BLUEPRINTING MIDWEST GROWTH

U.S. COMMERCIAL REAL ESTATE SALES VOLUME REPORT

Q3 2026

What Altus Group, MSCI, CBRE, Avison Young and Colliers say about Q3, where they agree, where they don't, and why October matters more

MIDWEST CRE ADVISORS
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EXECUTIVE SUMMARY

A STRONG Q3 LED BY INDUSTRIAL, THEN A SHARP OCTOBER DROP

Q3 DOLLAR VOLUME	Q3 VOLUME, REVISED	INDUSTRIAL DOLLAR VOLUME	MEDIAN PRICE, ALL TYPES
+20.3%	**$160.6B**	**+39.3%**	**$133/SF**
YoY; +19.7% QoQ • Altus	+16% YoY • MSCI via Bisnow	YoY; 26.6% of volume • Altus	+7.8% YoY • Altus

OCTOBER VOLUME	OCTOBER AVG CAP RATE	10-YEAR TREASURY	FED FUNDS TARGET
$35.4B	**6.85%**	**5.07%**	**3.75 to 4.00%**
−51% YoY, preliminary • MSCI	+15 bp vs. Sept • MSCI	Nov 18 close • U.S. Treasury	Dec 8 to 9 hike in play • Fed

KEY TAKEAWAYS

- **Q3 was a real quarter, not just a merger quarter.** Once the giant corporate mergers are taken out, the main datasets converge on growth of about **16% to 20%** from a year earlier: Altus +20.3%, CBRE (ex entity deals) +18%, MSCI revised +16%. MSCI's narrowest cut, single-asset sales only, was +6%.
- **Industrial led everywhere.** Industrial dollar volume grew **+39% to +47%** in Q3 depending on the source (Altus +39.3%, MSCI +47%). Industrial also posted the fastest price growth in Altus's data: median $116/SF, up 12.5%.
- **Bigger checks, not many more deals.** Altus dollars rose 20.3% but the number of properties sold rose only 6.9%. Deals over $10 million were 63.1% of dollar volume, up 4.4 points from a year ago.
- **Office is back on the board.** Altus office dollars rose 37.4% and office led growth in deal count (+13.4% YoY). MSCI's office volume rose 29%.
- **Multifamily and hotels lagged.** Altus multifamily dollars rose just 2.1% with deal count down 4.6%. Hospitality dollars fell 8.9%, and it was the only sector with a lower median price.
- **October broke the streak.** MSCI's preliminary October volume was $35.4 billion, down 51% from a year ago, and cap rates rose 15 bp in a month. The 10-year Treasury first cleared 5% in September and is still above it.
- **Rates are the swing factor for Q4.** The Fed raised rates 25 bp in September, held in October, and Governor Waller said on Nov 18 that a 50 bp hike at the Dec 8 to 9 meeting is "probably necessary."

Bottom line for owners: Q3 confirms buyers were paying more for good industrial and office assets through September. October says the window is narrowing as financing costs rise. If you are thinking about selling in the next 12 months, price off today's cap rates, not Q3's headlines.

National data, cited by source. Not investment advice.

THE Q3 SCOREBOARD

FIVE DATASETS, VERY DIFFERENT TOTALS, ONE CONSISTENT STORY

Each row is its own dataset with its own rules. Do not add, average or compare the dollar totals as if they measure the same thing.

Source	Q3 2026 total	YoY	What it counts
Altus Group (Nov 18)	about $179B†	+20.3%	Closed, recorded, single-property, non-distressed sales over $100,000 in U.S. metros; excludes corporate and M&A deals. Preliminary. Altus publishes % changes only for Q3.
MSCI, revised (via Bisnow, Nov 18)	$160.6B	+16%	MSCI Q3 total after revisions. Bisnow says there were "no large mergers or entity deals" in it. See reconciliation below.
MSCI, first Q3 print (Capital Trends, Oct)	$263.7B	+89%	All property types incl. data centers, senior housing, dev sites; includes portfolio and entity-level deals (54% of the total; entity-level $106.4B)
MSCI single-asset only	$120.9B	+6%	Same MSCI print, individual property sales only
Colliers, citing MSCI (Oct 28)	$210.7B	+71%	MSCI five traditional sectors: office, industrial, multifamily, retail, hotel; includes entity deals
CBRE, all-in (MSCI data)	$257.8B	+98%	Single-asset, portfolio and entity-level deals; excludes development sites
CBRE, ex two entity deals	$153.8B*	+18%	Excludes two entity-level deals totaling $104B
Avison Young (Oct)	$143.0B	best Q3 since 2022	Office, industrial, retail, multifamily, land. Through Q3: $389.3B, +17.9%

**Our calc: $257.8B minus $104B. †Our estimate, not an Altus figure: Altus published Q4 2025 at $179.9B, up 20.7% QoQ, implying Q3 2025 of about $149.0B; Q3 2026 at +20.3% YoY gives about $179B. Altus revises prior quarters, so treat as approximate. All other figures as published. Sources on the last page.*

THE HEADLINE: ONCE MEGA MERGERS COME OUT, THE SOURCES CONVERGE

MSCI's first Q3 print was inflated by two one-off deals: the Vivmark apartment merger and the Aligned Data Centers acquisition. Take entity-level deals out and the independent reads line up: **Altus +20.3%, CBRE +18%, MSCI revised +16%**, with Avison Young's nine-month growth of +17.9% in the same range. Newmark's MSCI-based read (about +25%) sits above the range and MSCI's single-asset-only cut (+6%) sits below it, because it also leaves out portfolio sales.

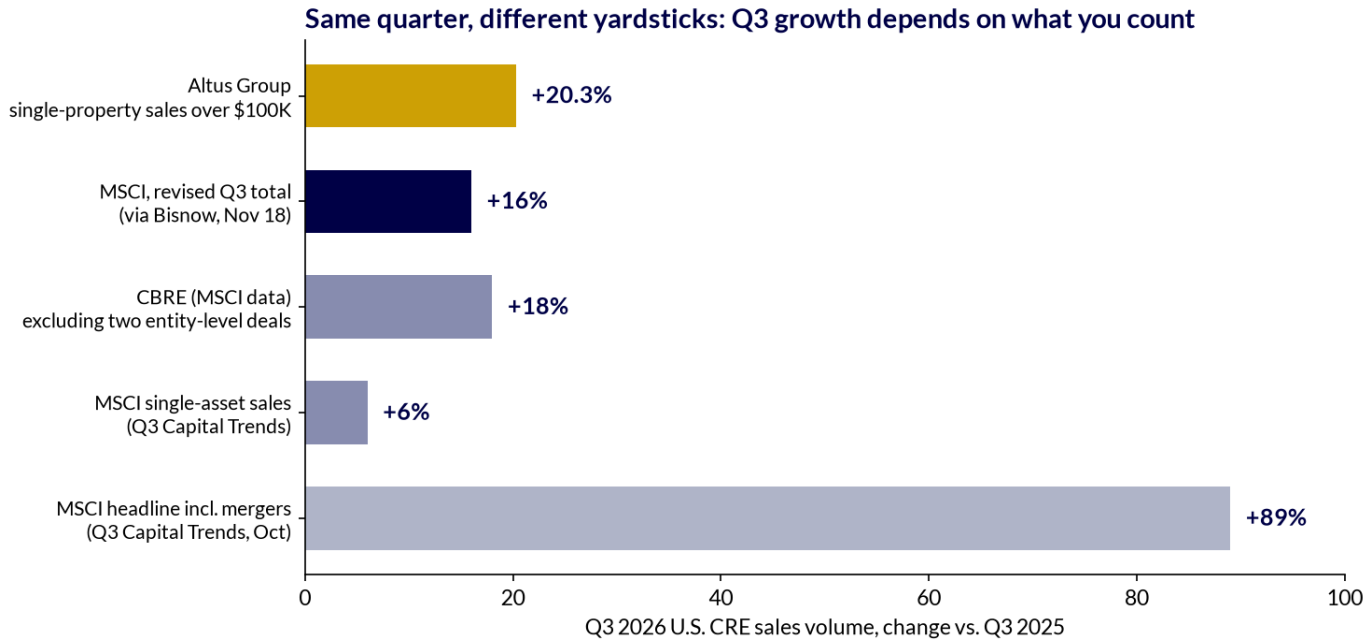
INDUSTRIAL LED IN EVERY DATASET

Source	Industrial volume growth	Period
MSCI	+47% ($44.2B, record Q3)	Q3 2026 vs. Q3 2025
Altus Group	+39.3% (26.6% of all dollars)	Q3 2026 vs. Q3 2025
Avison Young	+41.5% ($113.3B)	Q1 to Q3 2026 vs. 2025
JLL (preliminary)	+38% ($95.3B)	Q1 to Q3 2026 vs. 2025

The two Q3-only reads put industrial at **+39% to +47%**. Office was second in Altus (+37.4%) and grew 29% in MSCI.

RECONCILING THE TOTALS

WHY ONE QUARTER SHOWS $143B, $160.6B AND $263.7B



Sources: Altus Group Q3 2026 US CRE Investment & Transactions Quarterly (Nov 18, 2026); MSCI via Bisnow (Nov 18, 2026); CBRE Q3 2026 U.S. Capital Markets Report; MSCI US Capital Trends Q3 2026. Each bar is a different dataset and definition; do not add or average them. Midwest CRE Advisors | mwcreadvisors.com

RECONCILIATION: IS MSCI'S $160.6B A REVISION OR A DIFFERENT MEASURE?

MSCI's first Q3 print was $263.7 billion, up 89%. Bisnow's Nov 18 story puts Q3 at $160.6 billion, up 16%, and says the quarter had no large mergers or entity deals. Taken literally, that would mean MSCI cut Q3 by about $100 billion. **Our read is that $160.6 billion is MSCI's Q3 total excluding entity-level deals, not a true downward revision.** Why:

- **The math fits.** MSCI reported $106.4 billion of entity-level deals in Q3. $263.7B minus $106.4B is $157.3B (our calc). Later revisions typically add volume as smaller deals are reported, which would carry $157.3B toward $160.6B.
- **The growth rate fits.** CBRE, also on MSCI data, shows +18% once two entity deals totaling $104B come out. Newmark's analysis of MSCI data, excluding entity sales, was about +25%.
- **A $100 billion downward revision would be unusual.** MSCI revisions have run upward this year (August went from $107B to about $119B).

How MSCI's first Q3 print breaks down

Component (MSCI Q3 Capital Trends)	Q3 2026	YoY
Total, all property types	$263.7B	+89%
Single-asset sales	$120.9B	+6%
Portfolio and entity-level deals	$142.8B	+468%
of which entity-level	$106.4B	record quarter
of which portfolio (our calc)	$36.4B	n/a
Total excluding entity-level (our calc)	**$157.3B**	n/a
MSCI revised Q3, via Bisnow (Nov 18)	**$160.6B**	**+16%**

MSCI has not published a public note confirming the basis of the $160.6B figure, so treat this as our inference. Either way, the conclusion is the same: **excluding mega mergers, Q3 grew about 16% to 20%.**

THE ALTUS READ

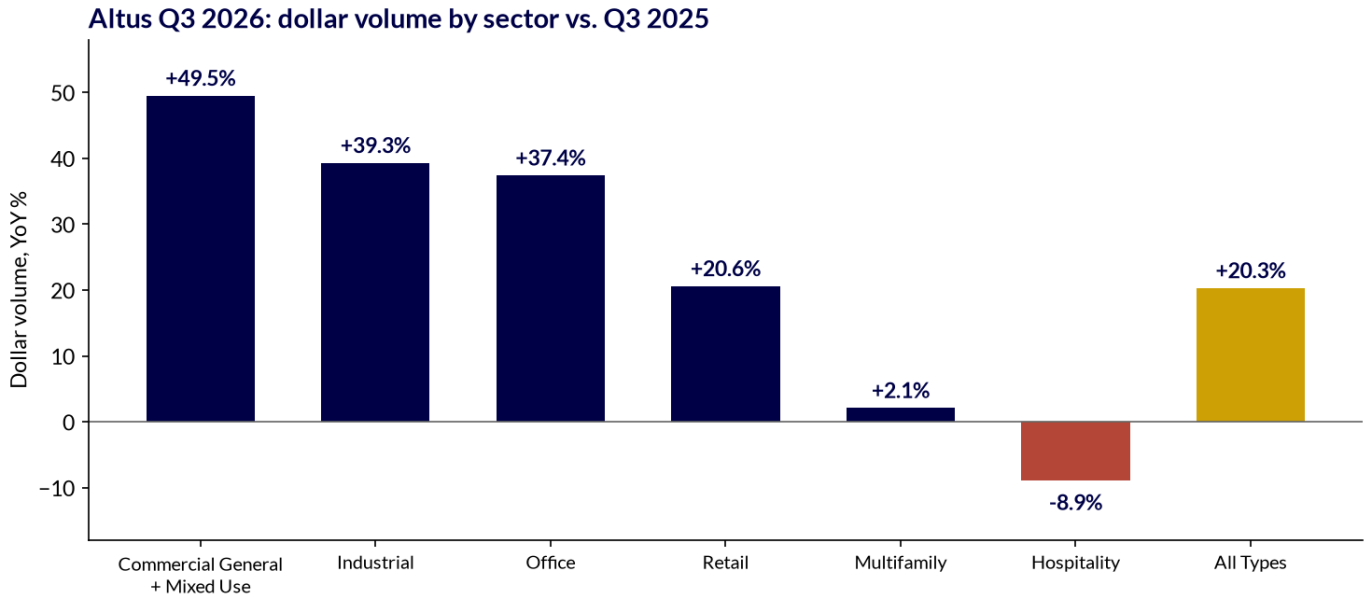
THE EVERYDAY SINGLE-BUILDING MARKET

Altus is the dataset closest to what most owners actually sell: one building, closed and recorded, no mergers, no distressed sales, down to $100,000. That makes it the cleanest test of whether the ordinary market grew. It did.

DOLLAR VOLUME
+20.3%
YoY; +19.7% QoQ; trailing 4Q +18.6%. About $179B (our estimate)

PROPERTIES SOLD
+6.9%
YoY; +3.8% QoQ; trailing 4Q +6.1%

SQUARE FEET SOLD
+14.6%
YoY; +13.4% QoQ; trailing 4Q +13.2%



Source: Altus Group, Q3 2026 US CRE Investment & Transactions Quarterly (Nov 18, 2026). Closed, recorded, single-property, non-distressed sales over $100,000; preliminary. Midwest CRE Advisors | mwcreadvisors.com

About $179 billion. Altus does not publish a Q3 dollar total. Our estimate: Altus's published Q4 2025 total of $179.9B, up 20.7% QoQ, implies Q3 2025 of about $149.0B; +20.3% YoY puts Q3 2026 at about $179B (our calc). As a cross-check, that implies Q2 2026 of about $149.8B at +19.7% QoQ. Altus revises prior quarters, so treat as approximate.

Sector detail (Altus, Q3 2026)

Sector	$ QoQ	$ YoY	Count YoY
Commercial General + Mixed Use	+17.7%	+49.5%	+4.4%
Industrial	+13.0%	+39.3%	+10.0%
Office	+10.0%	+37.4%	+13.4%
Retail	+9.6%	+20.6%	+12.7%
Multifamily	+39.9%	+2.1%	−4.6%
Hospitality	+26.3%	−8.9%	+4.0%
All types	**+19.7%**	**+20.3%**	**+6.9%**

Altus Q3 2026 ITQ report. Industrial was 26.6% of dollar volume (+3.6 pts YoY) and multifamily 30.1%, the largest share (−5.4 pts), per the Altus press release.

Median price per SF (Altus)

Type	Q3 2026	QoQ	YoY
All types	$133	+2.3%	+7.8%
Multifamily	$152	+2.7%	+6.0%
Industrial	$116	+2.8%	+12.5%
Warehouse/distribution	$122	+1.9%	+13.5%
Office	$136	+0.6%	+2.5%
Medical office	$208	+5.7%	+6.5%
Retail	$147	+2.2%	+7.5%
Hospitality	$131	−2.5%	−6.4%
Comm. General + Mixed Use	$106	+2.9%	+13.3%

Single-property sales of buildings 5,000 SF or more. Altus revised Q2 all-types to $130 (from $131).

Deal size is the story. Dollars grew faster than square feet, and square feet grew faster than deal count. Deals over $10 million were 63.1% of Altus dollar volume, up 4.4 points from a year ago and 5.8 points from Q2. In multifamily, that share jumped 10.3 points in one quarter to 74.5%.

National data, cited by source. Not investment advice.

WHERE THE SOURCES AGREE

AND WHERE THEY DON'T, AND WHY

Sector	Altus (single-property, Q3 YoY)	MSCI (Q3 YoY)	Others	Verdict
Industrial	$ +39.3%; median $/SF +12.5%	$44.2B, +47%, record Q3	Avison Young +41.5% through Q3; JLL +38% YTD (prelim.)	**Agree:** clear leader
Office	$ +37.4%; count +13.4%	$27.0B, +29%	Avison Young +22.4% through Q3	**Agree:** trading again
Multifamily	$ +2.1%; count −4.6%	$114.1B, +139% with the Vivmark merger; ex-merger −7%	CBRE individual asset sales −15%	**Agree once mergers are out:** flat to down
Retail	$ +20.6%; count +12.7%	$18.0B, 0%	CBRE $16.8B, −6%	**Disagree**
Hotel	$ −8.9%; $/SF −6.4%	$7.4B, +9%		**Disagree**

MSCI sector figures from MSCI US Capital Trends Q3 2026 (first print, before revisions). Avison Young and JLL figures are year-to-date, not Q3 alone.

WHY RETAIL AND HOTELS SPLIT

Retail and hotel are where deal size matters most. Altus counts every recorded single-building sale over $100,000, so strip centers, pad sites and small hotels drive its numbers. MSCI and CBRE are built around larger institutional deals. Read together, small and mid-size retail is trading well while big-box and institutional retail is flat to down. For hotels, the larger deals held up while smaller ones fell. That is our interpretation of the gap, not a statement from either firm.

WHY THE TOTALS DON'T MATCH

- **Mergers.** MSCI and CBRE count corporate mergers as property sales. The AvalonBay and Equity Residential merger that formed Vivmark (about $70B) and the Aligned Data Centers deal landed in Q3. Altus and, by our read, Avison Young leave them out.
- **Property types.** MSCI's headline includes data centers ($34.5B in Q3), senior housing and development sites. Colliers' $210.7B is MSCI's five traditional sectors only. Avison Young counts five sectors including land.
- **Deal size floor and distress.** Altus reaches down to $100,000 and excludes distressed sales. MSCI focuses on larger deals and includes distress.
- **Revisions.** Every source revises. MSCI's monthly figures typically rise as late deals are reported, and Altus labels its Q3 data preliminary.

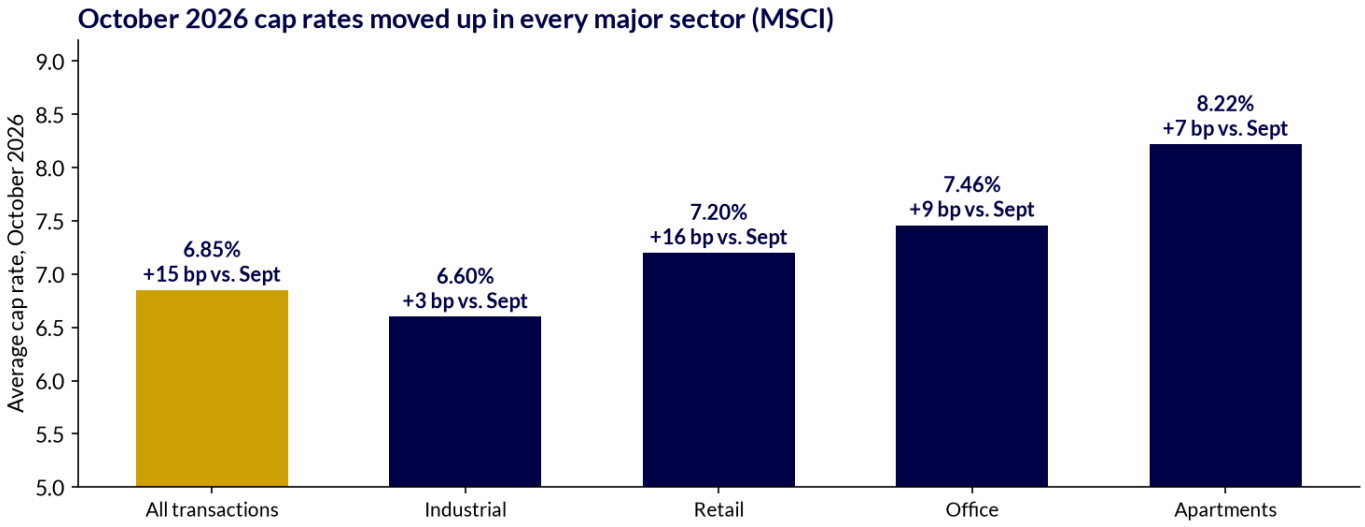
WHAT THEY ALL AGREE ON

Buyers were paying up for scale and quality through September. Dollars grew faster than deal counts in every dataset that reports both, industrial led, and the ordinary single-building market grew in the high teens to about 20%. That is a healthier Q3 than the first half of 2026 suggested.

OCTOBER: THE TURN

VOLUME FELL BY HALF AND CAP RATES MOVED UP

MSCI's preliminary data put October sales at **$35.4 billion, down 51%** from October 2025 (Bisnow, Nov 18). Preliminary months usually get revised up as late deals are reported, but a drop that size will not be revised away. J.P. Morgan analysts wrote that December is roughly 15% of the full year, so there is still time, "but again, the start to the quarter doesn't look good."



Source: MSCI preliminary October 2026 data, as reported by Bisnow (Nov 18, 2026). Axis starts at 5%. Midwest CRE Advisors | mwcreadvisors.com

The average cap rate across all transactions rose to 6.85% in October, up 15 bp from September. Retail moved the most (+16 bp to 7.20%), then office (+9 bp to 7.46%), apartments (+7 bp to 8.22%) and industrial (+3 bp to 6.6%). Industrial is still the lowest-yielding and moved the least, which matches its Q3 strength.

THE RATE BACKDROP

Date	Event	Source
Sept 2026	10-year Treasury first clears 5%; Fed raises its target range 25 bp to 3.75% to 4.00%, its first hike since 2023	Bisnow; CNBC
Oct 5	10-year hits its 52-week high of 5.31%	Dow Jones / Tradeweb
Oct 28	Fed holds at 3.75% to 4.00%; two members vote for another 25 bp hike	Federal Reserve
Nov 18	Governor Waller says a 50 bp hike at the Dec 8 to 9 meeting is "probably necessary" unless the Fed clearly signals a January hike	CNBC; Reuters
Nov 18	10-year closes at 5.07%	U.S. Treasury

Altus's own read: "the fourth quarter will be a critical quarter to watch, to understand if higher cost of capital becomes a headwind to the transaction recovery underway" (Cole Perry, Altus Group). CBRE management said in October that higher cap rates were already repricing deals under contract and that some sales were turning into refinancings, and it expects capital markets activity to be roughly flat from Q4 through the first half of 2027.

National data, cited by source. Not investment advice.

WHAT IT MEANS

FOR OWNERS, BUYERS AND LENDERS

FOR OWNERS

- **Don't price off the headline.** An 89% jump makes for a good headline, but it was mostly mergers. The number that fits a single building is closer to 16% to 20% volume growth and high single-digit price growth (Altus all-types median +7.8%).
- **Re-mark your cap rate.** MSCI's average cap rate rose 15 bp in October alone. If the Fed hikes 50 bp in December, expect buyers to push again. A valuation that still uses mid-2026 cap rates is likely too high.
- **Industrial owners are in the best seat.** The fastest volume growth, the fastest price growth (median $116/SF, +12.5%) and the smallest October cap rate move. If you have been waiting for a good moment, this is the strongest sector to sell into.
- **Multifamily and hotel owners should plan, not wait.** Altus shows multifamily deal count down 4.6% and hotel prices down 6.4%. If you have a 2026 or 2027 debt maturity, work on the refinance or exit now.

FOR BUYERS

- **October is the opening.** Fewer deals and rising cap rates give well-capitalized buyers more negotiating room than they had in Q3, especially on smaller retail, office and multifamily assets where sellers are not getting the big-deal premium.
- **Size matters.** Deals over $10 million took 63.1% of Altus dollar volume. Competition is thinner in the smaller deal sizes, where most local private buyers operate.

THREE THINGS TO WATCH

1. **The Dec 8 to 9 Fed meeting.** A 50 bp hike would add pressure on cap rates heading into the busiest month of the year.
2. **MSCI's November print and the revised October.** If October is revised up and November steadies, Q4 is a pause. If both stay weak, Q3 was the peak of this run.
3. **Altus Q4 deal counts.** Q3 growth came from bigger deals, not more of them. If the count turns negative, higher rates have reached the everyday market.

Want to know what this means for your property? Reply to the email this came with, or reach me directly at logan@mwcreadvisors.com or 573-694-9669. For our local read, see the Midwest CRE Advisors Kansas City Market Report, Q3 2026.

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SOURCES AND METHODOLOGY

EVERY FIGURE IS LABELED BY SOURCE, PERIOD AND DEFINITION

Datasets are never combined. Figures marked "our calc" are Midwest CRE Advisors arithmetic on published numbers. Preliminary figures may be revised by the publisher.

1. **Altus Group,** US CRE Investment & Transactions Quarterly Report, Q3 2026 (PDF report and featured insights page: 63.1% of value from deals over $10M; office closed sales +14.2% QoQ, +13.4% YoY), press release, Nov 18, 2026, and Q4 2025 insight, Mar 5, 2026 ($179.9B, +20.7% QoQ; basis for our Q3 dollar estimate). altusgroup.com/press-releases/altus-group-releases-q3-2026-us-investment-and-transactions-quarterly-report/ ; altusgroup.com/featured-insights/cre-transactions/
2. **Bisnow,** "'Doesn't Look Good': October CRE Sales Volume Slumps, Setting Up Weak Q4," Nov 18, 2026, citing MSCI preliminary data and J.P. Morgan. bisnow.com/news/national/capital-markets/doesnt-look-good-october-sales-volume-slumps-setting-up-weak-fourth-quarter
3. **MSCI,** US Capital Trends, Q3 2026, and Real Estate in Focus: US (Oct 29, 2026). msci.com
4. **Principal Asset Management,** "CRE transaction volumes rise again in September 2026," Oct 22, 2026, citing MSCI.
5. **Colliers,** "Quick Hits | Q3 MSCI Update," Oct 28, 2026, citing MSCI.
6. **CBRE,** Q3 2026 U.S. Capital Markets Report (MSCI Real Assets data); Q3 2026 U.S. Multifamily and Retail figures; Q3 2026 earnings and call coverage (Oct 22, 2026). cbre.com/insights/figures/q3-2026-us-capital-markets-report
7. **Newmark,** 3Q 2026 earnings presentation, Oct 29, 2026 (analysis of MSCI data excluding entity sales).
8. **Avison Young,** U.S. Investment Sales Report, Q3 2026. avisonyoung.us
9. **JLL,** U.S. Industrial Market Dynamics, Q3 2026 (Oct 20, 2026).
10. **Federal Reserve,** FOMC statement, Oct 28, 2026; **CNBC,** Oct 28, 2026 (September hike) and Nov 18, 2026 (Waller interview); **Reuters** via Investing.com, Nov 18, 2026. federalreserve.gov/newsevents/pressreleases/monetary20261028a.htm ; cnbc.com/2026/11/18/federal-reserve-governor-christopher-waller.html
11. **U.S. Treasury** daily par yield curve (10-year 5.07%, Nov 18, 2026); **Dow Jones / Tradeweb** via Morningstar, Nov 18, 2026 (52-week high 5.31% on Oct 5, 2026).

Definitions

Entity-level deal: a company or platform acquisition counted as a sale of all its properties. **Portfolio deal:** multiple properties sold together. **Single-asset sale:** one property. **YoY / QoQ:** change versus the same quarter last year / the prior quarter. **bp:** basis point, 0.01 percentage point.

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