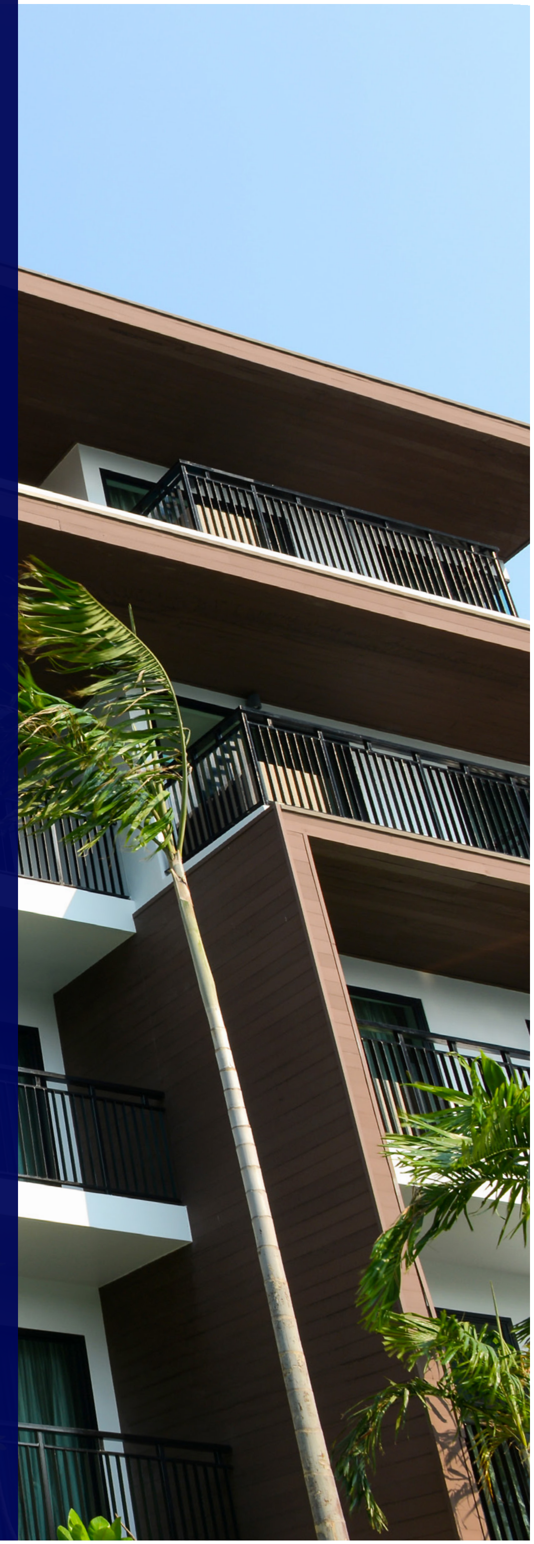
MULTIFAMILY

Q1 2026

Houston



Q1 2026 | MULTIFAMILY

Houston

OVERALL OCCUPANCY RATE	NET ABSORPTION (UNITS)	UNDER CONSTRUCTION (UNITS)	AVERAGE MONTHLY RENT (EFFECTIVE)
90.4% ▲ YOY ▼ Forecast	3.6K ▼ YOY ▲ Forecast	13.7K ▲ YOY ▼ Forecast	$1,248 ▼ YOY — Forecast

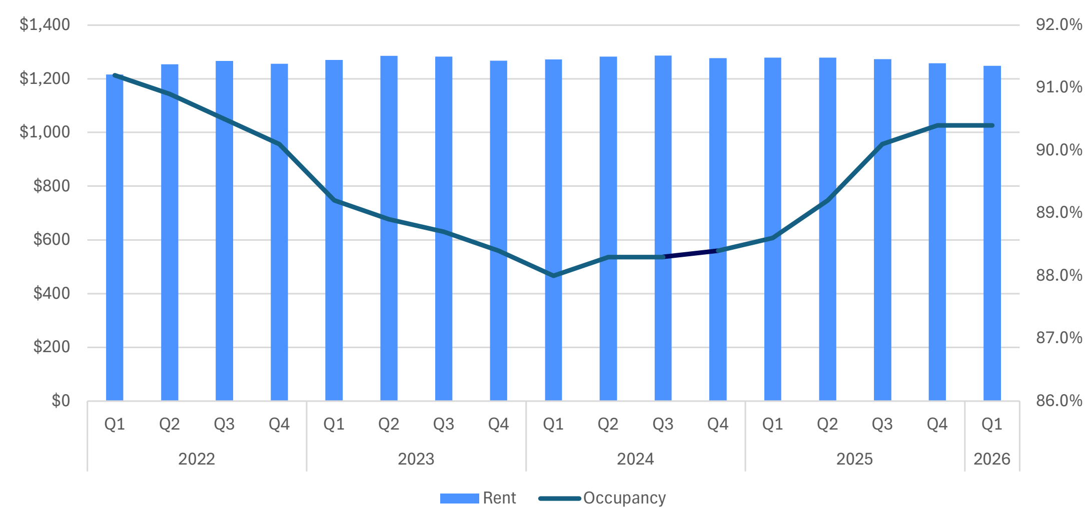
MARKET TRENDS

- Houston's multifamily market experienced a slowdown in absorption during Q1, with net absorption totaling 3,578 units, down from 4,275 units in the prior quarter. Despite this slowdown, occupancy remained flat quarter over quarter at 90.4%.
- Class A properties accounted for the majority of leasing demand, with 3,246 units absorbed, while Class B properties recorded negative absorption of 759 units. Class C properties have experienced a downward trend in absorption over the past three quarters; however, absorption remains positive and above the five-year average.
- The Northwest submarket remained the region's most active area, leading units delivered, absorbed and under construction.
- Under-construction units totaled 13,755 in Q1, up 24.5% year over year. Construction activity has slowed over the past two years, following a period of heightened project development when Houston ranked among the nation's leading markets for units under construction.
- Effective rents declined across all property classes year over year.

HISTORIC COMPARISON

	Q1 2026	Q4 2025	Q1 2025
Total Inventory (Existing Units)	795,705	791,956	781,647
New Supply (Units Delivered)	6,469	1,011	3,315
Demand (Units Absorbed)	3,578	4,275	4,254
Occupancy	90.4%	90.4%	88.6%
Under Construction (Units)	13,755	9,087	11,046
Average Monthly Rent (Effective)	$ 1,248	$1,258	$1,279

MARKET FUNDAMENTALS

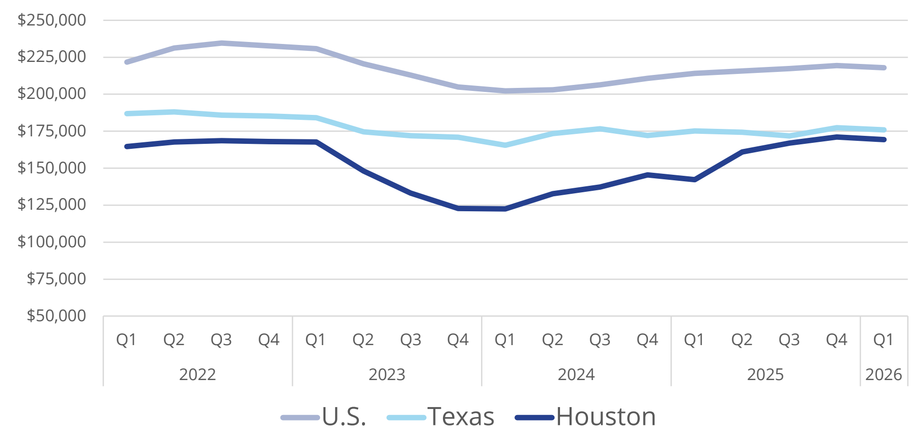


Source: Colliers, mri apartment data

Houston Sales Volume & Pricing

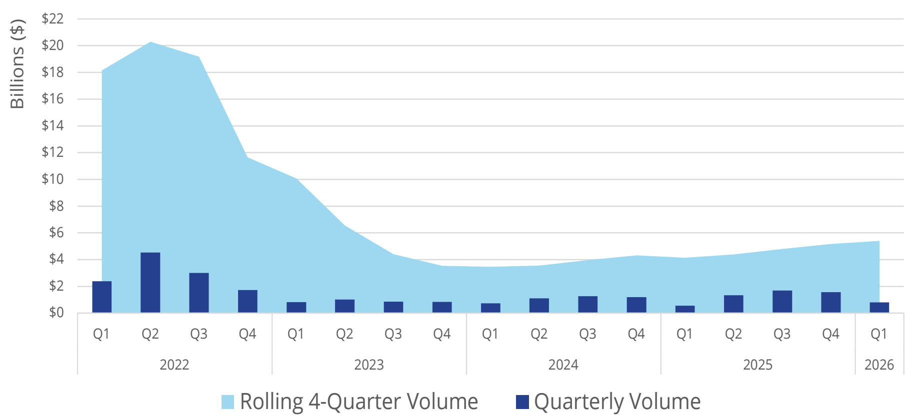
- Houston closed Q1 with $798 million in multifamily sales. While this reflects a quarter-over-quarter decrease, it marks a 4.5% increase year over year on a rolling four-quarter basis.
- The average sales price per unit in Houston declined modestly to $169,379, compared with $171,084 in the prior quarter. Over the same period, Texas' average sales price per unit fell 0.8% quarter-over-quarter, while the U.S. average declined 0.6%.
- Houston cap rates held steady at 5.7%, remaining unchanged for the fourth consecutive quarter. Additionally, both U.S. and Texas average cap rates remained flat on a quarter over quarter basis at 5.6% and 5.7%, respectively.
- Deals currently on the market include Vic at Jordan Ranch, Terracita, and The Victorian, with Willow Lakes having closed and Park at Aviano now under contract.

AVERAGE PRICE PER UNIT



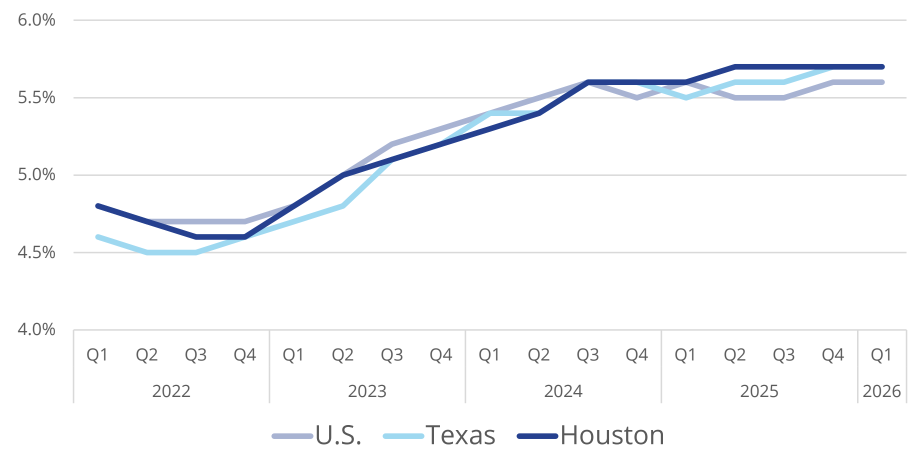
Source: Colliers, MSCI Real Capital Analytics

HOUSTON SALES VOLUME



Source: Colliers, MSCI Real Capital Analytics

AVERAGE CAP RATE

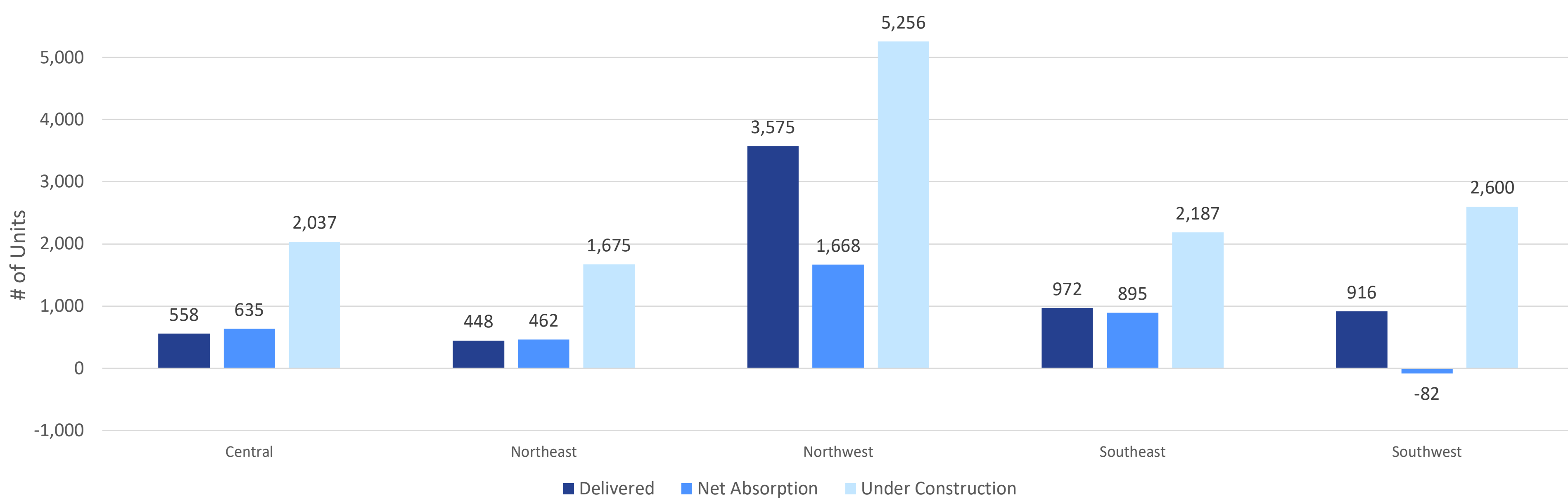


Source: Colliers, MSCI Real Capital Analytics

Market Statistics

HOUSTON	# OF UNITS	MONTHLY RENT PER UNIT ($)	CURRENT ABSORPTION # OF UNITS	PREVIOUS ABSORPTION # OF UNITS	CURRENT OCCUPANCY RATE (%)	PREVIOUS OCCUPANCY RATE (%)
Class A	202,573	$1,700	3,246	3,297	85.6%	85.6%
Class B	312,498	$1,242	(759)	(179)	92.0%	92.3%
Class C	210,015	$974	678	1,145	92.8%	92.5%
Class D	70,619	$794	413	12	89.4%	88.8%
Total	**795,705**	**$1,248**	**3,578**	**4,275**	**90.4%**	**90.4%**

Houston Multifamily Activity by Submarket Q1 2026



Global Stats

Colliers (NASDAQ, TSX: CIGI) is a global diversified professional services and investment management company. Operating through three industry-leading platforms – Real Estate Services, Engineering, and Investment Management – we have a proven business model, an enterprising culture, and a unique partnership philosophy that drives growth and value creation. For 30 years, Colliers has consistently delivered approximately 20% compound annual returns for shareholders, fueled by visionary leadership, significant inside ownership and substantial recurring earnings. With more than $5.5 billion in annual revenues, a team of 24,000 professionals, and more than $100 billion in assets under management, Colliers remains committed to accelerating the success of our clients, investors, and people worldwide. Learn more at corporate.colliers.com, X @Colliers or LinkedIn.

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Sources

Colliers | mri apartment data | MSCI Real Capital Analytics

$5.6B
ANNUAL REVENUE

70
COUNTRIES WE OPERATE IN

$108B
ASSETS UNDER MANAGEMENT

44,000
LEASE AND SALE TRANSACTIONS

2B
SQUARE FEET MANAGED

24,000
PROFESSIONALS

Number of countries includes affiliates

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