

# Real Estate Alert

## Rental Sales Outpace Headwinds; CBRE Wins

Large apartment-property sales climbed 17.3% in 2025, building on 2024's sharp rebound and lifting the market to its third-strongest year on record.

There were \$141.97 billion of trades of multifamily properties valued at \$25 million or more last year, up from \$121.02 billion in 2024, according to **Green Street's** Sales Comps Database.

Perennial leader **CBRE** again topped the league table, with second-place **JLL** and No. 3 **Newmark** posting strong growth. Below that tier, the rankings shifted, with **Walker & Dunlop** jumping three spots to fourth and **Marcus & Millichap** slipping to fifth.

The headline numbers are notable not just for the scale of sales but the conditions under which those sales occurred. **Kelli Carhart**, CBRE's head of multifamily capital markets, described the year as one of striking contradictions: Rent growth stalled, concessions spread beyond lease-ups, and net operating income lagged. Yet buyers remained active, pushing major transactions across the finish line.

CBRE's pipeline and sales volume both climbed 30% last year, even as the transaction process grew more selective, Carhart said. Deal timelines stretched, bidder pools thinned, and bid-ask gaps persisted.

Meanwhile, acquisition debt rose from a third of activity to nearly 40%, underscoring sustained investor demand. "The numbers don't lie," Carhart said. "People want to be in the space. It's really about threading the needle."

**Mike Miner**, a senior vice president and head of investment sales at **Berkadia**, likened the year to "running in sand," where

transactions kept moving, but required significantly more effort to get done. Although his team brought more assets to market than in the prior two years, not all traded, with some refinanced, repriced or withdrawn after bidding fell short of investor-return thresholds.

"What we heard from clients was, 'We took out 10 deals. Five closed. Five didn't,'" he said.

Despite the friction, transaction volume in the last six months of the year totaled \$87.06 billion, making it the third-highest back half ever, according to the Sales Comps Database.

The strength masked an uneven trajectory. Volume surged 47.1% year over year in the first quarter, while growing 12.0% in the second despite a tariff-driven pause. The third quarter featured the largest increase in sales on a dollar basis, rising

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*He also described a structural "mismatch between the risk profile of assets being traded and the capital pursuing them." Core and core-plus properties increasingly attracted value-added and opportunistic buyers with higher costs of capital, widening bid-ask spreads and preventing many deals from clearing.*

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**REAL ESTATE ALERT:** February 10, 2026

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\$8.47 billion over the previous year, or 27.0%, but by the fourth, growth slowed to 2.7%, suggesting momentum was moderating as concerns grew around fundamentals.

Much of the disconnect between improving transaction activity and strained operating performance traced back to the robust supply of new properties.

“The biggest surprise was how challenging fourth-quarter fundamentals became in certain Sun Belt markets,” said **Blake Rogers**, a senior managing director who was named co-lead of JLL’s national multifamily practice last month. “Investor demand continues to be strong; however, investor conviction can be challenging.”

Investors entered 2025 expecting rent growth to reemerge as construction slowed, but a substantial volume of recently delivered units remained in lease-up, prolonging competitive pressure.

“2025 was still very much the tail end of a historic supply wave,” said **Jay Parsons**, an economic advisor for Dallas-based apartment developer **JPI**. The number of units that came on the market in 2025 was the third highest since the mid-1980s, trailing only 2023 and 2024, he said.

The impact was most visible in concessions. As buildings in lease-up competed aggressively, many landlords offered two or more months free, pushing down rents sharply and in some cases forcing stabilized properties to respond, a dynamic rarely seen outside recessionary periods, said **Lee Everett**, an executive vice president and head of research and strategy at **Cortland**, an Atlanta-based fund operator.

Operationally, portfolios appeared stable, he said, largely because existing tenants carried the year. Renewal growth hovered around 3%, keeping revenue flat to modestly positive.

“But in terms of market rents and new-lease turnovers, it was an absolute bleed,” Everett said.

Renters shifted from prioritizing “best location, best building” to discount shopping. “You had this race to attract a value shopper in order to fill the new units,” he said.

Pressure was most acute in the high-supply Sun Belt and Mountain West markets, while supply-constrained gateway markets such as San Francisco and Chicago led the nation in rent growth.

**Nickolay Bochilo**, chief investment officer at **Bell Partners**, a Greensboro, N.C.-based investment manager, described 2025 as a market of “the haves and the have-nots,” where newer, well-located assets with stable or growing rents generated strong prices and were more likely to trade while older or

**Multifamily Sales**

|      | Amount (\$Bil.) | No. of Prop. |
|------|-----------------|--------------|
| 2016 | \$98.2          | 1,869        |
| 2017 | 95.7            | 1,762        |
| 2018 | 114.3           | 2,129        |
| 2019 | 126.4           | 2,329        |
| 2020 | 93.3            | 1,802        |
| 2021 | 250.5           | 5,109        |
| 2022 | 215.7           | 3,739        |
| 2023 | 89.3            | 1,857        |
| 2024 | 121.0           | 2,336        |
| 2025 | 142.0           | 2,551        |

operationally pressured properties often failed to clear.

His firm was a net buyer for the third consecutive year, purchasing \$1.3 billion of assets, \$700 million short of its goal, while selling about \$400 million.

“Many owners weren’t selling because they wanted to. They were selling because they had to,” Bochilo said, with transactions forced by partnership disputes, liquidity pressures and redemptions.

He also described a structural “mismatch between the risk profile of assets being traded and the capital pursuing them.” Core and core-plus properties increasingly attracted value-added and opportunistic buyers with higher costs of capital, widening

bid-ask spreads and preventing many deals from clearing.

A third to a half of opportunities his firm reviewed ultimately failed to trade, he estimated. “We saw that consistently across markets,” Bochilo said.

Deals that cleared typically shared a common profile: strong locations, high-quality properties, stable financials with durable cashflows, and barriers to future supply. When those traits aligned, competition was intense.

“Buyers got more aggressive. We saw multiple best-and-final rounds. ... In some cases, we even saw cap-rate compression,” Berkadia’s Miner said.

Such transactions remained the exception, reflecting a market where investor appetite often outpaced the number of attractive properties available.

Just as notable was who was winning those deals.

Institutions remained active but were rarely the most competitive buyers or consistent price setters, CBRE’s Carhart said. Conservative exit-cap assumptions and tighter underwriting limited pricing flexibility, particularly with near-term rent growth so uncertain. Much of their activity flowed through structured vehicles, including separate accounts and nontraded REITs, resulting in fewer bids and more selective engagement, she said.

Instead, transactions increasingly cleared through private regional operators, value-added and opportunistic funds, and other flexible investors willing to underwrite longer hold periods and tolerate near-term volatility.

Assets with weaker rent rolls and financials, heavier value-added profiles or exposure to oversupplied submarkets struggled to attract buyers.

“Without rent growth, it’s hard to underwrite value-added renovations with confidence,” Miner said.

Equity erosion made negotiations even more challenging, he said, particularly for assets with layered capital stacks that

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included preferred-equity or mezzanine debt.

Strong debt markets introduced another variable: Refinancing often became a viable alternative to selling.

“We saw debt markets become unbelievably liquid,” JLL’s Rogers said. “In some situations, they were the biggest competitor to an investment sale.”

For owners facing operational headwinds or softer rent rolls, assets that initially appeared destined for the market were pulled and refinanced, particularly in the latter half of the year as lending conditions strengthened, he said.

Market pros agreed that signs of distress are beginning to surface, though not yet systemically, as lenders shift attention toward multifamily properties following the resolution of many underperforming office deals.

The shift signals that patience is wearing thin. Many owners delayed hard decisions on the assumption that operating performance would rebound quickly after the supply peak, but weaker fundamentals now are forcing their hand. “You’re starting to see larger deals where keys are going back,” Cortland’s Everett said.

Even so, pressure appears isolated, much of it tied to aggressively priced debt originated in 2021 and 2022, particularly in Sun Belt workforce housing, CBRE’s Carhart said.

“Lenders are kind of done kicking the can,” she said. “We’re seeing more conversations where people say, ‘We need to be in the market tomorrow.’”

Looking ahead to 2026, market pros said the lessons from 2025 are clear: Distress and recovery are unlikely to unfold evenly.

Markets are normalizing at different paces, Cortland’s Everett said. “Some high-supply metros, like Boise, are regaining footing ... while others such as Austin may take another 12 to 24 months to stabilize,” he said.

This year, the supply of new properties also is expected to decline meaningfully, potentially to decade lows, but the existing wave of lease-ups must first stabilize before fundamentals fully recover.

“Once that happens, we should start to see concessions burn off and effective rents lift,” JPI’s Parsons said. In a base-case scenario, 2026 may mark the early stages of rent recovery, laying the groundwork for a stronger 2027, he added.

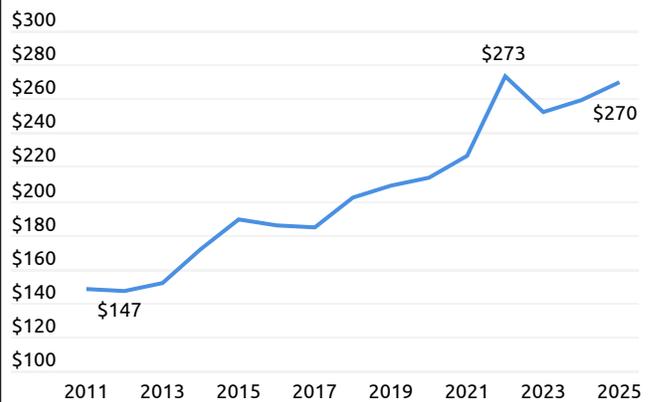
In the brokerage race, CBRE, which has led the rankings since 2005, increased sales volume 32.9% over the previous year to \$24.84 billion, expanding its market share to 20.4%. JLL retained second place from the 2024 ranking, growing sales 22.2% to \$21.24 billion and lifting its share slightly to 17.5%. Newmark repeated in third place, with volume surging 40.8% to \$19.91 billion. Walker & Dunlop climbed to fourth on a 42.0% increase in sales to \$12.47 billion, while Marcus & Millichap slipped one spot to fifth as its volume

declined 5.2%.

Broker rankings are based on property transactions that closed in 2025 and involved full or partial stakes valued at \$25 million or more. When multiple brokers shared a listing, the dollar credit was divided evenly, but each broker was credited with one transaction. Only brokers for sellers were given credit. Portfolio transactions were included if the package price was at least \$25 million. ❖

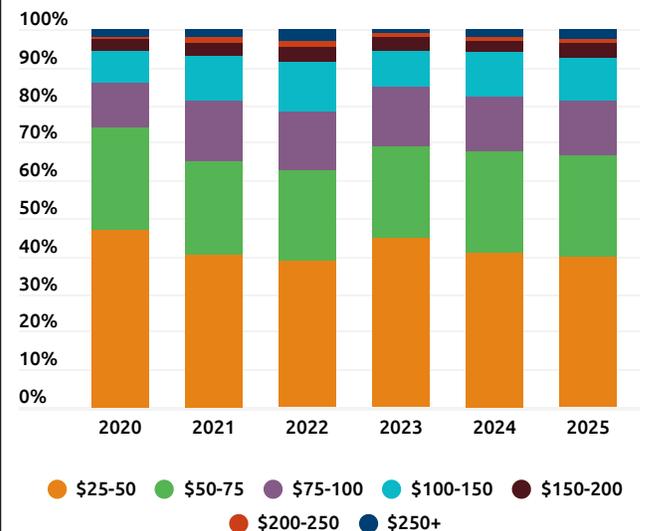
**Apartment Values Approach Peak**

Average trade price per unit (in thousands)



**Smaller Deals Still Dominate**

Multifamily transaction count by price range (\$mil.)



## RANKINGS

### Top Brokers of Multifamily Properties in 2025

Brokers representing sellers in deals of at least \$25 million

|    |                              | 2025<br>Amount<br>(\$Mil.) | No. of<br>Properties | Market<br>Share<br>(%) | 2024<br>Amount<br>(\$Mil.) | No. of<br>Properties | Market<br>Share<br>(%) | '24-'25<br>% Chg. |
|----|------------------------------|----------------------------|----------------------|------------------------|----------------------------|----------------------|------------------------|-------------------|
| 1  | CBRE                         | \$24,842.4                 | 380                  | 20.4                   | \$18,698.3                 | 295                  | 18.5                   | 32.9              |
| 2  | JLL                          | 21,239.3                   | 317                  | 17.5                   | 17,377.7                   | 265                  | 17.2                   | 22.2              |
| 3  | Newmark                      | 19,912.3                   | 298                  | 16.4                   | 14,142.3                   | 241                  | 14.0                   | 40.8              |
| 4  | Walker & Dunlop              | 12,467.0                   | 204                  | 10.2                   | 8,777.9                    | 200                  | 8.7                    | 42.0              |
| 5  | Marcus & Millichap           | 9,381.6                    | 173                  | 7.7                    | 9,891.8                    | 238                  | 9.8                    | -5.2              |
| 6  | Berkadia                     | 8,735.2                    | 172                  | 7.2                    | 9,221.0                    | 169                  | 9.1                    | -5.3              |
| 7  | Estdil Secured               | 8,383.2                    | 166                  | 6.9                    | 9,110.5                    | 167                  | 9.0                    | -8.0              |
| 8  | Cushman & Wakefield          | 6,314.4                    | 121                  | 5.2                    | 6,175.5                    | 125                  | 6.1                    | 2.2               |
| 9  | Northmarq                    | 3,462.1                    | 71                   | 2.8                    | 3,074.5                    | 61                   | 3.0                    | 12.6              |
| 10 | Colliers                     | 1,719.4                    | 52                   | 1.4                    | 1,261.3                    | 29                   | 1.2                    | 36.3              |
| 11 | Goldman Sachs                | 800.0                      | 19                   | 0.7                    | 0.0                        | 0                    | 0.0                    |                   |
| 12 | JBM                          | 538.1                      | 8                    | 0.4                    | 511.6                      | 7                    | 0.5                    | 5.2               |
| 13 | Ariel Property Advisors      | 404.2                      | 7                    | 0.3                    | 99.0                       | 4                    | 0.1                    | 308.3             |
| 14 | Kidder Mathews               | 396.5                      | 18                   | 0.3                    | 28.2                       | 1                    | 0.0                    | 1,308.4           |
| 15 | Continuum Advisors           | 274.0                      | 3                    | 0.2                    | 293.6                      | 7                    | 0.3                    | -6.7              |
| 16 | Rosewood Realty              | 269.7                      | 7                    | 0.2                    | 475.8                      | 8                    | 0.5                    | -43.3             |
| 17 | Avison Young                 | 213.6                      | 11                   | 0.2                    | 156.3                      | 8                    | 0.2                    | 36.7              |
| 18 | Mogharebi Group              | 183.3                      | 5                    | 0.2                    | 305.1                      | 5                    | 0.3                    | -39.9             |
| 19 | MMG Real Estate Advisors     | 147.1                      | 2                    | 0.1                    | 0.0                        | 0                    | 0.0                    |                   |
| 20 | Kislak Co.                   | 146.7                      | 11                   | 0.1                    | 16.8                       | 1                    | 0.0                    | 772.9             |
| 21 | Adirondack Capital Partners  | 125.0                      | 1                    | 0.1                    | 0.0                        | 0                    | 0.0                    |                   |
| 22 | S. Charatan Realty           | 116.5                      | 1                    | 0.1                    | 0.0                        | 0                    | 0.0                    |                   |
| 23 | Melnick Real Estate Advisors | 108.0                      | 1                    | 0.1                    | 0.0                        | 0                    | 0.0                    |                   |
| 24 | BASE Realty                  | 102.8                      | 2                    | 0.1                    | 0.0                        | 0                    | 0.0                    |                   |
| 25 | Raven Property Advisors      | 102.5                      | 26                   | 0.1                    | 0.0                        | 0                    | 0.0                    |                   |
| 26 | Compass                      | 95.0                       | 1                    | 0.1                    | 0.0                        | 0                    | 0.0                    |                   |
| 27 | Franklin Street              | 93.3                       | 3                    | 0.1                    | 0.0                        | 0                    | 0.0                    |                   |
| 28 | Greysteel                    | 92.4                       | 3                    | 0.1                    | 85.5                       | 2                    | 0.1                    | 8.1               |
| 29 | Global Real Estate Advisors  | 76.9                       | 2                    | 0.1                    | 84.6                       | 2                    | 0.1                    | -9.1              |
| 30 | Seven Stone Capital          | 59.0                       | 1                    | 0.0                    | 0.0                        | 0                    | 0.0                    |                   |
| 31 | Matthews                     | 58.7                       | 2                    | 0.0                    | 31.0                       | 1                    | 0.0                    | 89.3              |
| 32 | KLNB                         | 56.8                       | 1                    | 0.0                    | 0.0                        | 0                    | 0.0                    |                   |
| 33 | Veerman Asset Management     | 55.5                       | 1                    | 0.0                    | 0.0                        | 0                    | 0.0                    |                   |
| 34 | BK Real Estate Advisors      | 52.0                       | 3                    | 0.0                    | 0.0                        | 0                    | 0.0                    |                   |
| 35 | Meridian Capital             | 45.5                       | 1                    | 0.0                    | 229.0                      | 25                   | 0.2                    | -80.1             |
| 36 | Northstar REIS               | 44.5                       | 1                    | 0.0                    | 0.0                        | 0                    | 0.0                    |                   |
| 37 | Highcap Group                | 41.4                       | 2                    | 0.0                    | 0.0                        | 0                    | 0.0                    |                   |
| 38 | Interra Realty               | 40.0                       | 1                    | 0.0                    | 0.0                        | 0                    | 0.0                    |                   |
| 39 | GFI Realty Services          | 38.0                       | 3                    | 0.0                    | 0.0                        | 0                    | 0.0                    |                   |
| 40 | Triton Realty                | 35.8                       | 1                    | 0.0                    | 0.0                        | 0                    | 0.0                    |                   |
|    | OTHERS                       | 391.4                      | 16                   | 0.3                    | 946.1                      | 42                   | 0.9                    | -58.6             |
|    | <b>Brokered Total</b>        | <b>121,660.9</b>           | <b>2,066</b>         | <b>100.0</b>           | <b>100,993.3</b>           | <b>1,893</b>         | <b>100.0</b>           | <b>20.5</b>       |
|    | No Broker                    | 20,312.5                   | 485                  |                        | 20,025.6                   | 443                  |                        | 1.4               |
|    | <b>TOTAL</b>                 | <b>141,973.5</b>           | <b>2,551</b>         |                        | <b>121,018.8</b>           | <b>2,336</b>         |                        | <b>17.3</b>       |