

Capital Trends

US Big Picture | Lender edition

1.3% YOY price change
\$30.3b Transaction volume
-13% YOY volume change

The headline figures for February paint a picture of a contraction in liquidity, but the headlines overstate the situation. Deal structure clouds the picture thanks in part to large one-off deals that closed in February of last year. Individual asset sales are still growing and prices are generally improving.

Entity-level sales did not play much of a role in the market in February. The hotel sector was boosted by a take-private transaction involving the purchase of nearly 3,000 full-service hotel units. No other sector received such a boost, however. And in February of 2025 such deals for the market overall were just under \$4b thanks to a take-private deal in the retail sector. That level last year was simply too high of a hurdle for this year, and entity-level sales were down 87%.

Portfolio sales were also down from last year, showing a 21% decline on sales of \$4.4b. The retail and hotel sectors posted the weakest trends in portfolio sales, down 94% and 90%, respectively, from 2025.

Data centers played an interesting role in portfolio sales for the month, though not in sales of data centers themselves as there were no such transactions for the month. Rather, notable portfolio deals in both the office and industrial sectors were tied to redevelopment plays taking functional assets and redeveloping them as data centers.

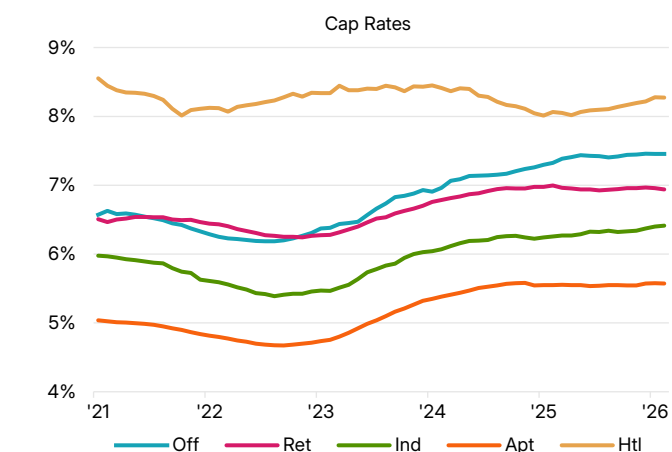
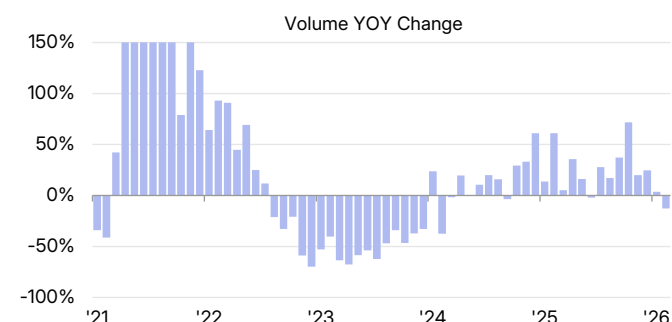
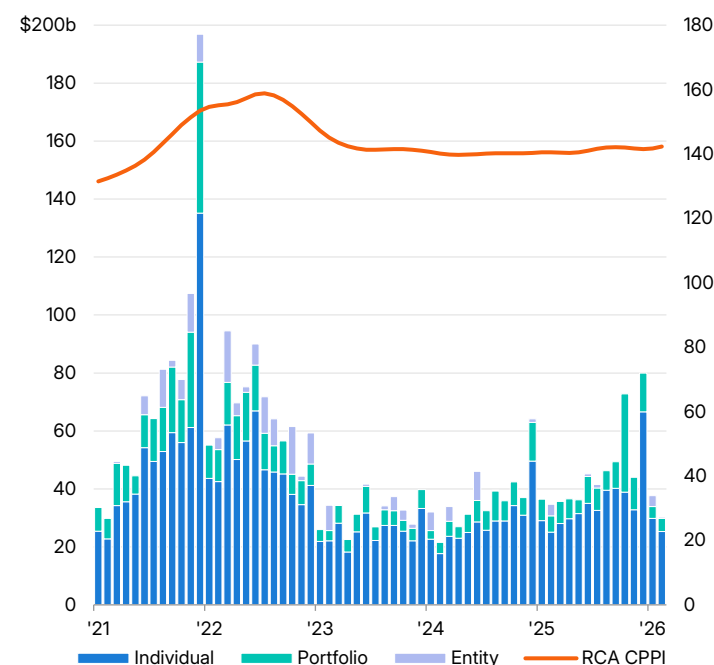
Commercial property prices climbed in February, with the RCA CPPI US National All-Property Index up 1.3% from last year. The apartment sector eked out a 0.1% gain, the first annual price growth for this sector since 2022, and office price momentum improved. The RCA CPPI for retail and hotel fell from a year earlier, however.

Transaction Volume and Pricing Summary

	February 2026		Past 12 Months		RCA CPPI	
	Vol (\$b)	YOY	Vol (\$b)	YOY	Cap Rate	YOY
Office - CBD	1.1	1%	27.1	17%	7.3%	-0.2%
Office - Suburban	3.4	11%	57.9	28%	7.5%	3.1%
Industrial	7.5	15%	117.6	14%	6.4%	4.2%
Data Center	0.0	-100%	28.6	239%	6.8%	
Retail	3.0	-61%	68.8	22%	6.9%	-1.9%
Apartment	8.1	-24%	165.5	5%	5.6%	0.1%
Hotel	2.4	51%	29.2	13%	8.3%	-1.8%
Snr Hsg & Care	2.3	77%	24.0	51%	7.1%	
Dev Site	2.5	10%	37.4	53%		
Total	30.3	-13%	556.0	21%		1.3%*

*All-Property Index comprises office, industrial, retail and apartment.

Monthly Transaction Volume and Pricing



RCA CPPI Dec 2006 = 100. Volume change truncated at 150%. Trailing 12-mth cap rates.