

1Q26 Fear and Greed Survey (Commercial Real Estate)

JOHN BURNS
RESEARCH & CONSULTING

CRE Daily

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March 10, 2026



About this report

Conducted jointly by John Burns Research and Consulting and CRE Daily, this report examines current commercial real estate investor sentiment and expectations over the next 6 months, as well as changes in access to capital and asset values. The 1Q26 report is based on 375 market ratings from members of the commercial real estate community across 4 primary sectors:



Multifamily



Industrial



Retail



Office

The 1Q26 survey ran from February 3 to February 23. Responses, commentary, and sentiment reflect the latest shifts across commercial real estate.

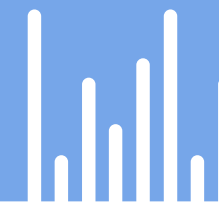
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We are pleased to share the 1Q26 Burns + CRE Daily Fear and Greed Index.



Overview of the Fear and Greed Index

The Fear and Greed Index measures investor sentiment across the US commercial real estate industry. As a composite diffusion index, ratings above 55 indicate industry **expansion (greed)**; ratings below 45 indicate industry **contraction (fear)**. Ratings between 45 and 55 indicate a more balanced market.

The Fear and Greed Index is calculated as a weighted average of 3 sub-indices:



Current Investment Strategy Index

Increasing/holding/decreasing exposure in the **current quarter** vs. the prior quarter



Expected Investment Strategy Index

Expect to increase/hold/decrease exposure over the **next 6 months**



Access to Capital Index

Easier/similar/harder to access capital in the **current quarter** vs. the prior quarter

Fear and Greed Index Rating

57
out of 100

The Fear and Greed Index is at **57** out of 100, indicating a slightly **expanding** commercial real estate market.



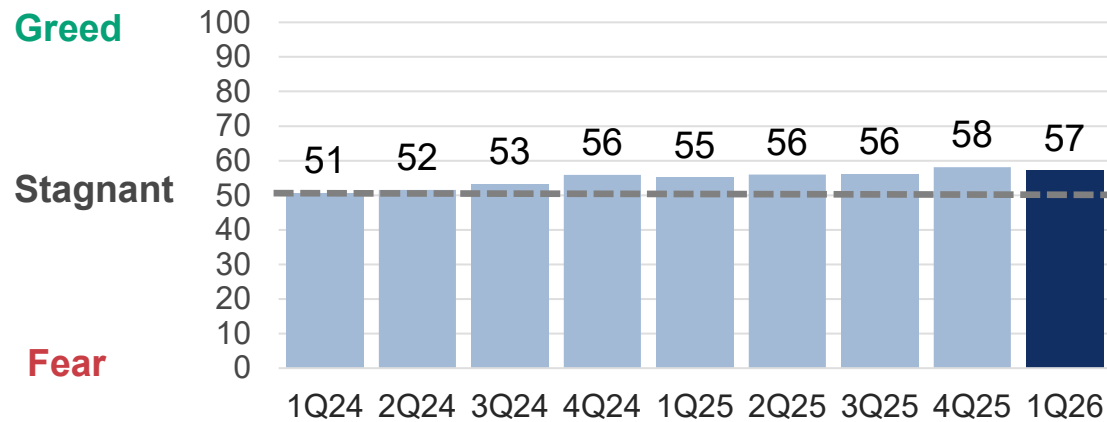
Conducted jointly by John Burns Research and Consulting and CRE Daily, the 1Q26 index reflects findings from 375 commercial real estate investors across 4 sectors: **Multifamily, Industrial, Retail, and Office.**

The Fear and Greed Index ticked down slightly in 1Q26 from 4Q25.

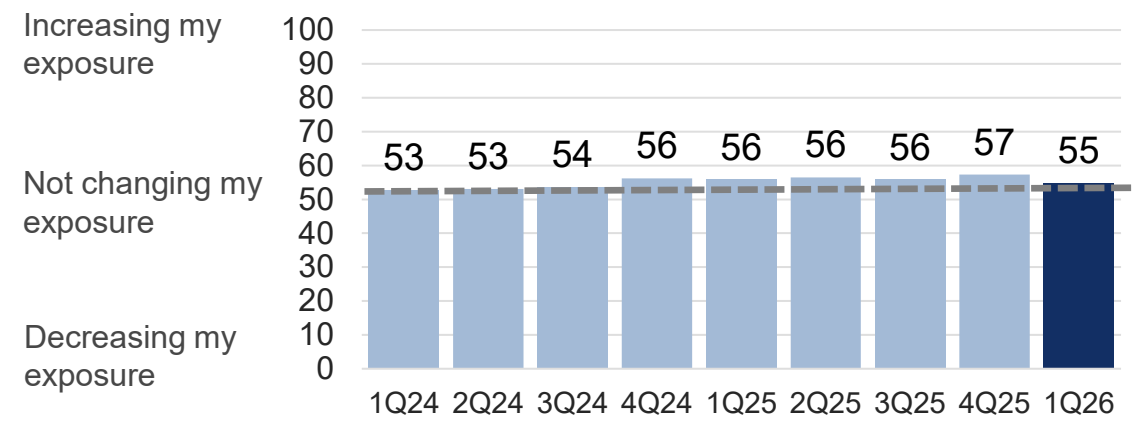
On a diffusion index, a value above 55 indicates expansion, while a value below 45 implies contraction.



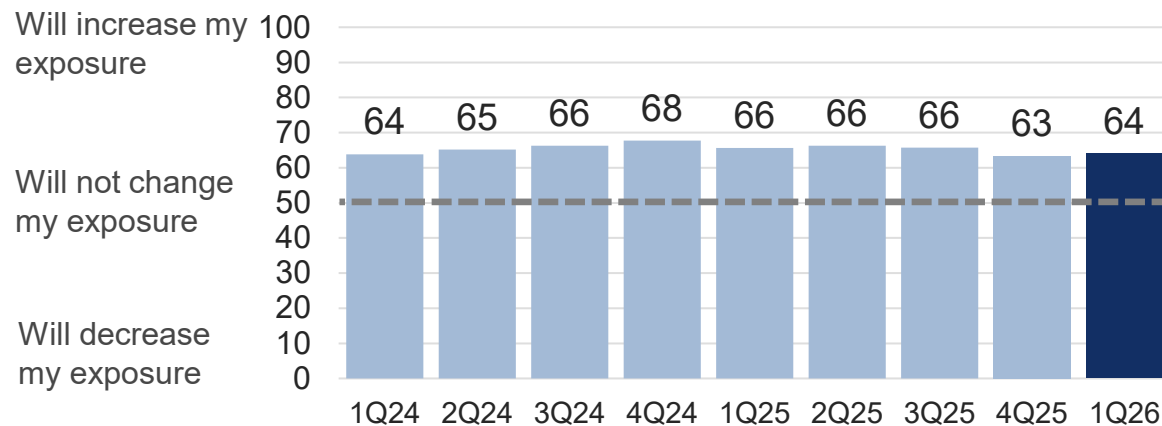
Burns + CRE Daily Fear & Greed Index



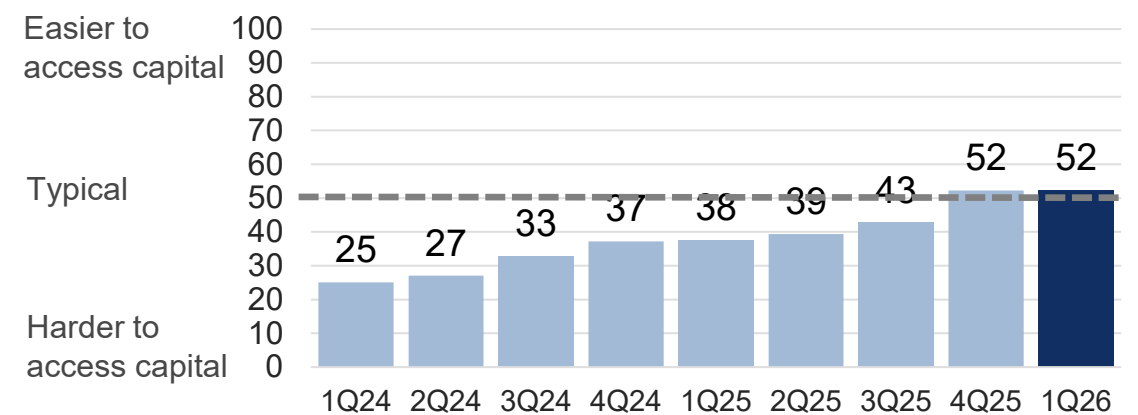
Current CRE Investment Strategy Index



Expected CRE Investment Strategy Index: Next 6 Months



Access to CRE Capital Index (1Q26 vs. 4Q25)



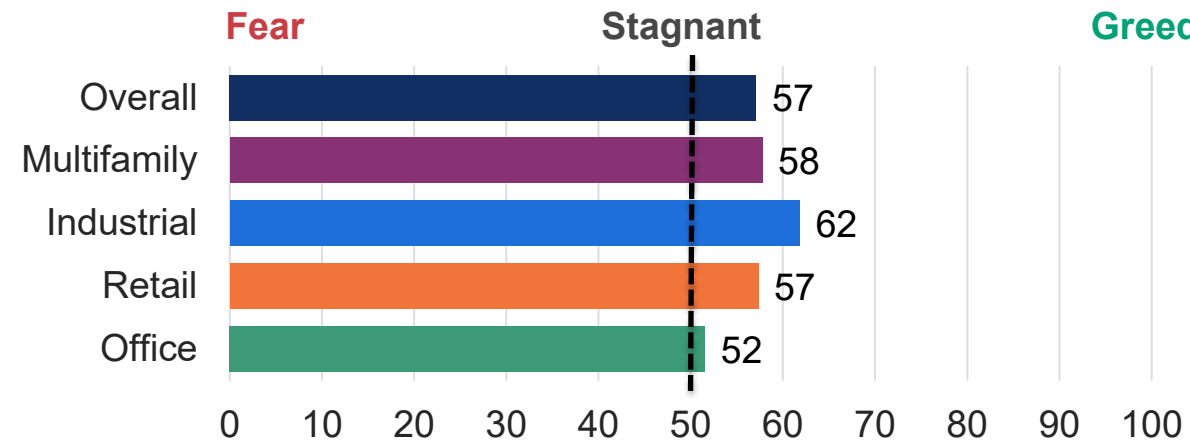
Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

Per our sector-level index, industrial is the strongest commercial sector. Office continues to lag.

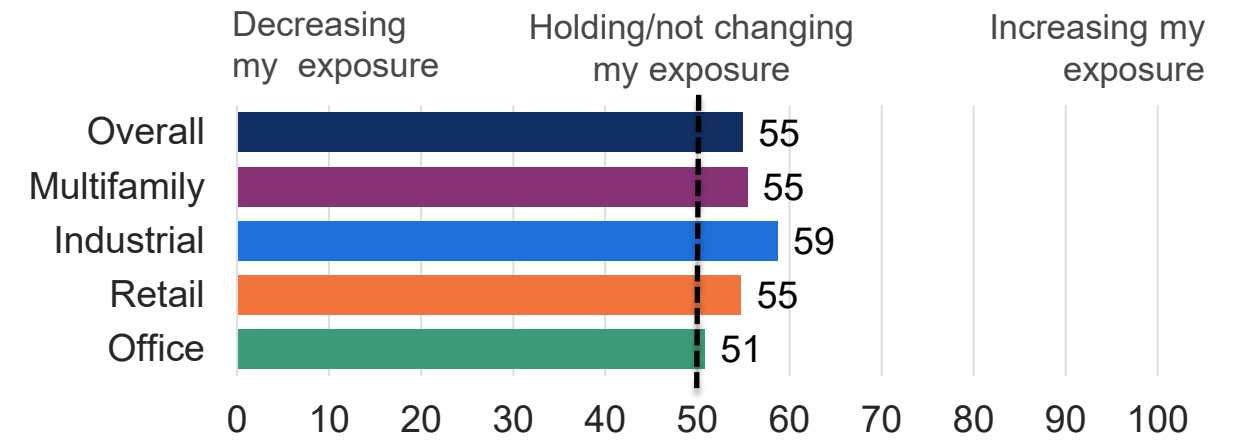
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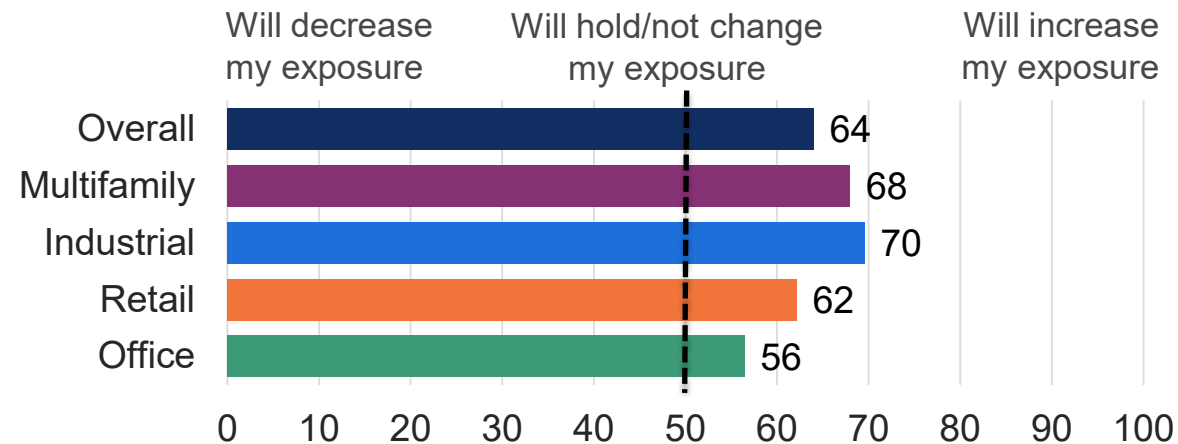
Burns + CRE Daily Fear & Greed Index



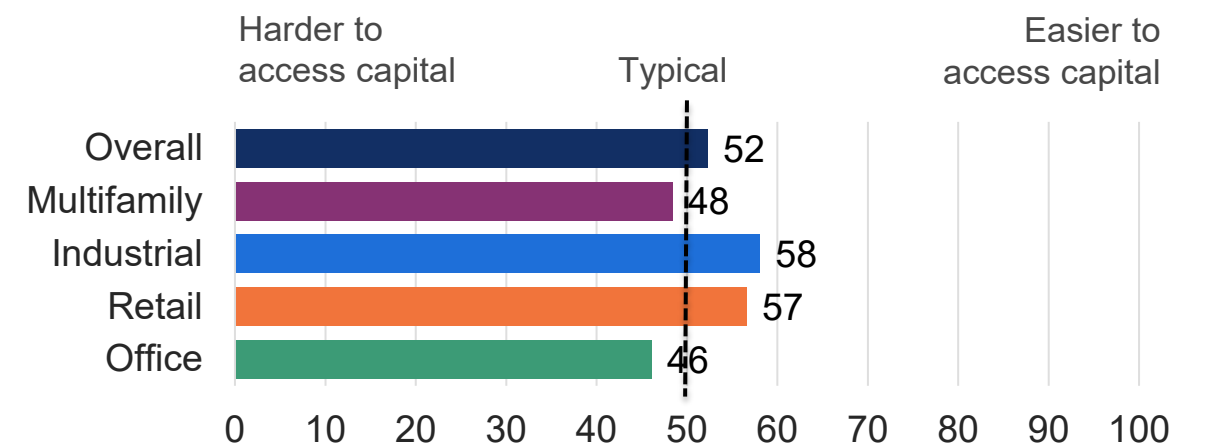
Current CRE Investment Strategy Index



Expected CRE Investment Strategy Index: Next 6 Months



Access to CRE Capital Index (1Q26 vs. 4Q25)

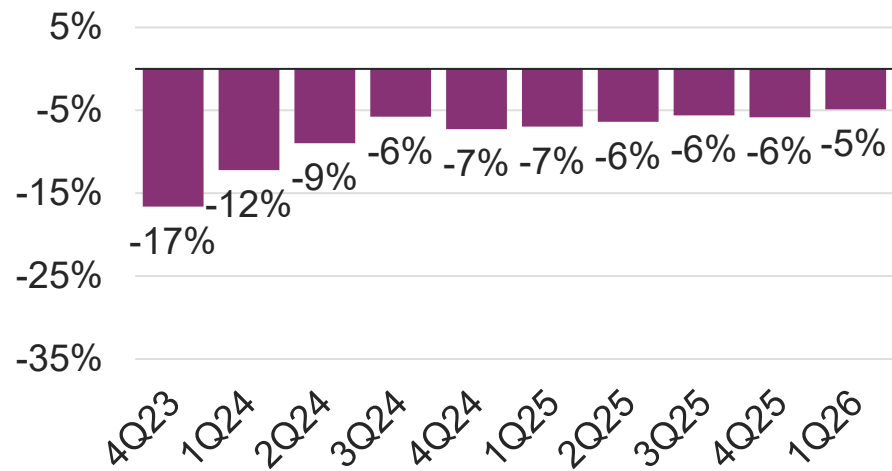


Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

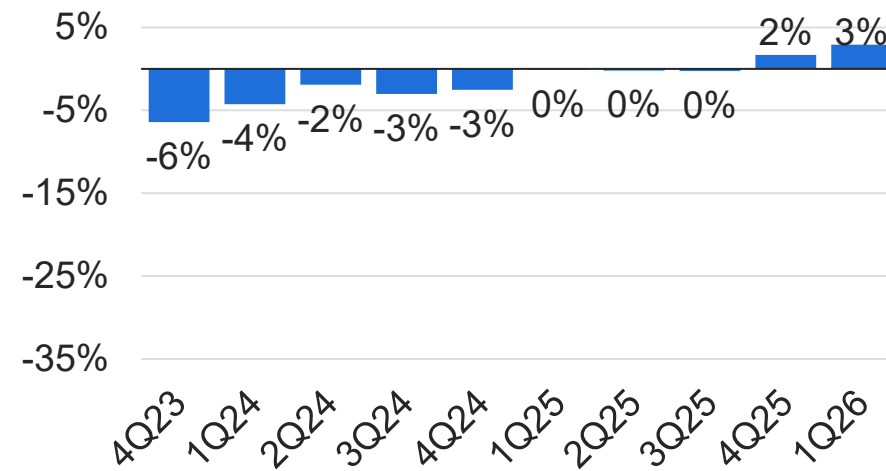
Investors indicate that Multifamily and Office asset values fell YOY.

Change in Values by Asset Class (% YOY)

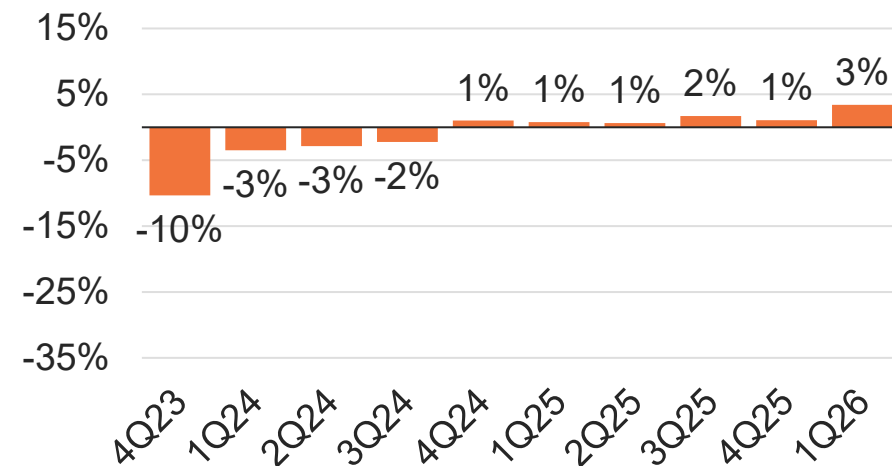
Multifamily



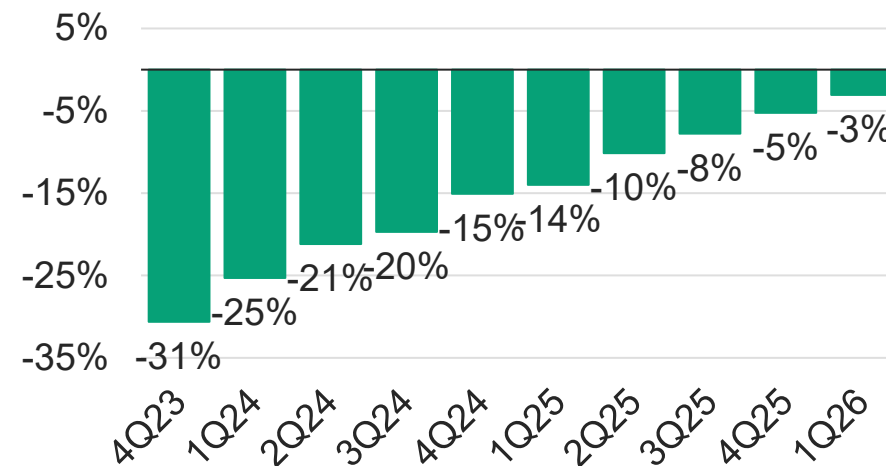
Industrial



Retail



Office



Investors believe **Industrial** and **Retail** asset values both rose +3% YOY in 1Q26.

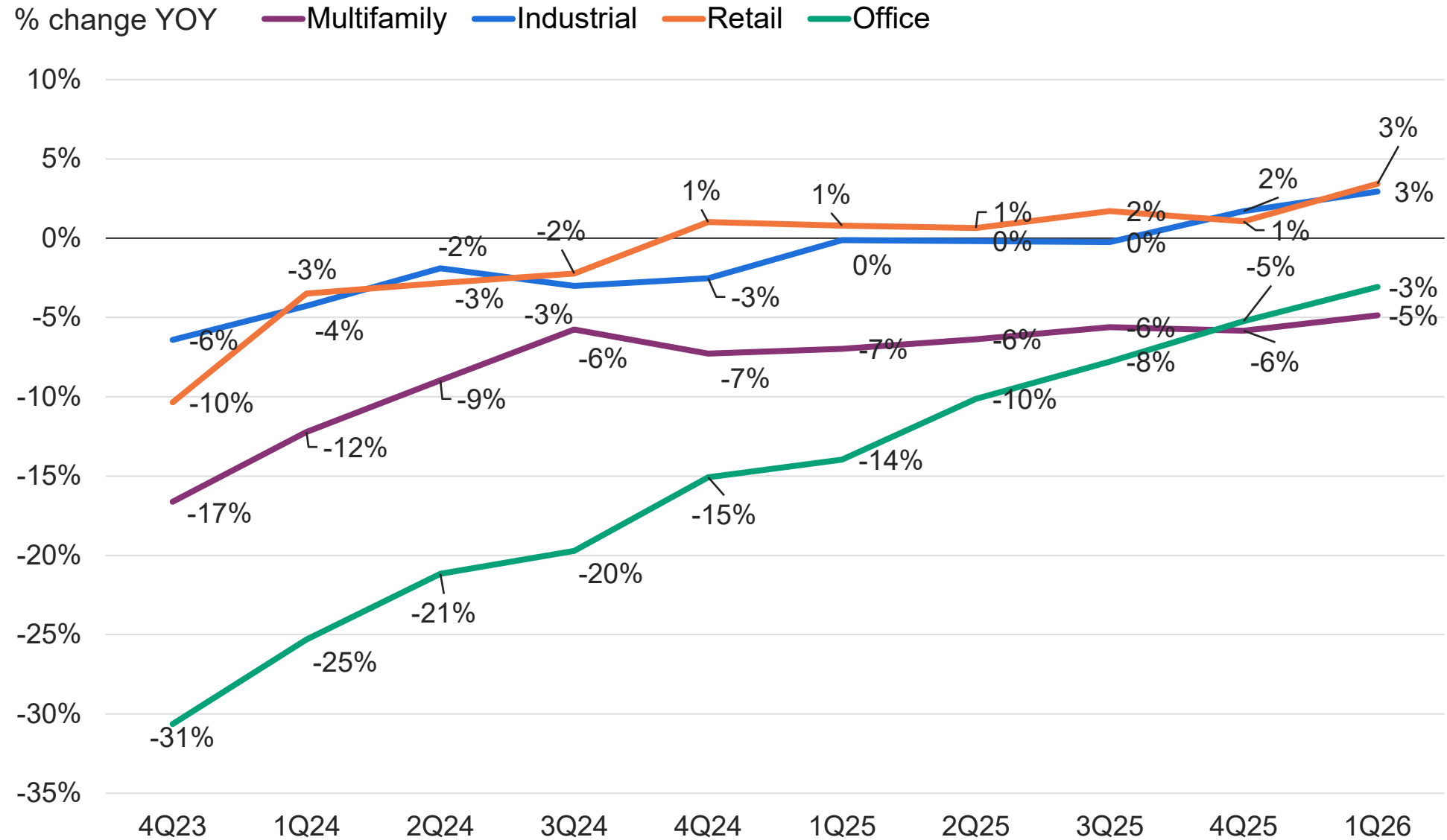
Asset values fell the most in the **Multifamily** sector (-5% YOY).

Office sector asset values declined -3% YOY, though this decline is less severe than in prior quarters—a sign of improvement.

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

Investors indicate that Multifamily and Office asset values fell YOY.

Change in Values by Asset Class (% YOY)



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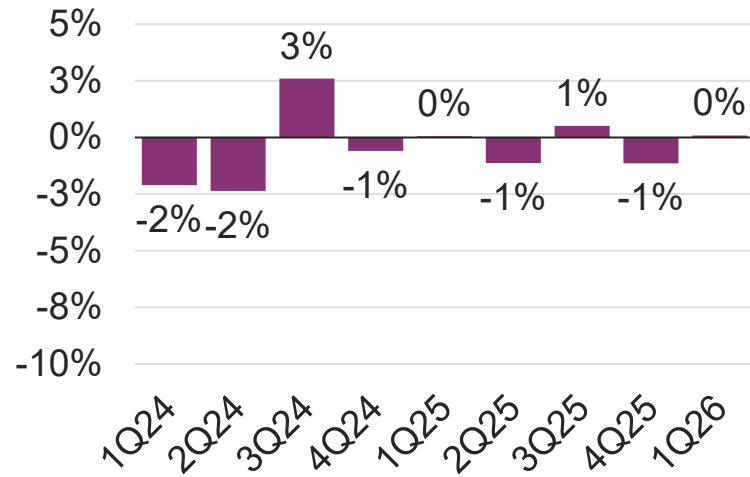
Office sector asset values declined -3% YOY, though this decline is less severe than in prior quarters—a sign of improvement.

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

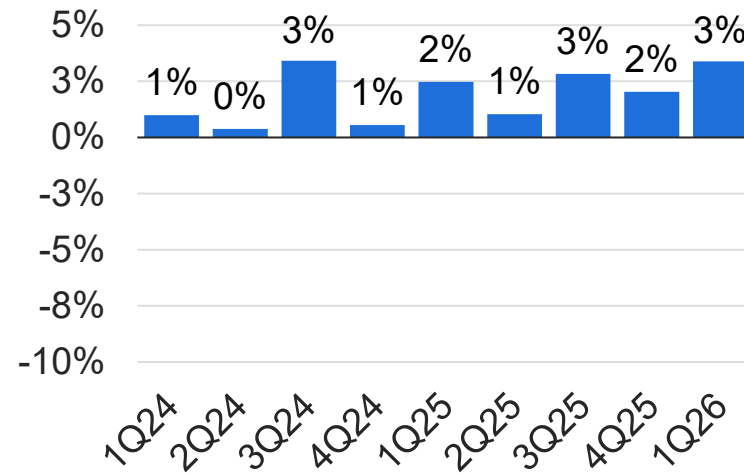
Investors indicate that Multifamily values will remain flat in the first half of 2026, while Retail and Industrial values grow modestly.

Expected Change in Values by Asset Class (Next 6 Months)

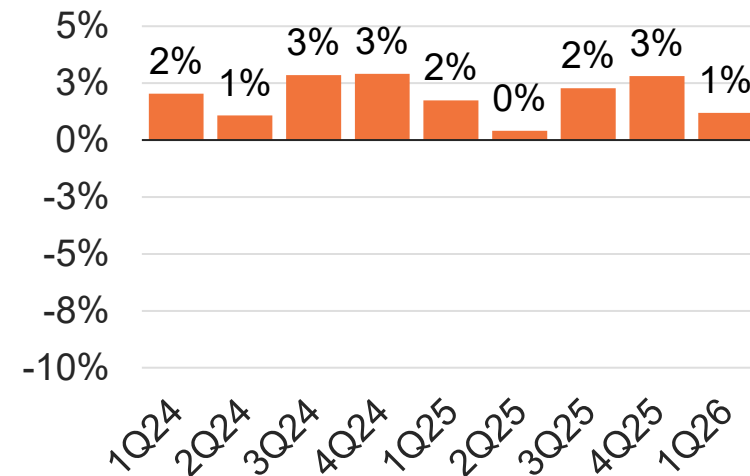
Multifamily



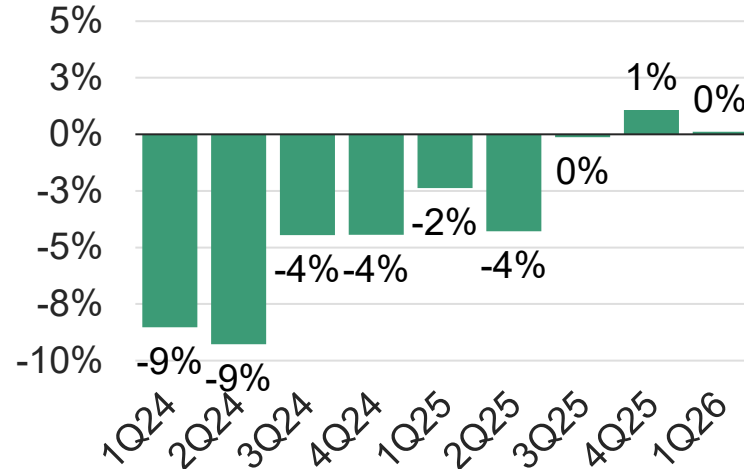
Industrial



Retail



Office

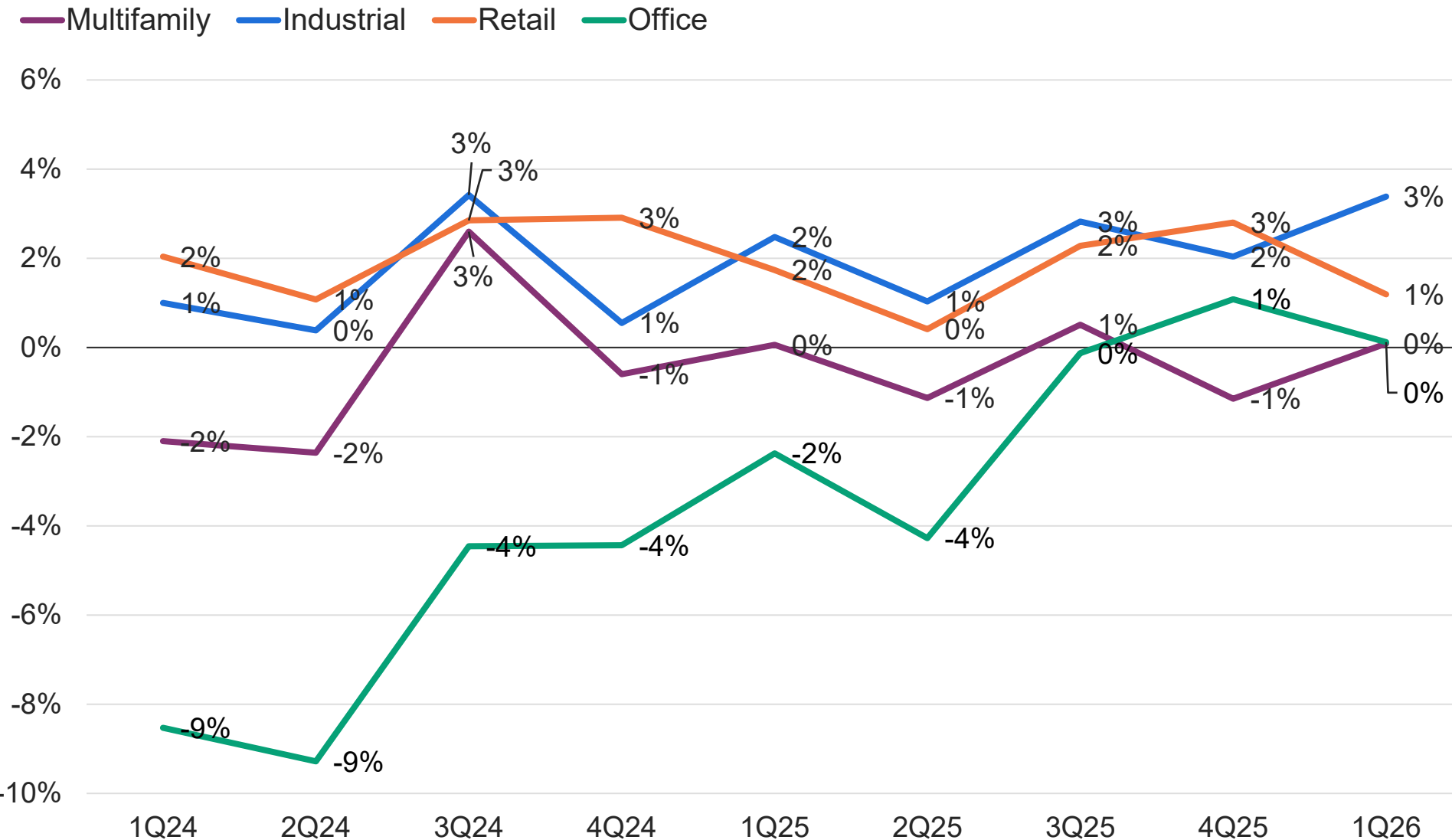


Industrial and **Retail** investors remain optimistic, expecting asset values to rise +3% and +1%, respectively, over the next 6 months.

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

Investors indicate that Multifamily values will remain flat in the first half of 2026.

Expected Change in Values by Asset Class (Next 6 Months)



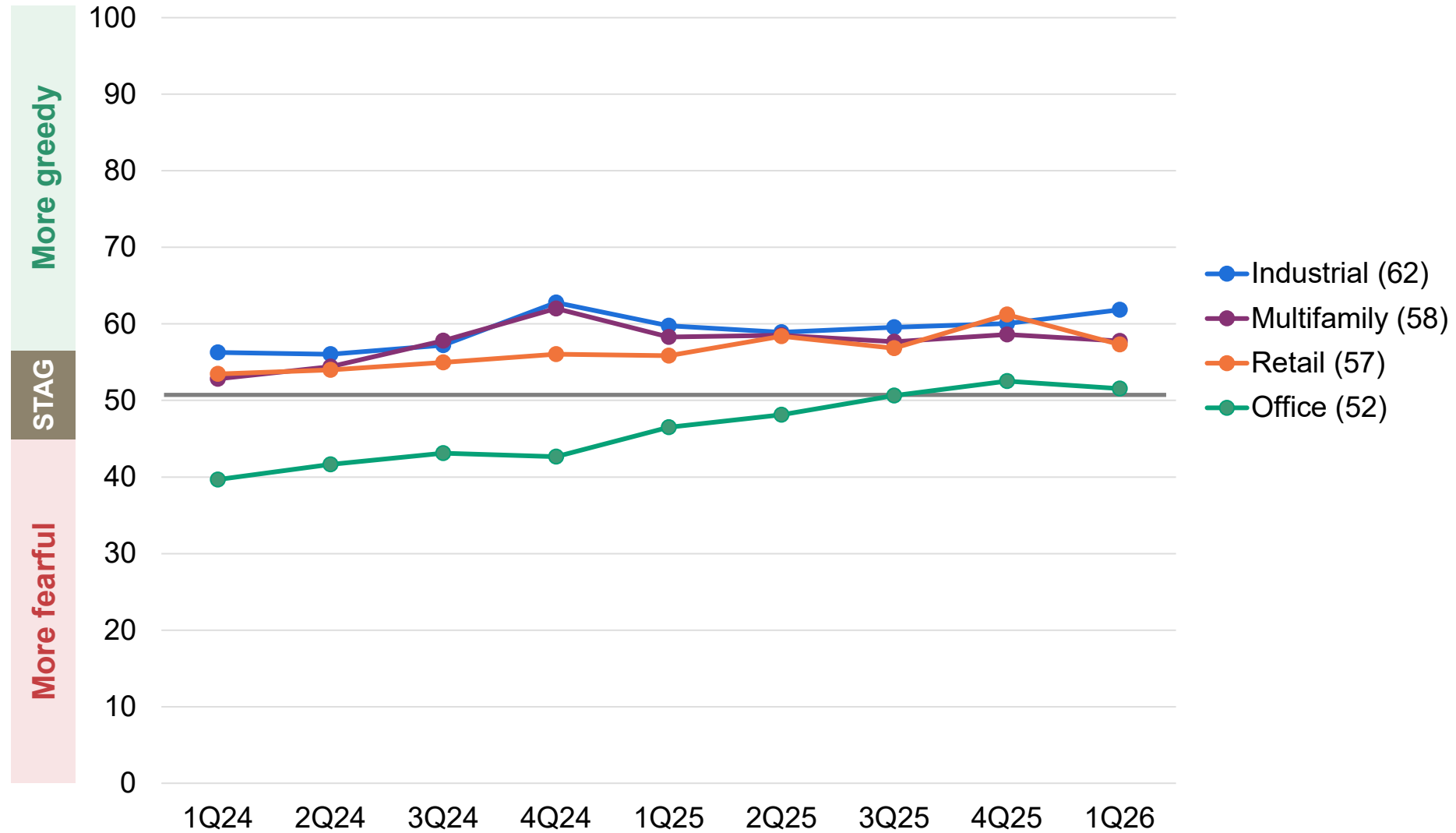
Industrial and **Retail** investors remain optimistic, expecting asset values to rise +3% and +1%, respectively, over the next 6 months.

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)



Burns + CRE Daily Fear and Greed Index

1Q26



The **Industrial** Fear and Greed Index (FGI) rose to 62 in 1Q26, higher than any other sector.

The **Multifamily**, **Retail**, and **Office** FGI all ticked down quarter-over-quarter.

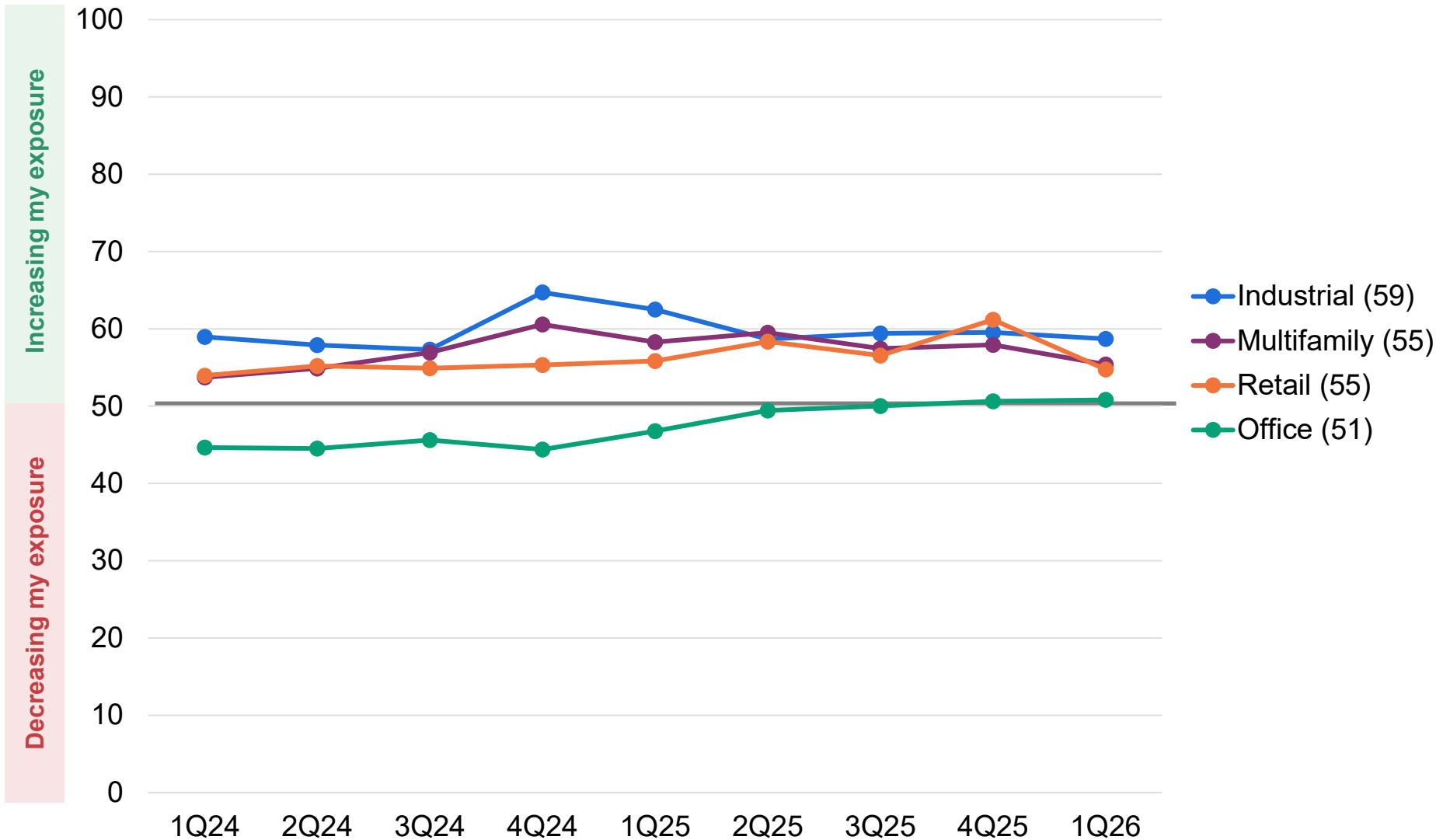
Note: Ratings above 55 indicate more "greed" among commercial real estate investors (expanding CRE market), while ratings below 45 indicate more "fear" among CRE investors (contracting CRE market). A rating between 55 and 45 indicates a stagnant market (denoted by STAG in the graph's y-axis labels).

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)



Current CRE Investment Strategy Index (1Q26)

Measures the share of commercial real estate investors increasing, decreasing, or holding their investment exposure to commercial real estate sectors during the most recent quarter



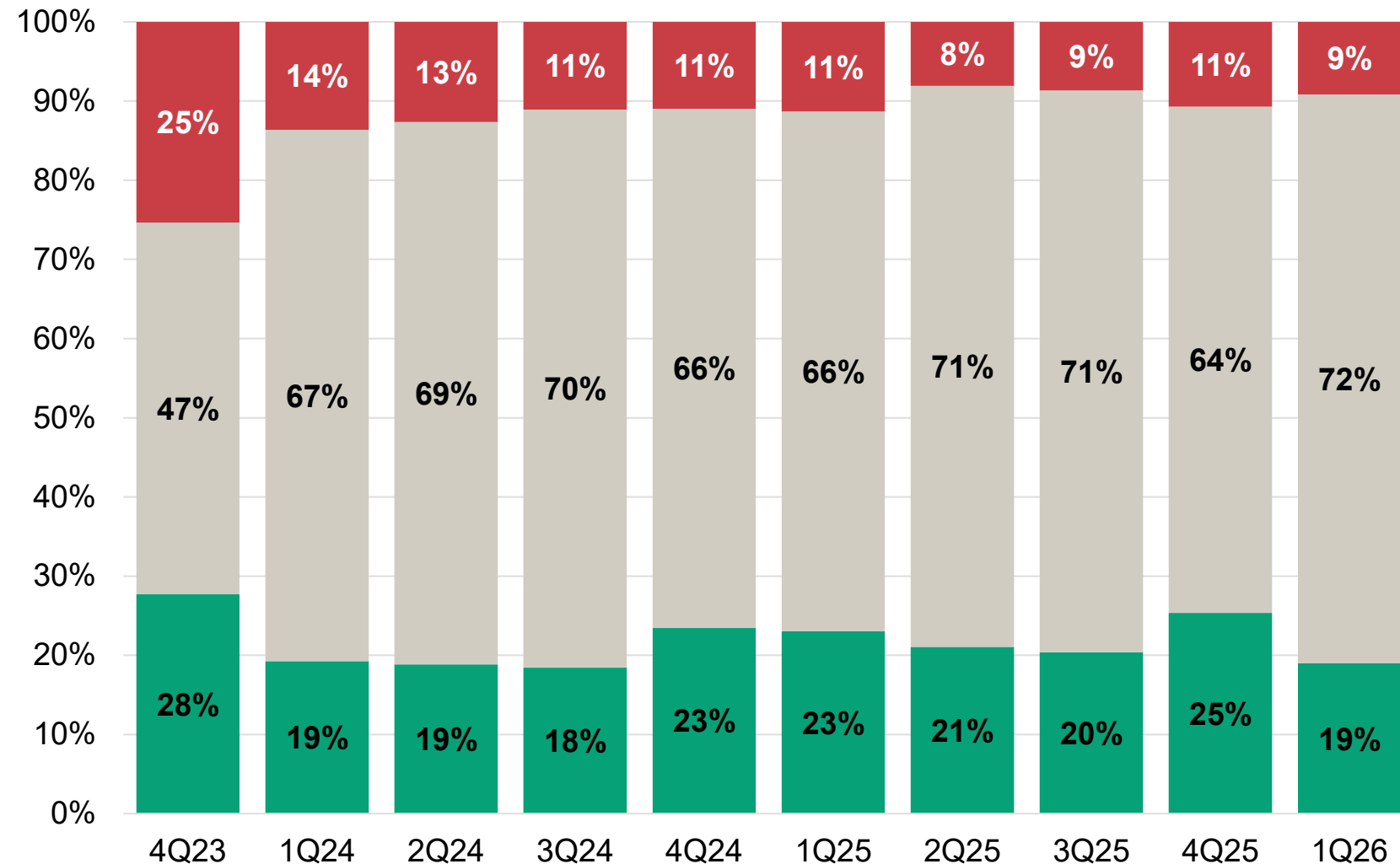
A greater share of investors are increasing their investment exposure vs. decreasing in all sectors.

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

72% of investors are on hold, the highest share in our survey's history.

Current Commercial Real Estate Investment Strategy

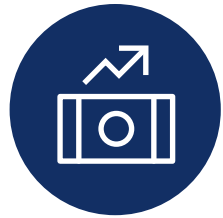
■ Increasing exposure ■ Holding / not changing exposure ■ Decreasing exposure



Most investors remain on the sidelines given elevated rates and prices and ongoing policy uncertainty:

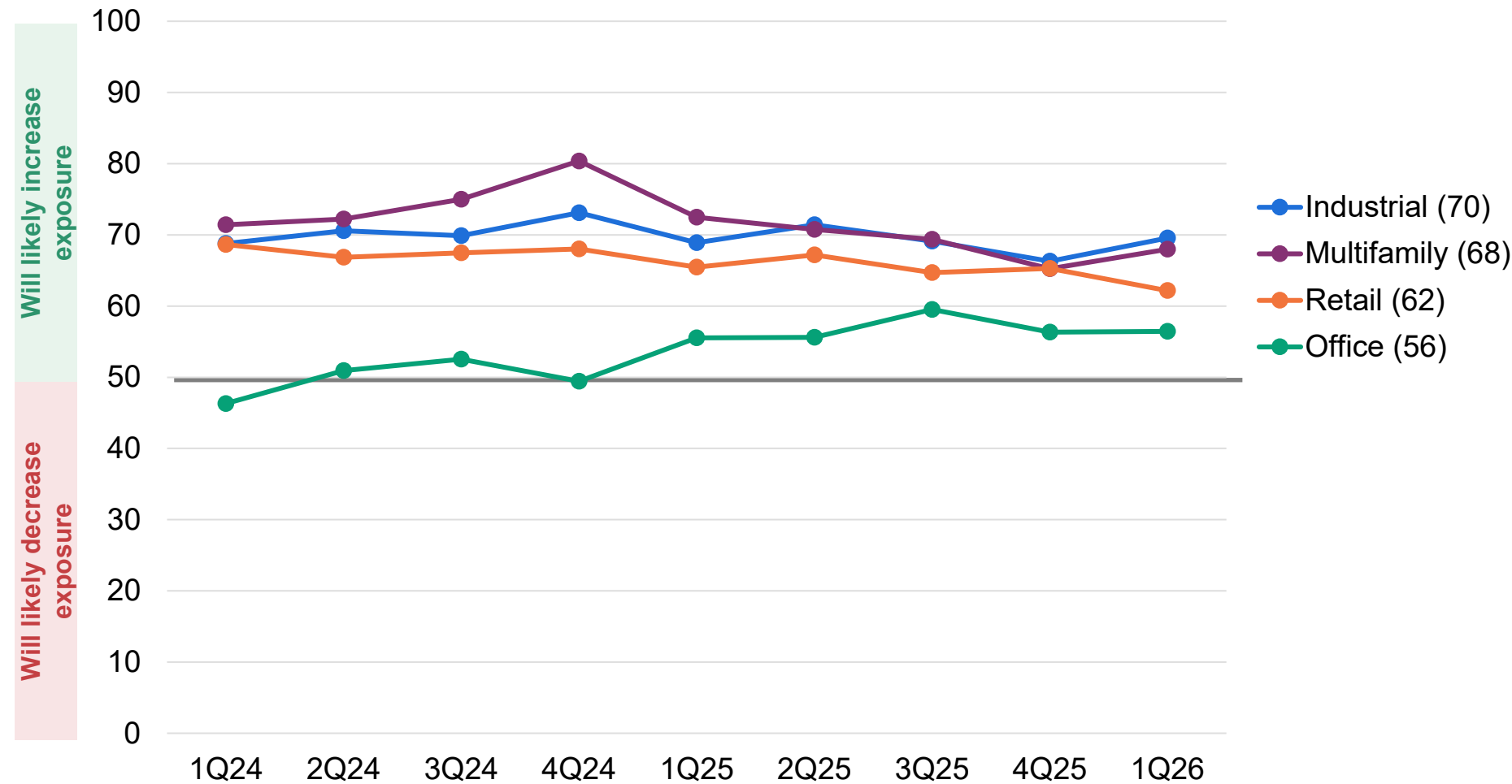
“I am concerned about political uncertainty and will remain on the sidelines until there is more clarity over what will happen in the next few years.”

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)



Expected CRE Investment Strategy Index: Next 6 Months (1Q26)

Measures the share of commercial real estate investors that expect to increase, decrease, or hold their investment exposure to commercial real estate sectors over the next 6 months



Across all sectors, more investors expect to increase than decrease their CRE exposure over the next 6 months.

Retail investor optimism fell quarter-over-quarter, while **Multifamily** and **Industrial** investor optimism rose.

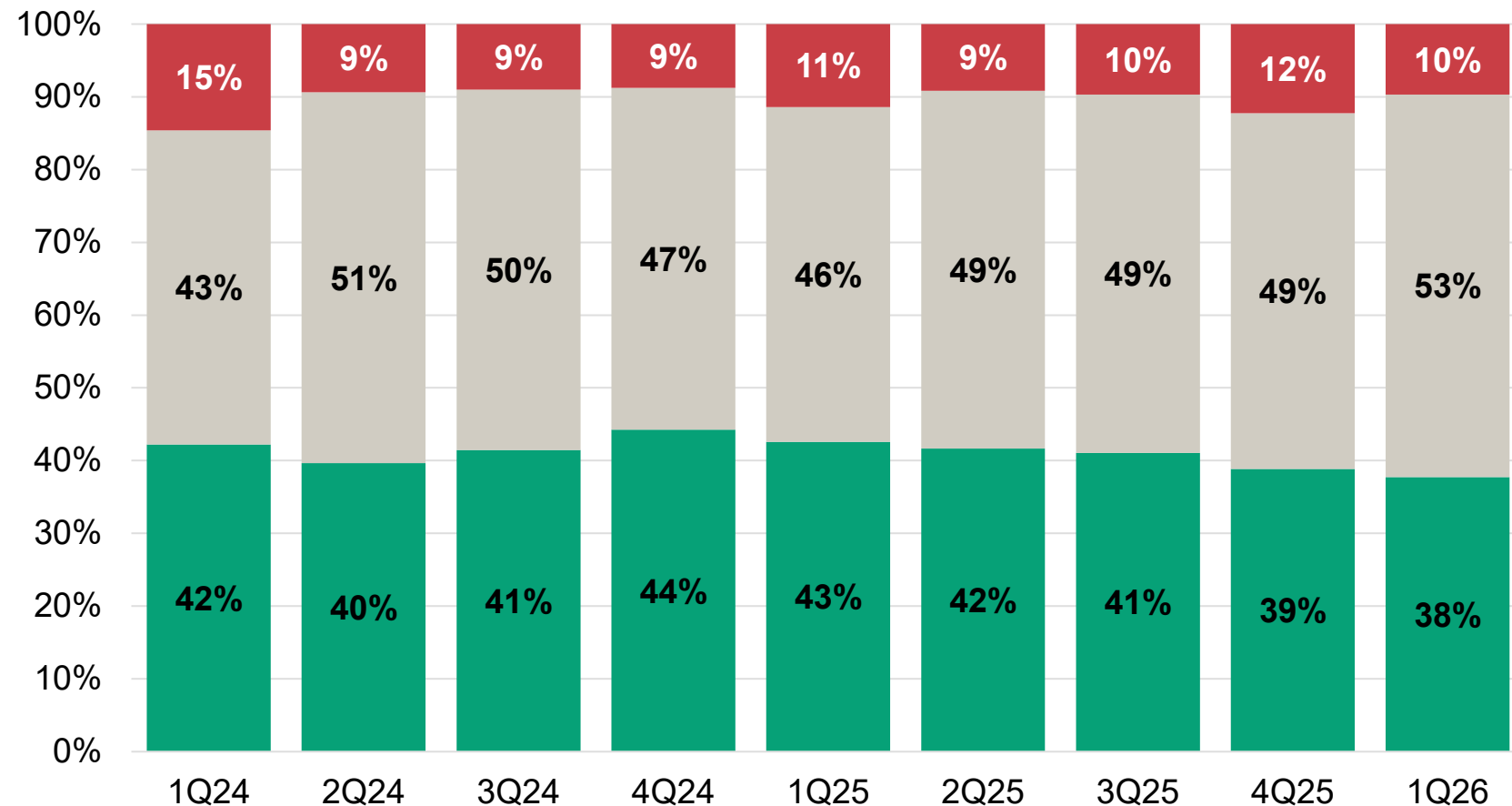
Note: Ratings above 50 indicate that more investors expect to increase than decrease their investment exposure over the next 6 months, while ratings below 50 indicate that more investors expect to decrease rather than increase their investment exposure over the next 6 months.

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

53% of investors expect to leave their CRE exposure unchanged over the next 6 months.

Expected Commercial Real Estate Investment Strategy (Next 6 Months)

- I expect to decrease my investment exposure
- I expect to hold / not change my investment exposure
- I expect to increase my investment exposure



38% of investors plan to increase CRE exposure over the next 6 months, the lowest share in our survey's history.

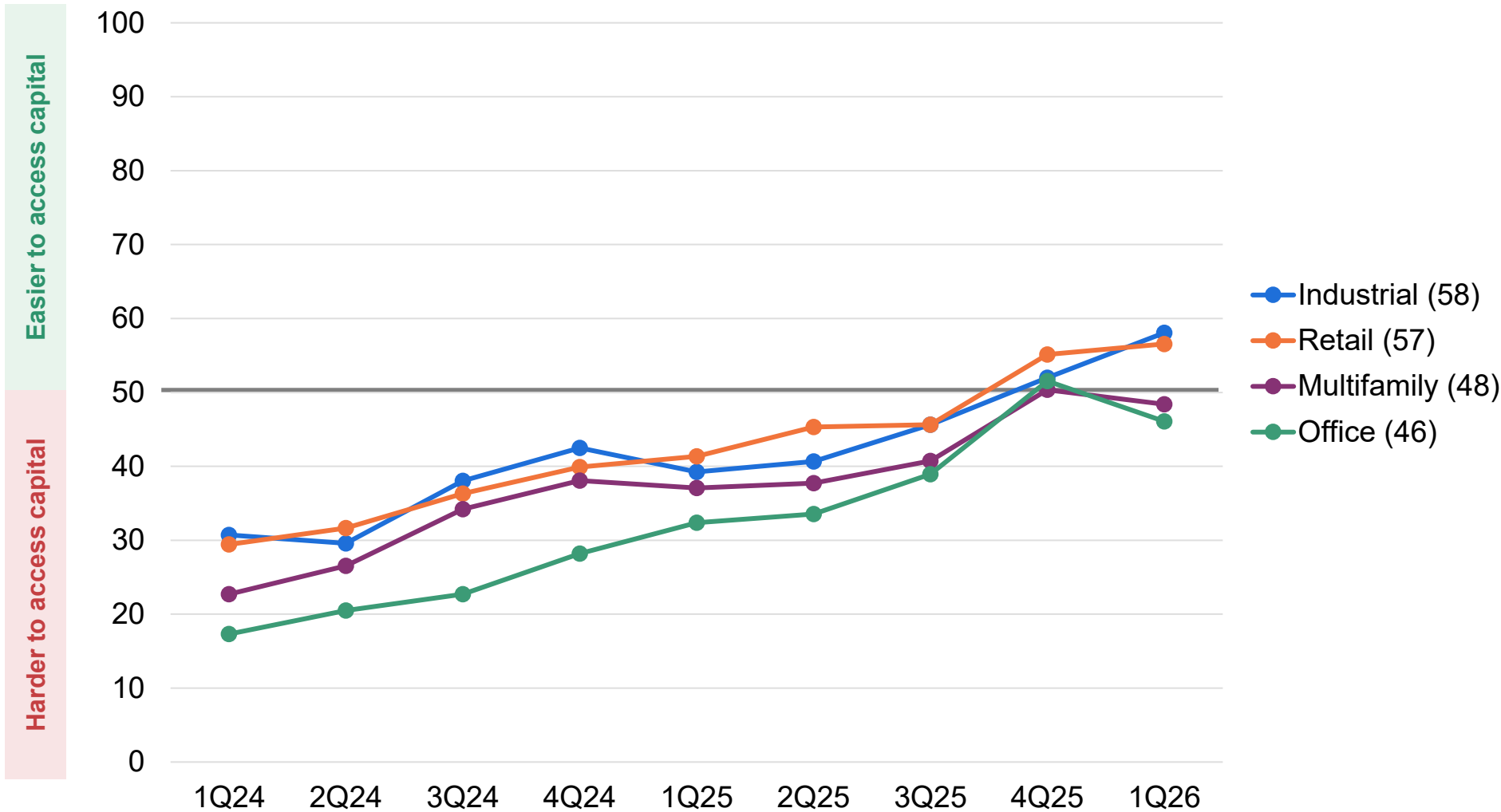
- “There is uncertainty stemming from oversupply, inconsistent policy, investor nervousness, and rising insurance and operating expenses.”
- “The market is flat at best, with long-term investors patiently waiting for prices to reset”

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)



Access to CRE Capital Index (1Q26)

Measures the share of commercial real estate investors who found it easier, harder, or roughly the same to access capital in the current quarter versus the prior quarter



Multifamily and **Office** investors report that access to credit became more difficult in 1Q26 vs. 4Q25.

Interest rates for short-term CRE debt are typically tied to the Secured Overnight Financing Rate (SOFR).

- SOFR has fallen ~170 bps since 3Q24 and may fall further if the Federal Reserve cuts rates, providing some relief to borrowers.

Long-term CRE debt rates more closely follow the 10-year Treasury yield, which has declined since early 2025 but remains elevated.

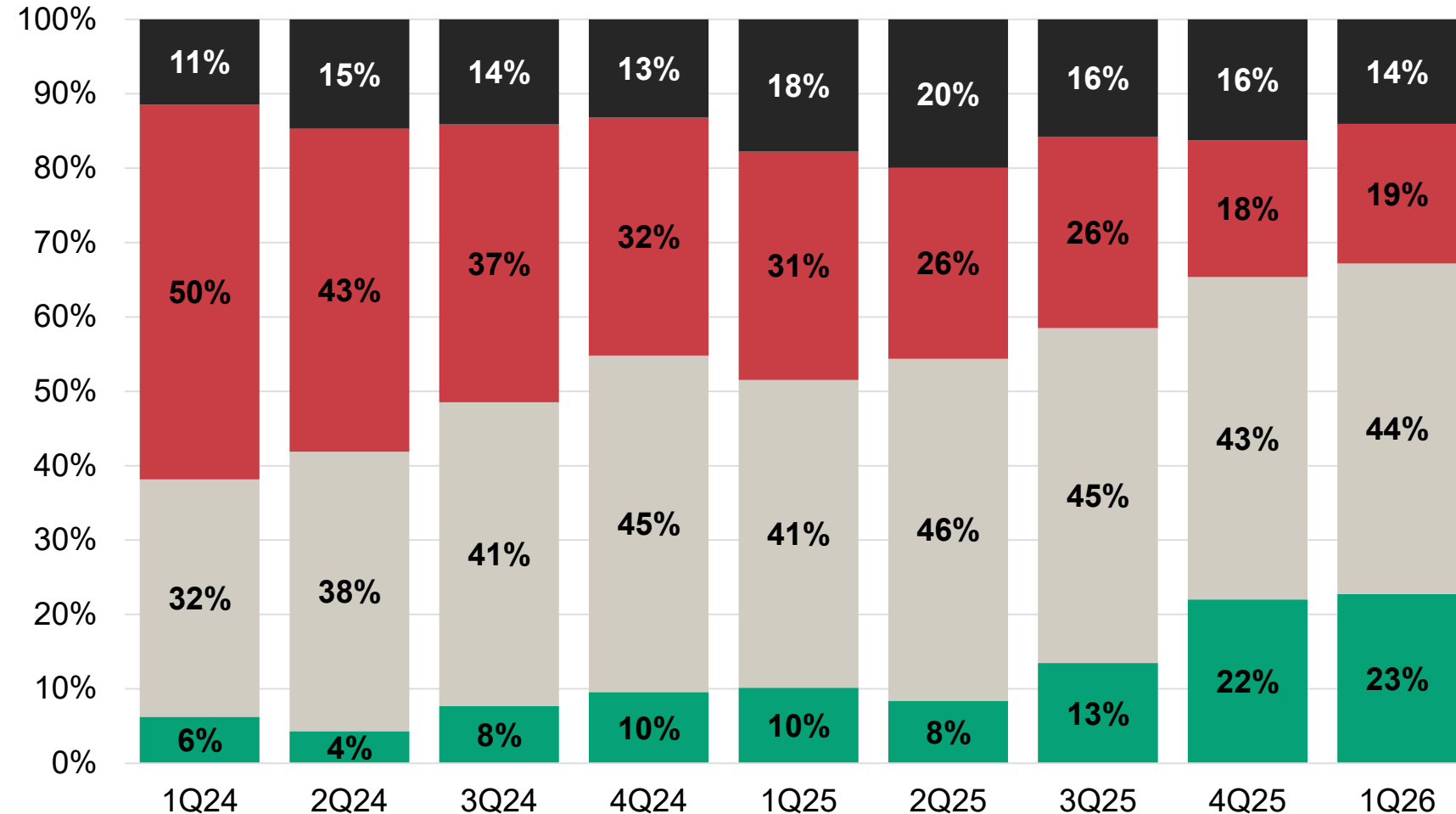
Note: Ratings above 50 indicate that more investors found it easier to access capital in the current quarter vs. the prior quarter, while ratings below 50 indicate that more investors found it harder to access capital in the current quarter vs. the prior quarter.

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

Access to capital is improving but remains a constraint for CRE investors.

Access to Capital for Commercial Real Estate vs. Prior Quarter

- I do not use outside capital
- Harder to access capital today
- Similar/unchanged today
- Easier to access capital today



44% of investors note unchanged capital conditions from last quarter as elevated rates and strict underwriting standards persist. As one investor says:

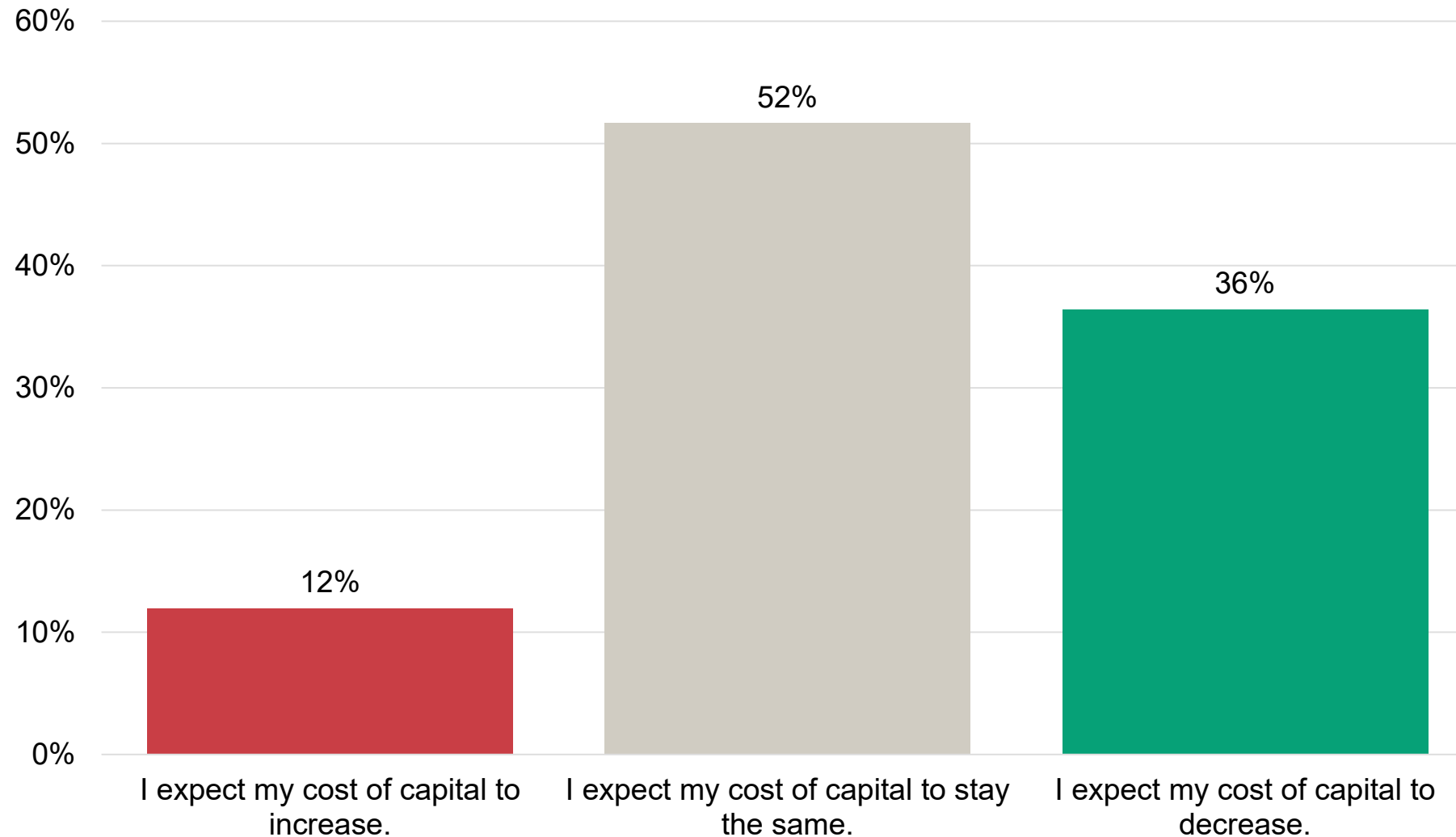
- “Just as with residential real estate, rates need to come down to reduce acquisition costs. We have already seen a dip and bottom in values, now we need lending costs to come down.”

Roughly 1 in 6 CRE investors do not use outside capital.

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

36% of CRE investors expect their cost of capital to decrease over the next 6 months.

How do you expect your cost of capital to change over the next 6 months?

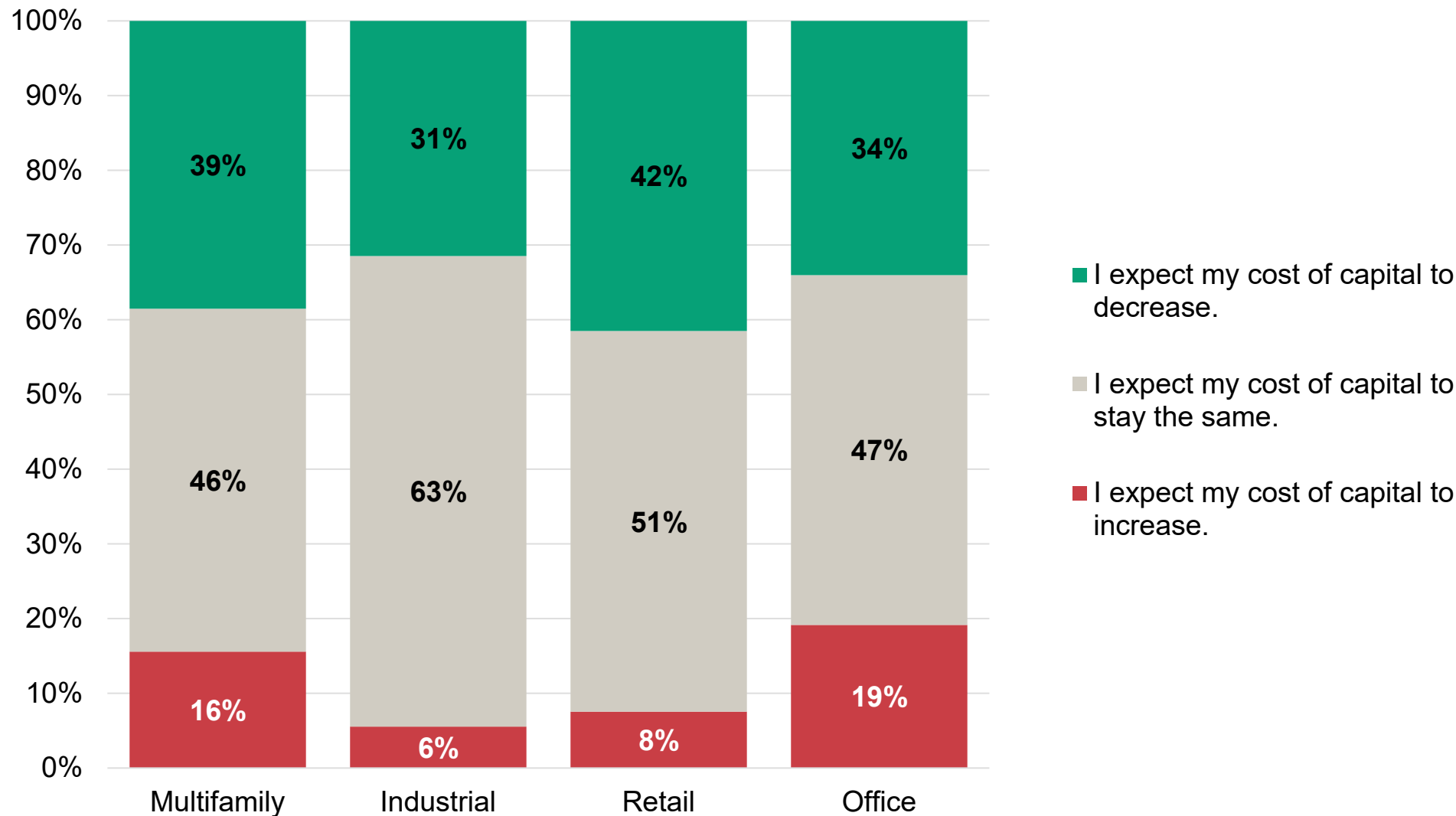


The majority of CRE investors (52%) expect their cost of capital to remain the same over the next 6 months.

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

Retail and Multifamily investors are the most optimistic on near-term decreases in cost of capital.

How do you expect your cost of capital to change over the next 6 months?

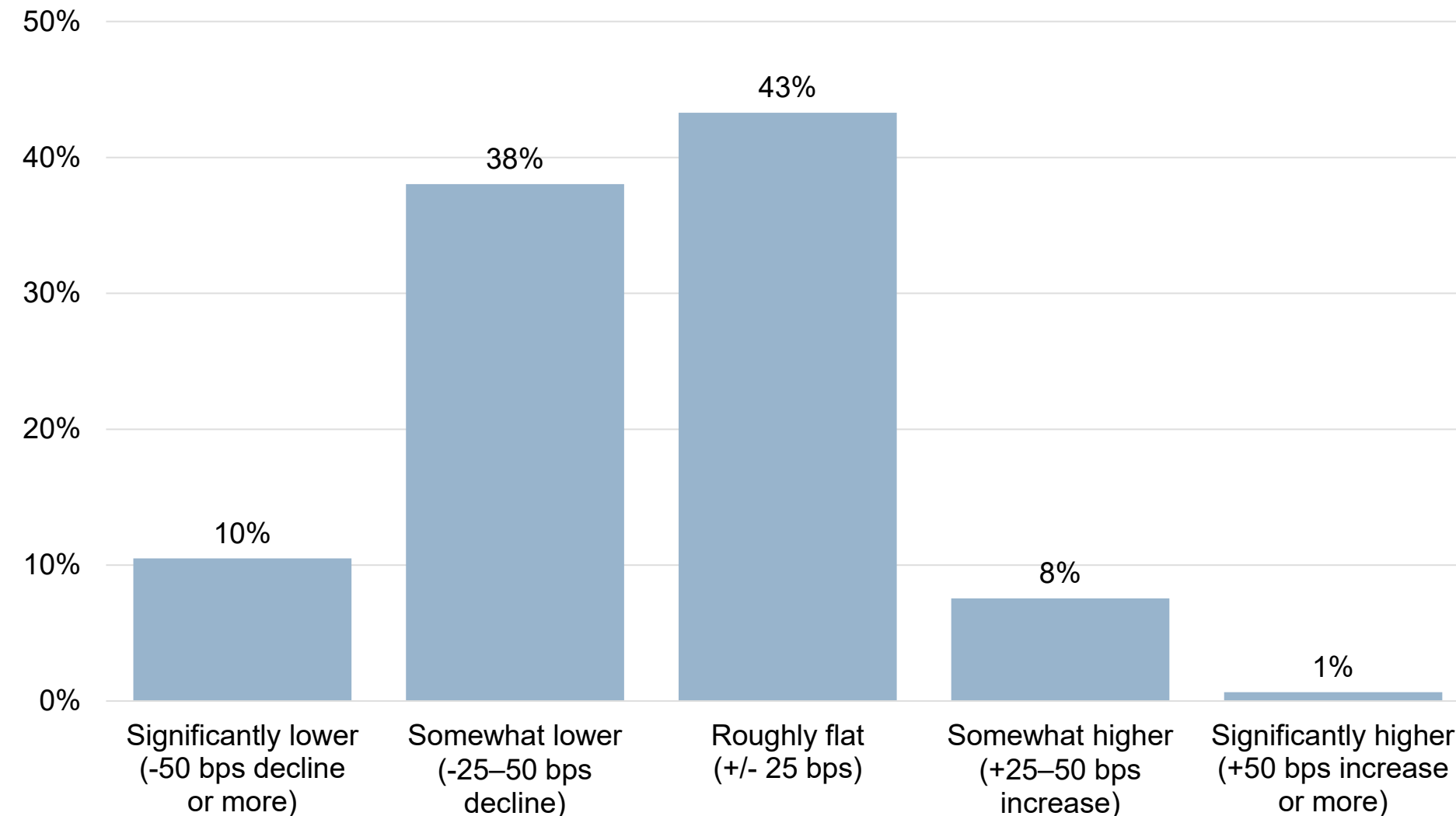


Across sectors, the plurality of investors expect capital costs to remain the same over the next 6 months.

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

48% of investors expect the 10-year Treasury yield to decline at least 25 basis points by year-end 2026.

How do you expect the 10-year Treasury yield to change by December 2026?



43% of investors expect no change in the 10-year Treasury yield by year-end.

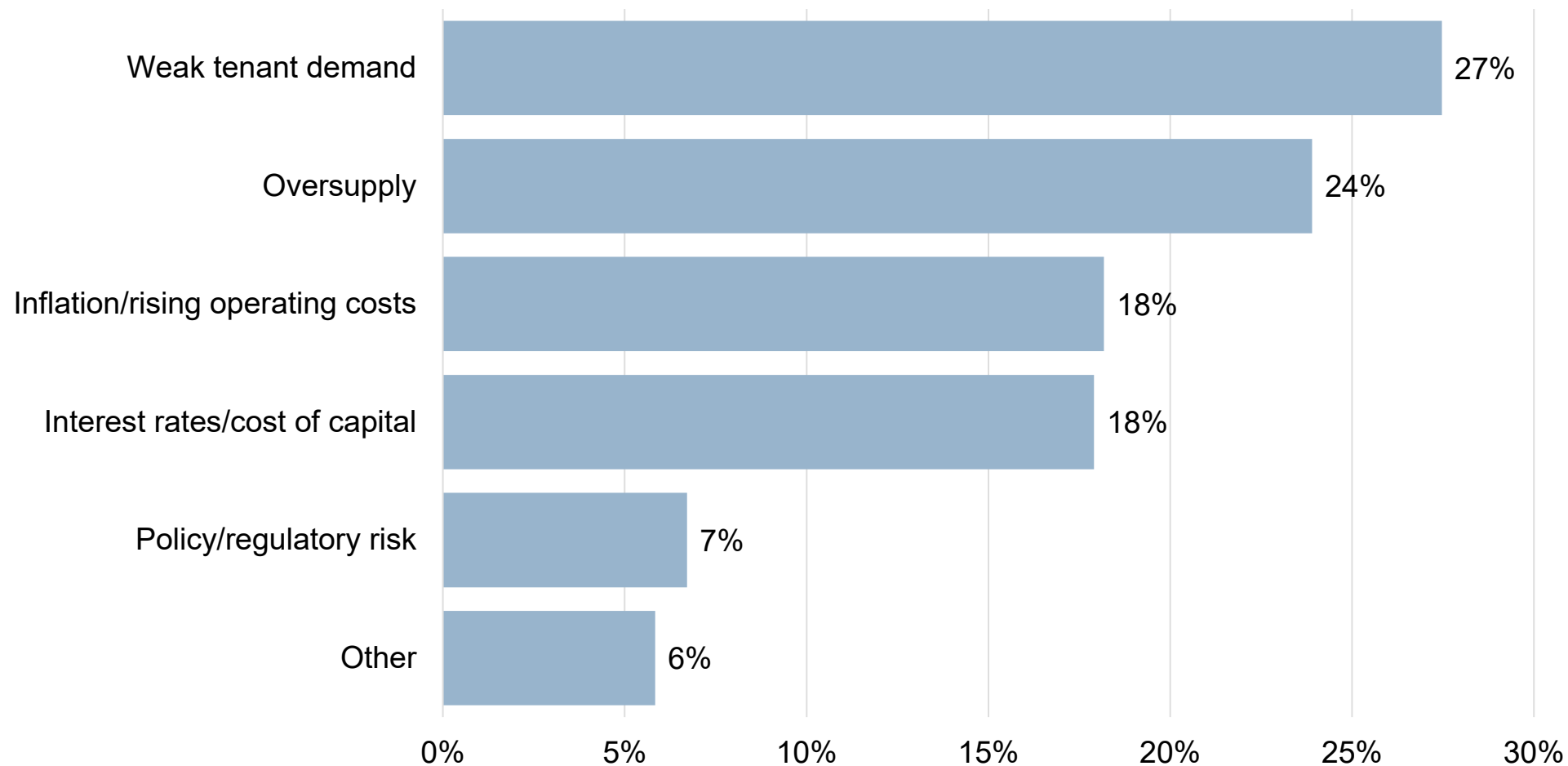
Just 9% of investors expect 10-year Treasury yields to increase by 25 bps or more.

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

Across sectors, CRE investors believe weak tenant demand will be the biggest obstacle in 2026.

What will be the biggest obstacle to your sector in 2026?

Four-sector average



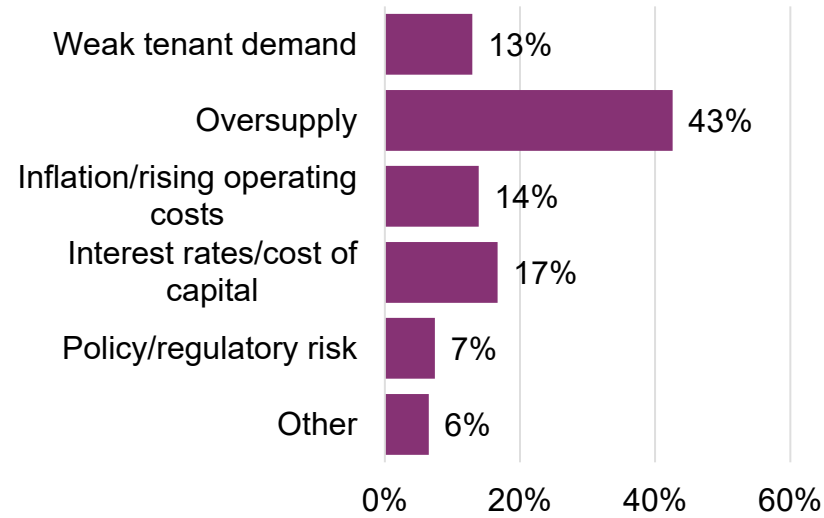
Just 7% of CRE investors expect policy risk to be the biggest obstacle to their sector in 2026.

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

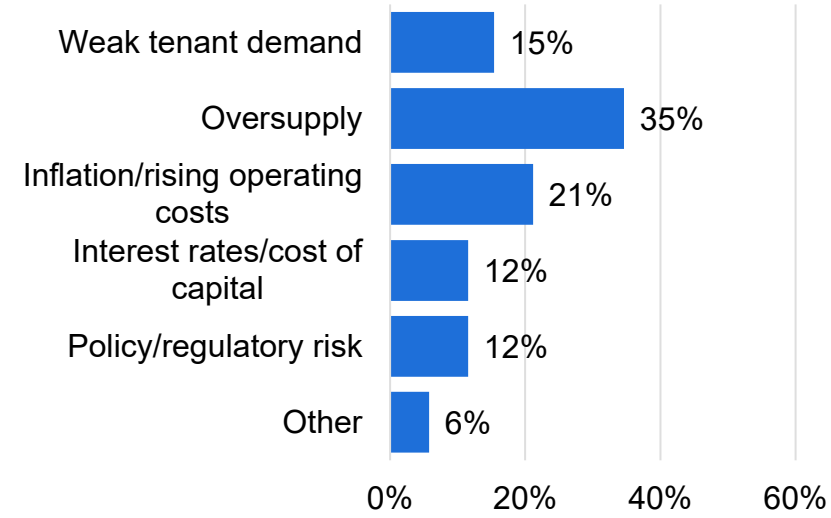
Multifamily investors believe oversupply will be the biggest obstacle to their sector in 2026.

What will be the biggest obstacle to your sector in 2026?

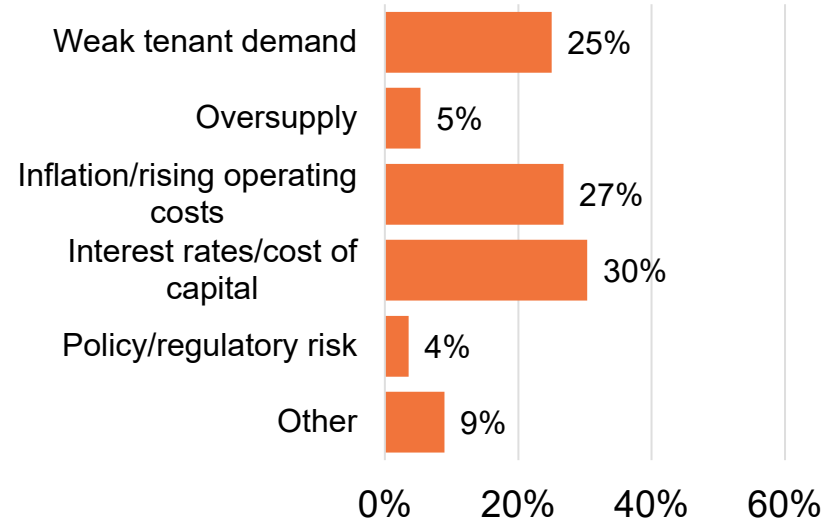
Multifamily



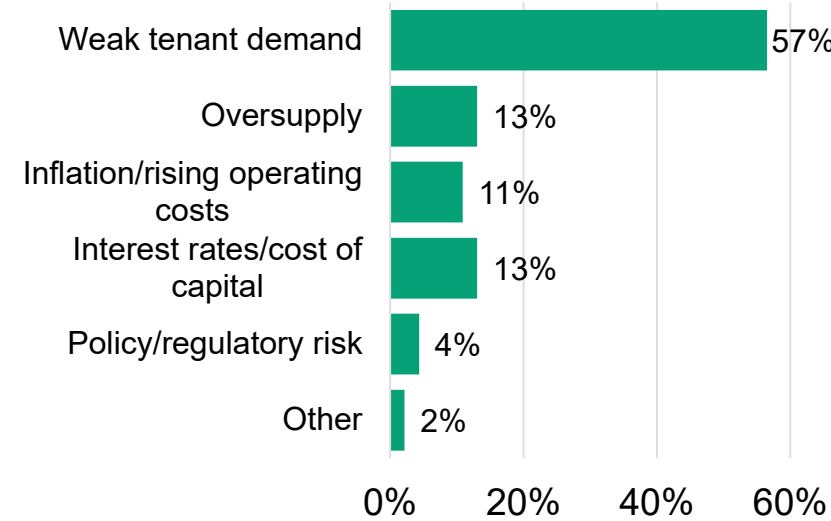
Industrial



Retail



Office



Multifamily and Industrial investors are most wary of oversupply in 2026, while Office investors are more concerned about weak tenant demand.

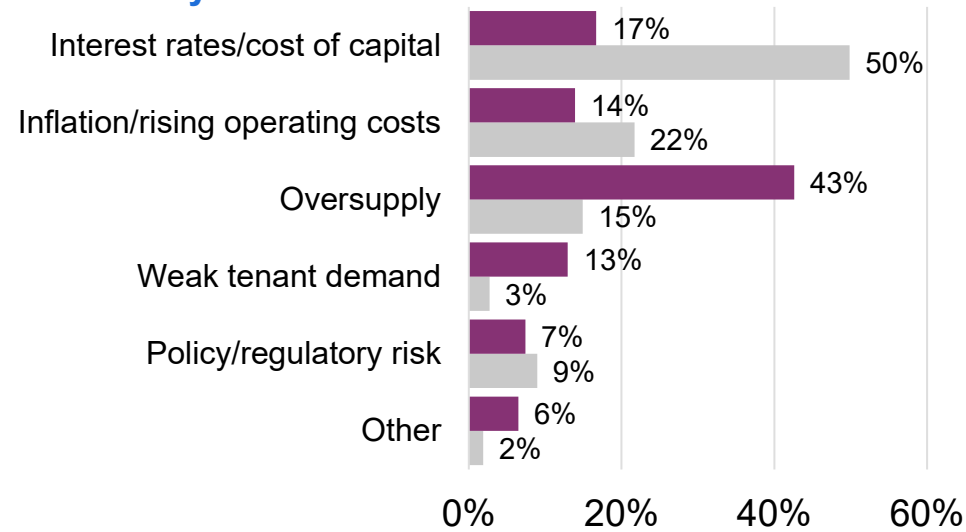
Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

Oversupply is the primary concern for 2026 among Multifamily and Industrial investors.

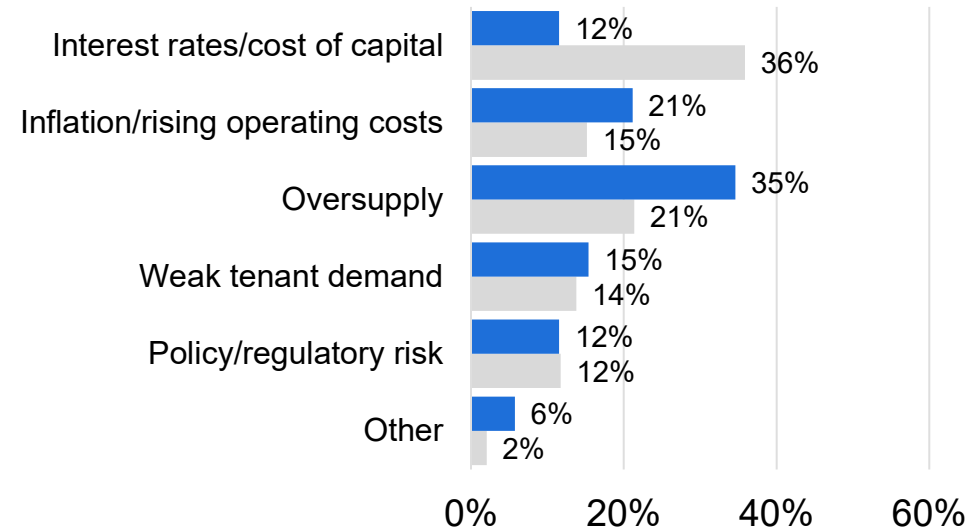
What will be the biggest obstacle to your sector this year?

■ ■ ■ ■ = 2026
■ = 2025

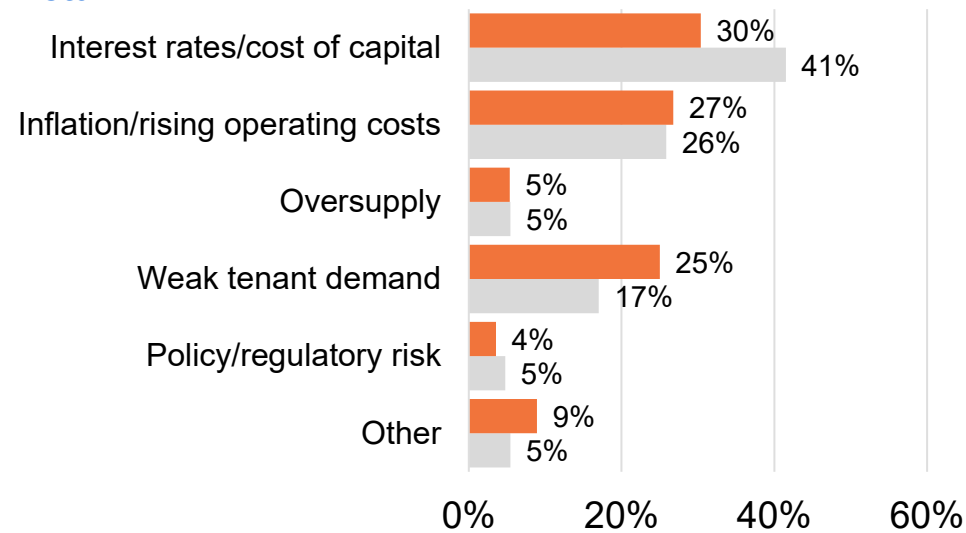
Multifamily



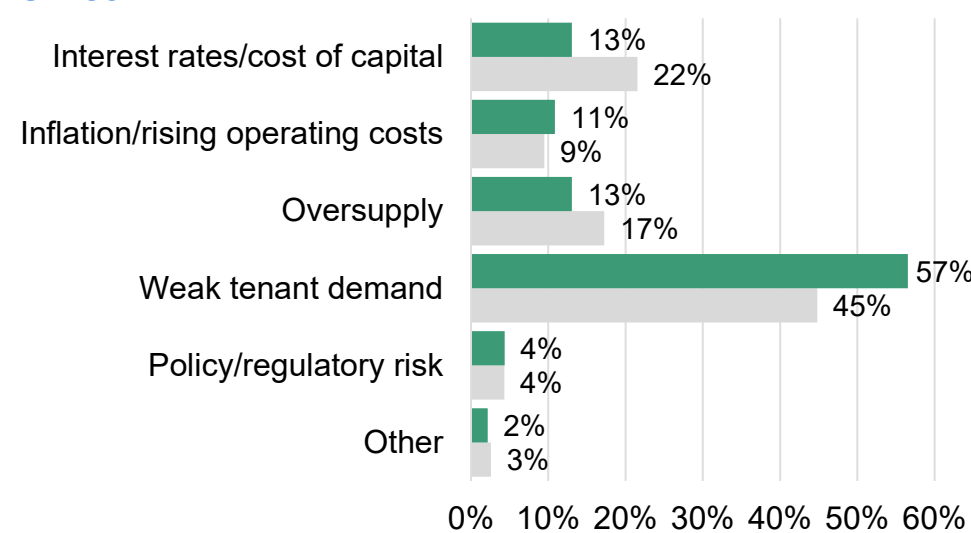
Industrial



Retail



Office



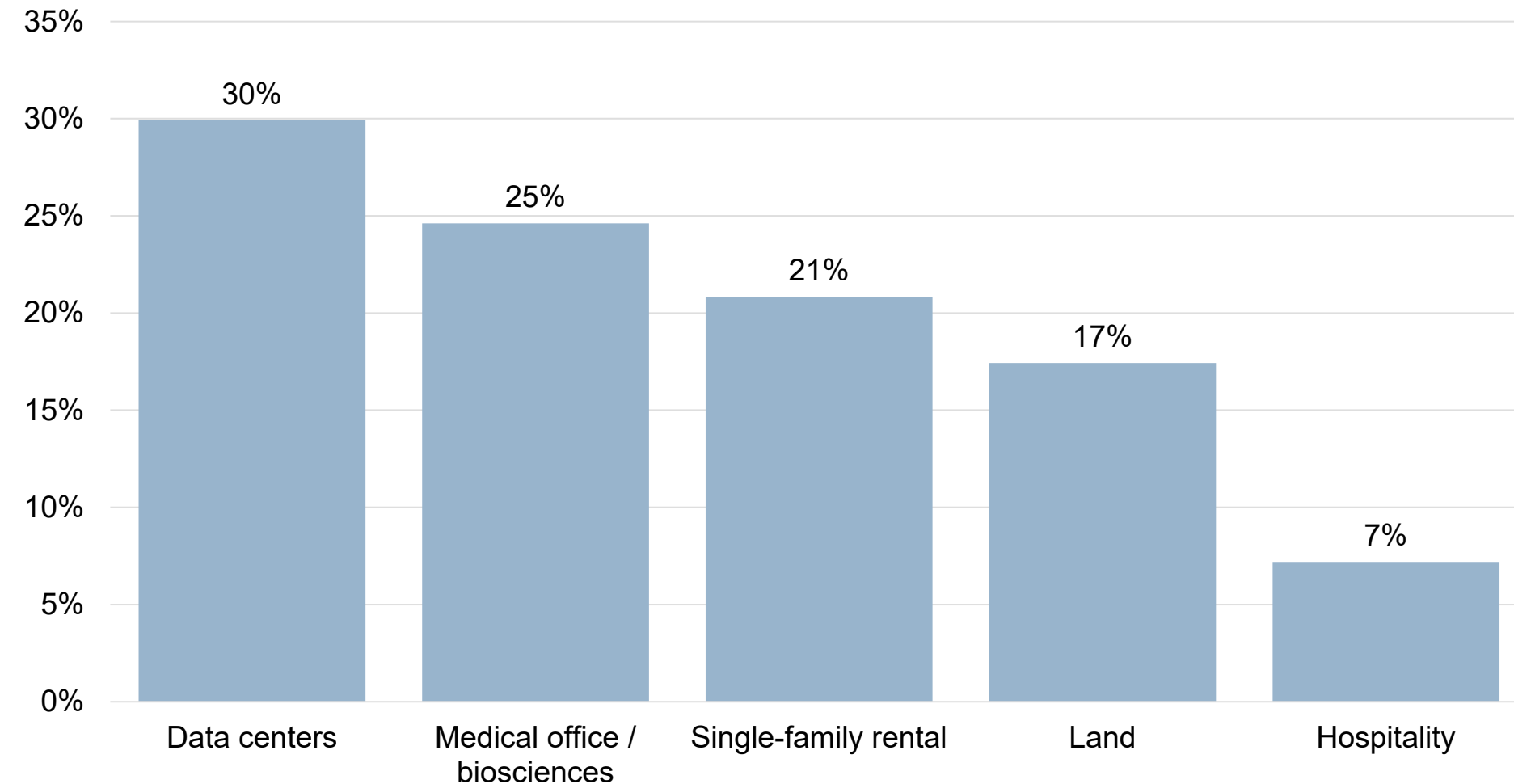
Office investors are most concerned about weak tenant demand in 2026.

Across all sectors, concerns over interest rates/cost of capital have decreased substantially relative to 2025.

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

Among alternative real estate sectors, investors believe data centers are the best risk-adjusted investment over the next 10 years.

Which of the following sectors do you believe will have the best risk-adjusted return over the next 10 years?



Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

Commentary from CRE investors

Market conditions



“Population loss and overbuilding of large, high-end **apartment** buildings in Denver—along with their incentives—are hurting small mom-and-pop owners of older properties. I expect it may take 3–5 years to get back to where we were at the beginning of 2025.”

“I hope rates decline in early May, and that Treasury bill yields come down as well.”

“The investment market remains challenging. There are more buyers than sellers, but buyers are selective and focused on quality, well-priced assets with upside potential.”

“I believe private credit will continue to gain prevalence, leading to hybrid capitalization strategies. We may see more preferred equity at reduced rates and LPs returning to the market as risk-adjusted interest rates decline in preferred equity and private credit.”

Investor optimism



“We are at the beginning of a cycle that is gradually trending up.”

“I’ve been in the business nearly 40 years, and this is the best tenant market I’ve ever seen—especially for **office** tenants in downtown markets.”

“There are great opportunities for those who can properly identify and underwrite current supply.”

“**Industrial** activity was slow in 2025, but there are already signs of increased activity in 2026.”

“Most markets appear flat to declining, with weak sales activity across most segments. However, we recently closed an **industrial** flex deal above market pricing to a government-subsidized healthcare provider. As always, if you find the right buyer at the right time, deals can close at or above market.”

“I hope rates decline in early May, and that Treasury bill yields come down as well”

Distress and uncertainty



“**Multifamily** investor since 1986 — I have never seen this level of extend-and-pretend. 40% of existing **multifamily** debt (\$2.2T) cannot be refinanced in today’s normalized rate environment, and 65% of CMBS maturities are being rolled over. Outside of the major institutional players with true unlevered deployment capabilities—who comprise less than 5% of market participants—the market is flat at best, with long-term investors patiently waiting for prices to reset (only halfway there).”

“There is uncertainty stemming from oversupply, inconsistent policy, investor nervousness, and rising insurance and operating expenses.”

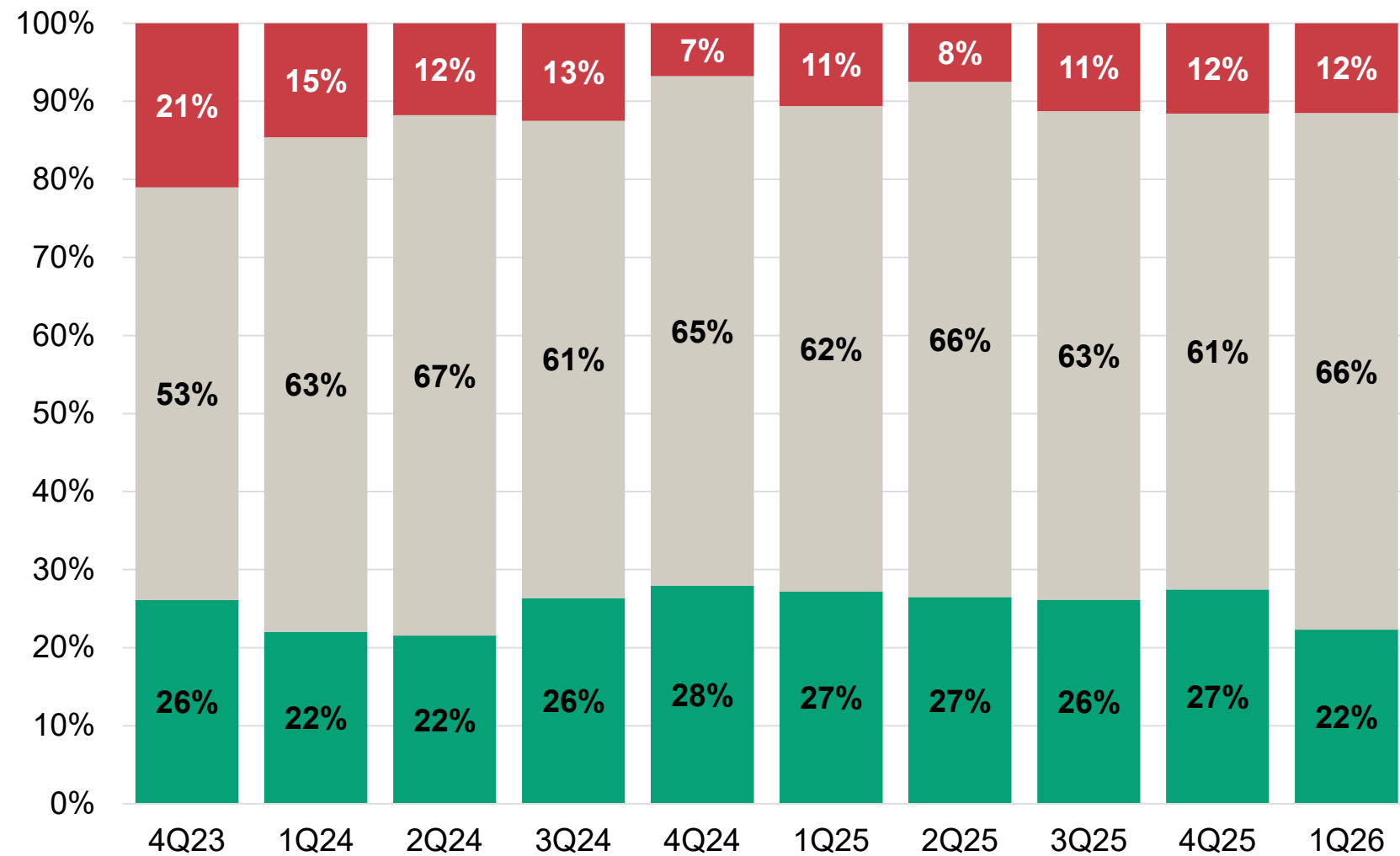
“I am concerned about political uncertainty and will remain on the sidelines until there is more clarity over what will happen in the next few years.”

“The elimination of government programs, issues with fraud, and rising material and labor costs have hurt operations across many units.”

66% of multifamily investors are on hold, the highest share since 2Q24.

Multifamily: Current Commercial Real Estate Investment Strategy

■ Increasing exposure ■ Holding / not changing exposure ■ Decreasing exposure



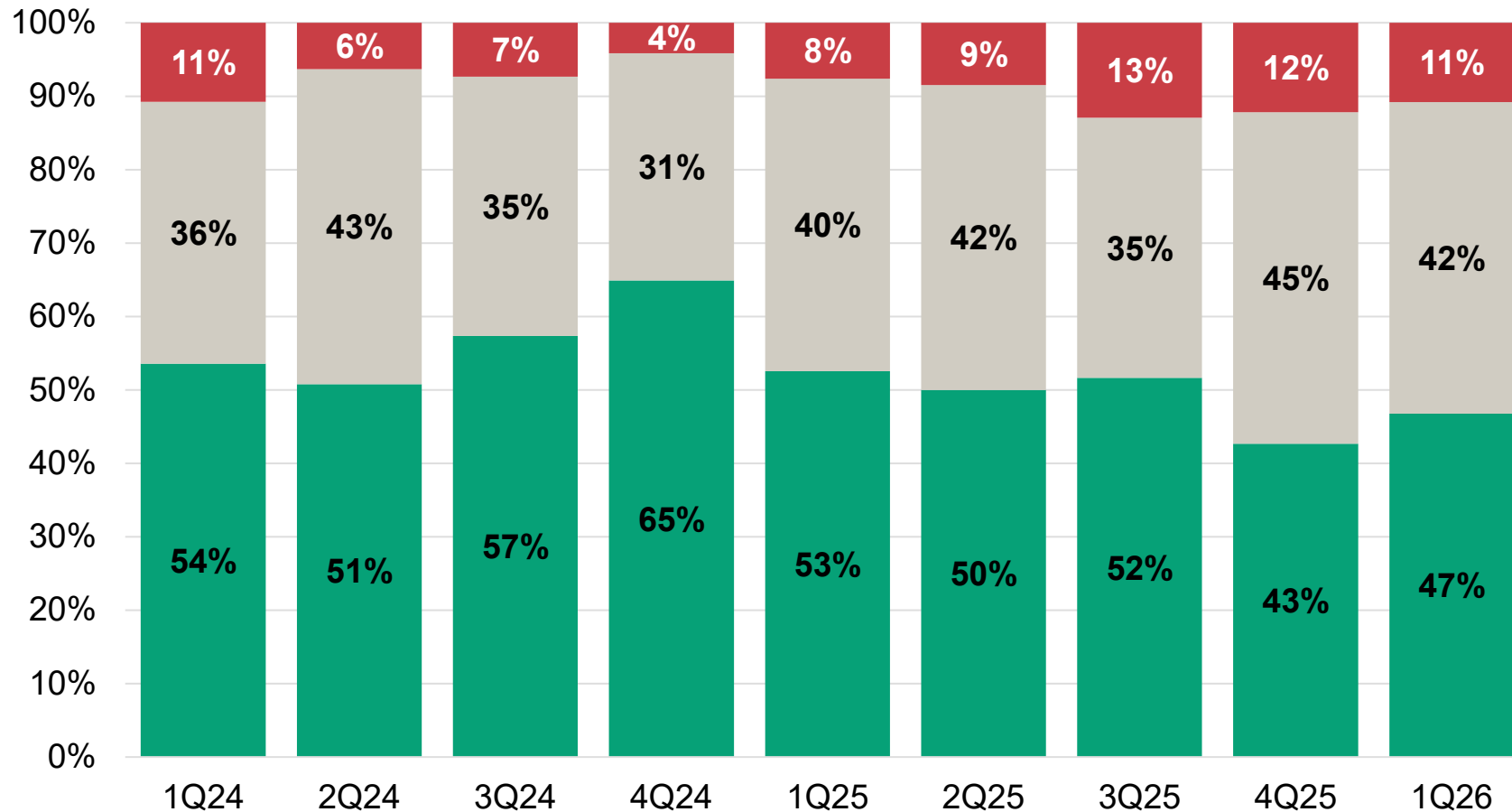
Just 22% of multifamily investors increased their investment exposure in 1Q26, the lowest share since 2Q24 and tied with the lowest share in our survey history.

Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

47% of multifamily investors expect to increase their exposure over the next 6 months, up from 4Q25 but below 53% one year ago.

Multifamily: Expected Commercial Real Estate Investment Strategy (Next 6 Months)

- I expect to decrease my investment exposure
- I expect to hold / not change my investment exposure
- I expect to increase my investment exposure

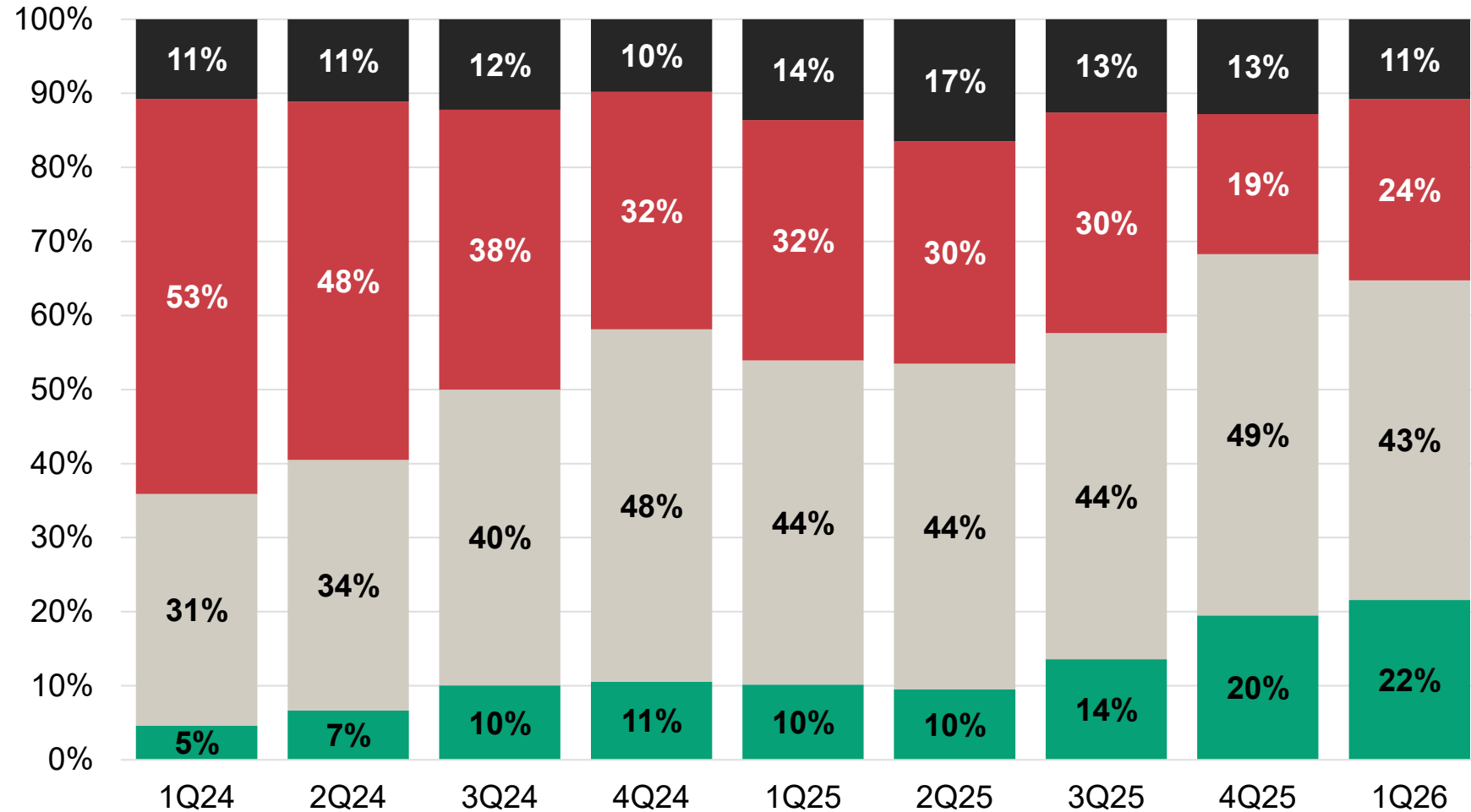


Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

24% of multifamily investors believe access to capital worsened in 1Q26, up from 19% in 4Q25.

Multifamily: Access to Capital for Commercial Real Estate vs. Prior Quarter

- I do not use outside capital
- Harder to access capital today
- Similar/unchanged today
- Easier to access capital today



Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: Feb-26, Pub: Mar-26)

Burns + CRE Daily Fear and Greed Index

This report gauges the pulse of the commercial real estate industry in the United States. Conducted jointly by **CRE Daily** and **John Burns Research and Consulting**, the Fear and Greed report is based on a quarterly survey of commercial real estate investors primarily involved in **Multifamily, Industrial, Retail, and Office** sectors.

The Fear and Greed Index is a proprietary diffusion index that compares 3 key aspects of commercial investors' business:

- 1) **Current investment strategy** (currently increasing or decreasing CRE exposure)
- 2) **Expected investment strategy** (next 6 months)
- 3) **Access to capital** (easier or harder vs. prior quarter)

Survey Responses

Sector	Responses	% of Sample
Multifamily	139	37%
Industrial	69	18%
Retail	74	20%
Office	62	17%
Other	31	8%
Total:	375	100%

In survey work, a diffusion index highlights how a market, field, or industry generally performs within a given time frame.

Our Fear and Greed diffusion index value (0 to 100) demonstrates how far responses vary from the baseline (50). A value not far from the baseline indicates little change, whereas a value far from the baseline indicates great change. For example, a value less than 45 indicates a tendency toward contraction, and a value over 55 indicates a tendency toward expansion.

Index Components

Metric

Current CRE investment strategy

Expected CRE investment strategy (next 6 months)

Access to capital for CRE

Note: investment strategy refers to increasing, decreasing, or holding investment exposure to each commercial real estate sector.

Sample details

Responses by segment:

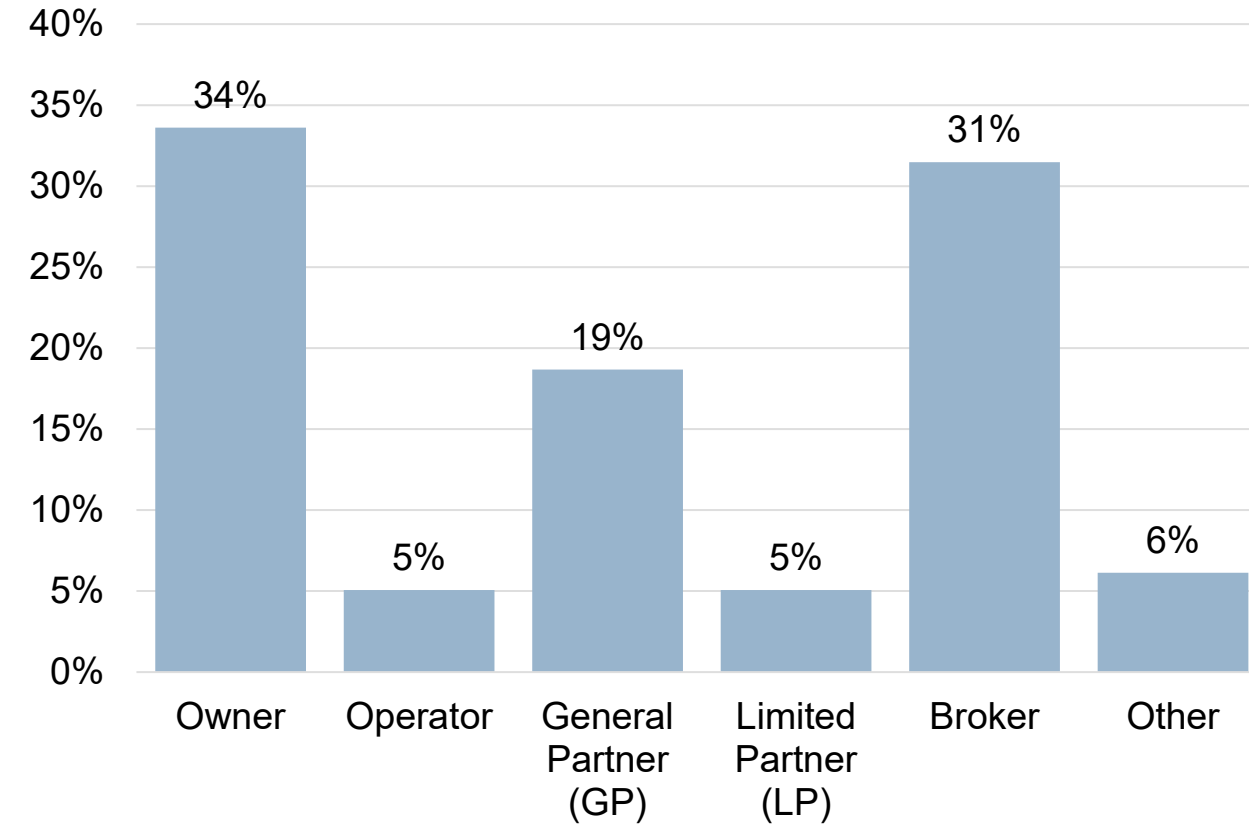


Responses by region:

Note that participants could select more than one region in which they are active. Thus, the total will not add to 100%.

- California: 20%
- Florida: 37%
- Midwest: 34%
- Northeast: 25%
- Northwest: 11%
- Southeast: 29%
- Southwest: 24%
- Texas: 37%

Primary Role



Contact the John Burns team

Report Analysis

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We provide trusted analysis for executive decisions. Our experienced team of analysts and consultants helps our clients make smart investment decisions. We serve our clients in two ways:

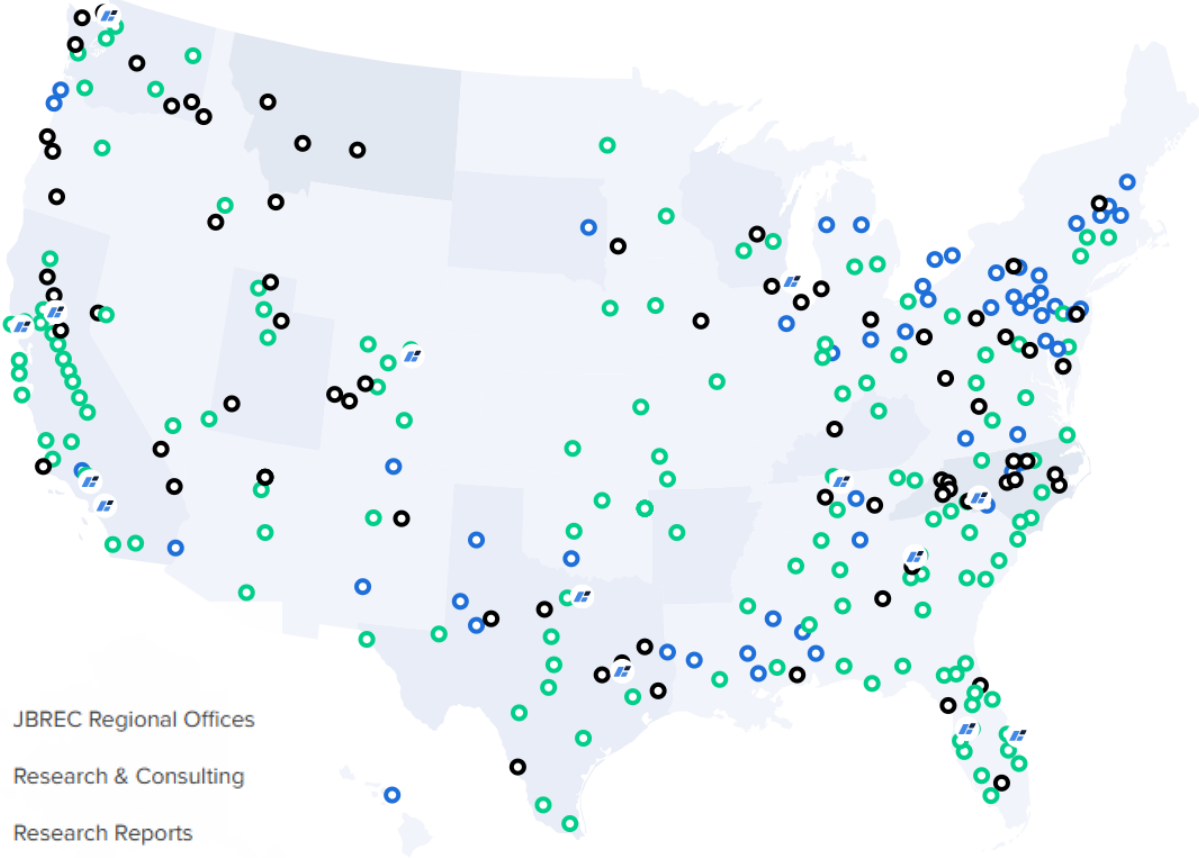
- **Research memberships:** We provide our research members with subscription packages of informative, timely analysis supported by data and dashboards. We also service our members by answering their individual questions and hosting them at our client-only events.
- **Consulting services:** We provide our consulting clients with customized analysis to help them answer specific questions on topics ranging from developing strategy to acquiring a specific property or company.

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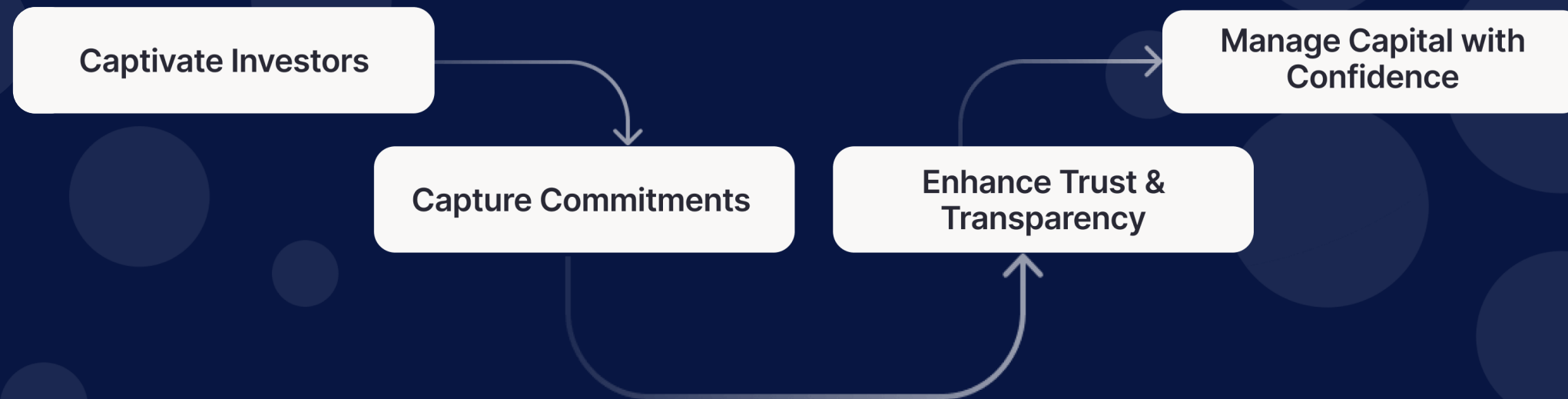
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