,456	(1.5%)	-
16. Richmond/ Rosenberg	38	6,895	92.2%	(22)	\$1,312	1.9%	375
17. Brookhollow/ Northwest Crossing	104	23,302	88.1%	268	\$1,100	(0.5%)	-
18. Memorial/ Spring Branch	126	26,226	91.2%	244	\$1,227	(1.1%)	-
19. Inwood/ Hwy 249	32	6,302	88.6%	7	\$1,020	0.1%	-
20. Willowbrook/ Champions/ Ella	169	42,932	90.8%	538	\$1,115	(1.7%)	539
21. Jersey Village/ Cypress	73	17,341	92.6%	278	\$1,240	(0.2%)	388
22. Bear Creek/ Copperfield/ Fairfield	90	24,510	87.8%	604	\$1,369	(1.9%)	-



# HOUSTON MULTIFAMILY MARKET | Q3 2025

## MARKET INDICATORS TABLE

All Classes of Space | Q3 2025 – Cont.

SUBMARKET (# CORRESPONDS TO MAP, PG 5)	# OF APT. COMMUNITIES	# OF APT. UNITS	OCCUPANCY	NET ABSORPTION UNITS	AVERAGE EFFECTIVE RENT	RENT % CHANGE YOY	UNITS UNDER CONSTRUCTION
23. Katy/ Cinco Ranch/ Waterside	172	48,624	87.4%	737	\$1,449	(4.2%)	353
24. Tomball/ Spring	95	23,454	89.0%	405	\$1,382	(2.9%)	755
25. Woodlands/ Conroe South	90	24,722	90.2%	185	\$1,476	(0.8%)	619
26. Conroe North/ Montgomery	74	14,550	87.1%	304	\$1,215	(1.1%)	431
27. I-10 East/ Woodforest/ Channelview	66	13,804	89.9%	282	\$1,112	(0.4%)	-
28. I-69 North	34	5,459	88.6%	102	\$1,112	4.0%	99
29. Northline	54	7,386	90.6%	82	\$1,018	2.1%	-
30. Greenspoint/ Northborough/ Aldine	71	17,691	88.9%	290	\$949	2.7%	-
31. FM 1960 East/ IAH Airport	48	9,514	94.0%	177	\$1,106	(0.6%)	176
32. Lake Houston/ Kingwood	83	19,953	88.4%	34	\$1,358	(1.0%)	288
33. Northeast Houston/ Crosby	25	3,742	86.9%	40	\$1,055	2.3%	-
34. Hwy 288 South/ Pearland West	61	15,490	89.9%	233	\$1,428	(2.2%)	559
35. U of H/ I-45 South	128	20,566	92.4%	139	\$998	8.1%	760
36. Beltway 8 / I-45 South	54	14,423	90.7%	324	\$1,070	0.0%	66
37. Pasadena/ Deer Park/ La Porte	131	25,354	88.8%	303	\$1,097	2.2%	-
38. Friendswood/ Pearland East	34	6,463	94.2%	23	\$1,284	0.2%	111
39. Clear Lake/ Webster/ League City	107	27,292	93.3%	540	\$1,262	(1.8%)	-
40. Baytown	61	11,797	89.3%	190	\$1,130	5.6%	-
41. Dickinson/ Galveston	86	13,724	92.3%	310	\$1,208	2.3%	-
42. Alvin/ Angleton/ Lake Jackson	81	13,373	85.5%	460	\$1,070	(0.5%)	-
<b>Greater Houston Totals</b>	<b>3,330</b>	<b>787,507</b>	<b>90.0%</b>	<b>10,293</b>	<b>\$1,272</b>	<b>(0.9%)</b>	<b>7,236</b>

Source: Transwestern, MRI – Apartment Data



# HOUSTON MULTIFAMILY MARKET | Q3 2025

## Research Methodology

The information in this report is the result of a compilation of information on office properties located in the Houston metropolitan area. This report includes all classifications of space for multifamily properties and analyzes all leasing and representative investment sales activity.

## About Transwestern

Four dynamic, integrated companies make up the Transwestern enterprise, giving us the perspective to think broadly, deeply and creatively about commercial real estate. Clients and investors rely on us for expertise that spans institutional and opportunistic investment, development, hospitality, and brokerage and asset services. Our award winning, collaborative culture empowers team members with resources and independence to work across boundaries in pursuit of innovative solutions, reinforcing a reputation for service excellence that translates to measurable results. Through offices nationwide and alliance partners around the globe, we positively impact the built environment and our communities while fostering a work climate that champions career vitality for all. Learn more at [transwestern.com](http://transwestern.com) and [@Transwestern](https://twitter.com/Transwestern)

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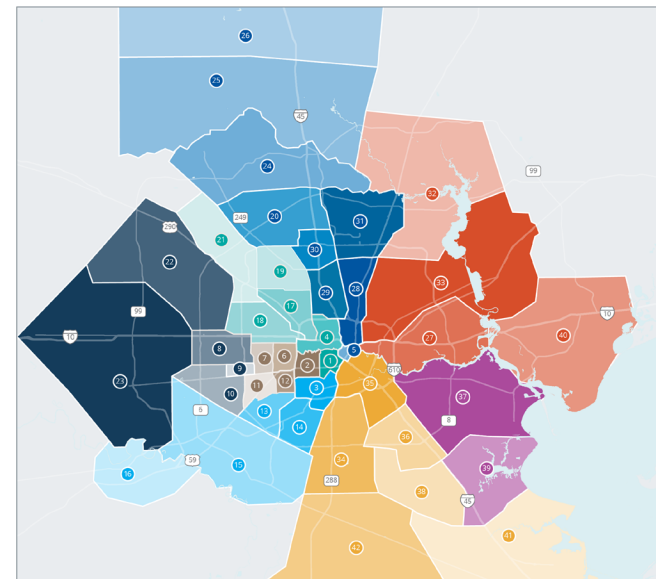
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|--|--------------------------------------|--------------------------------------|-----------------------------------|
| 1. Montrose/Museum/Midtown                 | 12. Westpark/Bissonnet               | 23. Katy/Cinco Ranch/Waterstone      | 34. Hwy 288 South/Pearland West   |
| 2. Highland Vlg/Upper Kirby/West U         | 13. Braeswood/Fondren SW             | 24. Tomball/Spring                   | 35. U of H/45 South               |
| 3. Med Center/Braes Bayou                  | 14. Alameda/South Main               | 25. Woodlands/Conroe South           | 36. Beltway 6/45 South            |
| 4. Heights/Washington Ave                  | 15. Sugar Land/Stafford/Stenna       | 26. Conroe North/Montgomery          | 37. Pasadena/Deer Park/La Porte   |
| 5. Downtown                                | 16. Richmond/Rosenberg               | 27. I-10 East/Woodforest/Channelview | 38. Friendswood/Pearland East     |
| 6. Galleria/Uptown                         | 17. Brookhollow/Northwest Crossing   | 28. I-69 North                       | 39. Clear Lake/Weston/League City |
| 7. Woodlake/Westheimer                     | 18. Memorial/Spring Branch           | 29. Northline                        | 40. Baytown                       |
| 8. Energy Corridor/CityCentre/Briar Forest | 19. Inwood/Hwy 249                   | 30. Greenspoint/Northborough/Midline | 41. Dickinson/Galveston           |
| 9. Westchase                               | 20. Willowbrook/Champions/Ella       | 31. FM 1960 East/IAH Airport         | 42. Alvin/ Angleton/Lake Jackson  |
| 10. Alief                                  | 21. Jersey Village/Cypress           | 32. Lake Houston/Kingwood            |                                   |
| 11. Sharpstown/Westwood                    | 22. Bear Creek/Copperfield/Fairfield | 33. Northeast Houston/Crosby         |                                   |