

2025



HOUSTON  
BOMA

# INDEX

## Q3 OFFICE



# SUMMARY

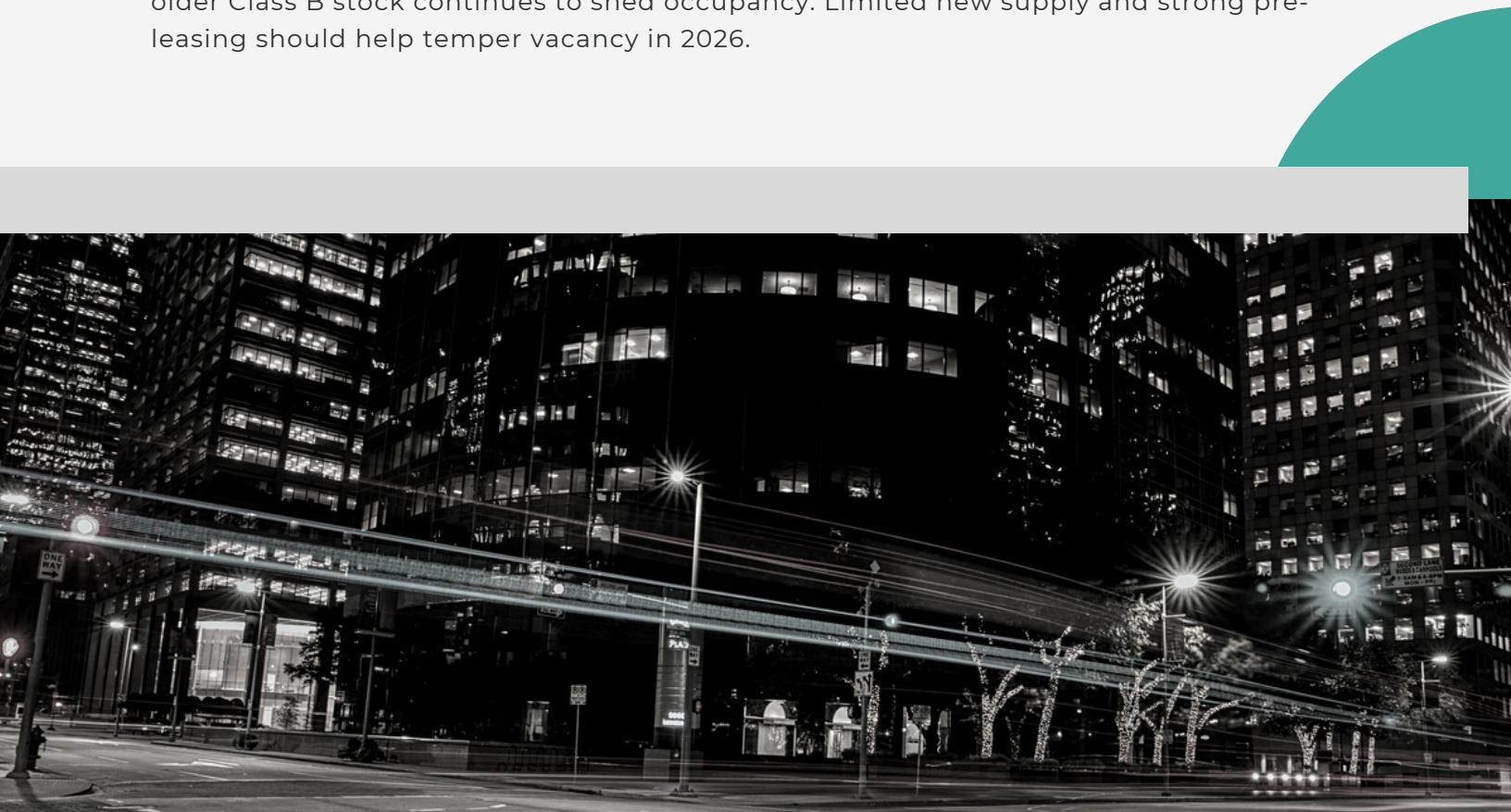
Houston's office market delivered mixed signals in Q3 2025, continuing its "flight to quality" trend. Reports show divergence between newer Class A assets—especially post-2015 trophy buildings—and older Class B stock.

A few significant occupier moves and strong activity in the Northwest, Katy Freeway/Energy Corridor, and The Woodlands markets led the region to an overall net absorption of approximately 200,000 square feet this quarter. Law firms and professional services tenants are increasingly driving leasing in the Central Business District, a notable reversal in the "westward migration" leasing trend.

Vacancy levels remained steady overall, but the market is widely bifurcated. Vacancies continue to increase for older properties, but post-2015 buildings have reached a notable 93% occupancy rate. The same effect can be seen with rental rates, which remain steady. As rates fall for older properties, the overall averages are buoyed by higher rates in trophy buildings and new construction, which are increasingly commanding over \$45 per square foot.

The construction pipeline slowed as One Bridgeland Green, the first mass timber office in the Houston Metro area, delivered at about 80% pre-leased. Around 700,000 SF remains under construction, with projects such as Autry Park, The RO in Greenway, and CityCentre Six in the Energy Corridor. Pre-leasing rates remain very high.

Despite differing tallies across reports, consensus is that Houston's office market is stabilizing with momentum in new and high-quality Class A buildings. At the same time, older Class B stock continues to shed occupancy. Limited new supply and strong pre-leasing should help temper vacancy in 2026.



# THE STATISTICS

Submarket	Inventory (in Square Feet)	Overall Vacancy	Direct Vacancy	Average Asking Rental Rates	Under Construction (in Square Feet)
Inner Loop	88,037,377	28.52%	24.88%	\$33.96	326,983
Southeast	6,299,528	20.40%	15.31%	\$21.64	80,000
Northwest	19,327,914	27.29%	20.94%	\$19.87	0
North	24,697,108	26.70%	23.46%	\$26.46	0
West	46,771,581	27.09%	20.00%	\$26.73	305,333
Southwest	12,183,792	25.59%	21.73%	\$20.85	0
Northeast	1,995,771	8.35%	9.23%	\$17.05	0
<b>Totals</b>	<b>199,313,070</b>	<b>27.20%</b>	<b>22.53%</b>	<b>\$28.61</b>	712,316

Sources:

[CBRE Marketview, Houston Office Q3 2025. Houston: CBRE, 2025.](#)

[Cushman & Wakefield Marketbeat Houston, Texas Office Q3 2025. Houston: Cushman & Wakefield, 2025.](#)

[Transwestern Houston Office Market Q3 2025. Houston: Transwestern, 2025.](#)