LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q2 2026
HOUSTON, TX

MULTIFAMILY MARKET OVERVIEW

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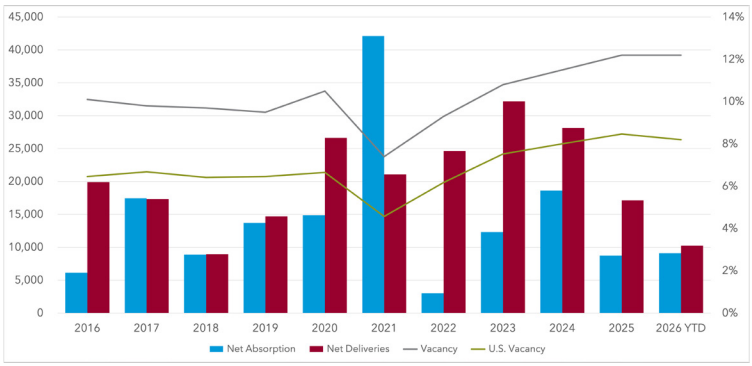
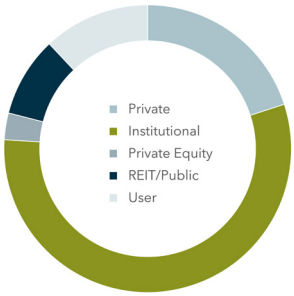
Houston's multifamily market gained momentum during the second quarter as leasing demand strengthened and market fundamentals continued to stabilize. Twelve-month net absorption reached 6,709 units, while the vacancy rate edged down to 12.17%, reflecting improving tenant demand amid elevated inventory levels. Average asking rents remained stable at $1,366 per unit, demonstrating continued pricing discipline despite competitive leasing conditions. Developers continued scaling back new construction, with 12,920 units underway, well below year-ago levels. Although vacancy remains above historical averages, improving absorption, moderating deliveries, and reduced construction activity position Houston's multifamily market for a more balanced recovery through the remainder of 2026.

MARKET INDICATORS	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025
▲ 12 Mo. Absorption Units	6,709	2,349	(100)	1,528	4,316
▼ Vacancy Rate	12.2%	12.5%	12.2%	11.8%	11.4%
▼ Asking Rent/Unit	$1,366.00	$1,367.00	$1,366.00	$1,373.00	$1,379.00
▲ Sale Price/Unit	$218,242	$89,657	$194,832	$156,128	$159,637
▲ Cap Rate	8.67%	8.16%	9.10%	7.18%	8.82%
▼ Under Construction Units	12,920	16,666	21,041	20,547	24,018
▲ Inventory Units	937,516	933,072	927,272	923,737	918,324

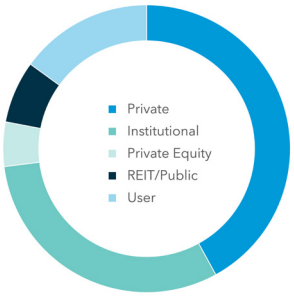
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



***'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.*

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
6263 Westheimer Road Houston, TX	Undisclosed	643	SITG Capital | Ajyad Capital Blue Roc Premier / Stonecutter Capital Mgmt
5300 W. Gulf Bank Road Houston, TX	Undisclosed	540	PH Realty Capital SouthState Bank
3333 Wesalyan Street Houston, TX	Undisclosed	528	Nuveen PGIM, Inc.

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
National Real Estate Advisors	$84,000,000
Capital Guidance	$84,000,000
Stonecutter Capital Management,LLC	$19,500,000
Blue Roc Premier	$19,500,000
Rafael Gonzalez	$3,000,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Vero Sade	$168,000,000
SITG Capital	$19,500,000
Ajyad Capital	$19,500,000
Gehring Place Holdings, LLC	$3,000,000
Chandler Captial	$1,125,000

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