COLDWELL BANKER

The Mid-Year Report 2026

Top Takeaways

1. Luxury Operates Outside the Headlines

Despite economic and geopolitical uncertainty, affluent buyers remain active and luxury home values are holding firm. The majority of surveyed Luxury Property Specialists are bullish on the luxury market's strength heading into the second half of the year.

- U.S. luxury home sales remained stable for the first five months of 2026, ticking up a modest 1.2% year-over-year, but still outpaced the broader market's near-flat 0.7%, per NAR data.
- This performance gap widened throughout the year. While the luxury market recorded a steady YOY increase in sales each month, the broader market followed a bell-shaped trend, with YOY growth accelerating through March before losing momentum and declining. As of May, the luxury market posted a 4.3% YOY increase in sales, while the broader market had flattened, recording zero growth with approximately 390,000 sales.
- More than 78% of surveyed Luxury Property Specialists reported feeling confident about the overall health of the luxury market heading into the second half of the year. (Source: Coldwell Banker survey of Luxury Property Specialists, May 2026)
- Over 72% expect luxury sales to remain stable or rise through year-end (Source: Coldwell Banker survey of Luxury Property Specialists, May 2026)
- 74.6% expect luxury prices to hold or increase (Source: Coldwell Banker survey of Luxury Property Specialists, May 2026)

2. The "Portfolio Mindset" Bolsters Luxury Market

High-net-worth individuals, especially the ultra-affluent, are moving from volatile "paper wealth" investments to tangible real estate assets. .

- 82.3% of Luxury Property Specialists report clients are maintaining or increasing their real estate holdings (Source: Coldwell Banker survey of Luxury Property Specialists)
- A majority of surveyed Luxury Property Specialists said asset diversification was their clients' primary financial motivations.
- A majority (49%) of surveyed Luxury Property Specialists also said affluent clients were "somewhat more likely" to view luxury real estate as a safe-haven asset amid stock market volatility, inflation, policy uncertainty, and geopolitical concerns this year.

3. High-Net-Worth Individuals Pour More Money into Luxury Homes

A growing global class of ultra-wealthy households is supercharging the high-end housing sector, driving a massive $4.36 billion YOY increase in luxury home dollar volume this year.

- The ultra-exclusive top 1% to 5% segment accounted for more than 50%—or $2.2 billion—of that $4.36 billion growth, a 5.3% increase YOY.

4. Ultra-Luxury Single-Family Homes Carries the Market

The top 5% of the single-family home market outperformed other segments in the first five months of 2026.

- Year-over-year median sold prices grew by 8% for the top 5% segment and 6.5% for the top 1%, while the broader top 10% tier lagged at 4.7% (Source: Institute for Luxury Home Marketing)
- The top 5% saw a 3.2% increase in sold volume compared to 2025; while the top 5-10% saw a 2.5% increase. (Source: Institute for Luxury Home Marketing)
- The top 5% of transactions accounted for 65.6% of total dollar volume. More notably, the top 1-5% bracket alone accounted for 42.8% of dollar volume, capturing a larger share of the market than it did during the same timeframe in 2025. (Source: Institute for Luxury Home Marketing)

5. "Shadow Inventory" Is Waiting on the Sidelines

While luxury home inventory levels declined year-over-year for the first five months of 2026, a wave of latent supply could be waiting in the wings.

- Nearly 60% of Luxury Property Specialists expect inventory to increase slightly in the second half of 2026 as seller confidence builds. (Source: Coldwell Banker survey of Luxury Property Specialists, May 2026)
- The easing of the mortgage rate "lock-in effect" is expected to free up some housing supply, said Dr. Jessica Lautz, Deputy Chief Economist at the National Association of Realtors (NAR) in the Mid-Year 2026 Report. The market is reaching a crucial tipping point, as the number of homeowners with mortgage rates above 6% inches closer to equaling those holding ultra-low rates around 3%.

6. The Luxury Buyer of 2026 Won't Settle and Is Better Informed Than Ever

Affluent buyers are becoming highly selective, frequently leveraging an investor mindset and leaning on AI to analyze market variables. They are evaluating each property through a strategic lens of wealth preservation, lifestyle flexibility, scarcity, and legacy creation.

- 43% of Luxury Property Specialists identify the "low-compromise buyer" as the top buying trend (Source: Coldwell Banker survey of Luxury Property Specialists, May 2026)

- 51% of surveyed Luxury Property Specialists said that today's affluent buyers “rarely” make trade-offs during the closing process. (Source: Coldwell Banker survey of Luxury Property Specialists, May 2026)

7. The Two S's of Prime Real Estate: Space and Scarcity

Affluent buyers are prioritizing detached homes, higher bedroom counts, unique properties, and land.

- Luxury single-family home sales rose 2.8% YOY while attached properties slid 3.8% — a 6.6-point performance gap between the two segments.(Source: The Institute)
- Detached homes and villas remain the overwhelming favorite among property types for global luxury buyers, capturing **76.1%** of all unique user inquiries in 2026. (Source: JamesEdition)
- Searches for homes with five or more bedrooms recorded the strongest growth in global buyer inquiries (Source: JamesEdition)
- Searches for unique properties—estates, châteaux, castles, historic properties, branded residences, and private islands—rose 146% year-over-year. (Source: JamesEdition)
- Searches for land rose 97% year-over-year. (Source: JamesEdition)
- "Landmaxxing" is on the upswing in supply-constrained markets. It's a practice where a luxury homeowner purchases the property next door to preserve privacy, protect views, or ensure the future ability to build a family compound.

8. Generational Wealth Transfer Will Change Luxury Real Estate

An unprecedented generational wealth transfer is bringing a new class of younger, cash-equipped buyers into the luxury market, who look nothing like the first-time buyers of previous generations.

- 33%+ of Luxury Property Specialists identify the $38.3 trillion generational wealth transfer as the single most significant force expected to reshape the luxury market over the next 12–24 months (Source: Coldwell Banker survey of Luxury Property Specialists)
- 1 in 10 first-time buyers is now paying in cash — an all-time high for the second consecutive year (Source: NAR)
- 26% of first-time buyers are tapping financial assets such as stocks, crypto for down payments or all-cash purchases, the highest share ever recorded (Source: NAR)
- 8% of first-time buyers used an inheritance last year, the highest share on record and up from 7% the year prior (Source: NAR)
- The typical first-time buyer is now nearly 40 years old, up from a historical range of 28–32 (Source: NAR)
- 27.5% of Luxury Property Specialists said they could see younger buyers building multi-property portfolios across locations rather than investing in a single estate (Source: Coldwell Banker survey of Luxury Property Specialists)
- Nearly 40% of Luxury Property Specialists said buyers will trade property condition for the right location, signaling appetite for well-located fixers as turnkey inventory stays constrained (Source: Coldwell Banker survey of Luxury Property Specialists, May 2026)

9. Global Appetite for Luxury Real Estate Expands as Interest in U.S. Surges

Affluent buyer interest in luxury real estate is accelerating worldwide, with the U.S. emerging as a standout destination for international capital.

- Total global luxury real estate inquiries jumped 50.8% in the first five months of 2026 (Source: JamesEdition)

- U.S. luxury inquiries doubled YOY (Source: JamesEdition)
- California and New York rank among the most sought-after markets for non-U.S. international investors seeking long-term stores of wealth (Source: JamesEdition)