



# FRISBIE

## PALM BEACH REAL ESTATE Q1 2026 RESIDENTIAL MARKET REPORT SINGLE FAMILY & CONDOMINIUM/CO-OP

### OVERVIEW

The U.S. economy entered 2026 on relatively stable footing, with steady growth, a resilient labor market, and productivity gains from AI and technology helping to offset the impact of elevated interest rates. Consumers and businesses remain broadly healthy, though the risk backdrop has grown more complex: the ongoing war in Ukraine, military involvement in Venezuela, geopolitical tensions with China, and the Iran conflict are introducing potential oil and commodity price shocks, while high asset valuations, heavy government deficit spending, and evolving trade negotiations add further uncertainty. These factors could produce stickier inflation and higher interest rates than markets currently anticipate. Despite these headwinds, the broader outlook supports cautious optimism, with the economy positioned for continued, if measured, expansion as the year progresses.

Locally, the Palm Beach residential real estate market delivered a strong first quarter, with robust transaction activity and dollar volume. Diminished inventory and steadily growing demand continue to place upward pressure on pricing, and a strong pipeline of pending properties underscores the strength of forward demand heading into Q2. These results reflect a market defined by constrained supply, sustained in-migration, and a deepening wealth concentration, all of which reinforce Palm Beach's position as one of the most resilient and sought-after residential markets in the country.



### INVENTORY

#### *Single-Family Residential:*

- At the end of Q1 2026, there were **112** active offerings in the Multiple Listing Service (MLS), representing an approximate 8-month supply.
- Inventory is down slightly year-over-year, reflecting the continued constraints on supply amid ever-growing demand.

#### *Midtown Condo/Co-Op:*

- At the end of Q1 2026, there were **82** offerings in the MLS, representing an approximate 6-month supply.
- Inventory in this market segment is down 22% year-over-year, similarly reflecting supply constraints.

#### *South End Condo/Co-Op:*

- At the end of Q1 2026, there were **153** offerings in the MLS, representing an approximate 11-month supply.
- This figure is down 15% compared with Q1 2025.



### TRANSACTIONS

#### *Single-Family Residential:*

- There were **42** transactions in Q1, reflecting a 14% year-over-year increase.

- There were **27** properties pending at the close of Q1, totaling over \$500M in combined asking prices, and reflecting a 76% increase in asking price volume year-over-year.

*Midtown Condo/Co-Op:*

- There were **43** transactions in the Midtown market in Q1 2026, an increase of 59% year-over-year.
- There were **23** properties pending at the close of Q1, totaling \$91M in combined asking prices.

*South End Condo/Co-Op:*

- There were **43** transactions in the South End in Q1 2026, a 39% increase year-over-year.
- **22** properties were under contract at the end of the quarter, totaling \$50.5M in combined asking price - a 78% increase year-over-year.



## DOLLAR VOLUME

*Single-Family Residential:*

- Q1 dollar volume totaled **\$817M**, up 5% from Q1 2025. This is second only to Q1 2021, where COVID-driven volume reached a peak.
- **67%** of all Q1 transactions were sold at or above \$10M.
- **\$76.7M** was the highest priced sale of Q1 for an off-market, landmarked, oceanfront estate.

*Midtown Condo/Co-Op:*

- Q1 dollar volume totaled **\$147M**, up 30% year-over-year and the second highest on record.
- **\$9.8M** was the highest recorded sale of Q1 for a penthouse condo at the oceanfront 400 Building.

*South End Condo/Co-Op:*

- Q1 dollar volume totaled **\$83M**, up an impressive 63% year-over-year.
- **\$5.75M** marked the highest priced trade of Q1.



## PRICES

*Single-Family Residential:*

- Q1 Median: **\$13.3M**, down 5% year-over-year, but still the second highest Q1 median on record.
- Q1 Average: **\$19.4M**, down 7% over last year's record breaker, but also the second highest Q1 average on record.

*Midtown Condo/Co-Op:*

- Q1 Median: **\$2.5M**, down 22% year-over-year.
- Q1 Average: **\$3.4M**, down 19% year-over-year.

*South End Condo/Co-Op:*

- Q1 Median: **\$1.5M**, up 33% year-over-year and the highest ever recorded.
- Q1 Average: **\$1.9M**, up 18% year-over-year and also the highest average on record.



## OBSERVATIONS

Q1 2026 delivered performance across Palm Beach's residential market that evokes the historic COVID-era surge of 2021. Unlike the 2021 peak, however, which was driven largely by pandemic dislocation, this quarter's strength reflects structural, long-term demand rooted in wealth migration, institutional investment, and an expanding regional economy.

What distinguishes the current cycle from prior waves of in-migration is the depth of institutional investment now accompanying it. West Palm Beach is in the midst of one of the most aggressive urban transformations in the country, with major projects underway across residential, commercial, and mixed-use sectors. The city ranks #2 in the U.S. among the fastest-growing wealth hubs. This concentration of wealth is reflected in the institutional anchors now establishing a permanent presence: Wells Fargo relocated its wealth management headquarters to One Flagler; Cleveland Clinic and NYU Langone are expanding their downtown footprints; Good Samaritan Hospital is transforming into a Center of Excellence for health, wellness and longevity; and Vanderbilt University is proceeding with a \$500 million graduate campus focused on business, AI, and data science. Landmark residential and mixed-use projects - including South Flagler House, Edgeworth, Mr. C Residences, the Ritz-Carlton Residences, and the \$1 billion Nora District - are rising simultaneously across the city, with dozens more approved projects in the pipeline. The result is not isolated development, but a coordinated, city-wide buildout rapidly positioning West Palm Beach as a defining hub of South Florida's most dynamic growth corridor.

The area's growth has been further accelerated by California's proposed Billionaire Tax Act that triggered a recent notable exodus of high-profile tech billionaires. Microsoft's Charles Simonyi has specifically been linked to a potential assemblage of Palm Beach properties likely totaling over \$350 million. As JPMorgan Chase CEO Jamie Dimon noted in his 2025 annual letter, the pattern of wealth relocation away from high-cost, high-tax environments is not new, but its current velocity is significant, and Palm Beach County stands as one of its primary beneficiaries.

The infrastructure investment is matched by a growing focus on innovation. West Palm Beach recently hosted Tomorrow.City USA, a national summit convening 2,000+ leaders to address the future of cities, AI, smart infrastructure, high-speed transportation, and emerging technologies. West Palm Beach is not simply growing, it is positioning itself at the intersection of capital, technology, and urban planning on a national stage.

Across residential, commercial, and civic sectors, the Palm Beach region continues to attract the kind of long-term capital that reflects confidence in its fundamentals: quality of life, economic resilience, and an unmatched combination of natural beauty and growing opportunity. For residents, businesses, and investors alike, Palm Beach County remains one of the most compelling investment destinations in the country.

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2025 RealTrends Verified & The Thousand, by Individual Sales Volume as Reported by The Wall Street Journal, #2 in Palm Beach, #3 in FL & #11 in the U.S.

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*Above information pertains to the 33480 zip code and is derived from the Palm Beach Multiple Listing Service, The Beaches Multiple Listing Service (collectively referred to as the 'MLS') in conjunction with the Property Tax Appraiser's website (PAPA), the Courthouse Retrieval System (CRS) & individual transaction Broker testimonial.*