HOUSTON Multifamily Market Performance

Occupancy

89.6%	89.8%
August 2023	10 Yr Avg

T12 Rent Trends

1.5% ↗	4.09% ↗
August 2023	10 Yr Avg

T12 Absorption

5.78K	13.54K
August 2023	10 Yr Avg

T12 Completions

15.24K	16.91K
August 2023	10 Yr Avg

AUGUST 2023 MARKET SNAPSHOT

Rental Growth Rate	1.5↗%
# of Operating Units	734,748
Size (sf)	891
Price ($/mo)	$1,281
Rental Rate ($/sf/mo)	$1.44
Occupancy (%)	89.6%
Units Opened (Past 12 months)	21,789
Units Under Construction	20,303
Proposed Units	31,430
Units Absorbed (Past 12 months)	4,591

Greater Houston is the fifth-largest and second fastest-growing metropolitan area in the nation. Houston's population is one of the youngest and most diverse in the world, and its economy ranks among the top largest in the U.S. Houston's economy contains a broad base in the industries of energy, business, technology, international trade, manufacturing, aeronautics, transportation, education, medicine, and research. Greater Houston is experiencing rapid population growth and a surge in construction, particularly in commercial, multifamily, manufacturing, hospital, and infrastructure projects.

Houston asking rent/SF increased $.04 in 2022 and has grown $.02 YTD in 2023. Experts anticipate that as 2023 draws to a close, asking Rent/SF will remain the same. However, economic indicators, including a business-friendly environment and market dynamics driven by robust population growth, suggest that from 2024 to 2027 the asking Rent/SF should experience a significant upswing, likely exceeding previous years' growth.

Houston ranked among the top three metros in the U.S. for new supply growth over the past 10 years, adding roughly 160,000 units. Over 88% of those units were in the higher-tier / 4- and 5-star asset categories. The pace of construction remains similar to recent years, despite the economic challenges such as increased construction costs and continued supply chain disruption. Source: www.GREA.com