FRISBIE

PALM BEACH REAL ESTATE

Q2 2026 RESIDENTIAL MARKET REPORT
SINGLE FAMILY & CONDOMINIUM/CO-OP

OVERVIEW

The second quarter of 2026 unfolded against a more cautious Federal Reserve backdrop than markets had anticipated entering the year. Kevin Warsh's first meetings as Fed Chair reaffirmed the benchmark rate at 3.5% – 3.75% and signaled that rates are now expected to remain unchanged, or potentially move higher, before year-end. Although inflation has moderated, it remains above the Fed's target, while a resilient labor market and steady consumer spending continue to support the U.S. economy. As a result, expectations for monetary easing have shifted into 2027.

Locally, the Palm Beach residential real estate market carried its strong first-quarter momentum directly into Q2. Transaction counts, dollar volume, and pending activity posted broad year-over-year gains across single-family homes and both condominium segments, even as active inventory continued to tighten. Sustained demand for premium properties continued to place upward pressure on single-family home pricing, with both median and average prices rising year-over-year. The ongoing influx of high-net-worth individuals, together with continued financial services relocations throughout West Palm Beach, has thus far kept demand comfortably ahead of supply.

INVENTORY

Single-Family Residential:

- There were **77** active offerings in the Multiple Listing Service (MLS) at the end of Q2 2026, representing an approximate 4-month supply.
- Inventory is down **21%** year-over-year, a marked acceleration from the roughly 4% decline recorded in Q1, underscoring the pace at which prime inventory continues to be absorbed.

Midtown Condo/Co-Op:

- **44** offerings were in the MLS at the end of Q2 2026, representing an approximate 3-month supply.
- Inventory in this segment is down **40%** compared to Q2 2025.

South End Condo/Co-Op:

- **103** offerings were in the MLS at the end of Q2 2026, representing an approximate 5-month supply.
- This figure is down **13%** compared with Q2 2025, consistent with the pace of tightening seen in Q1.

TRANSACTIONS

Single-Family Residential:

- There were **62** transactions in Q2, reflecting a **44%** increase year-over-year and the highest Q2 transaction volume since the 2021 peak.

- **12** properties were pending at the close of Q2 totaling approximately **$194M** in combined asking prices, a nearly **190%** increase in asking price volume year-over-year. This suggests a strong start to the third quarter.

Midtown Condo/Co-Op:

- There were **47** transactions in the Midtown market in Q2 2026, an increase of **9%** year-over-year.
- **11** properties were pending at the close of Q2, totaling approximately **$40M** in combined asking prices, a **25%** decrease in asking price volume year-over-year.

South End Condo/Co-Op:

- There were **62** transactions in the South End in Q2 2026, an impressive **138%** increase year-over-year, and the highest Q2 transaction volume since 2022.
- **8** properties were under contract at the end of the quarter, totaling approximately **$15.5M** in combined asking prices, a **41%** increase year-over-year.

DOLLAR VOLUME

Single-Family Residential:

- Q2 dollar volume totaled nearly **$1.1B**, up **64%** from Q2 2025. This is the third-highest Q2 on record, trailing only the pandemic-driven Q2 2021 and Q2 2022.
- **68%** of all Q2 transactions were sold at or above $10M.
- The highest-priced transaction of Q2 was the $93.3M off-market sale of a newly built lakefront estate on prestigious Everglades Island. The transaction represents the second-highest price ever paid in Palm Beach for a non-oceanfront waterfront property.

Midtown Condo/Co-Op:

- Q2 dollar volume totaled **$191M**, up **19%** year-over-year.
- The **$24M** was the highest recorded sale of Q2 for an off-market unit at the Biltmore which is the highest sale on record for the building.

South End Condo/Co-Op:

- Q2 dollar volume totaled **$118M**, up an impressive **159%** year-over-year.
- The **$5.75M** sale marked the highest priced trade of Q2 for a unit at Sloan's Curve.

PRICES

Single-Family Residential:

- Q2 Median: **$13.6M**, up **12%** year-over-year and the second-highest Q2 median on record.
- Q2 Average: **$17.7M**, up **13%** year-over-year.

Midtown Condo/Co-Op:

- Q2 Median: **$2.7M**, down **4%** year-over-year.
- Q2 Average: **$4M**, up **9%** year-over-year.

South End Condo/Co-Op:

- Q2 Median: **$1.5M**, essentially flat year-over-year, holding near the record set in Q2 2025.
- Q2 Average: **$1.9M**, up **9%** year-over-year.

OBSERVATIONS

The Palm Beach residential real estate market has shown continued strength through the first half of 2026. With 104 total transactions amounting to over $1.9B in dollar volume, the first half of 2026 is up 30% and 32%, respectively, year-over-year and represents the highest mid-year dollar volume since the 2021 post-pandemic surge.

The continued concentration of wealth and business activity in neighboring West Palm Beach has spurred one of the most significant luxury residential development pipelines in the city's history, expanding housing opportunities across a range of luxury price points while reinforcing demand for Palm Beach's exceptionally scarce residential inventory. As noted in prior reports, billions of dollars in investment are underway across luxury residential, Class A office, education (from grade school through graduate school), hospitality, and mixed-use development. The Ritz-Carlton Residences broke ground along the North Flagler corridor this year, as did Shorecrest, while Mandarin Oriental announced its first standalone 31-story South Florida residences. South Flagler House, already topped off, has set a new benchmark for luxury condominium living, attracting buyers who historically would have looked exclusively to Palm Beach Island, highlighted by an individual unit sale exceeding $70M. Related Ross' major expansion at 10 and 15 CityPlace will add nearly one million square feet of Class AA office and retail space, while nearby projects including Edgeworth, the Norton Museum expansion, and the Nora District further illustrate the breadth of investment reshaping the city residentially, commercially, and culturally.

As the market enters the second half of 2026, the Island of Palm Beach remains well positioned for continued strength, supported by sustained wealth migration, very limited inventory, and significant long-term investment. While broader economic conditions warrant continued monitoring, the underlying fundamentals reinforce confidence in the market's long-term outlook.

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2026 RealTrends Verified & The Thousand, by Individual Sales Volume as Reported by The Wall Street Journal, **#4** in Palm Beach, **#10** in FL & **#41** 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.