



Market Intelligence Houston, TX Multifamily Investment Market Report

August 2026

Mid-2026 Outlook

Longview Commercial's bi-annual, institutional-grade market intelligence publication — designed to give accredited investors, whether new to private real estate funds or experienced in direct asset ownership, a clear, unvarnished view of the markets we target for deployment.

Each edition focuses on a single metropolitan market, assessed across the dimensions that matter most: demographic momentum, employment health, supply/demand dynamics, capital flows, and submarket selectivity. Our goal is not simply to share data, but to translate that data into investment context relevant to a diversified multifamily portfolio.

Houston, Texas serves as our fifth edition and a newly initiated market in the Longview portfolio strategy. As one of the nation's most dynamic Sunbelt metros, Houston exemplifies both the opportunity and the nuance that sophisticated multifamily investing demands. The following pages present our mid-2026 assessment.

“Houston enters 2026 the furthest along of any Texas metro we track — tighter vacancy, a thinner construction pipeline relative to its size, and rent growth already turning positive rather than still bottoming.”

How to Read This Report

This publication is organized into nine substantive sections following this overview. Readers new to multifamily investing will find grounding context in the market fundamentals and demographic sections. More experienced capital allocators will find granular submarket data, risk analysis, and our forward outlook of greatest value.

New to Private Multifamily

Start with the market fundamentals and demographic sections for grounding context before moving into submarket-level detail.

Experienced Capital Allocators

Submarket data, competitive landscape, forward outlook, and our risk matrix carry the greatest weight for your review.

Data Sources

CoStar Group, Yardi Matrix, Marcus & Millichap / Institutional Property Advisors, Northmarq, Newmark, Greater Houston Partnership, U.S. Census Bureau, Houston Police Department, and institutional research, as of mid-2026.

Where sources conflict, we present the range rather than a single point estimate. Market conditions evolve; investors should conduct independent due diligence and consult offering documents.

Our Philosophy

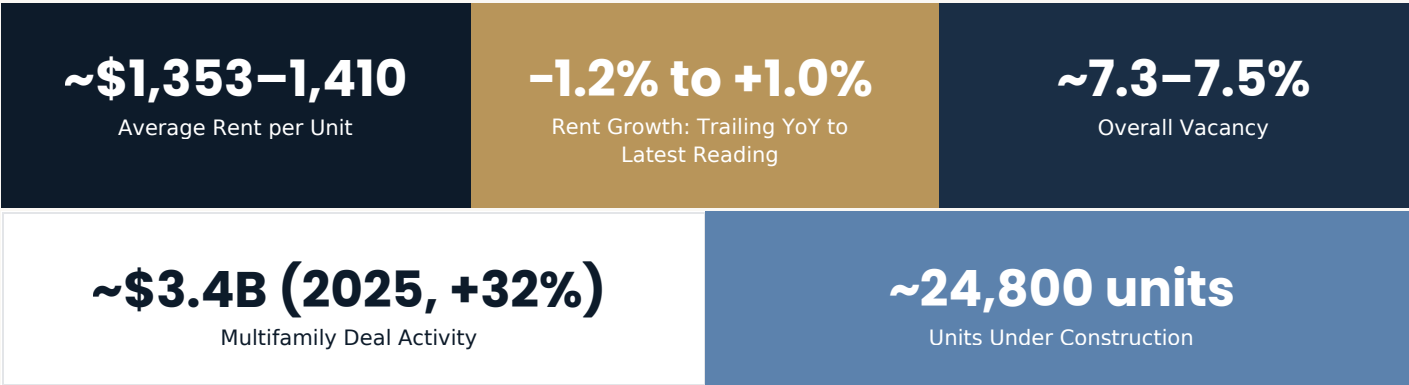
Built as a portfolio. Not a single bet. Longview constructs diversified, multi-market, multi-operator multifamily portfolios for accredited investors, grounded in disciplined capital allocation and long-term value creation rather than single-asset speculation.

A Note on This Report

This is market research, not an offer. It does not describe the terms of, or constitute a solicitation for, any specific Longview Commercial fund or offering. See disclosures on the final page.

This Is What Houston Looks Like

Longview Commercial specializes in constructing diversified institutional-quality multifamily portfolios for accredited and sophisticated investors. This report delivers an independent, data-driven assessment of the Houston multifamily sector as of mid-2026, focusing on metrics that signal market health, investment viability, and long-term positioning.



Sources: Yardi Matrix, CoStar Group, Northmarq, Newmark. Data as of Q1–Q2 2026.

The Most Advanced Recovery Among Texas's Big Four

Houston's multifamily fundamentals softened modestly to start 2026 — asking rents down roughly 1.2% year-over-year and stabilized occupancy down 50 basis points — but the metro's starting point is materially healthier than Dallas-Fort Worth or Austin. Overall vacancy of approximately 7.3–7.5% compares with 11.8–13.8% in those two markets.

Houston's own supply wave (47,500 units delivered across 2023–2024) has already substantially worked through the system: 2025 deliveries moderated to roughly 14,500 units, and 2026 completions are forecast to fall to their lowest level since 2012–2013. The most recent reading shows rents gaining 1.0% at the start of 2026 after a flat prior year — a genuinely different signal than the still-negative blended rent growth in DFW and Austin.

Current indicators suggest Houston is closer to a normal market than a recovering one:

- Vacancy has held in a relatively narrow 7.0–7.4% band since the beginning of 2024, versus a much sharper run-up in Austin and DFW.
- Deliveries inside the Interstate 610 Loop are set to equal just 10% of 2025's volume in 2026 — a sharp urban-core pullback.
- Rent growth turned positive (+1.0%) at the start of 2026, concentrated within the Sam Houston Tollway.
- Investment volume rose 32.2% in 2025 to \$3.4 billion, with average pricing (~\$136,400/unit) still well below the national average of roughly \$203,800/unit.

Within the Longview portfolio, Houston functions differently than Austin or DFW: rather than an early-cycle recovery play, it reads more like a stable, structurally affordable market with real but more contained supply risk concentrated in specific suburban corridors.

General Metro Houston Metrics

Economy & Demographics



The Greater Houston metro (a ten-county area) reached approximately 7.9 million residents in 2025, up from 6.7 million in 2015 — a gain of 1.2 million people in a decade. Houston led the nation in population growth for the year ending July 2025, adding just under 127,000 residents (a new resident roughly every four minutes), and Harris County led all U.S. counties in population growth for a fourth consecutive year. The City of Houston's 2026 population is estimated at approximately 2.42 million.

Employment & Labor Force

Houston added approximately 30,700 net jobs in the 12 months ending September 2025 (about 1.1% growth, 30 basis points above the U.S. rate), led by education/health services (+15,100) and government (+11,100), partially offset by a 13,700-job decline in professional and business services. Unemployment stood at 4.2% at year-end 2025, modestly below both Texas (4.3%) and the U.S. (4.4%).

Job Diversity & Industry

The most diversified economy of the four Texas metros in this series: global energy headquarters (oil, gas, and increasingly greentech — geothermal developer Fervo Energy is Houston-based), the Texas Medical Center (the world's largest medical complex), the Port of Houston (the nation's highest trade export value, over \$180 billion in 2024, roughly 9% of all U.S. exports), and NASA's Johnson Space Center anchoring an aerospace cluster.

Fortune 500 Headquarters

Houston is tied with Chicago for the second-most Fortune 500 headquarters of any U.S. metro (27 as of the 2026 list), behind only New York and ahead of Dallas-Fort Worth's 23-24. Six Fortune 500 companies have relocated headquarters to Houston since 2020, and Expand Energy's planned 2026 relocation from Oklahoma City will bring the total to 28, giving Houston sole possession of the No. 2 spot.

Demographics & Renter Population

A notably diverse and more moderate-income renter base than Austin: median household income of approximately \$64,800 (versus roughly \$93,700 in Austin), with average Houston rents running about 11% below both Austin and Dallas-Fort Worth. This affordability advantage is a structural demand driver, though it comes alongside a higher poverty rate (approximately 19.9%) than the other three metros in this series — a genuine consideration for renter-income underwriting.

Crime & Livability Trends

The clearest, most consistent improvement of the four Texas metros. Houston's violent crime fell approximately 18.9% from 2024 to 2025, with homicides down roughly 19-20% (273 homicides in 2025, 61 fewer than 2024). The trend has accelerated into 2026: Houston Police reported a 36.4% year-over-year decline in homicides in Q1 2026, outpacing the national average decline. Property crime is more mixed — theft rose approximately 5% in 2025 even as auto theft and burglary both fell more than 9%.

Overall, Houston combines the most diversified employer base, the strongest recent crime improvement, and the most affordable rent basis of the four Texas metros Longview currently tracks — balanced against real, if narrower, supply risk concentrated in specific suburban submarkets.

Multifamily Metrics vs. National Benchmarks

- Average Rent per Unit:** Yardi Matrix cited \$1,353 in January 2026 (down 1.2% year-over-year); a separate forward-looking estimate projects rents reaching approximately \$1,410 (+2.3%) as the year progresses. Houston rents run roughly 11% below both Austin and Dallas-Fort Worth.
- Rent Escalation:** Trailing year-over-year figures were modestly negative (approximately -1.2%), but the most recent reading shows rents gaining 1.0% at the start of 2026 after holding in a tight range through the prior year — a materially better trajectory than Austin or DFW at the same point in their own cycles.

SECTION 04 (CONT'D)

Rent, Occupancy & Transaction Detail

- Occupancy:** Overall vacancy of approximately 7.3–7.5% compares favorably with Austin and DFW. Stabilized occupancy was cited at 92.2% (down 50 bps YoY). Pre-supply-wave historical vacancy ran 5.5–6.5% from 2013–2022, so today's level is a smaller deviation from trend than in the other Texas metros.
- Multifamily Deals (Volume & Value):** 2025 investment volume rose 32.2% to approximately \$3.4 billion at an average of \$136,423 per unit — well below the \$203,810 national average. Texas-based sellers accounted for just 39% of Q1 2026 transactions, versus a 55% five-year average, suggesting broader out-of-state capital interest.
- Permits & New Supply Pipeline:** Deliveries moderated to approximately 14,500 units in 2025 (down from a combined 47,500 in 2023–2024), with roughly 24,800 units under construction as of January 2026. 2026 deliveries are forecast to fall to their lowest level since 2012–2013, with completions inside the 610 Loop equal to just 10% of 2025's volume.



Houston is the outlier among the four Texas metros in this series: it is not waiting for a supply cycle to turn, because that turn has already largely happened. Vacancy near 7.3–7.5% and positive rent growth put Houston closer to a normalized market than a recovering one — the open question is less about timing and more about which suburban corridors still carry near-term supply risk.

Current & Future Trends

CURRENT (2026)	5-YEAR OUTLOOK (~2031)	10-YEAR OUTLOOK
Vacancy has held in a relatively narrow band (7.0–7.4%) since early 2024, and rent growth turned positive at the start of 2026 after a flat prior year — a more advanced position than Austin or DFW.	With 2026 deliveries forecast at their lowest level in over a decade, vacancy should continue trending toward the pre-supply-wave historical range of 5.5–6.5%.	Houston's energy, medical, trade, and aerospace base provides one of the most diversified long-duration demand foundations Longview tracks.
Performance already diverges by submarket: the Sam Houston Tollway corridor posted the strongest rent growth (up to 5.4% annually), while Katy, Sugar Land-Stafford, and Highway 249 face the most near-term supply pressure.	As the pipeline thins, especially inside the 610 Loop, rent growth should broaden beyond today's top-performing corridors.	Submarket selectivity remains important even here — suburban supply-heavy corridors are not immune to near-term softness.

Investment volume grew 32.2% in 2025 with a shift toward more out-of-state capital; value-add buyers are concentrated in 1980-2008 vintage assets, over half of year-

Transaction activity is expected to closely track 2025 levels through 2026, with sales velocity picking up as newer assets complete lease-up.

Houston's lower average price per unit versus the national average continues to support relative-value underwriting.

SECTION 05

Market Projection — Five Years From Now (~2031)

- Vacancy continuing to normalize toward the pre-supply-wave historical range of 5.5-6.5%.
- Rent growth broadening from currently top-performing corridors (Sam Houston Tollway) to the wider metro.
- Continued investment volume growth, supported by Houston's structural pricing advantage relative to national averages.
- Population and Fortune 500 relocation momentum continuing to underpin long-duration renter demand.
- Suburban supply-heavy corridors (Katy, Sugar Land-Stafford, Highway 249) requiring the most active near-term monitoring.

Important Statistics Snapshot

Houston Multifamily Market	
2025 deliveries, moderating from a combined 47,500 in 2023-2024	~14,500 units
Under construction as of January 2026	~24,800 units
Stabilized occupancy (Jan. 2026, Yardi Matrix)	92.2%
Average asking rent (source range) — roughly 11% below Austin and DFW	~\$1,353-1,410
Rent growth, start of 2026, after a flat prior year	+1.0%
Average sale price, well below the ~\$203,800 national average	~\$136,400/unit

Houston Economy Statistics	
Population—Houston led the nation in absolute population growth in 2025	~7.9M metro / ~2.42M city
Unemployment Rate	~4.5-4.7%
Job Growth: Modest positive in most periods; some quarterly variation	3.5M jobs
Homicide decline, 2025 full-year vs. Q1 2026 year-over-year (accelerating improvement)	-19% to -36%
Key Notes/Drivers: Energy, logistics/port, healthcare, manufacturing, and professional services. Large-scale economy with resilience from diversified base.	

Main Companies & Market Players

Local & Regional: Three of the nation's largest multifamily and real estate platforms are headquartered in Houston: Camden Property Trust (a top-5 publicly traded multifamily REIT with 65,000+ units), Hines (a global real estate investment manager), and Asset Living (the nation's #2 apartment property manager by unit count).

National Platforms: Greystar (the nation's largest apartment owner and manager, with more than 1.1 million units under management) maintains an active Houston presence alongside the metro's substantial base of homegrown institutional platforms.

Investors: Investment activity is broadening beyond traditionally Texas-based capital, with out-of-state buyers accounting for a growing share of transactions in early 2026. Value-add capital continues to target 1980–2008 vintage assets. Longview Commercial structures diversified portfolios to give investors access to institutional-quality multifamily without concentrating risk in any single metro or vintage cohort.

Opportunities

- Furthest-Along Recovery:** Houston's vacancy and rent trends are meaningfully closer to historical norms than Austin's or DFW's, reducing timing risk.
- Structural Affordability:** An average price per unit roughly a third below the national average supports a compelling relative-value entry basis.
- Corporate Relocation Momentum:** Six Fortune 500 headquarters relocations since 2020, with a seventh underway, continue to add high-wage renter demand.
- Diversified Demand Base:** Energy, medical, trade, and aerospace employment reduce single-industry concentration risk relative to Austin specifically.
- Submarket Selectivity:** The Sam Houston Tollway corridor and inside-610-Loop urban core already show the strongest fundamentals in the metro.

Submarket Intelligence

Houston's recovery is real but uneven. Longview's near-term focus favors the corridors already showing tight vacancy and positive rent growth, with caution warranted in the suburban corridors still absorbing the heaviest new supply.

SUBMARKET	PROFILE & THEME	LONGVIEW VIEW
Sam Houston Tollway Corridor (North/Northeast, Briar Grove/Westchase, Montrose/River Oaks)	The metro's strongest rent growth, led by North/Northeast Houston at 5.4% annually; supply growth in this corridor is expected to remain mild, leaving room for further increases.	FAVORABLE
Urban Core (Inside I-610 Loop)	Average rents exceed \$2,000 with vacancy near 5%; 2026 deliveries here will equal just 10% of 2025's volume, a sharp pullback that should support continued strength.	FAVORABLE
Clear Lake/NASA & Outer-Ring Hubs (Conroe, Baytown, Galveston)	Stable vacancy with steady rent gains; Clear Lake/NASA posted 3.2% annual rent growth with vacancy down 10 bps to 7.1%.	SELECTIVE
Katy, Sugar Land-Stafford & Highway 249 Corridor (Northwest Houston)	The metro's most active suburban construction; these high-growth areas face the most notable near-term supply headwinds.	CAUTIOUS

Data Note

Submarket views reflect qualitative positioning drawn from broker and proprietary market research as of mid-2026. Granular submarket-level rent and occupancy data were not available at point-estimate resolution for this edition and are flagged rather than estimated.

Risks

- **Suburban Supply Concentration:** Katy, Sugar Land-Stafford, and the Highway 249 corridor continue to see active construction and are the most likely sources of near-term softness.
- **Energy Sector Sensitivity:** Houston's economy remains more energy-concentrated than the other Texas metros in this series; commodity price cycles are a structural factor to underwrite around, even as the metro diversifies.
- **Income & Affordability Considerations:** A higher poverty rate (~19.9%) and lower median household income than Austin warrant closer attention to renter-income underwriting in value-tier assets.
- **Hurricane & Flood Exposure:** Gulf Coast location carries structural climate and insurance-cost exposure relevant to asset selection and operating expense assumptions.
- **Data Source Variance:** Rent and vacancy estimates showed a moderate spread across sources reviewed for this report; underwriting should confirm current figures directly with sponsors.
- **Absolute Crime Levels:** Despite the strongest recent improvement of the four metros, Houston's absolute crime levels remain elevated by national comparison in some categories, particularly property crime.

In a Nutshell

Houston in 2026 is the most advanced recovery of the four Texas metros Longview tracks — vacancy has held in a comparatively narrow band, rent growth has already turned positive, and the metro offers a structural pricing advantage versus the national average. This is balanced by real, if more geographically contained, supply risk in specific suburban corridors, along with energy-sector concentration and coastal climate exposure worth underwriting carefully. Within a diversified Sunbelt allocation, Houston reads as a later-cycle, more stable complement to earlier-cycle exposure in Austin or Dallas-Fort Worth.

Longview Commercial is positioned to help accredited investors access high-quality, professionally managed multifamily exposure in this evolving market. All projections involve uncertainty; investors should conduct independent due diligence and consult offering documents.

Contact and Next Steps

To learn more about Longview Commercial fund offerings or to request placement on the investor distribution list for the Market Intelligence series:

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