

New York City: All Asset Investment Sales Report Q1 2026

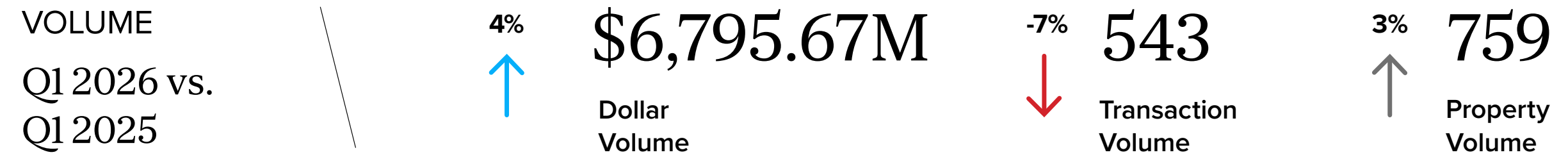


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Q1 2026 NYC Sales Report

Highlights



New York City's investment sales market recorded \$6.8 billion in dollar volume across 543 transactions and 759 properties in Q1 2026, with dollar volume up 4% year-over-year and 50% above Q1 2024, confirming the market has settled into a normalized post-pandemic cadence. Development dollar volume reached \$1.6B (+26% YoY) and Hotel dollar volume hit \$545M (+194% YoY), posting the strongest growth, while Multifamily (\$2.36B across 322 trades) delivered the highest transaction count of any asset class. SL Green's \$730M acquisition of 65 East 55th Street and the Ritz-Carlton Central Park's ~\$270M trade were the quarter's marquee transactions.

Office - Trophy Keeps the Pace

Dollar volume totaled \$1.1B, down 28% YoY, across 13 transactions as activity concentrated in large-ticket institutional plays. SL Green's \$730M entity-level acquisition of 65 East 55th Street at \$1,176/SF and a 5.2% going-in cap rate—representing 66% of total office dollar volume—anchored the quarter, underscoring institutional conviction in Midtown's trophy corridor. Manhattan leasing recorded 12.9 MSF in Q1—the highest output since Q4 2019—while availability compressed to 14.6%, declining for eight consecutive quarters from 19.5% in Q1 2024, with Midtown trophy direct availability at just 3.4%.¹ Trophy buildings continued to command record rents, including a \$327.50 per square foot lease at 9 West 57th Street. Class B/C activity was negligible; conversion economics remain the primary exit strategy, with 12.2M GSF positioned for the 467-m conversion incentive ahead of the June 2026 construction-start deadline.

Multifamily - Bifurcated Segment

Dollar volume totaled \$2.36B across 322 transactions and 468 properties—the highest Q1 transaction count in four years. Free-market properties² led investment activity at 42% of classified dollar volume and rent-stabilized assets continued repricing with average per-unit values down 45% from pre-HSTPA levels. The distress in the rent-stabilized space is evident in the Pinnacle Group's 5,100-unit portfolio, which entered Chapter 11 and was acquired by Summit Properties for \$451.3 million at the end of March. For a detailed breakdown by building type, regulatory segment, and borough-level pricing, see the full **Q1 2026 NYC Multifamily Report**.

Development - Where Policy Meets the Market (at least partially)

Dollar volume reached \$1.6B, up 26% YoY, across 90 transactions, driven by larger, higher-conviction trades even as deal count fell 18% amid tariff-driven construction cost uncertainty. Key trades: Bally's \$157M Ferry Point casino site (Bronx), Tavros's \$143M acquisition of 304 Pearl Street, and Idan Ofer's \$105M purchase of 2 Rector Street for a 614-unit residential conversion. Policy tailwinds remain critical—the 485-x 35-year abatement is creating urgency for ground-up starts, while the 467-m Tier 1 June 2026 deadline is accelerating conversions, the OneLIC rezoning (54 blocks, largest in 20+ years) is reshaping Long Island City, and the Building Congress projects \$219B in construction spending from 2025–2027, with residential now 43% of the total (up from 24% in 2024). Conversion activity continues to accelerate, with RXR's \$420M construction loan for 61 Broadway's 796-unit transformation leading the way. The pipeline also continued to build, with DOB filings reaching a 12-year monthly high in March 2026, totaling 11,984 multifamily units—including 11,189 units across 137 new buildings and 795 units across 14 conversion projects.

NYC Commercial Real Estate Dollar Volume Comparison

Dollar volume by property type, Q1 2026 compared with prior quarters

Property Type	Q1 2026	VS Q1'25	Q1 2025	VS Q1'24	Q1 2024
Multifamily	\$2,359.48M	11%	\$2,126.82M	73%	\$1,366.91M
MF-MU 10+ resi	\$1,730.29M	11%	\$1,556.21M	102%	\$856.53M
MF-MU 6-9 resi	\$216.63M	7%	\$202.80M	6%	\$203.43M
MF-MU Small	\$412.57M	12%	\$367.82M	34%	\$306.96M
Retail	\$486.54M	-27%	\$670.78M	-67%	\$1,496.75M
Ind / WH / Sto	\$412.44M	10%	\$375.88M	24%	\$333.40M
Development	\$1,600.00M	26%	\$1,273.48M	127%	\$703.66M
Office	\$1,096.88M	-28%	\$1,530.04M	480%	\$189.00M
Hotel	\$545.17M	194%	\$185.71M	153%	\$215.43M
Special Purpose	\$295.16M	-21%	\$375.53M	31%	\$225.21M
Grand Total	\$6,795.67M	4%	\$6,538.26M	50%	\$4,530.37M

Retail

Dollar volume totaled \$486.54M, down 27% YoY, across 49 transactions. Activity was led by Amstar Group's \$129M acquisition of retail at 515 West 38th Street. Despite the pullback in investment volume, Manhattan retail fundamentals remained firm: the frontage availability rate fell to 14.7%—the lowest since tracking began in 2019—while asking rents rose 2% QoQ and 3% YoY.³ Tariff-driven consumer spending pressure is the key downside risk.

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Highlights

Hotel

Dollar volume surged to \$545M, up 194% YoY, across 4 transactions, led by the Ritz-Carlton Central Park (~\$270M, 253 keys) and the NoMo SoHo (\$121M, 264 rooms—40% below its 2015 sale price, signaling global confidence in Manhattan’s boutique-luxury sector). New York City is projected to deliver 4,852 newly built hotel rooms in 2026—the highest total of any U.S. market for the second straight year. Operating fundamentals remain strong, with 66.3M visitors projected for 2026 and the FIFA World Cup expected to generate \$3.3B in economic impact.

Industrial

Dollar volume totaled \$412.4M, up 10% YoY, across 51 transactions. Terreno Realty’s \$92M warehouse acquisition in College Point (5.4% stabilized cap) highlights the institutional premium for last-mile positioning. Demand has diversified beyond traditional logistics, with Netflix’s lease at Sunset Pier 94 Studios underscoring the sector’s broadening tenant base. Tariff uncertainty is slowing larger institutional commitments.

WATCHLIST

- **Office leasing momentum:** With Midtown trophy direct availability at 3.4% and eight consecutive quarters of compression, the leasing recovery is approaching the point where it converts into investment sales conviction — watch for institutional buyers to re-enter the office sales market in H2 2026 as occupancy signals harden
- **485-x and 467-m deadlines:** The June 2026 467-m Tier 1 construction-start deadline is the market’s most time-sensitive catalyst — developers who miss it forfeit conversion incentives entirely, making Q2 site acqui-

sitions and construction loan closings a key indicator to watch; the 485-x abatement window and OneLIC rezoning are the parallel drivers to monitor for ground-up starts

- **Mortgage maturities expected in 2026:** Mortgage maturities remain elevated, though the wall is beginning to ease: The Mortgage Bankers Association reports that 17% of the \$5.0 trillion in outstanding commercial and multifamily mortgage balances, or \$875 billion, is scheduled to mature in 2026. While the 10% decline from 2025 suggests the market is moving past the recent peak of the maturity wave, the volume of loans coming due remains significant enough to drive refinancing needs, lending activity, and transaction momentum across property types.
- **Refinancing pressure:** With 17% of office loans and 30% of hotel loans scheduled to mature in 2026, refinance risk remains elevated. Office shows the clearest strain, with the CMBS office delinquency rate hitting 12.34% in January 2026, an all-time high, while hotels face added pressure from rising operating costs, which AHLA says are increasing 4x faster than revenue.
- **Persistent distress in rent-stabilized multifamily:** Roughly half of the multifamily market continues to face distress as rent-stabilized owners remain constrained in their ability to raise rents in line with rising costs. Since HST-PA, operating expenses have increased by nearly 40%, while rents have risen only 16%, leaving a roughly 24% gap between expense growth and rent growth. With additional uncertainty around the Mamdani administration’s RGB appointments and “rental ripoff” hearings signaling the potential for a rent freeze, the sector continues to see declining values and mounting distress.
- **FIFA World Cup tailwind:** The FIFA World Cup kicks off in June 2026 — the single largest near-term demand catalyst for NYC hotel and retail operators. Watch for RevPAR spikes, retail foot traffic surges, and accelerated hotel investment decisions as the tournament window approaches

NYC Commercial Real Estate Transaction Volume Comparison

Transaction volume by property type, Q1 2026 compared with prior quarters

Property Type	Q1 2026	VS Q1'25	Q1 2025	VS Q1'24	Q1 2024
Multifamily	322	7%	301	27%	254
MF-MU 10+ resi	95	9%	87	32%	72
MF-MU 6-9 resi	75	-4%	78	7%	70
MF-MU Small	152	12%	136	36%	112
Retail	49	-11%	55	-27%	67
Ind / WH / Sto	51	-2%	52	-11%	57
Development	90	-17%	109	18%	76
Office	13	-65%	37	8%	12
Hotel	4	-33%	6	-43%	7
Special Purpose	14	-33%	21	17%	12
Grand Total	543	-7%	581	12%	485

NYC Commercial Real Estate Property Volume Comparison

Property volume by property type, Q1 2026 compared with prior quarters

Property Type	Q1 2026	VS Q1'25	Q1 2025	VS Q1'24	Q1 2024
Multifamily	468	28%	367	56%	300
MF-MU 10+ resi	224	64%	137	109%	107
MF-MU 6-9 resi	83	-2%	85	12%	74
MF-MU Small	161	11%	145	35%	119
Retail	61	-3%	63	-22%	78
Ind / WH / Sto	59	-5%	62	-25%	79
Development	133	-22%	171	12%	119
Office	13	-73%	48	8%	12
Hotel	5	-29%	7	-29%	7
Special Purpose	20	-9%	22	33%	15
Grand Total	759	3%	740	24%	610

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