Market Report

Q3 2026
NYC Investment Sales & Transaction Analytics

OpenKey



Q3

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Quarterly Recap

OVERVIEW

New York City's investment sales market gained momentum in the third quarter of 2026, with transaction volume reaching $8.23 billion, a 10.1% increase from $7.47 billion in Q2. Transaction activity rose 28.4% to 1,442 sales involving 1,553 properties, reflecting stronger participation in smaller and mid-sized transactions. Manhattan led in dollar volume with $3.33 billion, despite a 20.5% quarterly decline, while Brooklyn increased 54.0% to $2.51 billion and Queens reached $1.50 billion. The stronger growth in transaction count relative to dollar volume suggests improving market liquidity, particularly in the outer boroughs, as investors remained selective in deploying capital.

MARKET DYNAMICS

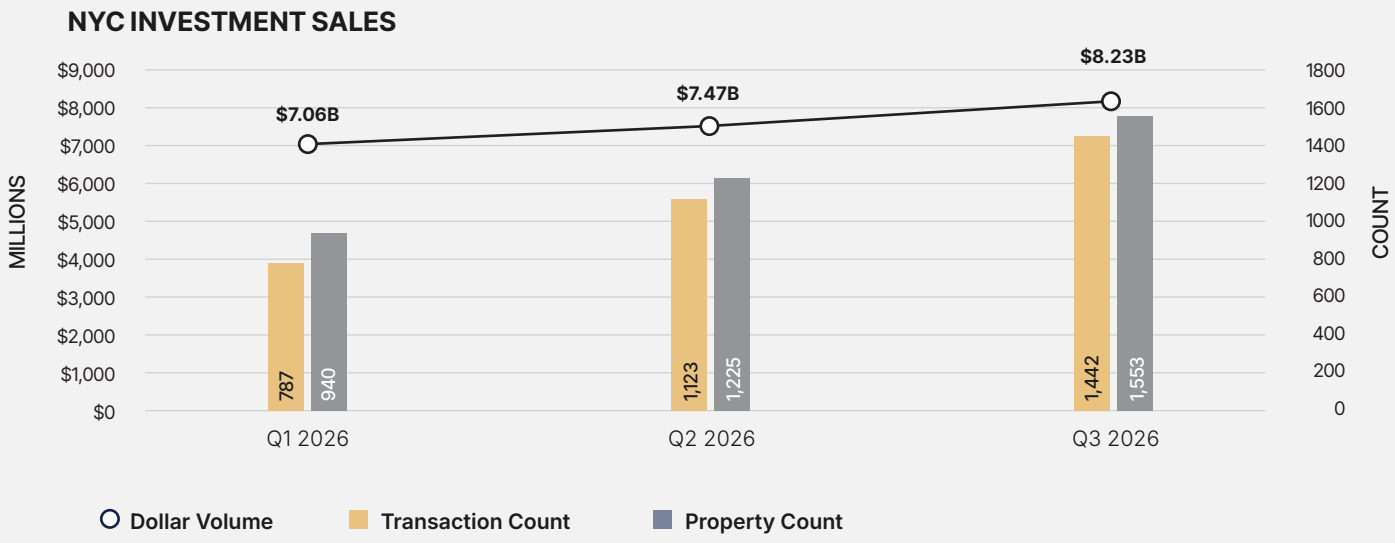
Monetary policy and elevated borrowing costs continued to influence investment decisions throughout the quarter. In September, the Federal Reserve raised its benchmark rate by 25 basis points to a target range of 3.75%–4.00%, reinforcing a more restrictive financing environment. Rising Treasury yields increased pressure on commercial mortgage pricing, refinancing proceeds, and property valuations. Lenders maintained disciplined underwriting standards, while investors prioritized assets with stable cash flow, attractive pricing, or identifiable repositioning opportunities. The $82.3 million sale of 60 East 12th Street, approximately 23% below its 2019 acquisition price, illustrated the pricing adjustments occurring in certain segments of the market.

SECTOR PERFORMANCE

Multifamily and mixed-use properties led investment activity, generating $2.88 billion across 950 transactions, a 26.1% quarterly increase. Office and office condominium sales reached $1.98 billion, up 25.1%, supported by several significant Manhattan transactions. Retail investment volume totaled $1.20 billion across 237 sales, while industrial activity increased 31.3% to $540 million. Development site transactions declined 8.0% to $552 million, with average land pricing of approximately $233 per buildable square foot. Hospitality volume fell 66.0% to $300 million following an unusually strong second quarter. Overall, investment activity reflected selective demand for income-producing properties and opportunities involving repositioning or redevelopment.

OUTLOOK

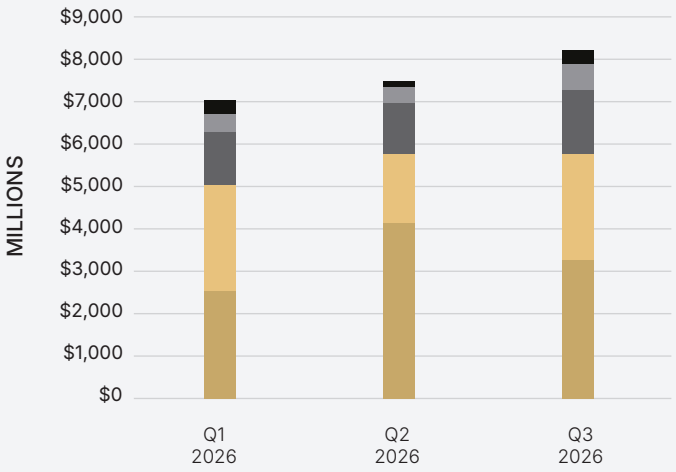
Looking ahead to the final quarter of 2026, New York City's investment sales market faces a more challenging financing environment as persistent inflation and renewed expectations for Federal Reserve tightening place upward pressure on borrowing costs. The 10-year U.S. Treasury yield has moved back above 5%, while futures markets, as reflected in CME FedWatch, indicate a high probability of an additional rate increase in December. These conditions could further constrain refinancing proceeds, pressure capitalization rates, and widen pricing expectations between buyers and sellers. Nevertheless, transaction activity is expected to remain supported by smaller and mid-sized multifamily, industrial, and repositioning opportunities. Owners facing loan maturities or capital shortfalls may increasingly consider asset sales or recapitalizations, creating opportunities for well-capitalized investors. While market liquidity has improved, a more sustained recovery will depend on greater interest rate stability, improved debt availability, and continued price discovery.



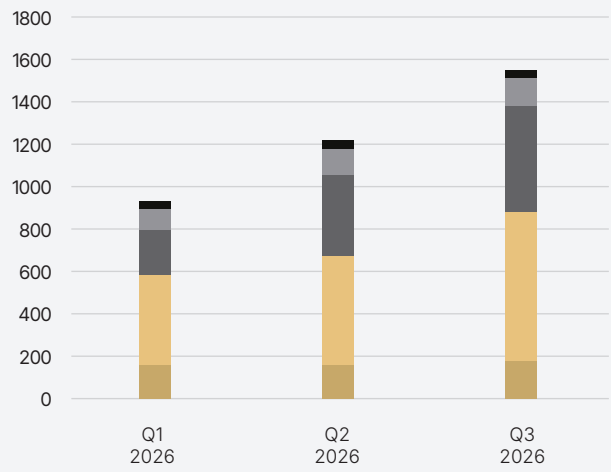
Dollar Volume	Transaction Count	Property Count	Average Price/SF
$8.23B	1,442	1,553	$546
↑ 10.1% vs. Q2 26	↑ 28.4% vs. Q2 26	↑ 26.8% vs. Q2 26	↑ 18.4% vs. Q2 26

Analysis by **Borough**

DOLLAR VOLUME



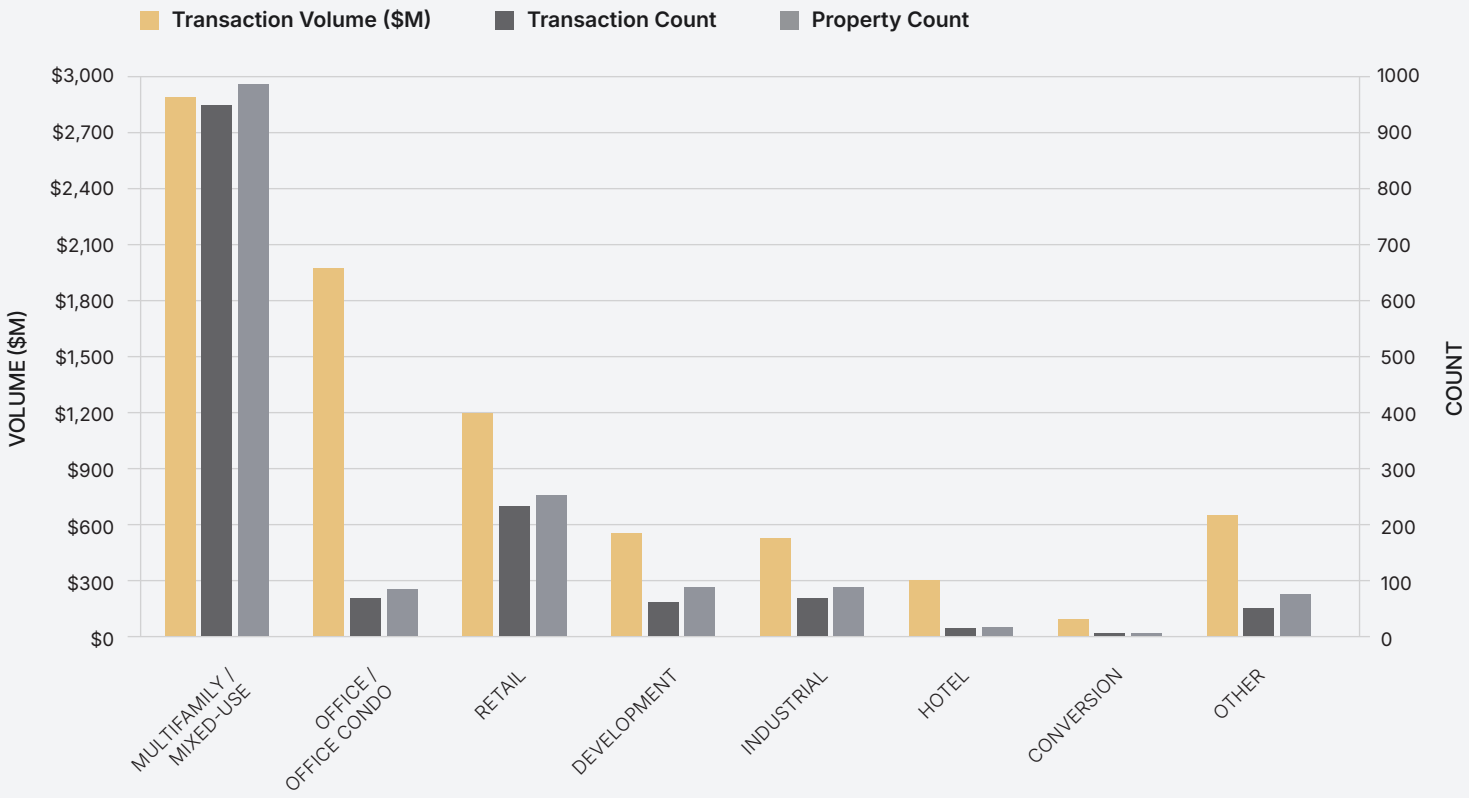
PROPERTY COUNT



	Q1 2026	Q2 2026	Q3 2026	QoQ
MANHATTAN				
Dollar Volume	$2,574.6M	$4,188.6M	$3,328.7M	-20.5%
Transaction Count	140	143	167	16.8%
Property Count	157	155	183	18.1%
N. MANHATTAN				
Dollar Volume	$290.9M	$123.7M	$300.2M	142.6%
Transaction Count	32	39	35	-10.3%
Property Count	35	41	40	-2.4%
BROOKLYN				
Dollar Volume	$2,536.7M	$1,629.7M	$2,509.6M	54.0%
Transaction Count	349	486	672	38.3%
Property Count	436	515	698	35.5%
QUEENS				
Dollar Volume	$1,248.6M	$1,174.7M	$1,502.7M	27.9%
Transaction Count	188	346	460	32.9%
Property Count	215	382	496	29.8%
BRONX				
Dollar Volume	$409.5M	$352.8M	$586.1M	66.1%
Transaction Count	78	109	108	-0.9%
Property Count	97	132	136	3.0%
NYC TOTAL				
Dollar Volume	$7,060.4M	$7,469.5M	$8,227.2M	10.1%
Transaction Count	787	1,123	1,442	28.4%
Property Count	940	1,225	1,553	26.8%

Figures reflect arm's-length sales of $1M+ by closing date. Staten Island is not included; borough rows sum to the NYC Total.

Analysis by **Property Type**



QUARTER OVER QUARTER

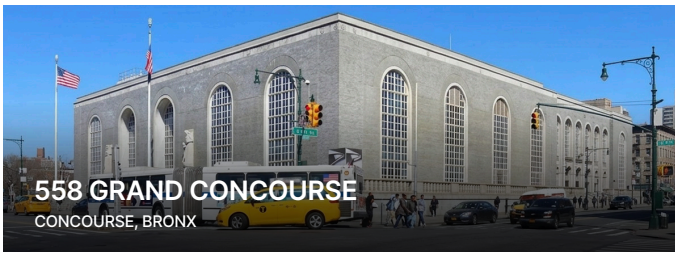
PROPERTY TYPE	TRANSACTION VOLUME (MILLIONS)	TRANSACTION COUNT	QOQ CHANGE
Multifamily / Mixed-Use	$2,884.3M	950	26.1%
Office / Office Condo	$1,975.9M	69	25.1%
Retail	$1,199.5M	237	3.5%
Development	$551.8M	56	-8.0%
Industrial	$540.1M	67	31.3%
Hotel	$300.4M	7	-66.0%
Conversion	$104.5M	1	N/A
Other	$670.7M	55	22.6%
TOTAL	**$8,227.2M**	**1,442**	**10.1%**

Top Highlighted Transactions



Property Type: Office / Office Condo

Price: $310,000,000	Date: 08/05/2026
SF: 366,879	Price / SF: $845



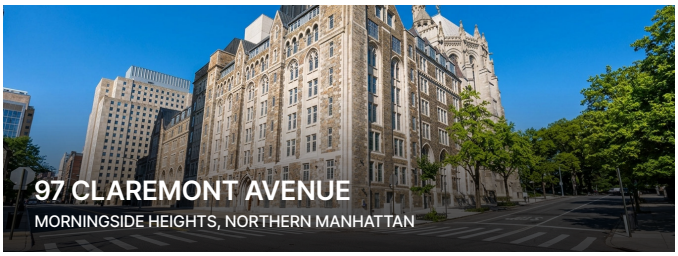
Property Type: Office / Office Condo

Price: $200,900,000	Date: 09/10/2026



Property Type: Multifamily / Mixed-Use

Price: $122,500,000	Date: 09/03/2026
SF: 147,053	Price / SF: $833



Property Type: Institutional / Educational

Price: $122,000,000	Date: 07/15/2026
SF: 78,397	Price / SF: $1,556



Property Type: Conversion

Price: $104,500,000	Date: 07/01/2026
SF: 321,994	Price / SF: $325



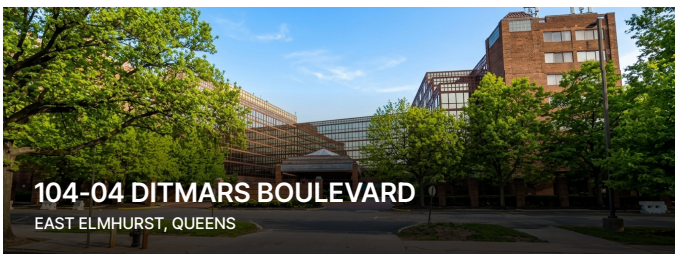
Property Type: Retail

Price: $100,000,000	Date: 07/02/2026
SF: 29,300	Price / SF: $3,413



Property Type: Development

Price: $83,500,000	Date: 09/16/2026
BSF: 397,923	Price / BSF: $210



Property Type: Hotel

Price: $72,000,000	Date: 09/10/2026
SF: 354,254	Price / SF: $203
Units: 358	Price / Unit: $201,117

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