

2026



HOUSTON  
BOMA

# INDEX

## Q1 OFFICE



# SUMMARY

Houston's office market entered 2026 with mixed but stabilizing fundamentals as leasing momentum improved but made little impact on overall occupancy. The market once again recorded negative net absorption, although CBRE observed an improvement from the previous quarter.

A consistent theme across all three reports is the flight to quality, with demand overwhelmingly concentrated in Class A and newer product, particularly in western submarkets. CBRE notes that 96% of leases over 10,000 SF occurred in Class A buildings, with trophy assets significantly outperforming the broader market. Cushman reinforces this trend, reporting that nearly 72% of all leasing activity occurred in Class A space. Meanwhile, legacy assets—particularly Class B product—continue to lag, widening the performance gap across the market.

On the supply side, new construction remains extremely limited, which is beginning to stabilize prices. Only a handful of projects were delivered in Q1, most of which were heavily pre-leased (90%+ occupancy), and the construction pipeline has contracted to just over 500,000 SF. Rents have remained relatively stable, though divergence persists between high-quality and commodity space. Overall, the Houston office market is in a gradual rebalancing phase, where limited new supply and strong Class A demand are offsetting elevated vacancy in older inventory.



# THE STATISTICS

Submarket	Inventory (in Square Feet)	Overall Vacancy	Direct Vacancy	Average Asking Rental Rates	Under Construction (in Square Feet)
Inner Loop	86,615,982	28.21%	25.88%	\$33.89	326,538
Southeast	6,161,740	21.06%	16.78%	\$21.51	80,000
Northwest	19,239,595	27.83%	21.50%	\$20.70	0
North	24,476,430	26.76%	23.21%	\$26.35	0
West	46,752,276	25.96%	20.67%	\$26.65	102,667
Southwest	11,915,059	26.59%	23.79%	\$20.90	0
Northeast	1,978,011	8.29%	8.89%	\$17.34	0
<b>Totals</b>	<b>197,139,094</b>	<b>26.94%</b>	<b>23.30%</b>	<b>\$28.61</b>	<b>509,205</b>

Sources:

[CBRE Marketview, Houston Office Q1 2026](#). Houston: [CBRE, 2026](#).

[Cushman & Wakefield Marketbeat Houston, Texas Office Q1 2026](#). Houston: [Cushman & Wakefield, 2026](#).

[Transwestern Houston Office Market Q1 2026](#). Houston: [Transwestern, 2026](#).

*Note: Methodology may differ across brokerage reports.*