



Marketing collateral that supports business development, strengthens brand consistency, and equips your team with the tools needed to effectively communicate your value.



The Woodlands

Office

23Q3

Key Takeaways

- Vacancy up QoQ, but down 130 bps YoY
- Average rental rates rise
- Net absorption turns negative, remains positive YTD
- Construction levels low
- Leasing activity slows QoQ

Vacancy Rate

14.4%

YOY

FORECAST

Net Absorption

(62.8K) SF

YOY

FORECAST

Under Construction

56.7K SF

YOY

FORECAST

Overall Class A Asking Lease Rates (FSG)

\$35.68

YOY

FORECAST

Highlights

The Woodlands office submarket's vacancy rate increased 40 basis points to 14.4% from 14.0% in Q2 2023, but it is still below the vacancy rate for both the Central Business District and the Greater Houston Area. Average asking rental rates have increased the last two quarters, currently at \$30.18 per square foot from \$29.82 in the second quarter. The average Class A rental rate rose slightly to \$35.68 per square foot from \$35.56 in Q2 2023. Net absorption registered a loss for the first time since Q2 2021 with a negative absorption of 62,753 square feet, but year-to-date is a positive 224,643 square feet. Leasing activity also slowed this quarter after notable activity the prior quarter, with the second-quarter activity accounting for more than 68% of the 827,000 square feet leased year-to-date. No buildings delivered during the last two quarters, but two buildings are under construction.

Market Indicators

Houston Unemployment Rate

4.9%

Houston annual % change in employment

2.7%

WTI Spot Price, U.S. benchmark for light sweet crude

\$91

Historic Comparison

	22Q3	23Q2	23Q3
Total Inventory (in Thousands of SF)	17,664.6	17,734.9	17,734.9
New Supply (in Thousands of SF)	0	0	0
Net Absorption (in Thousands of SF)	47.2	135.9	(62.8)
Overall Vacancy	15.7%	14.0%	14.4%
Under Construction (in Thousands of SF)	105.3	56.7	56.7
Overall Asking Lease Rates (FSG)	\$32.85	\$29.82	\$30.18

Recent Transactions



Lease*

9950 Woodloch Forest

The Woodlands | 27.2k SF



Lease*

1725 Hughes Landing

The Woodlands | 6.7k SF



Lease*

1790 Hughes Landing

The Woodlands | 4.9k SF



VIEW

MARKETING COLLATERAL

ANCHOR

54TH STREET

RESTAURANT



📍

CEDAR PARK, TX

🏠

10,000 SF

Brewery & Bar

10,000 SF ground-up restaurant, brewery, and lounge designed to be a vibrant social hub. This \$6 million project features modern craftsmanship and expansive outdoor spaces, creating the ultimate gathering place for great food, craft brews, and community connections.

VIEW

JOSEPH CROSS



Joseph is a Senior Development Manager at Summit Construction with 15 years of experience delivering commercial construction projects nationwide. He brings a well-rounded perspective, having worked on the subcontractor, general contractor, and owner's representative sides of the industry. Joseph has led multi-site programs for corporate and franchise partners, including brands such as KFC and Bojangles. His diverse background allows him to align stakeholders, streamline execution, and drive successful outcomes from concept through completion.



Senior Development Manager

A natural relationship builder, Joseph prioritizes strong partnerships at every level, using clear communication and collaboration to consistently deliver projects that meet client expectations and business goals.

AT SUMMIT CONSTRUCTION

At Summit Properties, clients can feel confident knowing we advocate for their success and work behind the scenes to support their goals. Our growth through repeat partnerships reflects our people-first approach and dedicated team. We simplify the construction process by anticipating needs and proactively solving challenges, delivering a seamless experience so our partners can stay focused on growing their business.

CONTACT JOSEPH

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VIEW