

FIGURES | TRI-STATE CAPITAL MARKETS | Q2 2025

New York Tri-State Investment Sales Market: Healthy First Half of 2025



Arrows indicate change in growth rate from the same quarter in the previous year.

¹All references to deal volume cited in this report are based on MSCI Real Assets transactional database, which includes single-asset and portfolio transactions and excludes development site transactions.

Executive Summary

- Total New York Tri-State commercial real estate investment volume increased by 11% year-over-year in Q2 to \$8.8 billion.
- Multifamily led all sectors for investment volume in Q2 2025 (\$2.6 billion) followed by office (\$2.2 billion) and industrial (\$1.7 billion).
- Manhattan led the region in investment volume in Q2 (\$2.8 billion), down 19% year-over-year, followed by New Jersey (\$2.7 billion), where investment rose by 27% year-over-year.
- Private buyers accounted for over 60% of investment volume for the four quarters ending in Q2 2025 (\$23.5 billion) while institutions were the second largest buyer group with a share of 16% (\$6.1 billion).
- Inbound cross-border investment volume decreased 8% year-over-year for the four quarters ending in Q2 2025 to \$3.3 billion.
- New York was the leading U.S. market for total investment volume for the trailing four quarters ending in Q2 2025, capturing over \$37 billion, followed by Los Angeles and Dallas.
- For more CBRE capital markets insights, view the [U.S. CBRE Capital Markets Report | Q2 2025](#).

Looking Ahead: What to Expect in H2

MACRO TRENDS TO WATCH

Tri-State investment volume started strong in 2025 with 40% year-over-year growth in Q1 and 11% year-over-year growth in Q2, driven by a recovery in the region's office and industrial markets.

Hotels and multifamily were the only major asset types to experience year-over-year declines in Q2. The multifamily sector has been squeezed by low supply as vacancy hit historic lows and the city's hospitality sector struggled with a drop in international tourism.

Retail continues to outperform with investment volumes increasing by large margins year-over-year in most of Tri-State's urban and suburban markets.

The office sector has seen investment improve at the high end, with strong investor interest in the best assets, and at the low end in which vacant properties are being caught up in the city's accelerating residential conversion wave.

Consumer and business confidence have been tempered in the first half of 2025 against the backdrop of the United States' evolving trade policies, geopolitical uncertainty, and ongoing deficit spending.

The recently enacted tax-and-spending bill enhances the tax advantages of owning commercial real estate; however, a potential rise in debt levels could mitigate some of these benefits.

CBRE has lowered its forecast for annual GDP growth to 1.5% from between 2% and 2.5% in January but still expects the 10-year Treasury yield to end the year in the low-to-mid 4% range.

Heightened economic uncertainty and elevated long-term rates will remain a headwind for investment activity. The industrial and retail sectors remain the most exposed due to U.S. trade policy while the office sector is expected to see the largest year-over-year increase in investment volume.

Market sentiment around interest rate cuts remains volatile, reflecting a growing divergence between soft sentiment indicators and hard economic data. We believe the Fed is likely to cut its short-term interest rate in 2025, as the labor market continues to soften.

Commercial real estate investment volume is projected to increase by 10% in 2025, supported by robust fundamentals across all sectors, especially for prime assets. Among property types, the office sector is expected to experience the largest growth, with a year-over-year increase of 19%.

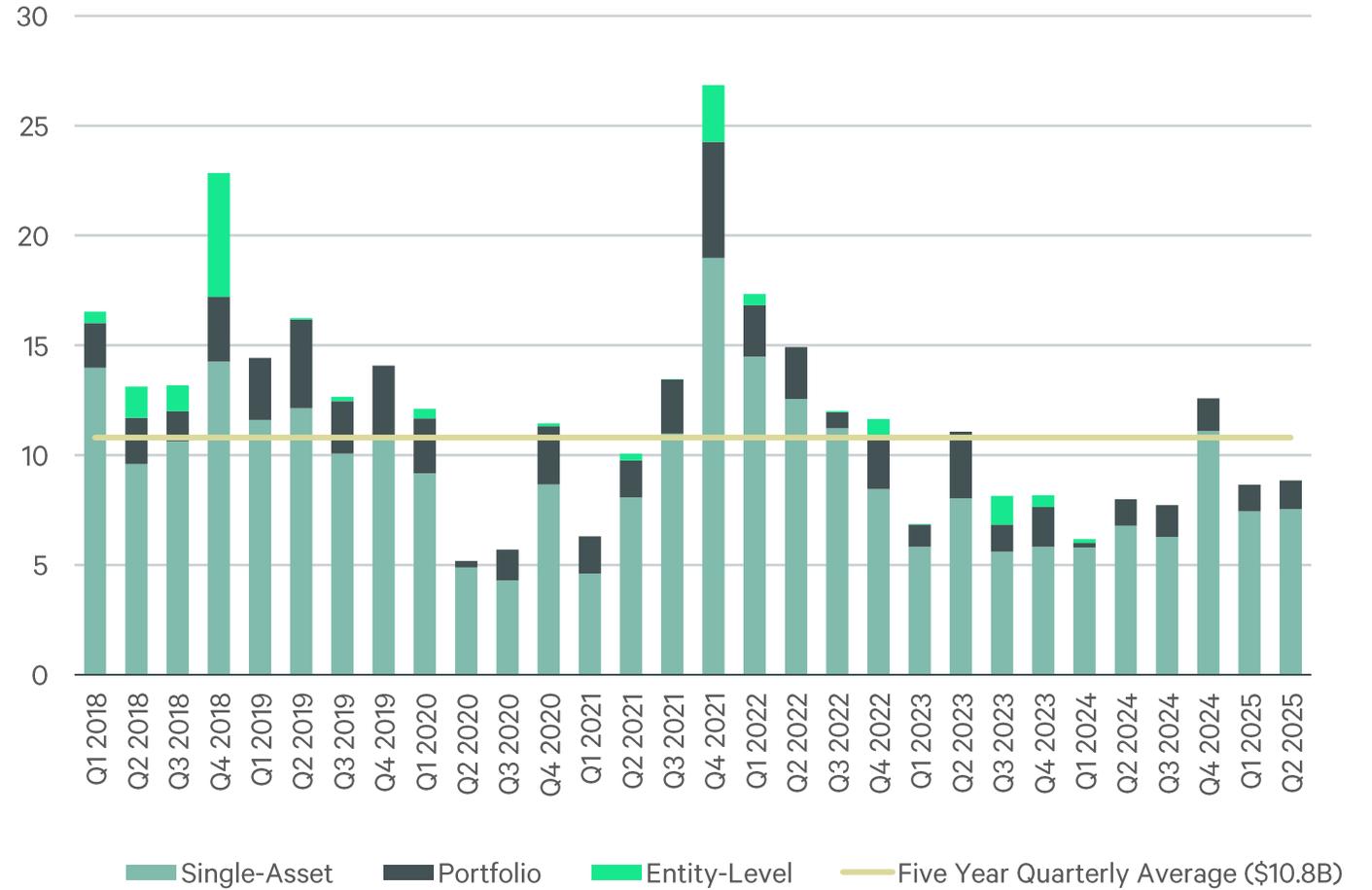
Figure 1 Historical commercial real estate investment volume

- Tri-State commercial real estate investment volume totaled \$8.8 billion in Q2 2025, up 2% from the \$8.7 billion invested in Q2 2024 and 18% below the five-year quarterly average.
- Portfolio investment volume increased by 8% compared to Q2 2024 levels to \$1.3 billion.
- Trailing four-quarter volume totaled \$37.8 billion.

Assessment

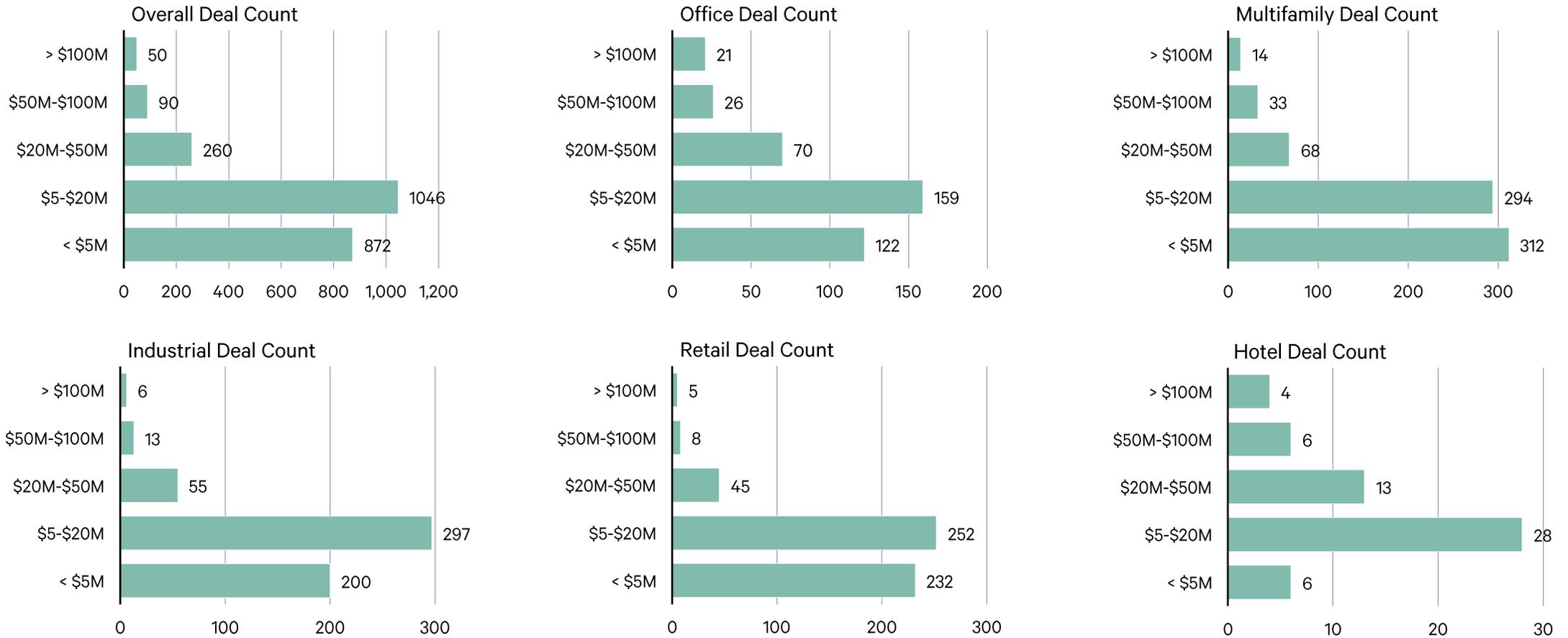
- The Manhattan office market drove investment activity in Q2 2025 with the caveat that several of the transacted properties are slated for residential conversion.
- Industrial sales have also recovered in the first half of 2025, particularly in New Jersey which was home to nine out of the ten largest industrial sales in Q2.
- The ongoing office-to-residential conversion trend will support additional Manhattan office sales activity through 2025 while falling vacancy in the best New Jersey industrial product should support that sector’s ongoing recovery.

Investment Volume (\$ Billions)



Note: Volume excludes development site transactions.
Source: CBRE Research, MSCI Real Assets, Q2 2025.

Figure 2
Deal volume by asset type and transaction price, trailing four quarters ending Q2 2025



Source: CBRE Research, MSCI Real Assets, Q2 2025

Figure 3
Tri-State commercial real estate investment volume by sector, Q2 2025 vs. Q2 2024

- Multifamily led all sectors for investment volume in Q2 2025 with \$2.6 billion, down 11% year-over-year.
- Office was the second most preferred sector at \$2.2 billion, up 18% from a year ago.
- Industrial was the third most preferred sector at \$1.7 billion, up 21% from a year ago.

Assessment

- Pre-pandemic investment patterns were reestablished in 2024 and 2025 with multifamily, office, and industrial assets leading the region for investment volume and retail and hotels falling back.
- Retail’s share of regional investment surged from 11% to 20% between 2022 and 2023 and has retained an elevated share of investment even as total volume has tapered off.
- Seventeen percent of Manhattan office investment volume was for buildings slated for residential conversion. These properties sold at an average price per square foot of \$169 compared to \$455 for properties not slated for conversion.

	Total (\$ billions)			
	Q2 2025	Q2 2024	Change (%)	Market Share (%)
All Types of Investment				
Multifamily	2.55	2.85	-10.6	28.8
Industrial	1.73	1.43	21.3	19.6
Office	2.19	1.85	18.3	24.8
Retail	1.59	1.05	50.9	18.0
Hotel	0.55	0.70	-21.3	6.2
Other	0.24	0.11	118.9	2.7
Total	8.85	7.99	10.8	100.0

	Total (\$ billions)			
	Year Ending Q2' 25	Year Ending Q2' 24	Change (%)	Market Share (%)
	10.72	7.75	38.3	28.3
	7.01	4.95	41.6	18.5
	11.59	6.45	79.8	30.6
	5.93	7.12	-16.7	15.7
	1.80	3.88	-53.5	4.8
	0.78	0.33	132.2	2.1
	37.82	30.48	24.1	100.0

Note: Total for All Types includes single-asset and portfolio transactions. Some numbers may not total due to rounding. Source: CBRE Research, MSCI Real Assets, Q2 2025.

Figure 4
Manhattan commercial real estate investment volume, Q2 2025 vs. Q2 2024

- Office led all sectors for investment volume in Q2 2025 with \$1.7 billion, a 21% year-over-year increase.
- Retail was the second most preferred sector with \$0.5 billion, up 78% from one year ago.

	Total (\$ billions)				Total (\$ billions)			
	Q2 2025	Q2 2024	Change (%)	Market Share (%)	Year Ending Q2' 25	Year Ending Q2' 24	Change (%)	Market Share (%)
All Types of Investment								
Multifamily	0.27	1.41	-80.8	9.7	3.95	3.29	19.9	24.3
Industrial	0.00	0.00	N/A	0.0	0.02	0.02	16.4	0.1
Office	1.66	1.38	20.8	59.4	8.99	4.27	110.4	55.2
Retail	0.54	0.30	78.3	19.2	2.21	2.95	-25.1	13.6
Hotel	0.33	0.35	-5.0	11.8	1.11	2.61	-57.6	6.8
Other	0.00	0.00	N/A	0.0	0.00	0.03	-100.0	0.0
Total	2.80	3.43	-18.5	100.0	16.28	13.17	23.6	100.0

Figure 5
NYC Outer Boroughs commercial real estate investment volume, Q2 2025 vs. Q2 2024

- Multifamily led all sectors for investment volume in Q2 2025 with \$1.2 billion, a 97% year-over-year increase.
- Retail was the second most preferred sector with \$0.6 billion, a 120% increase from one year ago.

	Total (\$ billions)				Total (\$ billions)			
	Q2 2025	Q2 2024	Change (%)	Market Share (%)	Year Ending Q2' 25	Year Ending Q2' 24	Change (%)	Market Share (%)
All Types of Investment								
Multifamily	1.23	0.62	97.2	49.5	3.47	1.72	101.0	42.71
Industrial	0.33	0.52	-36.7	13.2	1.54	1.26	22.1	18.99
Office	0.21	0.12	71.5	8.6	1.07	0.58	85.3	13.20
Retail	0.56	0.26	119.9	22.7	1.56	1.05	48.6	19.26
Hotel	0.11	0.19	-38.5	4.6	0.32	0.77	-57.9	4.00
Other	0.04	0.00	N/A	1.4	0.15	0.04	243.9	1.85
Total	2.48	1.71	45.6	100.0	8.12	5.43	49.5	100.00

* NYC's outer boroughs include Brooklyn, Queens, the Bronx, and Staten Island.

Note: Total for All Types includes single-asset and portfolio transactions. Some numbers may not total due to rounding.
 Source: CBRE Research, MSCI Real Assets, Q2 2025.

Figure 6
New Jersey commercial real estate investment volume, Q2 2025 vs. Q2 2024

- Industrial led all sectors for investment volume in Q2 2025 with \$1.3 billion, a 75% year-over-year increase.
- Multifamily was the second most-preferred sector with \$0.7 billion, down 11% from one year ago.

	Total (\$ billions)				Total (\$ billions)			
	Q2 2025	Q2 2024	Change (%)	Market Share (%)	Year Ending Q2' 25	Year Ending Q2' 24	Change (%)	Market Share (%)
All Types of Investment								
Multifamily	0.68	0.76	-11.1	25.2	1.97	2.01	-1.9	21.4
Industrial	1.30	0.74	74.8	48.3	4.39	2.81	55.9	47.6
Office	0.21	0.25	-17.6	7.6	1.00	1.02	-2.1	10.8
Retail	0.33	0.24	36.9	12.1	1.29	1.06	22.4	14.0
Hotel	0.07	0.10	-22.9	2.8	0.21	0.28	-24.9	2.3
Other	0.11	0.04	183.8	4.0	0.36	0.12	193.6	3.9
Total	2.69	2.13	26.5	100.0	9.22	7.30	26.3	100.0

Figure 7
Long Island commercial real estate investment volume, Q2 2025 vs. Q2 2024

- Multifamily led all sectors for investment volume in Q2 2025 with \$178 million. Long Island did not record any multifamily investment in Q2 2024.
- Other, a category comprised of senior housing transactions, was the second most preferred sector with \$86 million, up 1,333% from one year ago driven by the sale of The Harborside senior housing community in Port Washington.

	Total (\$ millions)				Total (\$ millions)			
	Q2 2025	Q2 2024	Change (%)	Market Share (%)	Year Ending Q2' 25	Year Ending Q2' 24	Change (%)	Market Share (%)
All Types of Investment								
Multifamily	178.30	0.00	N/A	41.9	236.45	214.35	10.3	13.14
Industrial	45.12	135.96	-66.8	10.6	700.16	570.24	22.8	38.91
Office	25.67	53.83	-52.3	6.0	195.92	227.41	-13.8	10.89
Retail	78.47	152.78	-48.6	18.4	387.31	746.76	-48.1	21.53
Hotel	12.00	66.50	-82.0	2.8	46.40	183.48	-74.7	2.58
Other	86.00	6.00	1,333.33	20.2	233.00	6.00	3,783.3	12.95
Total	425.56	415.07	2.5	100.0	1,799.24	1,948.24	-7.6	100.00

Note: Total for All Types includes single-asset and portfolio transactions. Some numbers may not total due to rounding. Source: CBRE Research, MSCI Real Assets, Q2 2025.

Figure 8
Hudson Valley* commercial real estate investment volume, Q2 2025 vs. Q2 2024

- Multifamily led all sectors for investment volume in Q2 2025 with \$70 million, a 186% year-over-year increase.
- Retail was the second most preferred sector with \$60 million, up 58% from one year ago.

*Hudson Valley includes Westchester, Putnam, Dutchess, Orange, and Rockland Counties.

	Total (\$ millions)				Total (\$ millions)			
	Q2 2025	Q2 2024	Change (%)	Market Share (%)	Year Ending Q2' 25	Year Ending Q2' 24	Change (%)	Market Share (%)
All Types of Investment								
Multifamily	69.72	24.38	186.0	30.5	476.29	444.20	7.2	37.3
Industrial	52.08	29.18	78.5	22.8	292.97	249.45	17.4	22.9
Office	46.93	20.05	134.1	20.5	162.79	211.18	-22.9	12.7
Retail	59.94	37.84	58.4	26.2	267.95	678.58	-60.5	21.0
Hotel	0.00	0.00	N/A	0.0	76.92	15.61	392.8	6.0
Other	0.00	0.00	N/A	0.0	0.00	0.00	N/A	0.0
Total	228.67	111.44	105.2	100.0	1,276.92	1,599.02	-20.1	100.0

Figure 9
Fairfield County, CT commercial real estate investment volume, Q2 2025 vs. Q2 2024

- Multifamily led all sectors for investment volume in Q2 2025 with \$121 million, a 322% year-over-year increase.
- Office was the second most-preferred sector with \$39 million, up 28% from one year ago.

	Total (\$ billions)				Total (\$ billions)			
	Q2 2025	Q2 2024	Change (%)	Market Share (%)	Year Ending Q2' 25	Year Ending Q2' 24	Change (%)	Market Share (%)
All Types of Investment								
Multifamily	120.64	28.55	322.6	55.0	615.65	61.15	906.8	54.83
Industrial	9.65	4.00	141.3	4.4	63.74	35.96	77.2	5.68
Office	39.44	30.75	28.3	18.0	168.62	135.30	24.6	15.02
Retail	22.91	65.89	-65.2	10.4	204.12	631.45	-67.7	18.18
Hotel	17.55	0.00	N/A	8.0	40.05	24.51	63.4	3.57
Other	9.30	65.00	-85.7	4.2	30.60	131.43	-76.7	2.73
Total	219.50	194.19	13.0	100.0	1,122.79	1,019.79	10.1	100.0

Note: Total for All Types includes single-asset and portfolio transactions. Some numbers may not total due to rounding. Source: CBRE Research, MSCI Real Assets, Q2 2025.

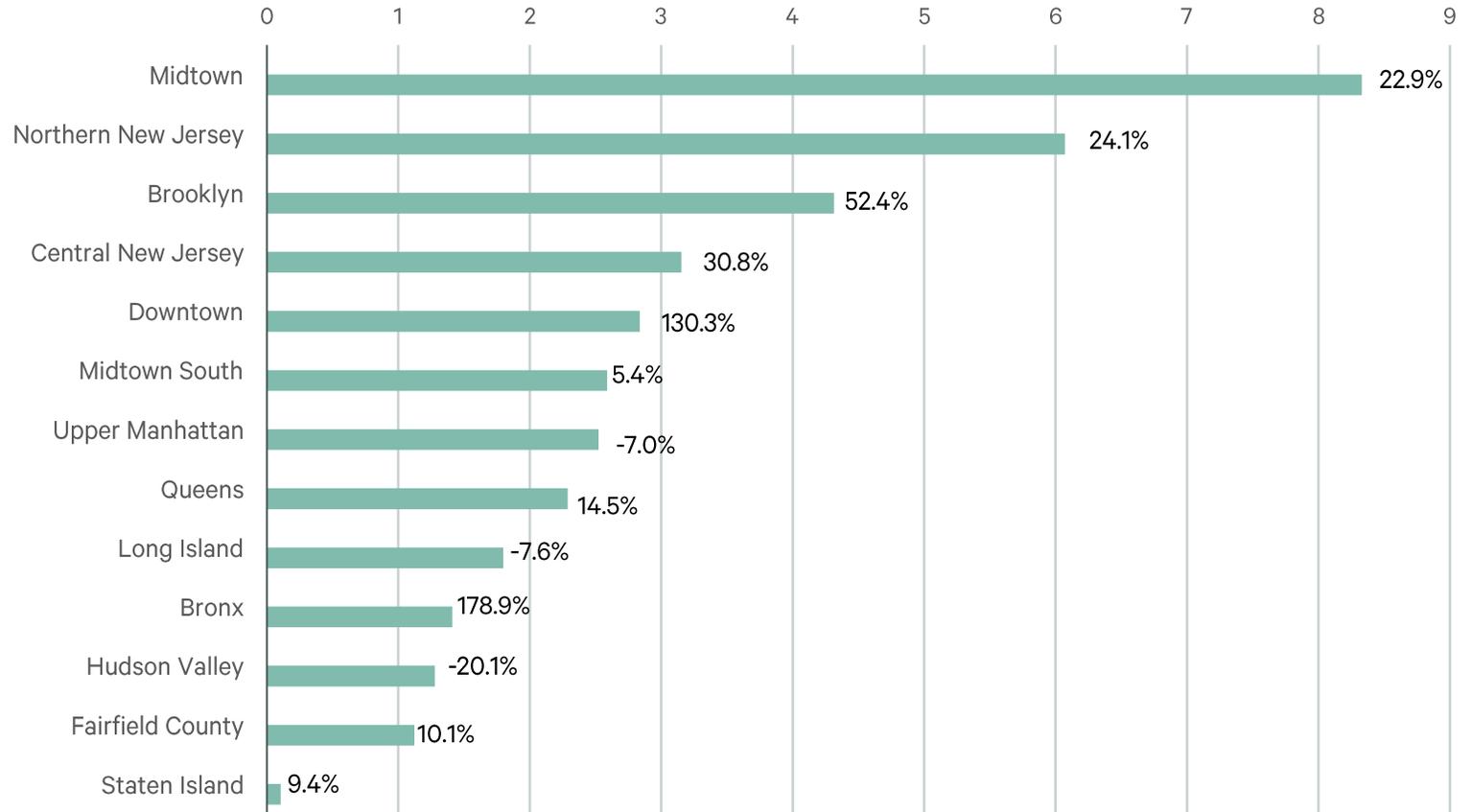
Figure 10 Investment volume & annual percent change for four quarters ending Q2 2025

- Midtown Manhattan led the Tri-State area for annual investment volume over the past four quarters with \$8.3 billion.
- Northern New Jersey had the second-highest total with \$6.1 billion.
- Brooklyn rounded out the top three with \$4.3 billion.

Assessment

- The Bronx and Downtown Manhattan experienced the largest year-over-year increases in investment activity, with both markets being fueled by sales of residential properties.
- Improving fundamentals for industrial assets lifted transaction volumes in Central and Northern New Jersey.

Investment volume (\$ Billions) & YoY percent change across Tri-State for the trailing four quarters ending Q2 2025



Note: Volume excludes development site transactions.
Source: CBRE Research, MSCI Real Assets, Q2 2025.

Figure 11
Investment volume by market & property type, trailing four quarters ending Q2 2025

Overall Investment

Rank	Market	Volume (\$m)	Growth (Y-o-Y)
1	Midtown	8,330	22.9%
2	Northern New Jersey	6,070	24.1%
3	Brooklyn	4,314	52.4%
4	Central New Jersey	3,152	30.8%
5	Downtown	2,837	130.3%
6	Midtown South	2,589	5.4%
7	Upper Manhattan	2,522	-7.0%
8	Queens	2,289	14.5%
9	Long Island	1,799	-7.6%
10	The Bronx	1,410	178.9%

Office Investment

Rank	Market	Volume (\$m)	Growth (Y-o-Y)
1	Midtown	6,314	166.2%
2	Downtown	1,181	196.7%
3	Midtown South	1,003	26.6%
4	Northern New Jersey	670	-7.9%
5	Upper Manhattan	494	-30.6%
6	Queens	474	194.2%
7	Brooklyn	468	17.4%
8	Central New Jersey	328	12.2%
9	Long Island	196	-13.8%
10	Fairfield County	169	24.6%

Industrial Investment

Rank	Market	Volume (\$m)	Growth (Y-o-Y)
1	Northern New Jersey	2,675	45.8%
2	Central New Jersey	1,711	75.0%
3	Long Island	700	22.8%
4	Brooklyn	683	27.0%
5	Queens	615	0.5%
6	Hudson Valley	293	17.4%
7	The Bronx	226	180.9%
8	Fairfield County	64	77.2%
9	Downtown	21	373.5%
10	Staten Island	17	-46.7%

Multifamily Investment

Rank	Market	Volume (\$m)	Growth (Y-o-Y)
1	Brooklyn	2,074	115.9%
2	Upper Manhattan	1,658	22.7%
3	Northern New Jersey	1,645	16.9%
4	Downtown	948	106.9%
5	Midtown South	837	2.5%
6	The Bronx	832	185.4%
7	Fairfield County	616	906.8%
8	Queens	557	22.4%
9	Hudson Valley	476	7.2%
10	Midtown	455	-26.2%

Retail Investment

Rank	Market	Volume (\$m)	Growth (Y-o-Y)
1	Brooklyn	915	74.6%
2	Midtown	766	-56.6%
3	Northern New Jersey	758	9.2%
4	Midtown South	693	104.9%
5	Central New Jersey	534	47.9%
6	Queens	409	5.1%
7	Long Island	387	-48.1%
8	Downtown	382	83.9%
9	Upper Manhattan	371	-42.4%
10	Hudson Valley	268	-60.5%

Hotel Investment

Rank	Market	Volume (\$m)	Growth (Y-o-Y)
1	Midtown	795	-60.6%
2	Downtown	305	86.7%
3	Brooklyn	174	-54.1%
4	Queens	131	-65.8%
5	Northern New Jersey	129	-12.4%
6	Central New Jersey	82	-38.6%
7	Hudson Valley	77	392.8%
8	Long Island	46	-74.7%
9	Fairfield County	41	63.4%
10	The Bronx	20	118.5%

Note: Tables ranked by highest investment volume among Tri-State Markets
 Source: CBRE Research, MSCI Real Assets, Q2 2025.

Figure 12
Investment volume by buyer type, trailing four quarters ending in Q2 2025 vs. trailing four quarters ending in Q2 2024

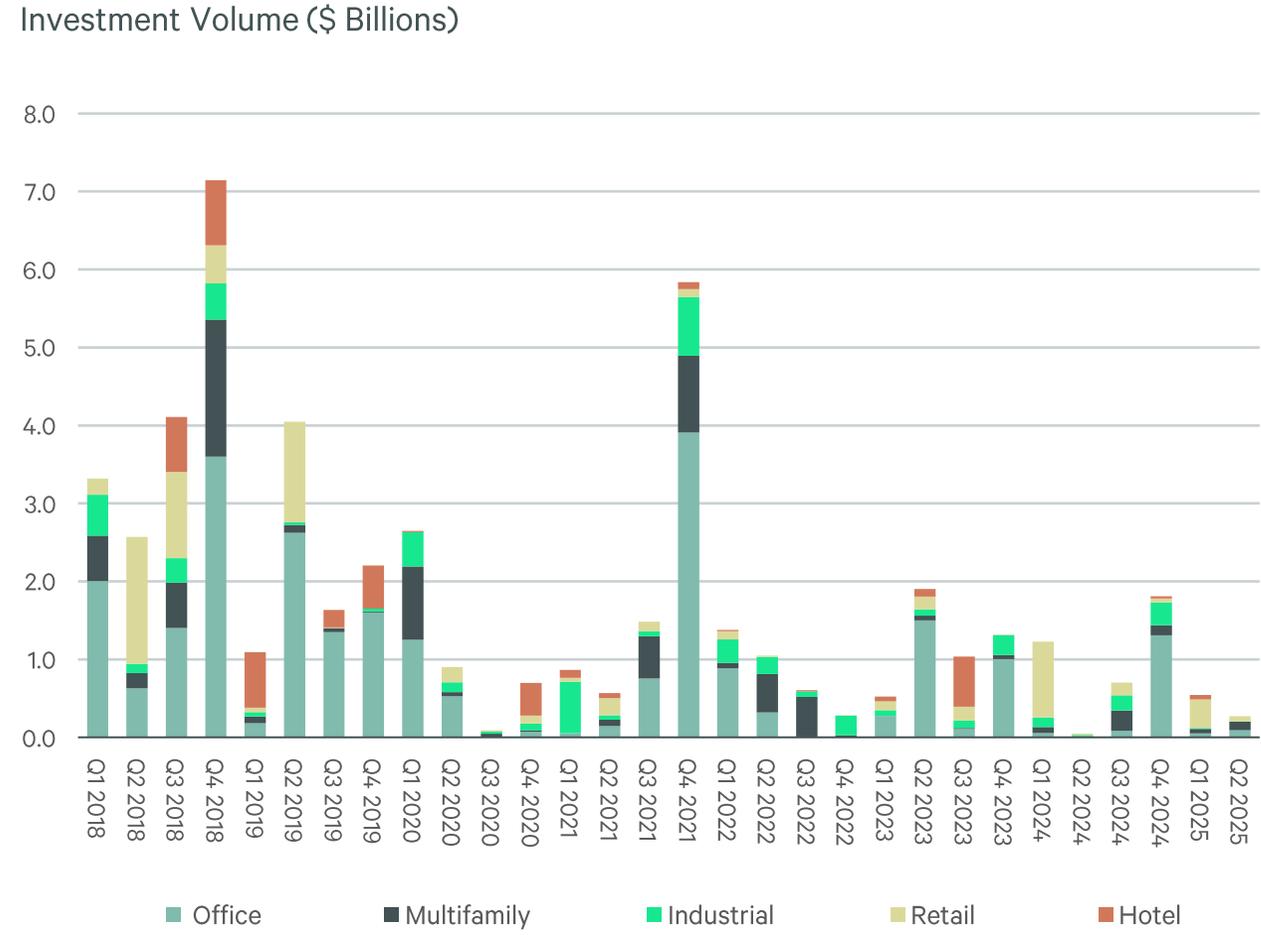
- Private investors accounted for \$23.5 billion or 62% of total Tri-State investment volume for the trailing four quarters ending in Q2 2025.
- Inbound cross-border investment volume decreased 8% year-over-year for the four quarters ending in Q2 2025 to \$3.3 billion.

	Volume (\$ billions)			Market Share (%)	
	Year Ending Q2' 2025	Year Ending Q2' 2024	Change (%)	Year Ending Q2' 2025	Year Ending Q2' 2024
Private	23.47	16.48	42.4	62.1	54.1
Institutional	6.08	5.29	14.9	16.1	17.4
Public Companies	2.07	2.86	-27.6	5.5	9.4
Cross-Border	3.32	3.63	-8.4	8.8	11.9
Other*	2.88	2.22	29.8	7.6	7.3
Total	37.82	30.48	24.1	100.0	100.0

*Other = user, unknown, other types of investors.
 Source: CBRE Research, MSCI Real Assets, Q2 2025.

Figure 13
Cross-border investment
by property type, New York Tri-
State

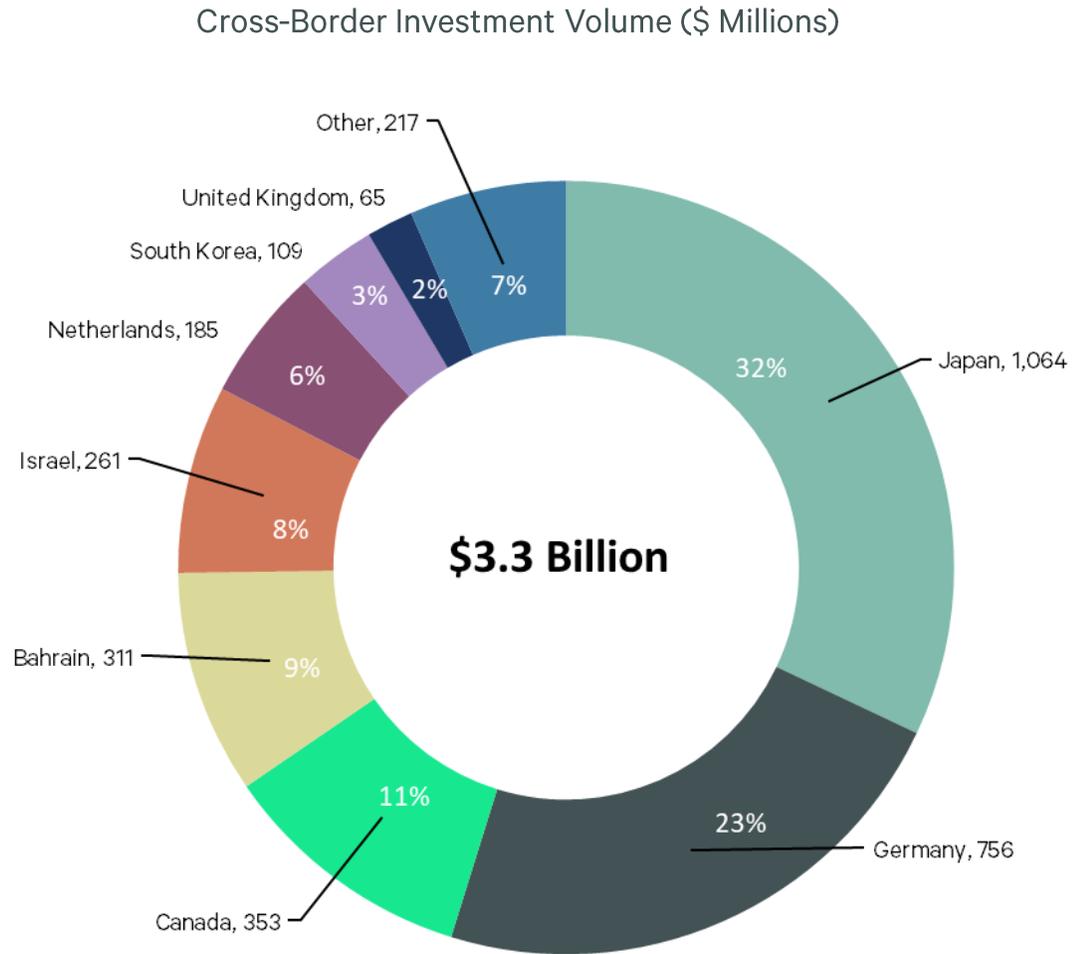
- Office was the leading sector for inbound cross-border investment into New York Tri-State for the four quarters ending in Q2 2025 with \$1.5 billion, followed by retail with \$643 million.
- Cross-border investment into Tri-State was up 500% year-over-year in Q2 2025 but down 8% year-over-year for the four quarters ending in Q2 2025.
- Private owners were the largest foreign buyers of Tri-State real estate followed by investment managers and insurance companies.



Source: CBRE Research, MSCI Real Assets, Q2 2025.

Figure 14
Cross-border investment for all asset types by country of origin, trailing four quarters ending Q2 2025: New York Tri-State

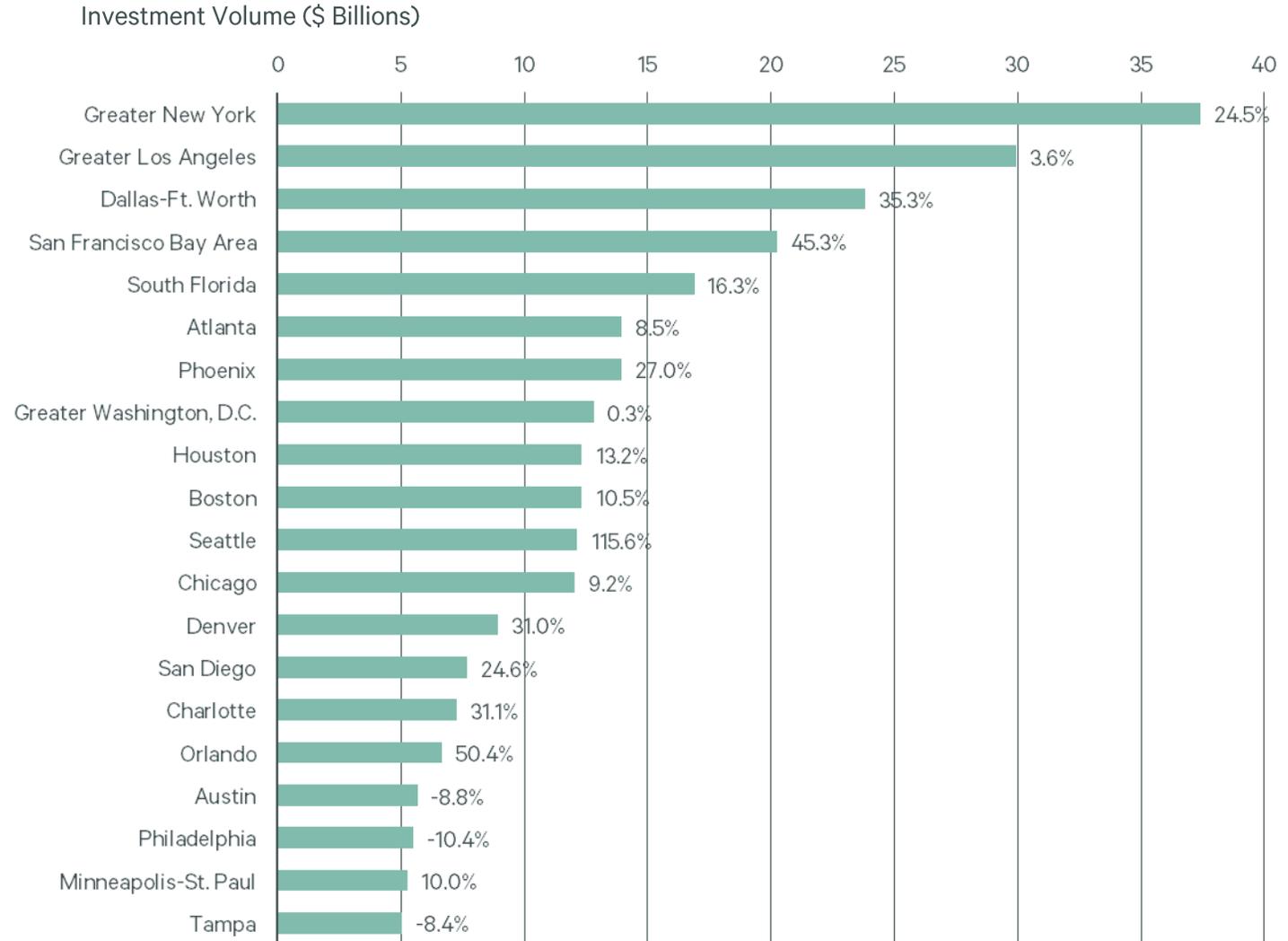
- Japan was the top country for inbound cross-border investment into New York Tri-State with \$1.1 billion or 32.0% of the total for the four quarters ending in Q2 2025. These included high-profile purchases involving a stake in One Vanderbilt and Uniqlo’s flagship retail property on Fifth Avenue.
- Germany accounted for 22.8% of the total volume with \$756 million, predominantly invested in Midtown and Downtown Manhattan office properties.
- Canada had the third-highest total cross-border investment volume for the four quarters ending in Q2 2025 with \$353 million or 10.6% of the total, much of it invested in New York City apartments and hotels and New Jersey industrial assets.



Source: CBRE Research, MSCI Real Assets, Q2 2025.

Figure 15
Top 20 markets for total investment volume, trailing four quarters ending Q2 2025

- New York was the leading U.S. market for total investment volume for the trailing four quarters ending in Q2 with \$37 billion, followed by Los Angeles with \$30 billion and Dallas with \$24 billion.
- New York ranked ninth among the top 20 markets for year-over-year investment growth.



Note: Volume excludes development site transactions. Greater New York figures in this chart do not include New Jersey's Princeton submarket, which accounts for roughly \$516 million in additional transaction activity.

*Percentage change from trailing four quarter total in previous year.

Source: CBRE Research, MSCI Real Assets, Q2 2025.

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