

# 2Q26 Fear and Greed Survey (Commercial Real Estate)

**JOHN BURNS**  
RESEARCH & CONSULTING

**CRE Daily**

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June 9, 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 2Q26 report is based on 508 market ratings from members of the commercial real estate community across 4 primary sectors:



**Multifamily**



**Industrial**



**Retail**



**Office**

*The 2Q26 survey ran from May 4 to May 25. Responses, commentary, and sentiment reflect the latest shifts across commercial real estate.*

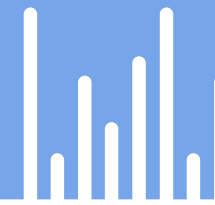
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**Jenny Reyes**

*Publishing Specialist*



# We are pleased to share the 2Q26 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

**56**  
out of 100

The Fear and Greed Index is at **56** out of 100, indicating a slightly **expanding** commercial real estate market.



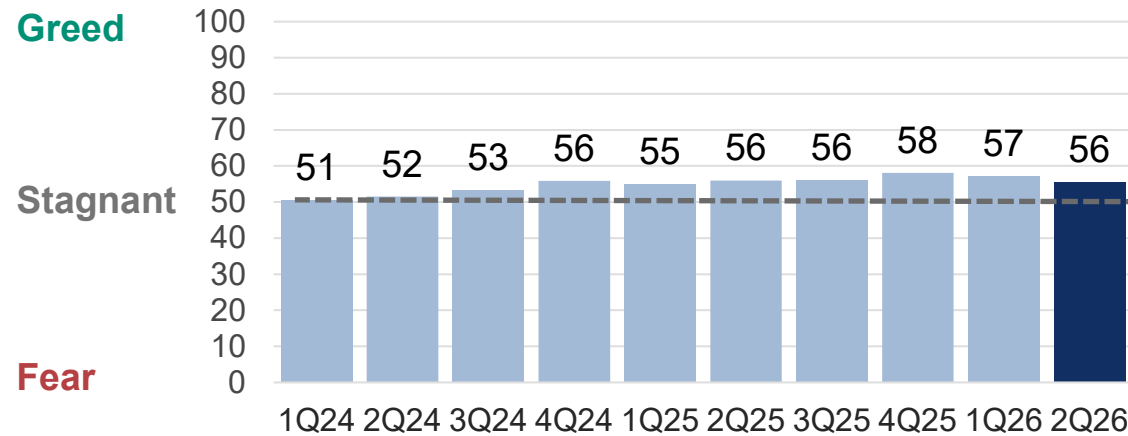
Conducted jointly by John Burns Research and Consulting and CRE Daily, the 2Q26 index reflects findings from 508 commercial real estate investors across 4 sectors: **Multifamily**, **Industrial**, **Retail**, and **Office**.

# The Fear and Greed Index ticked down slightly in 2Q26 from 1Q26.

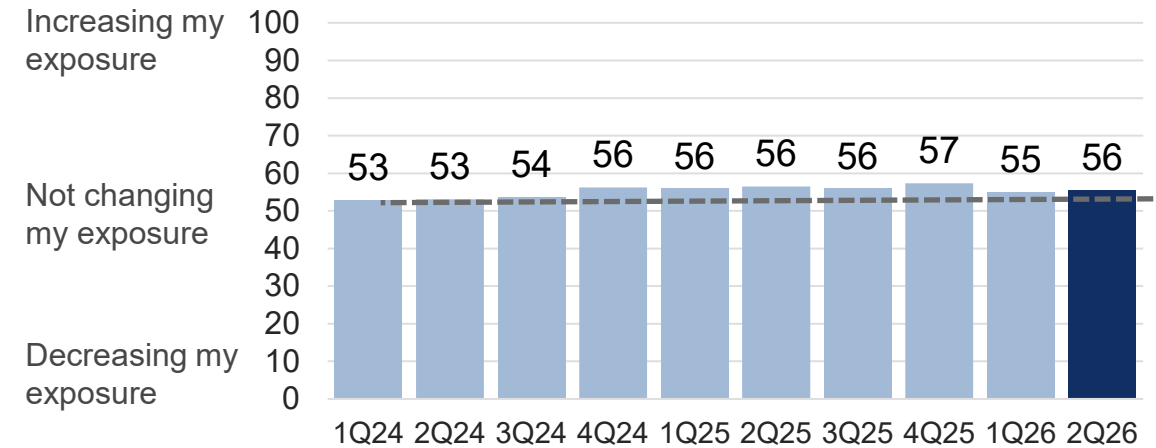
On a diffusion index, a value above 55 indicates expansion, while a value below 45 implies contraction.



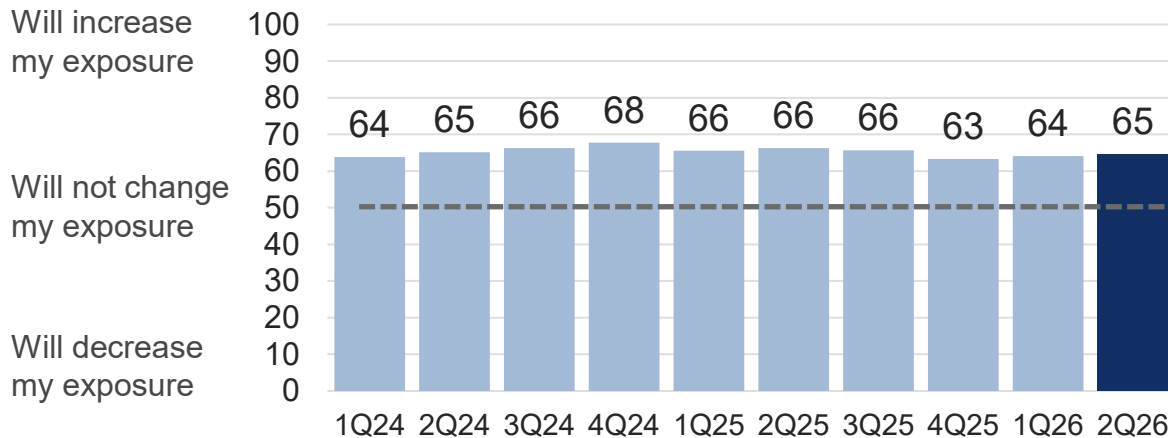
## Burns + CRE Daily Fear & Greed Index



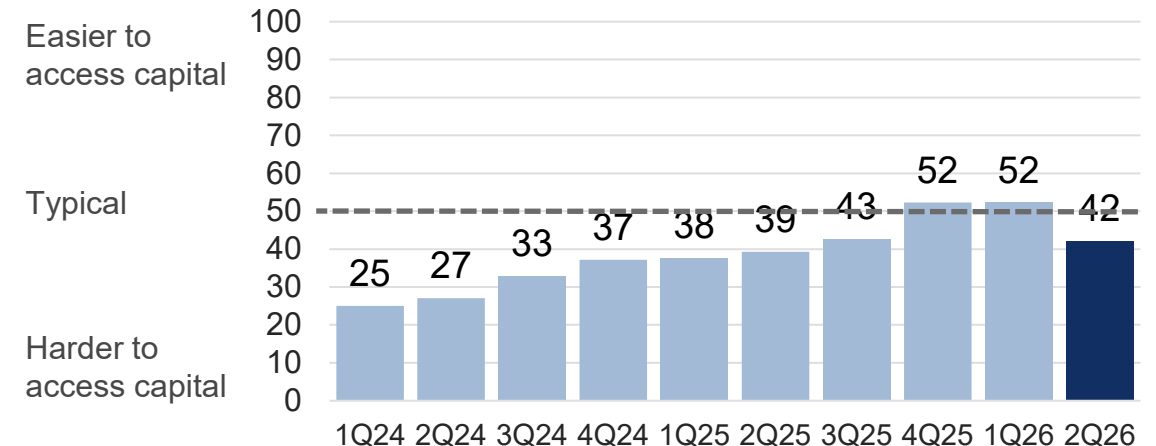
## Current CRE Investment Strategy Index



## Expected CRE Investment Strategy Index: Next 6 Months



## Access to CRE Capital Index (2Q26 vs. 1Q26)



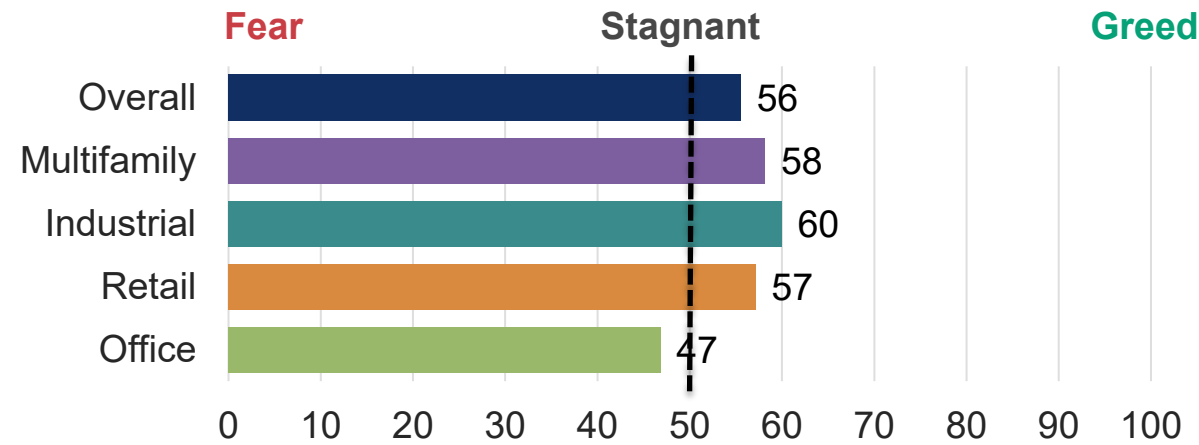
Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: May-26, Pub: Jun-26)

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

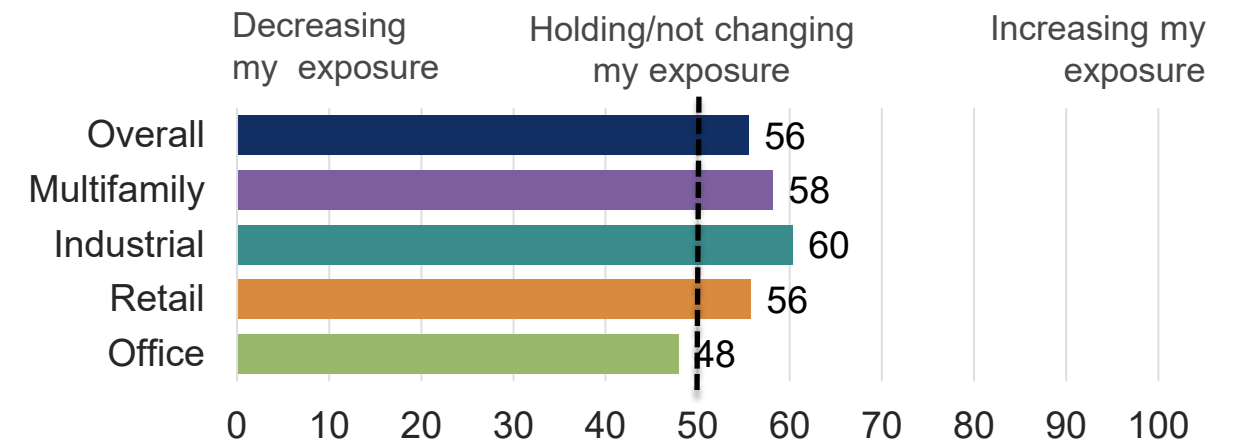
On a diffusion index, a value above 55 indicates expansion, while a value below 45 implies contraction.



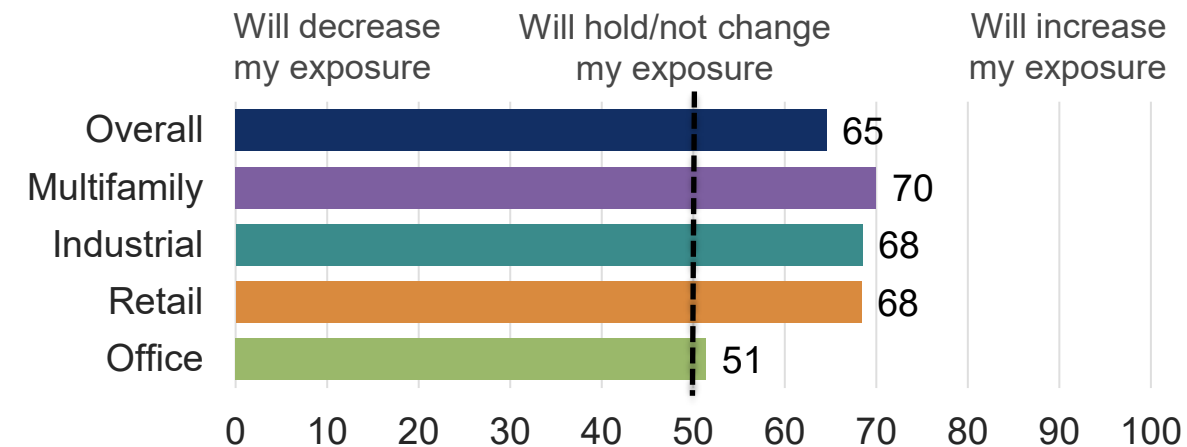
## Burns + CRE Daily Fear & Greed Index



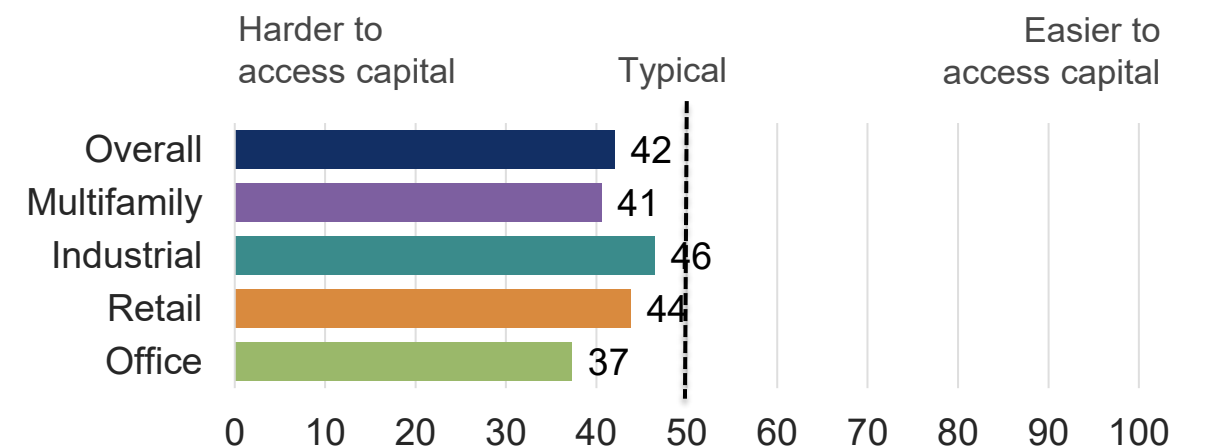
## Current CRE Investment Strategy Index



## Expected CRE Investment Strategy Index: Next 6 Months



## Access to CRE Capital Index (2Q26 vs. 1Q26)

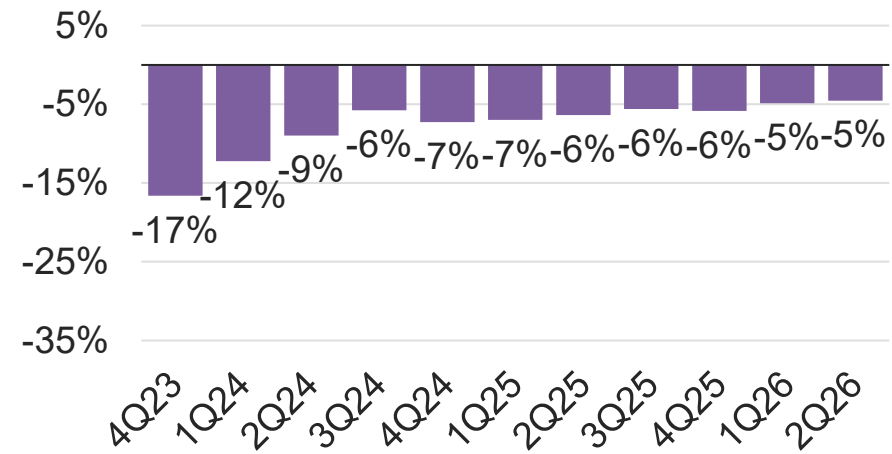


Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: May-26, Pub: Jun-26)

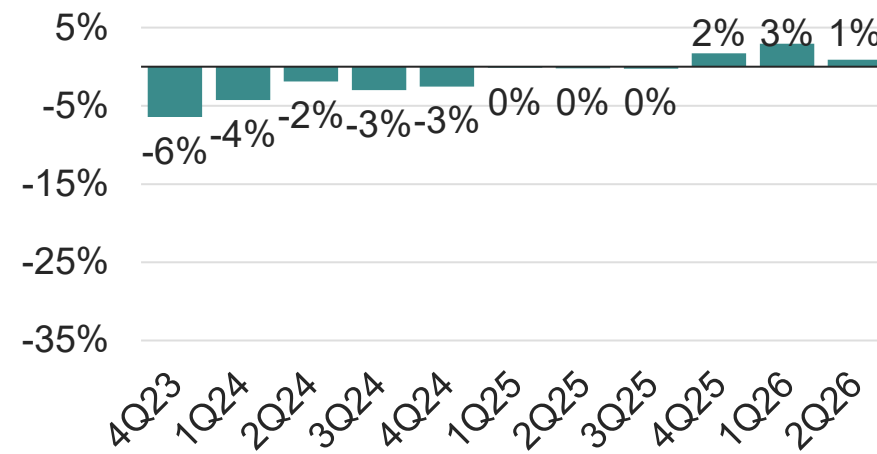
# Investors indicate that Multifamily and Office asset values fell YOY.

## Change in Values by Asset Class (% YOY)

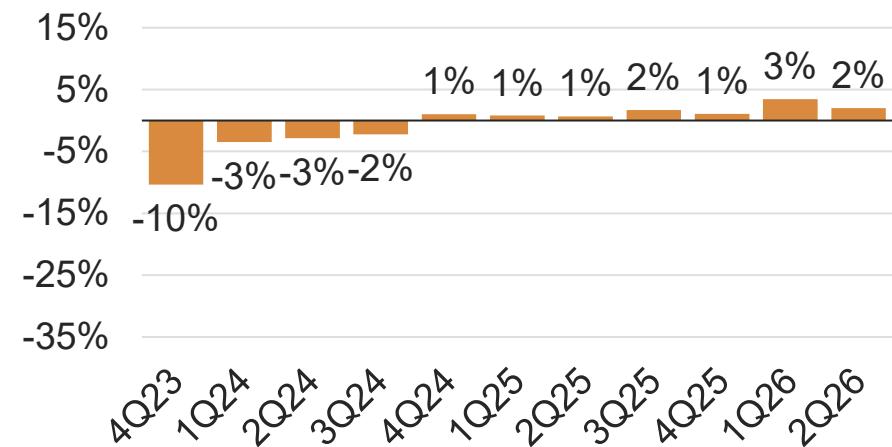
### Multifamily



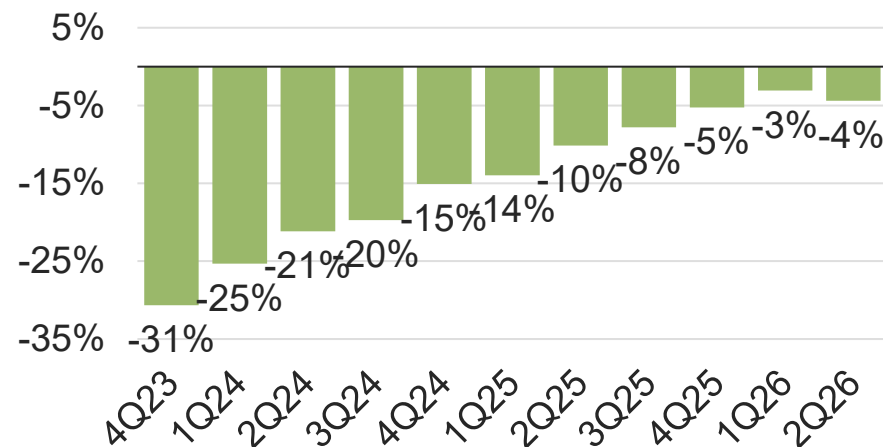
### Industrial



### Retail



### Office



Investors believe **Industrial** and **Retail** asset values rose slightly YOY in 2Q26.

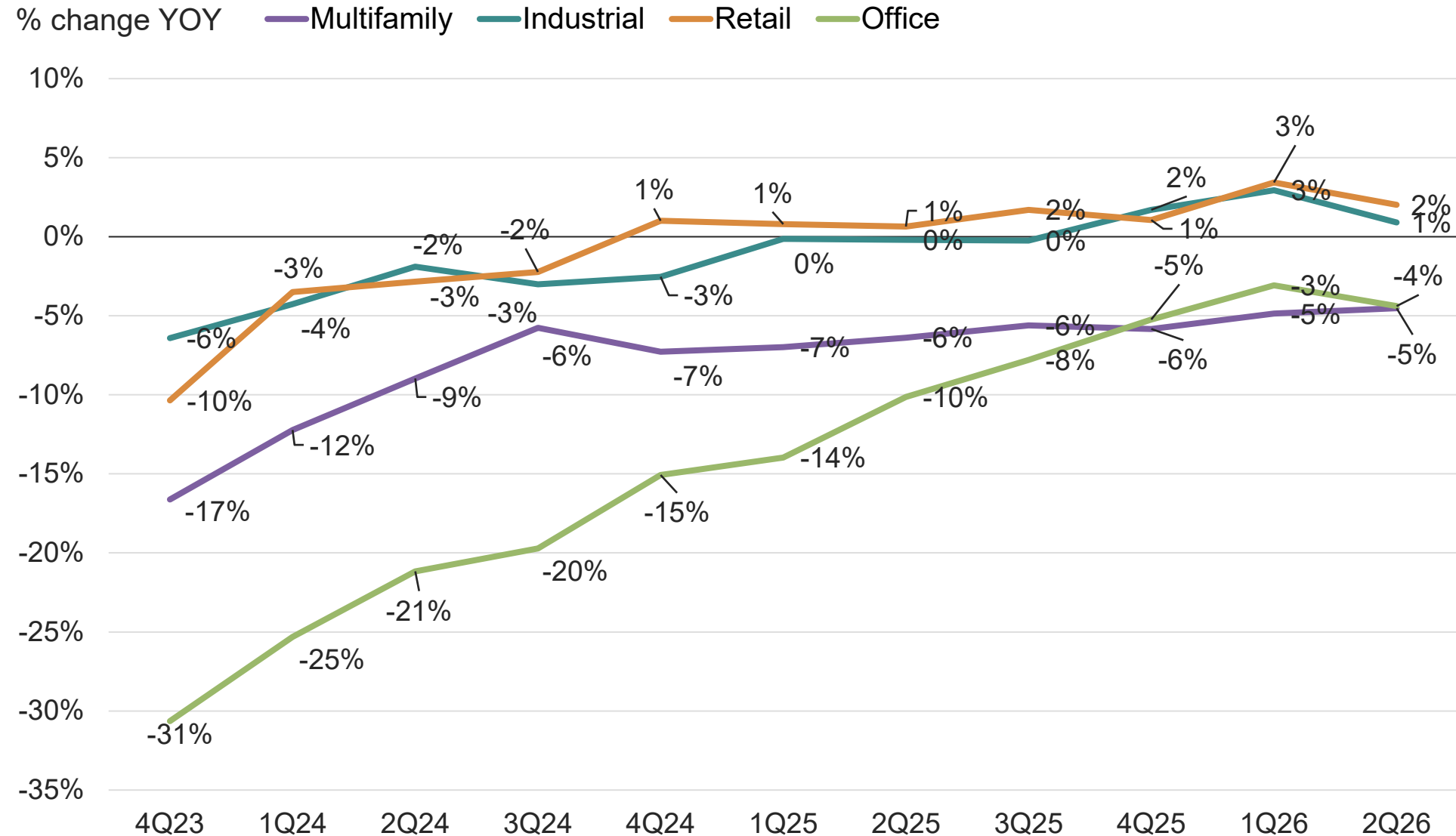
Asset values fell the most in the **Multifamily** sector (-5% YOY).

**Office** sector asset values declined -4% YOY; slightly worse than 1Q26, but still a less severe decline than in prior quarters.

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

# Investors indicate that Multifamily and Office asset values fell YOY.

## Change in Values by Asset Class



Investors believe **Industrial** and **Retail** asset values rose slightly YOY in 2Q26.

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

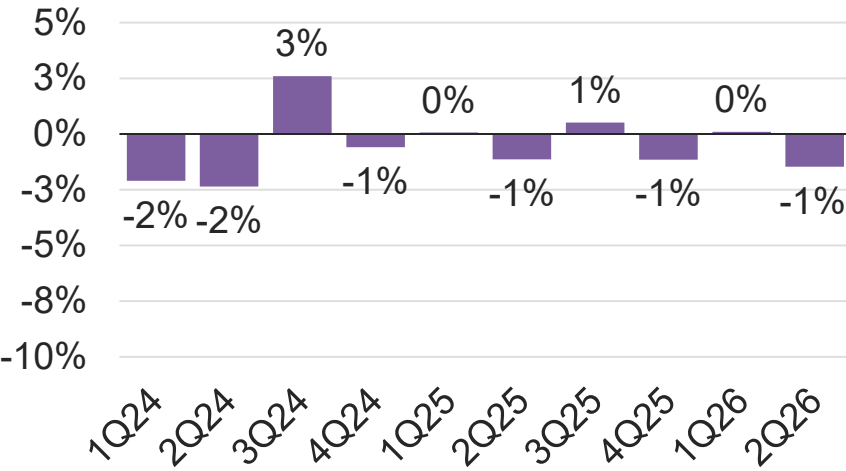
**Office** sector asset values declined -4% YOY; slightly worse than 1Q26, but still a less severe decline than in prior quarters.

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

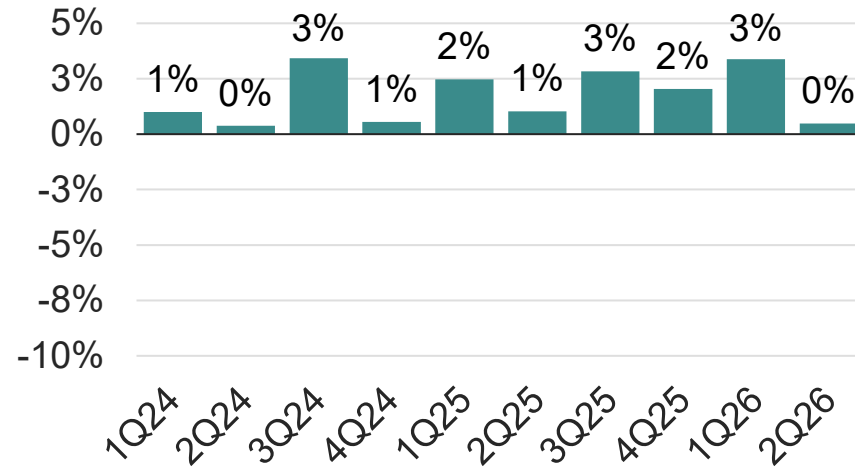
# Investors indicate that Multifamily values will fall slightly over the next 6 months, while other CRE sectors will remain flat.

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

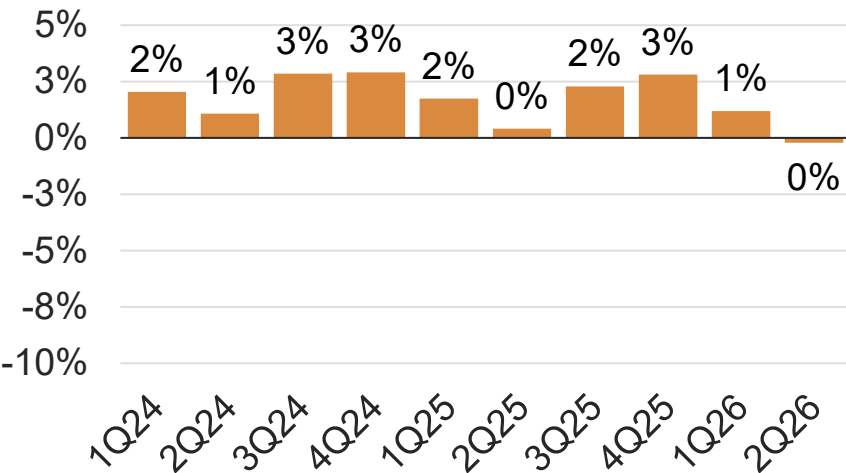
### Multifamily



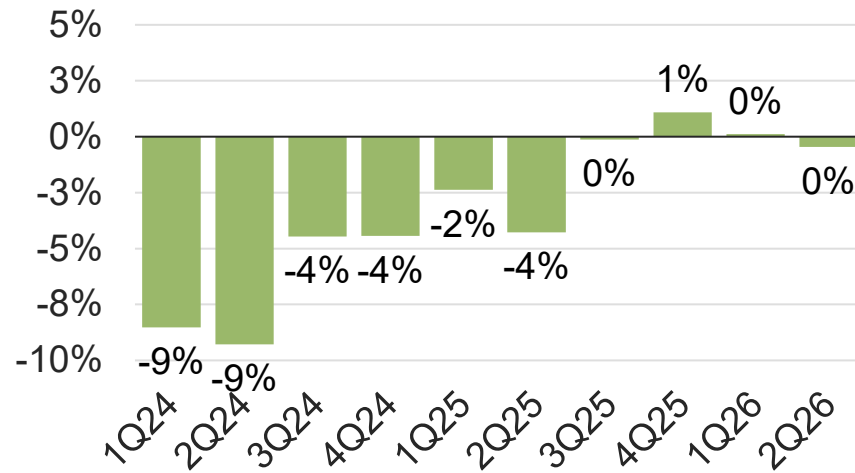
### Industrial



### Retail



### Office

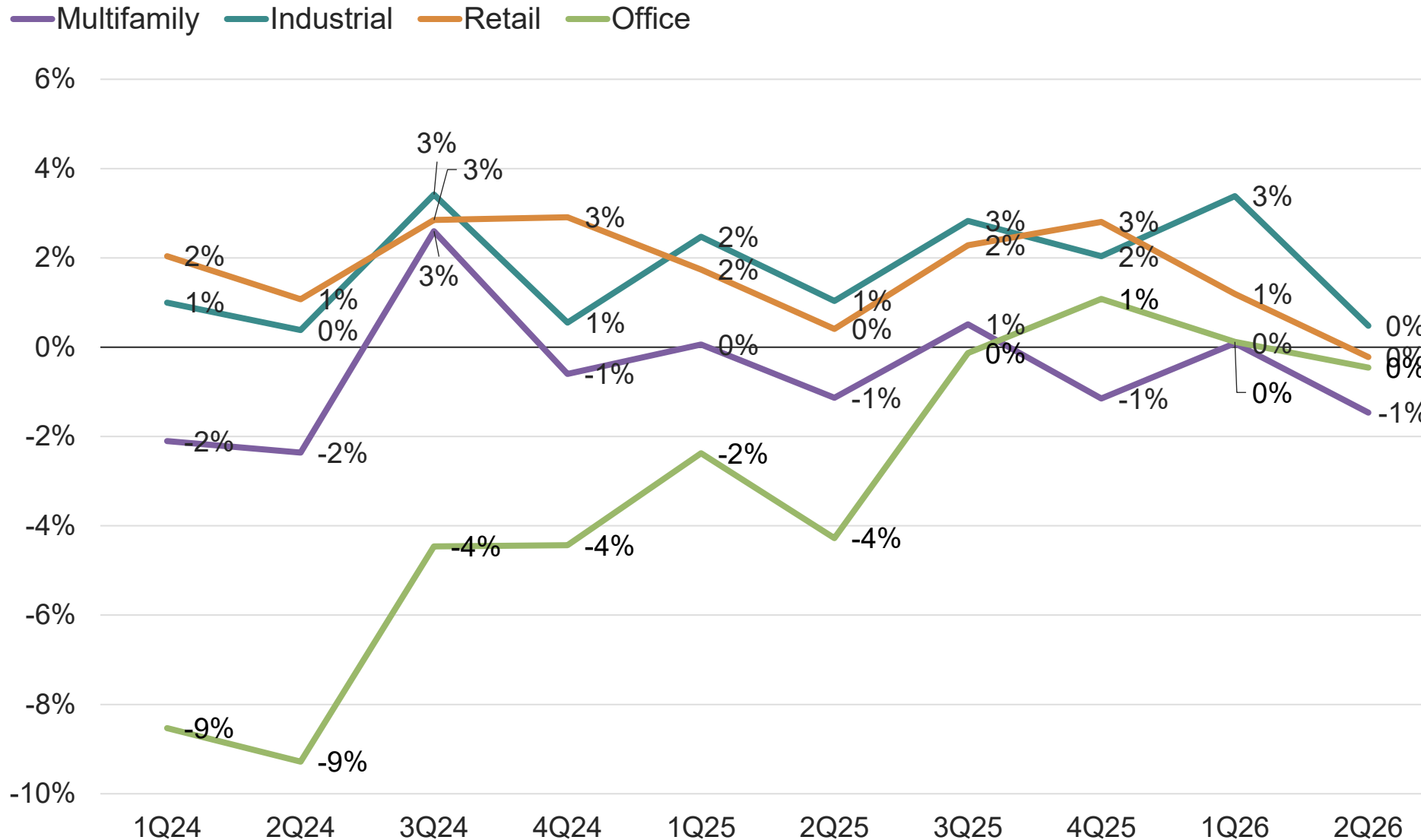


No sectors expect significant near-term growth in asset values.

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

# Investors indicate that Multifamily values will fall slightly in the first half of 2026.

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



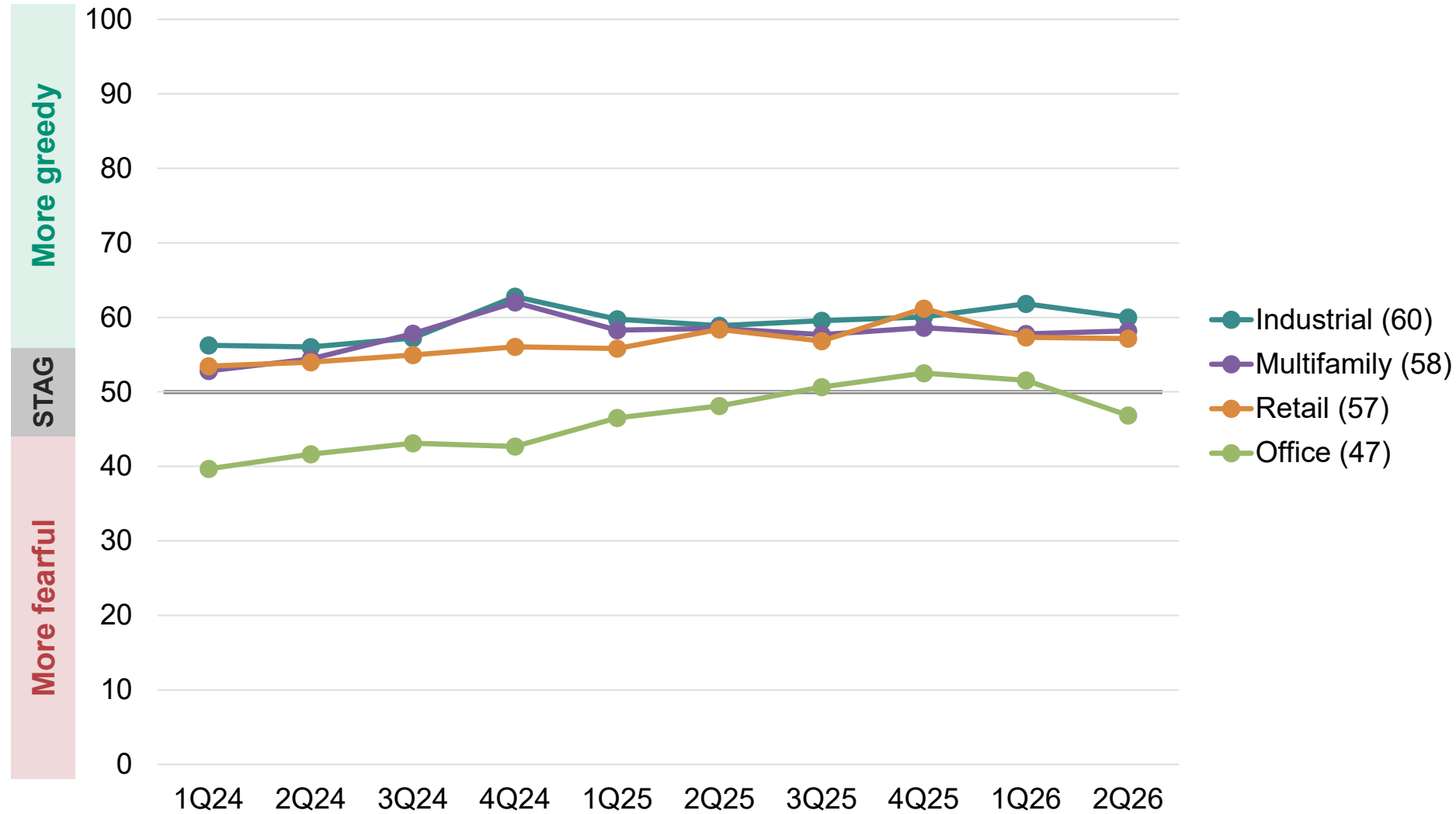
CRE investors in all sectors lowered their near-term asset value growth expectations relative to last quarter.

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



# Burns + CRE Daily Fear and Greed Index

2Q26



The **Industrial** Fear and Greed Index (FGI) fell to 60 in 2Q26 but remains higher than other CRE sectors..

The **Office** FGI all ticked down quarter-over-quarter.

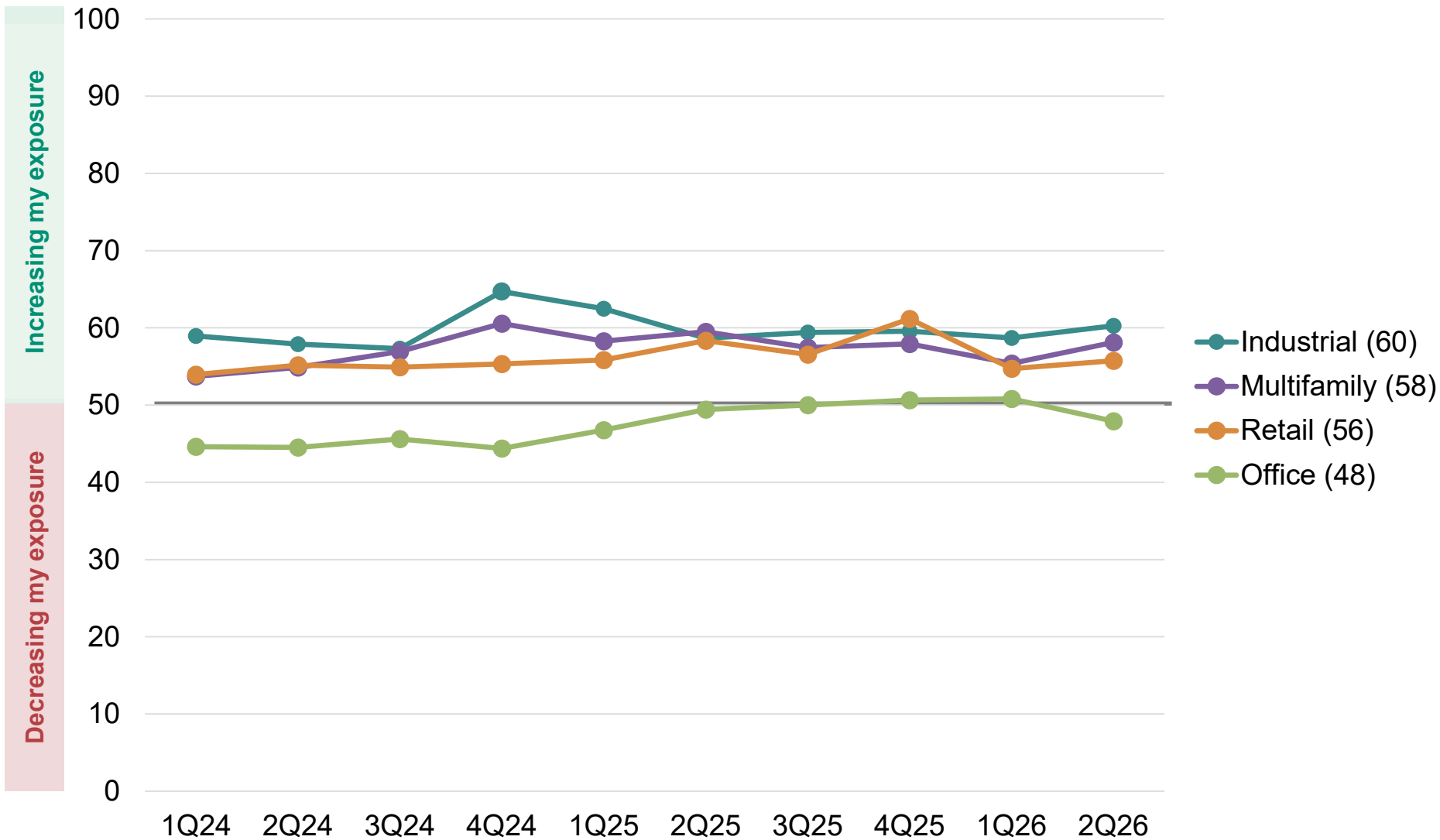
Note: Ratings above 55 indicate more “greed” among commercial real estate investors (expanding CRE market), while ratings below 45 indicate more “fear” among CRE investors (contracting CRE market). A rating between 55 and 45 indicates a stagnant market (denoted by STAG in the graph’s y-axis labels).

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



# Current CRE Investment Strategy Index (2Q26)

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



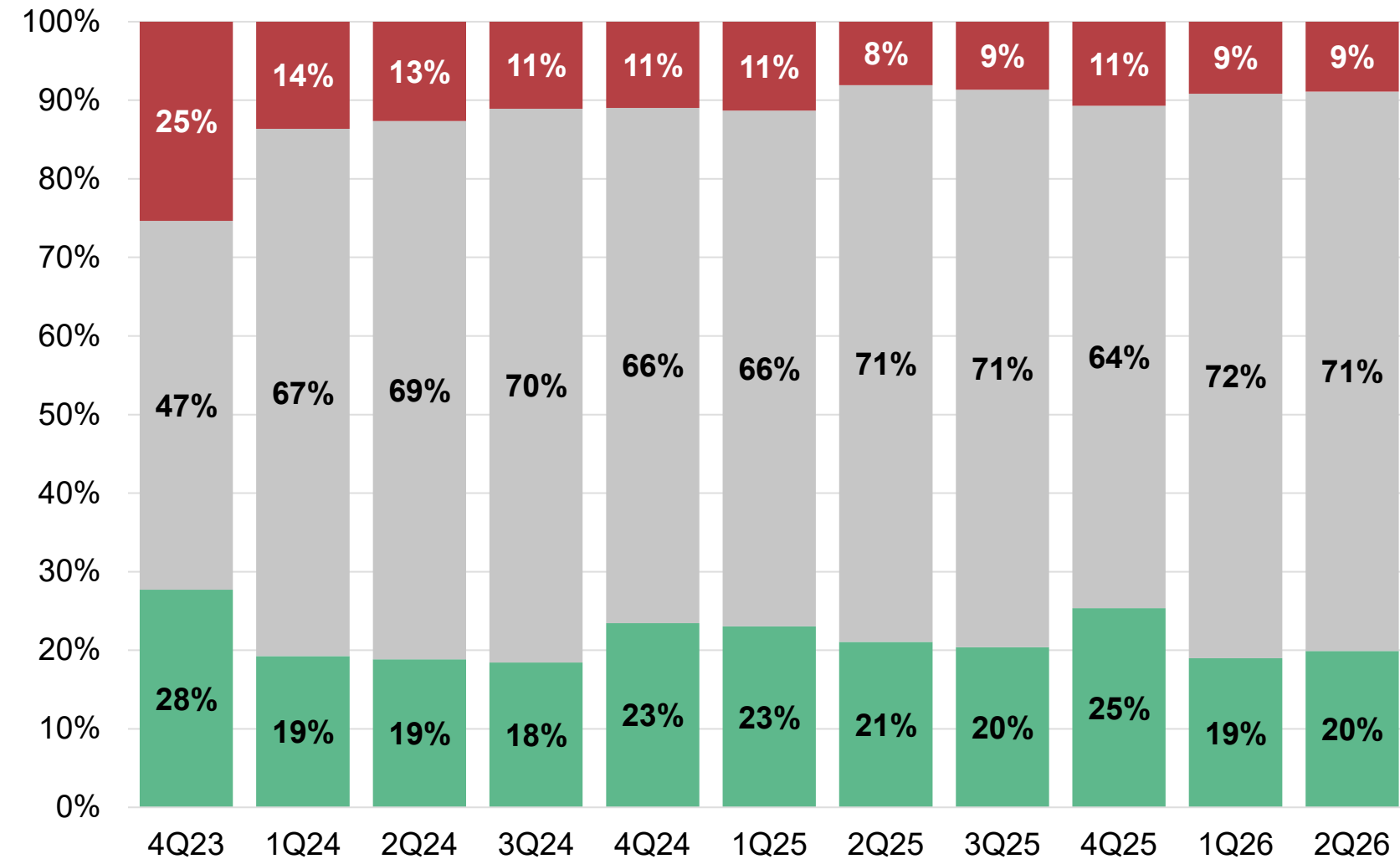
A greater share of investors are increasing their investment exposure vs. decreasing in all sectors except **Office**.

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

# 71% of investors are on hold, near the highest share in our survey's history.

## Current Commercial Real Estate Investment Strategy

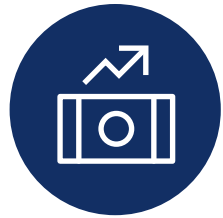
■ Increasing exposure ■ Holding / not changing exposure ■ Decreasing exposure



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

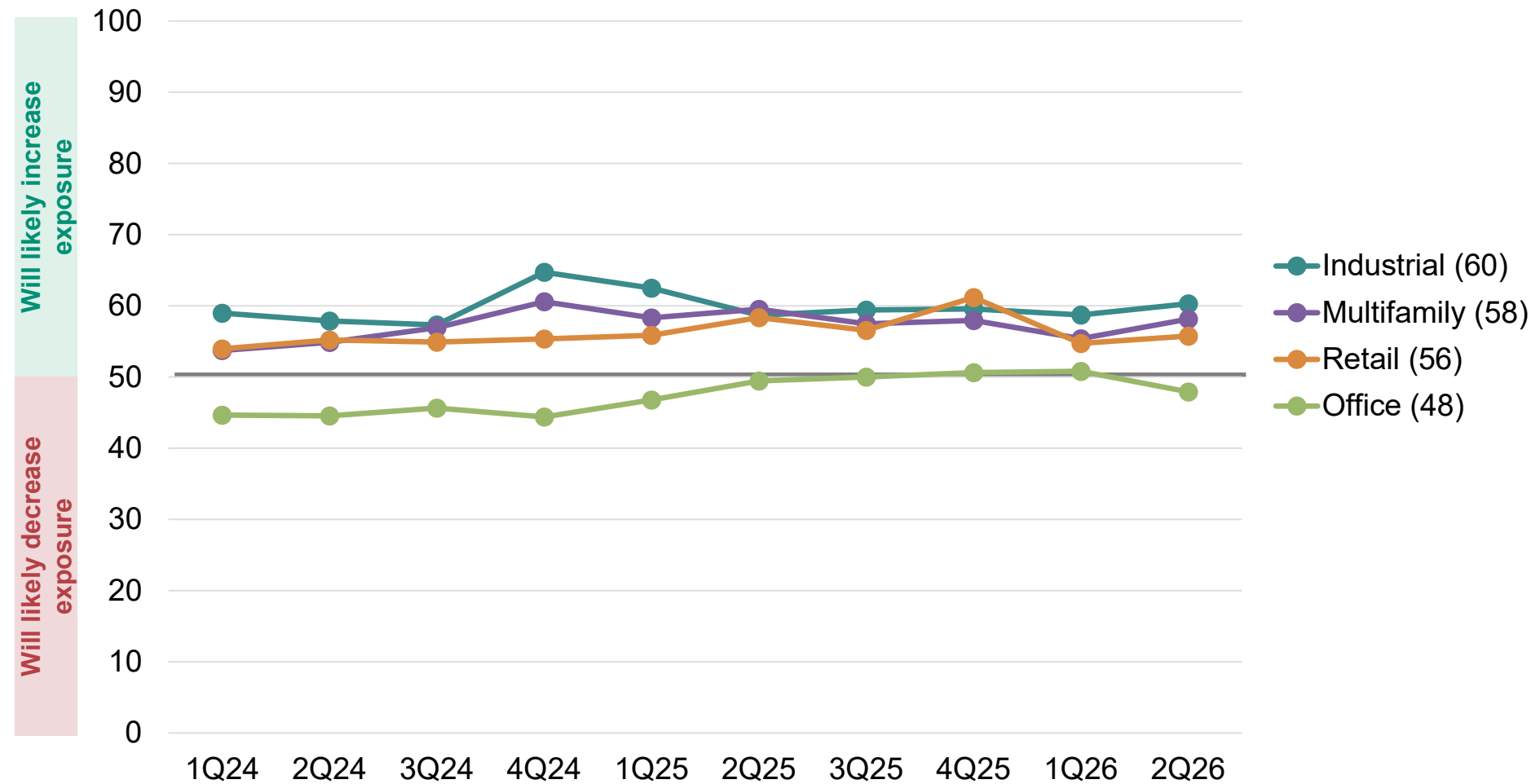
“ Geopolitical tensions and tariffs continue to limit the Fed's ability to reduce interest rates, keeping significant CRE deal flow muted. It's been way too long. Investors are ready to buy across sectors but need roughly six months of positive news to restart activity beyond distressed transactions.”

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



# Expected CRE Investment Strategy Index: Next 6 Months (2Q26)

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



More investors expect to increase than decrease their CRE exposure over the next 6 months, except for **Office**.

Optimism rose in every sector but **Office** from 1Q26 to 2Q26.

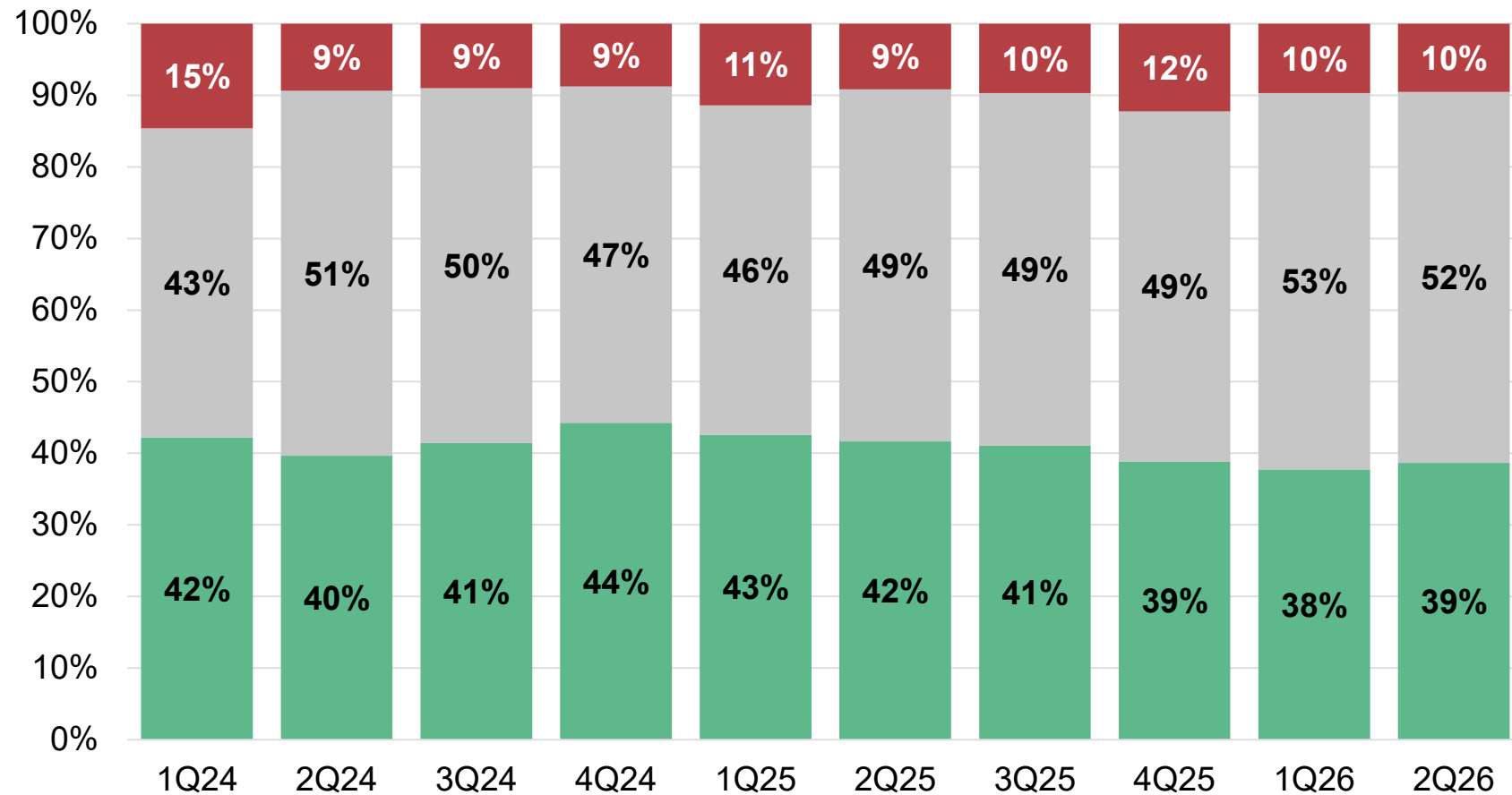
Note: Ratings above 50 indicate that more investors expect to increase than decrease their investment exposure over the next 6 months, while ratings below 50 indicate that more investors expect to decrease rather than increase their investment exposure over the next 6 months.

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

# 52% 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



39% of investors plan to increase CRE exposure over the next 6 months, near the lowest share in our survey's history.

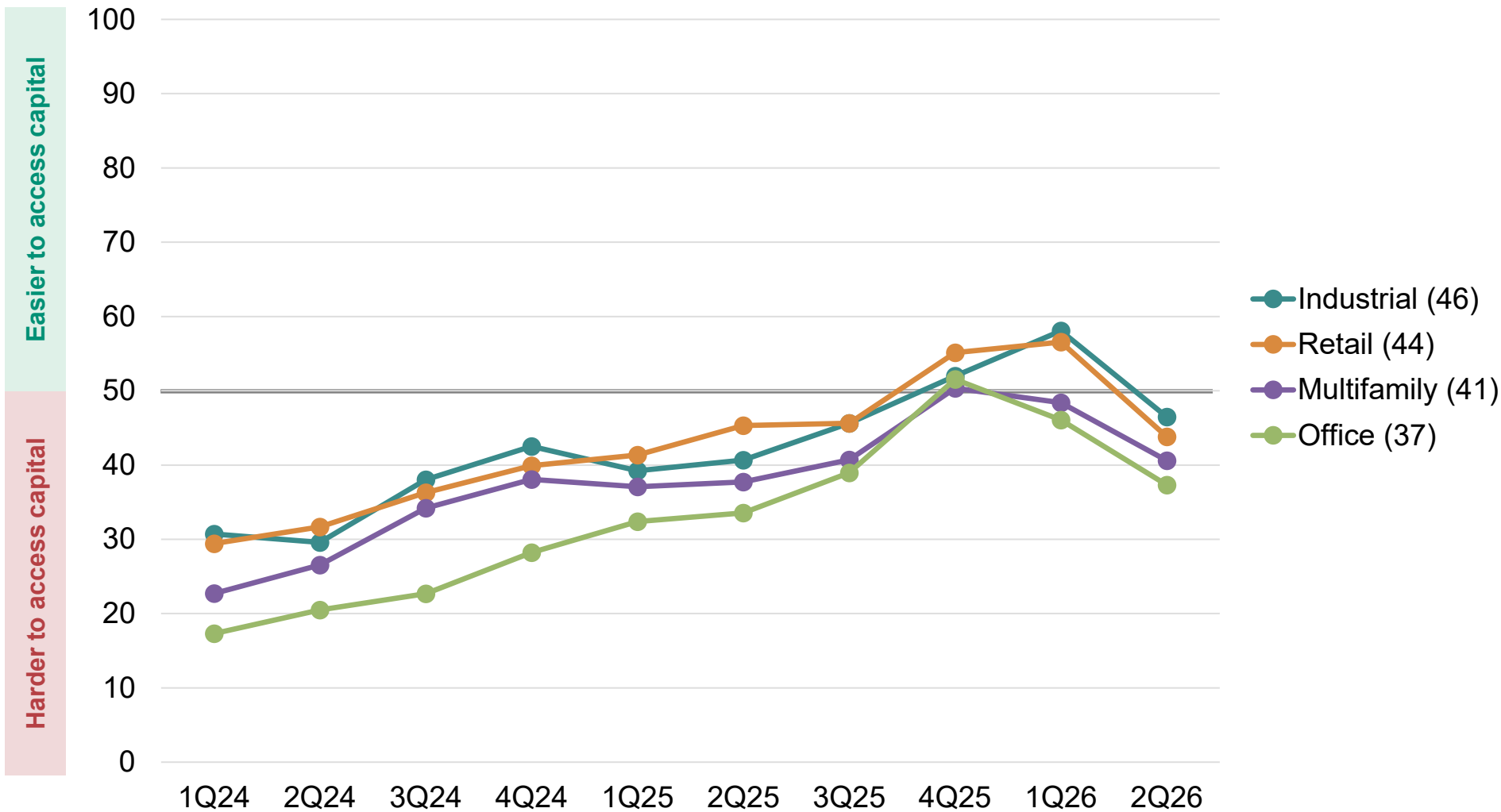
“ We expect more liquidity and acquisition opportunities once the stock market bubble bursts alongside inflation and stagflation concerns.”

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



# Access to CRE Capital Index (2Q26)

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



**Access to credit is getting harder.** Investors in all sectors report that access to credit became more difficult in 2Q26 vs. 1Q26.

The cost of long-term CRE debt is tied to the 10-year Treasury yield, which rose steadily in 2Q26 due to heightened inflationary pressures. This is increasing the cost of borrowing for CRE investors.

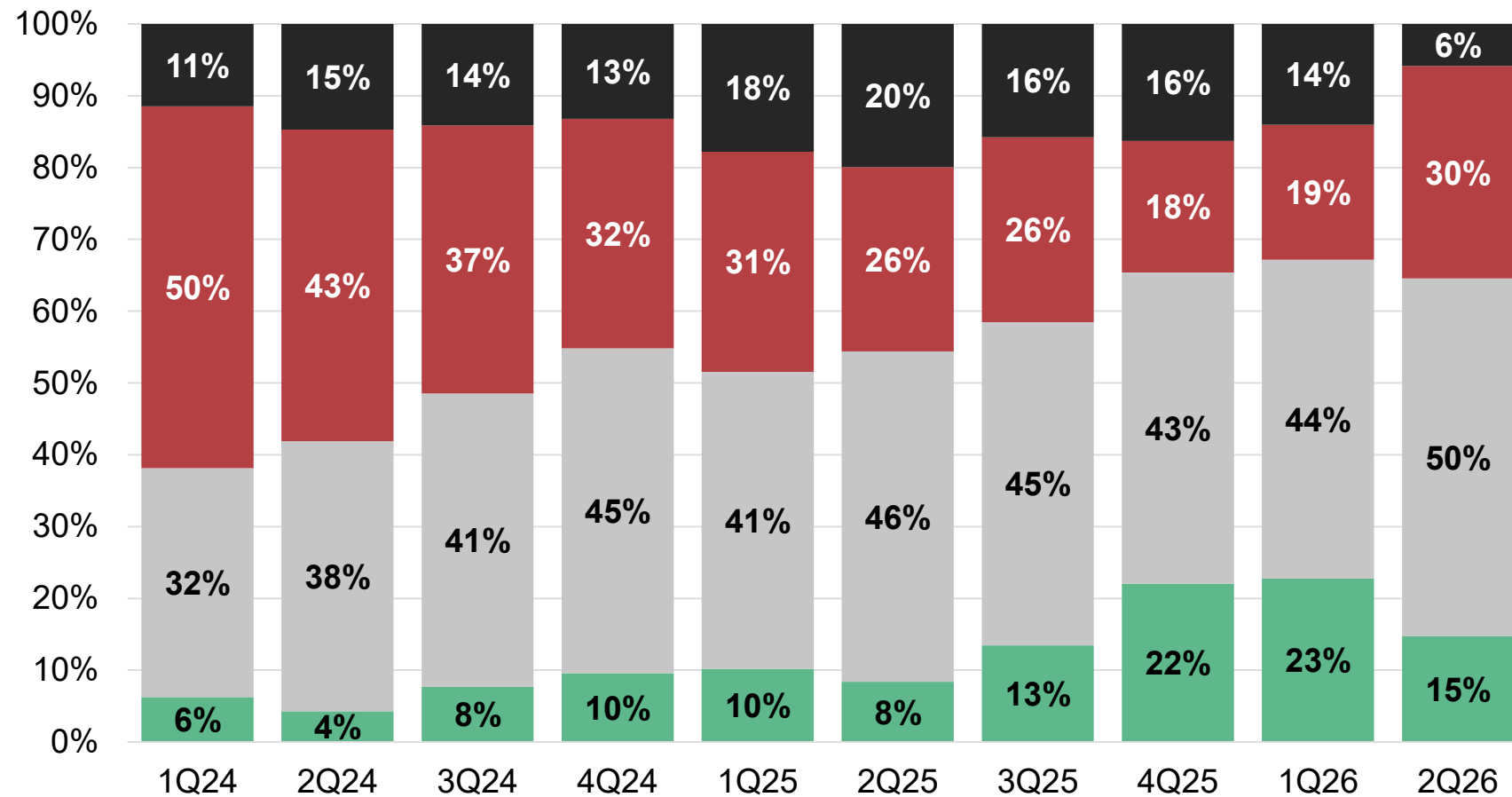
Note: Ratings above 50 indicate that more investors found it easier to access capital in the current quarter vs. the prior quarter, while ratings below 50 indicate that more investors found it harder to access capital in the current quarter vs. the prior quarter.

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

# Access to capital became more difficult in 2Q26 vs. the prior quarter.

## 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



30% of CRE investors in our survey report capital becoming more difficult to access in 2Q26 vs. 1Q26.

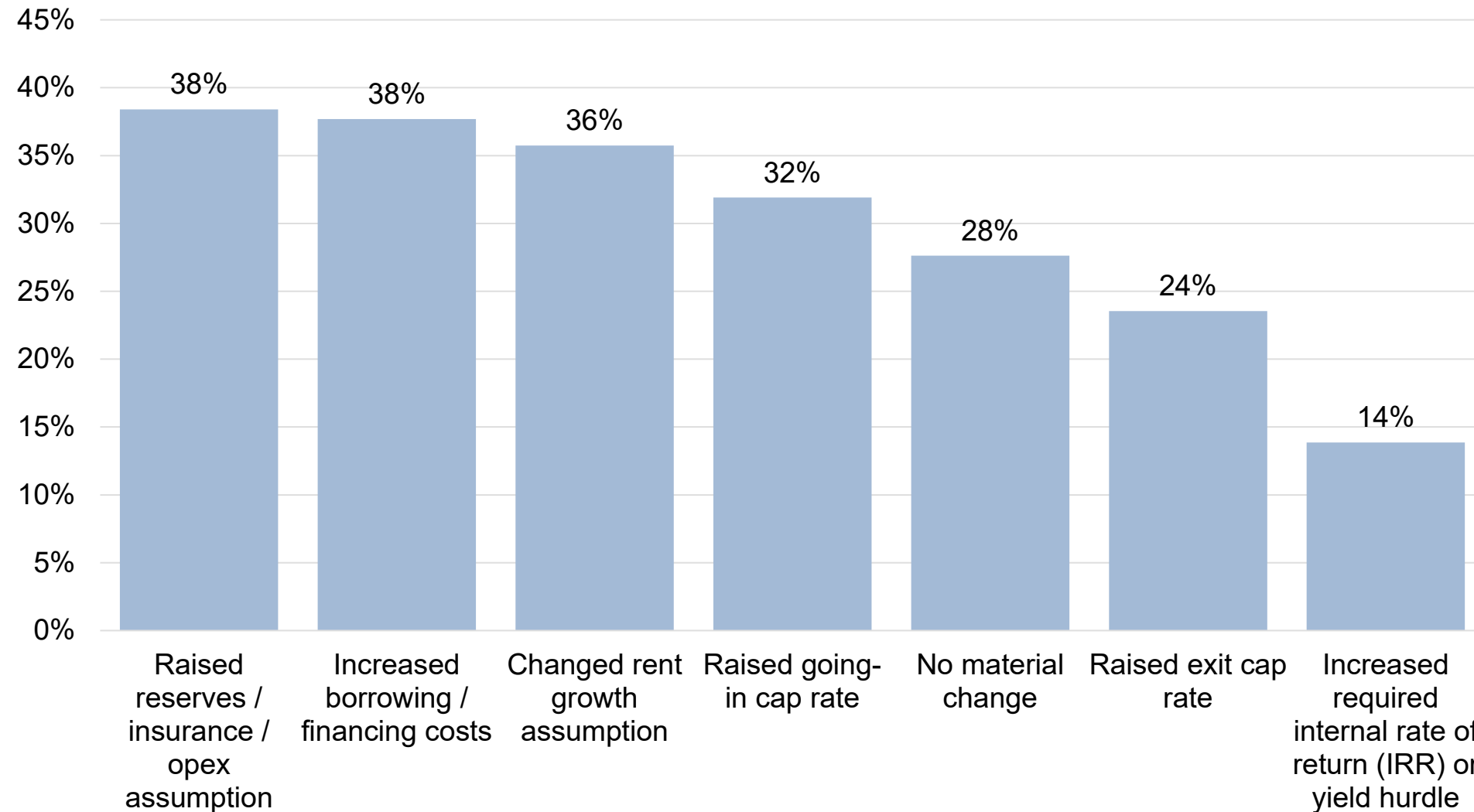
“ Cost of capital is my main concern today.”

A spike in inflation expectations due to conflict with Iran is driving up borrowing costs.

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

# 38% of investors report raising operating expenditure assumptions due to inflation concerns.

## CRE investors | How has the recent increase in oil prices and associated inflation concerns changed your underwriting for new acquisitions over the next 6 months?

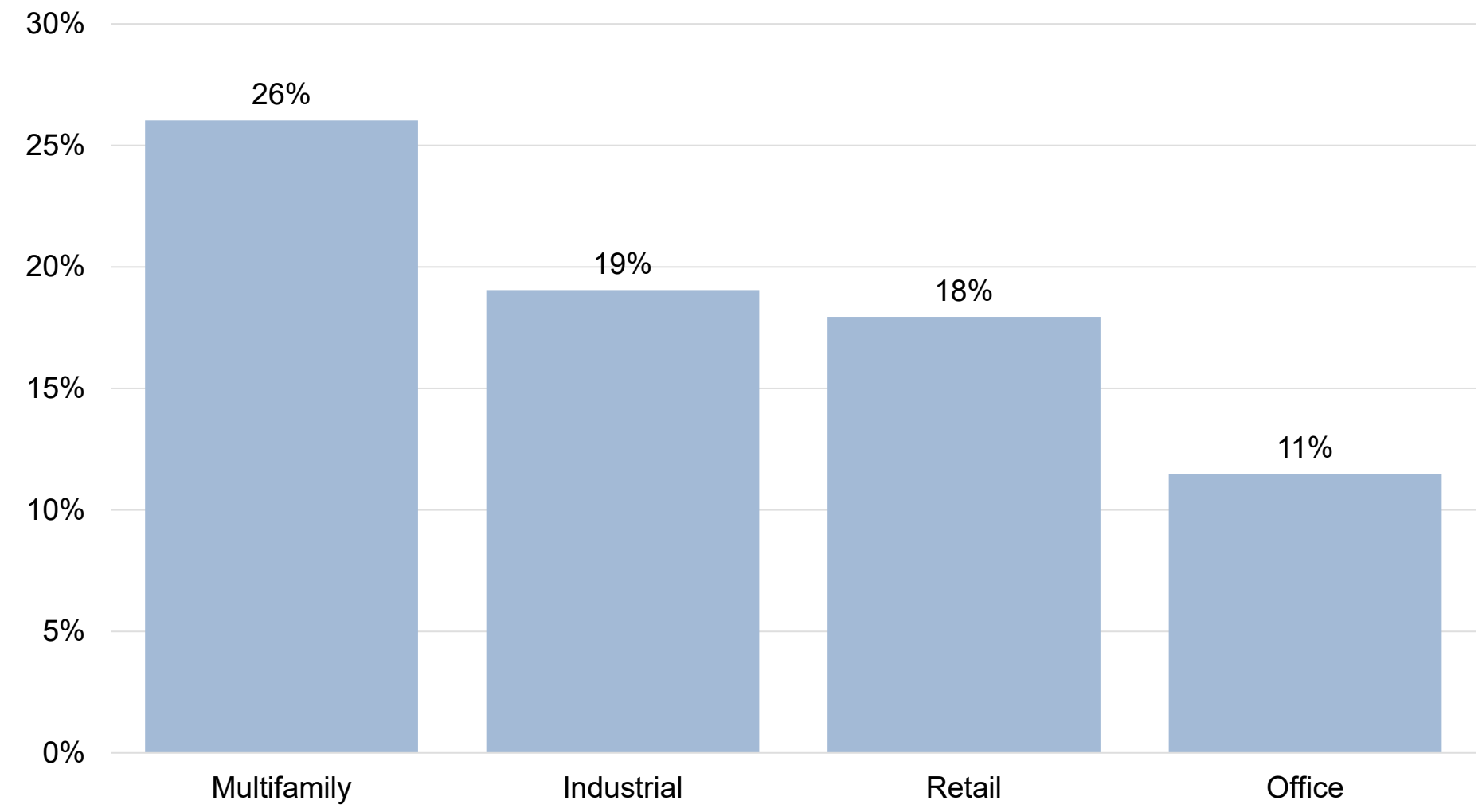


Just 28% of CRE investors reported no material change due to heightened inflation risks.

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

# 1 in 4 Multifamily investors in our survey is also active in the build-to-rent space.

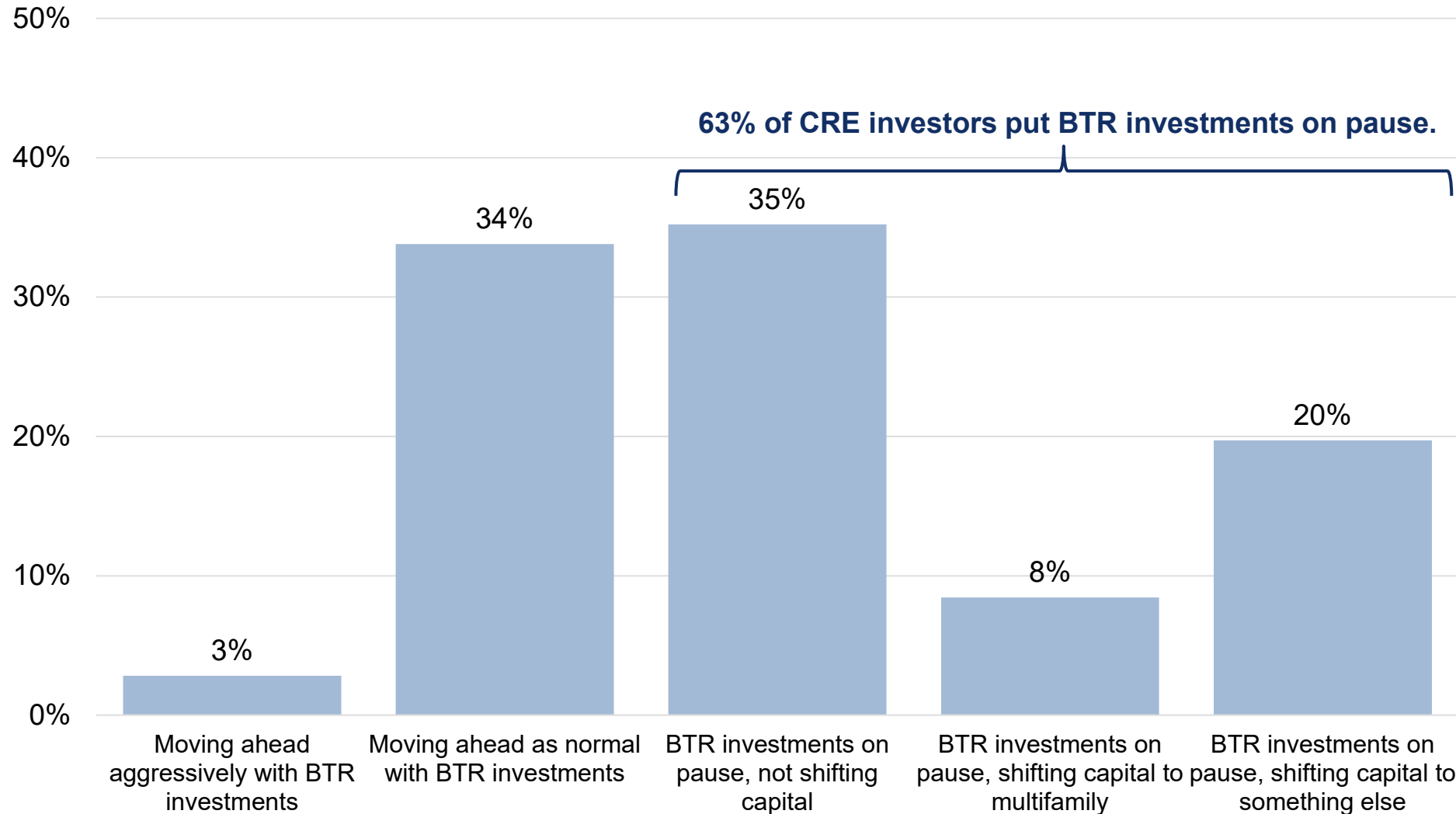
**CRE investors | Does your firm have any active single-family build-to-rent (BTR) exposure, or has your firm actively considered BTR in the last 24 months?**



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

# 63% of CRE investors with exposure to build-to-rent are on pause due to policy uncertainty.

## Firms actively investing in build-to-rent (BTR) | How are you approaching future BTR investments given policy uncertainty?



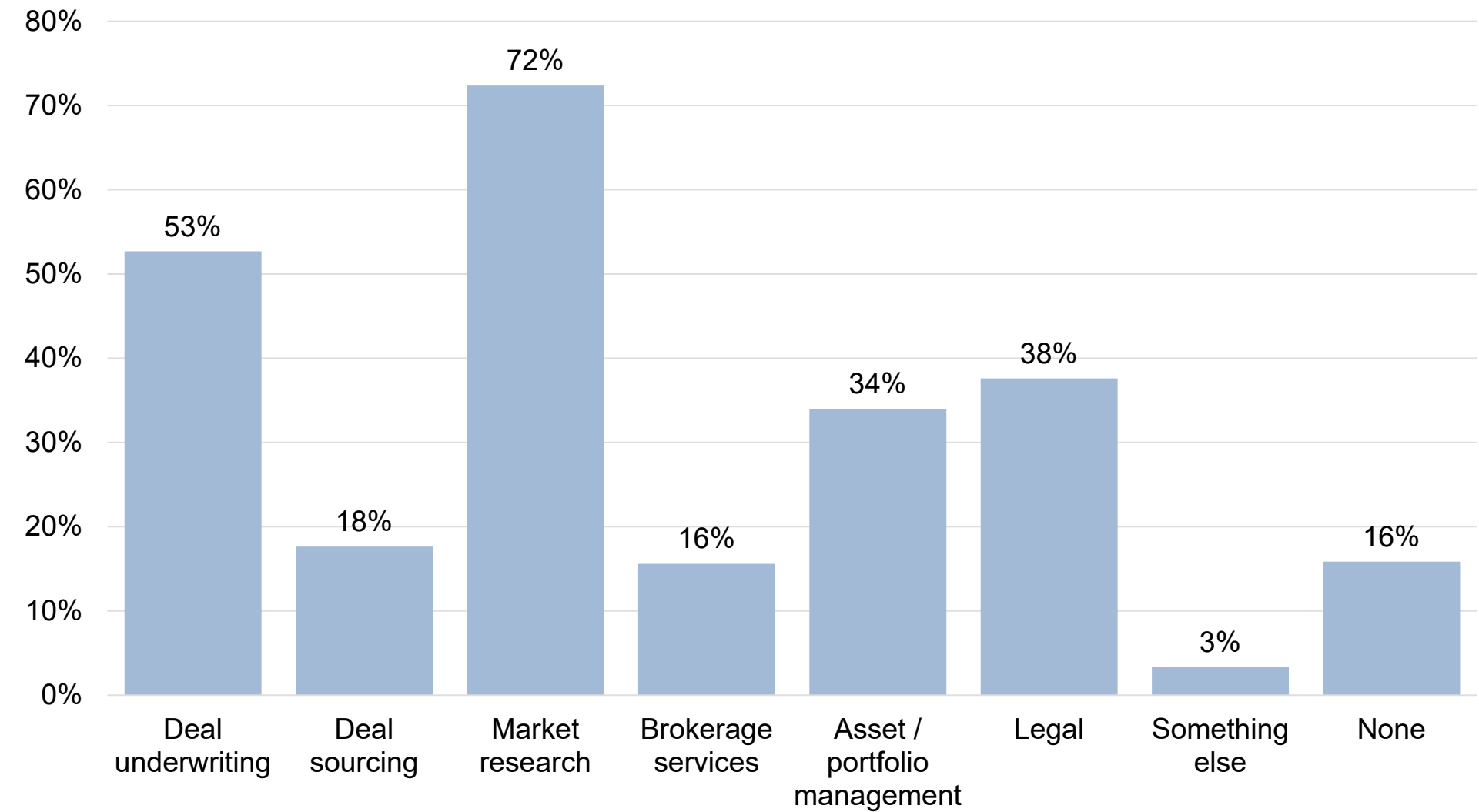
The 21st Century Road to Housing Act passed the Senate earlier this year and included a mandatory 7-year disposal requirement for single-family build-to-rent product.

This provision was removed by the House on May 15, in the middle of our data collection period for this survey, though most responses were received prior to May 15.

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

# Market research (72%) is the most common way CRE investors are using AI, followed by deal underwriting (53%).

## CRE investors | Which of the following are you using artificial intelligence (AI) for?

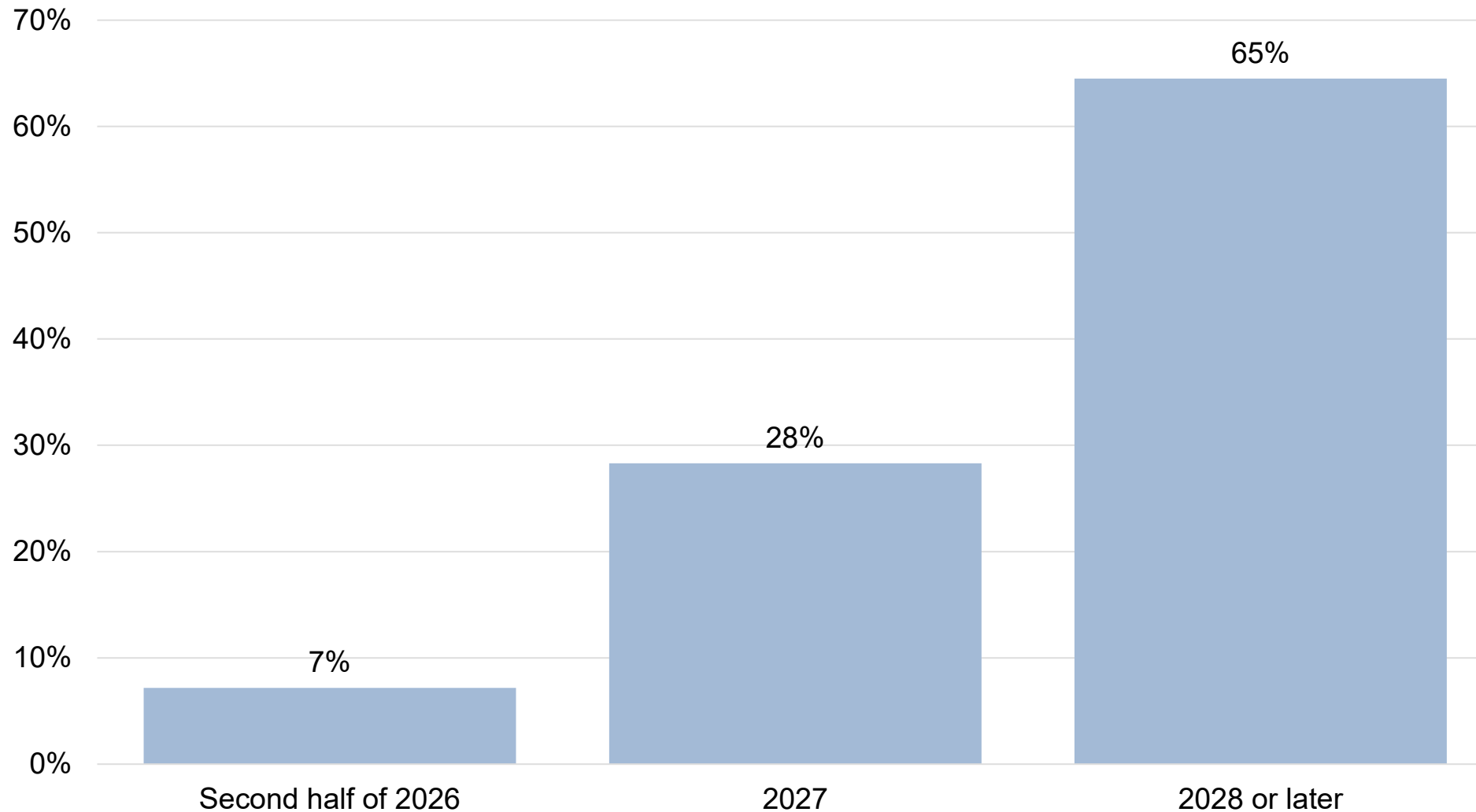


Just 16% of CRE investors report not using AI at all.

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

# Most multifamily investors expect muted Sunbelt rent growth through at least 2027.

**Multifamily investors | In the Sunbelt markets that received heavy 2022–2025 multifamily supply, when do you expect rent growth to return to 3%+ year over year?**



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

# Commentary from CRE investors

## Macroeconomic conditions

“Geopolitical tensions and tariffs continue to limit the Fed's ability to reduce interest rates, keeping significant CRE deal flow muted. It's been way too long. Investors are ready to buy across sectors but need roughly six months of positive news to restart activity beyond distressed transactions. High interest rates and construction costs make it difficult for tenants (daycares, fast coffee, etc.) to afford rents.”

“Macroeconomic chaos and uncertainty continue to put downward pressure on the market across all sectors.”

“Our overall outlook is neutral to bearish. We are beginning to see signs of distressed sellers emerging as interest rates rise. Newer or unseasoned properties are more vulnerable.”

“We are still bullish on build-to-rent and believe there will be an influx of single-platted BTR capital once there is a resolution on the housing legislation.”

## Multifamily market

“Our primary concern is stagflation. I expect multifamily rent growth to accelerate somewhat, although inflation-adjusted performance may still look weak.”

“The multifamily maturity wall (large volume of upcoming loan maturities) will soon have a significant impact.”

The multifamily market remains significantly overvalued relative to historical pricing fundamentals, including cap rate spreads and band-of-investment methodologies. Many current participants have never experienced a market disruption like the 1990 S&L crisis or the 2008 GFC, and are still relying on traditional sale comp pricing methods that are less relevant in today's capital markets environment.

“The Southeast is experiencing weakness at both the top and bottom ends of the market. At the top end, renters are no longer moving into luxury apartments as migration from the northeast has slowed to a trickle. At the bottom end, a lot of Class C apartments are suffering from low occupancy due to immigration policy. There are still a large number of distressed Class C properties that need to work through foreclosure, but debt funds have been slow to act because they do not want to recognize losses.”

## Asset values

“There is still a major bid-ask gap across all sectors of real estate. Prices haven't decreased and buyers are being more prudent with their funds. So much of the market is frozen.”

“The market is beginning to normalize, and the bid-ask spread on transactions is finally starting to align between buyers and sellers.”

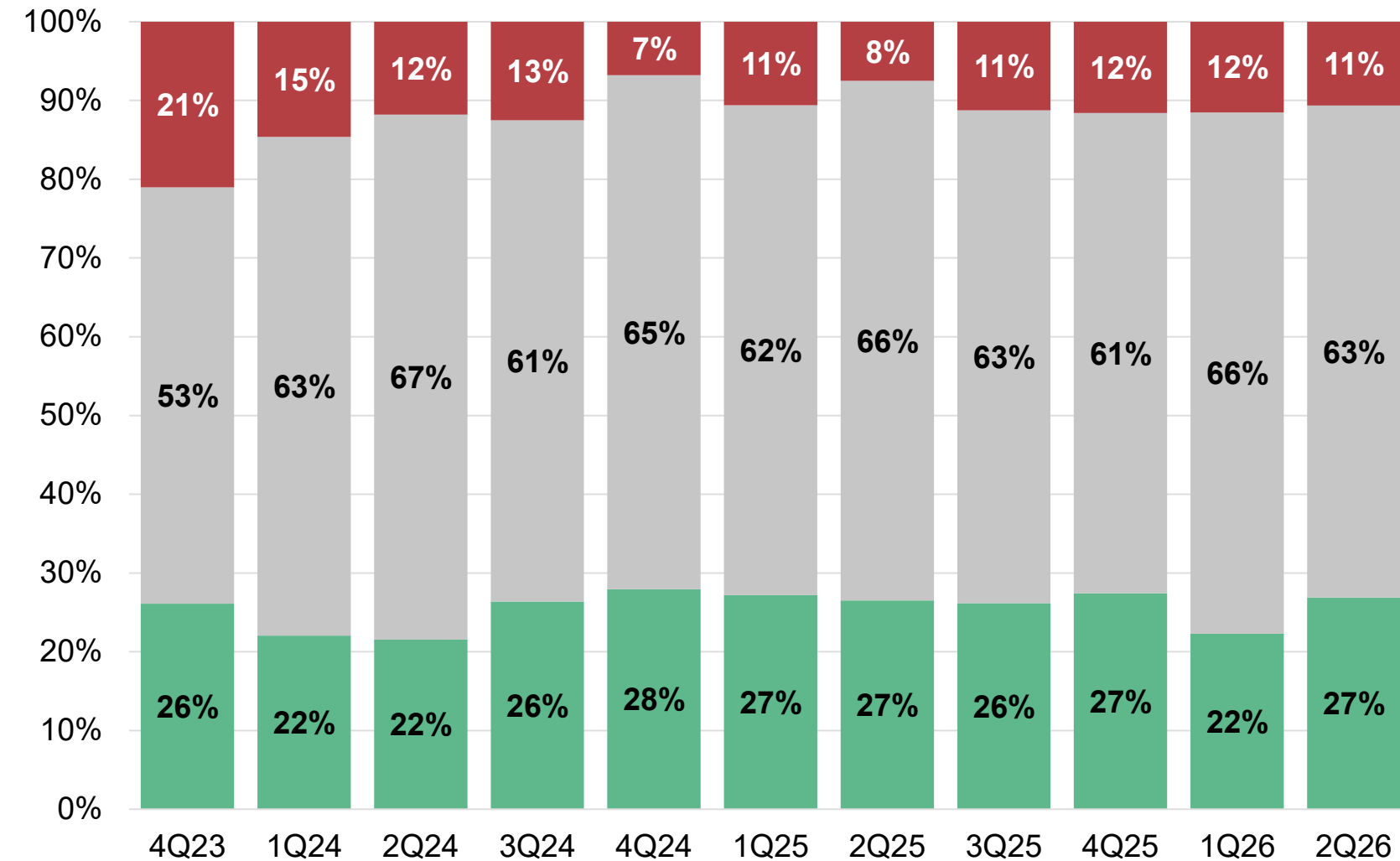
“Values may not have declined significantly; rather, market cap rate realization is catching up to where values have effectively been for the last two years absent major upside.”

“The market remains significantly overpriced. The large institutional buyers (less than 5% of market participants purchasing on an unlevered basis) are limiting cap rate expansion. The remaining 95% of the market that relies on leverage is still at a standstill. Cap rates likely need to reach the 7.75%–8% range, consistent with the last time the 10-year Treasury yield was at current levels.”

# 63% of multifamily investors are on hold, roughly unchanged over the last 2 years.

## Multifamily: Current Commercial Real Estate Investment Strategy

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



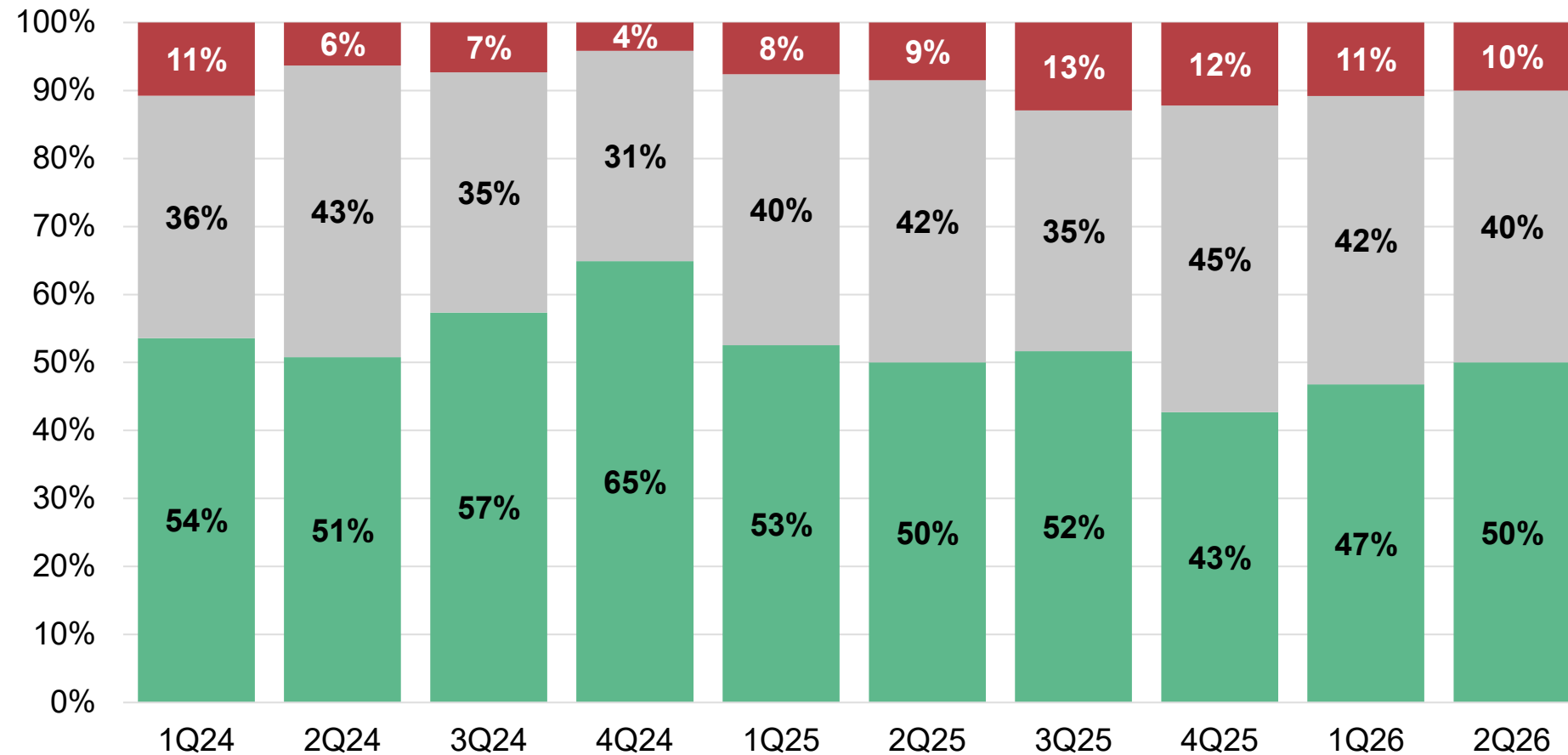
27% of multifamily investors increased their investment exposure in 2Q26, up from 22% in 1Q26.

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

# 50% of multifamily investors expect to increase their exposure over the next 6 months, up from 47% in 1Q26.

## 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

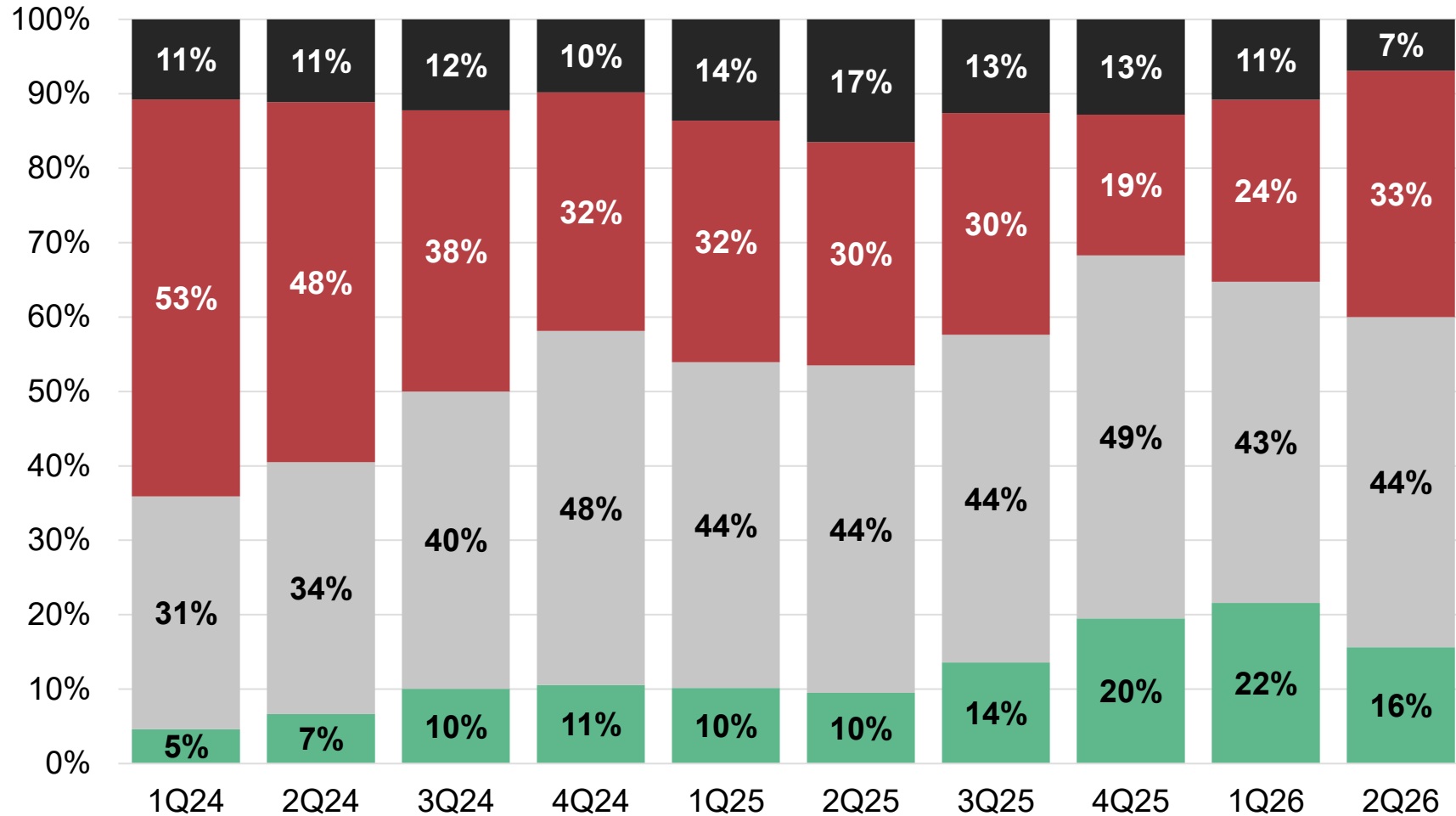


Sources: John Burns Research and Consulting, LLC; CRE Daily (Data: May-26, Pub: Jun-26)

# 33% of multifamily investors believe access to capital worsened in 2Q26, 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: May-26, Pub: Jun-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	181	36%
Industrial	87	17%
Retail	101	20%
Office	86	17%
Other	53	10%
<b>Total:</b>	<b>508</b>	<b>100%</b>

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:

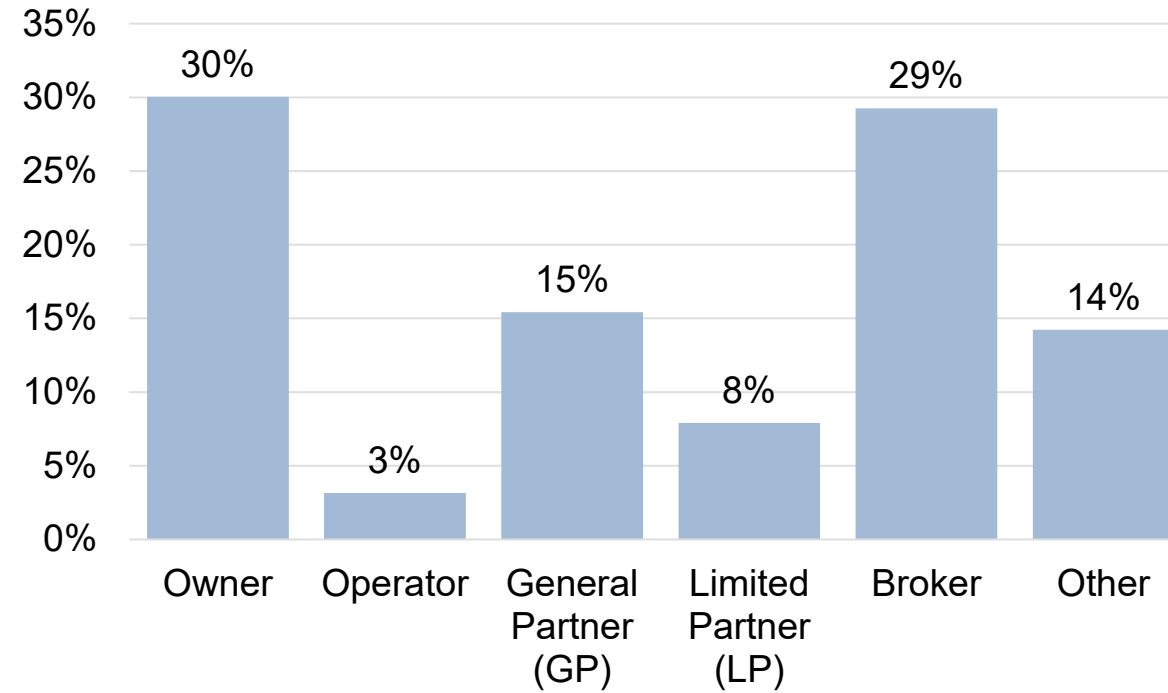


## Responses by region:

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

- California: 22%
- Florida: 37%
- Midwest: 33%
- Northeast: 27%
- Northwest: 15%
- Southeast: 34%
- Southwest: 31%
- Texas: 34%

## Primary Role



# Contact the John Burns team

## Report Analysis

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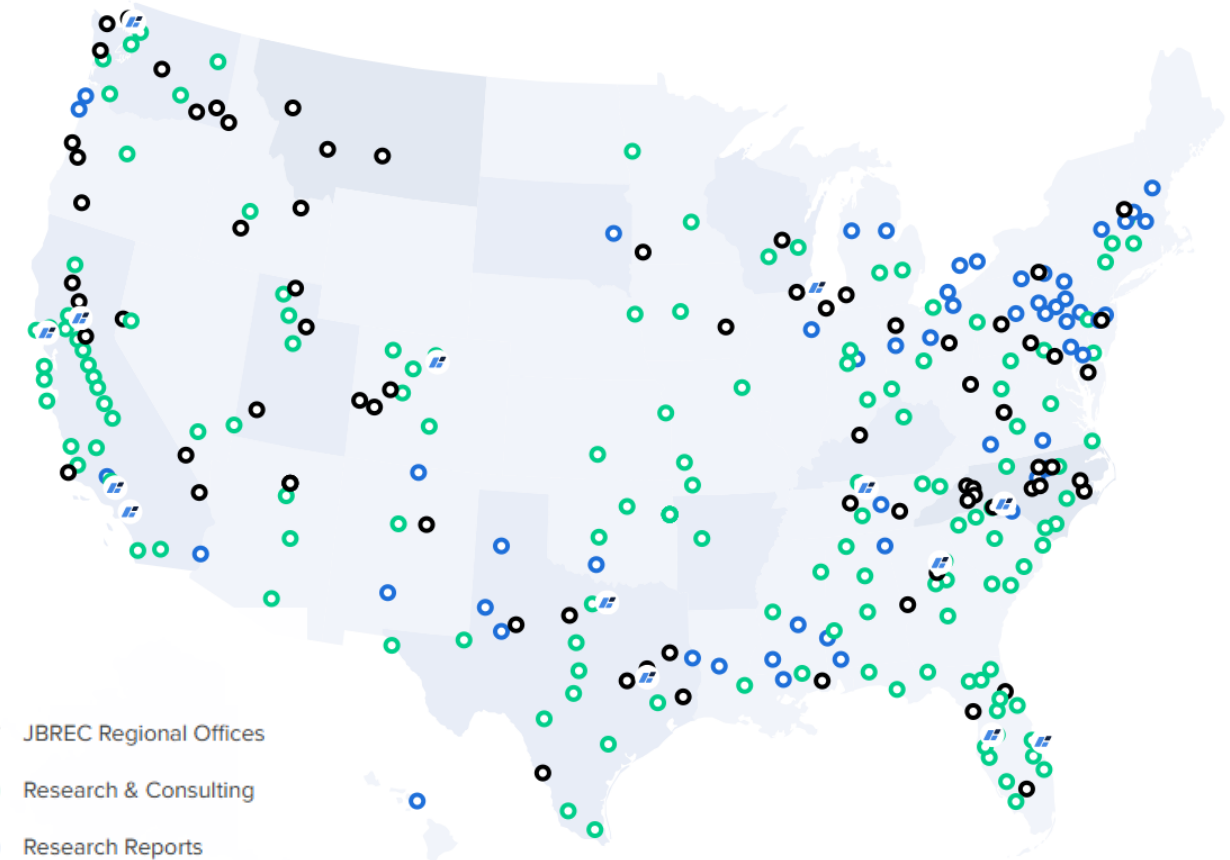
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