



LightBox CRE Activity Index

CRE Momentum Cools Slightly in November, but Posts the Softest Slowdown in Years

The LightBox CRE Activity Index, an aggregate measure built on the foundation of 30,000+ real-time signals spanning appraisals, new listings, and environmental due diligence, offers an early read on market momentum as dealmakers navigate shifting economic conditions and lingering volatility. In November, the Index dipped from 106.2 to 99.4, a 6% decline that was far milder than the historical 14% October-to-November slowdown. The Index returned to double-digit territory for the first time since January but continues to signal a market cooling, not retrenching.

Index At a Glance:

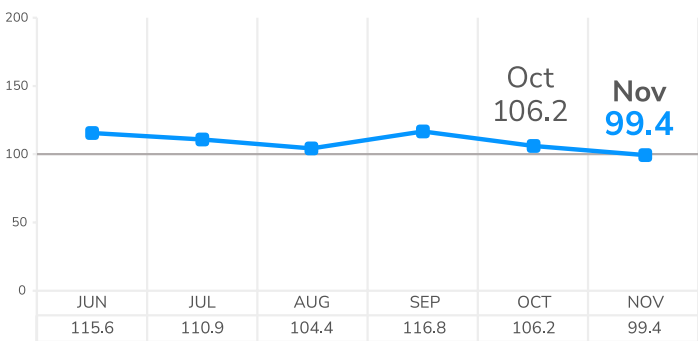


Figure 1A

See note below figure 1B

Markets entered mid-November on firmer footing as the government shutdown ended, even as the Fed faced “data fog” heading into its December meeting before ultimately delivering a long-anticipated rate cut.

Environmental due diligence remained solid, with Phase I environmental site assessment (ESA) volume up 12% year-over-year, reflecting sustained early-stage deal preparation. Federal-funded public-sector activity rebounded following the shutdown, and demand tied to data centers, manufacturing, multifamily, and industrial remained steady.

Commercial lending appraisal volume continued its impressive stability. Appraisal activity was 7% higher than one year ago, supported by refinancing activity, active pipelines, and improving borrower confidence following multiple Fed rate cuts this year.

Three Signals Behind November’s Index



Commercial Listings: Average daily listings fell 16% from October, the second month of decline, though levels remain 37% above last year as sellers continue to re-engage.



Phase I ESA Volume: Up 1% from October and 12% year-over-year, ESA activity has held in a tight, stable range for months, indicating steady early-stage deal preparation.



Lender Appraisals: Appraisal activity rose 5% from October and 7% year-over-year, continuing an 11-month pattern of consistency that underscores banks’ renewed willingness to underwrite deals.

On the listings side, sellers continued returning to the market: November listings were 37% higher than last year, and LightBox engagement metrics, like views of the rising stream of property listings and deal closings across geographies and property types, point to persistent investor appetite across asset types and markets.

Together, November’s results show a market that softened modestly but remains stronger than last year’s election-disrupted environment. The more tempered pullback suggests a sturdier foundation heading into 2026, with healthier capital availability and more stable fundamentals continuing to support investor confidence.

CRE Index Remains Elevated Despite November Dip

November's Index reading of 99.4 extends a remarkably strong run in 2025. The Index has spent nearly the entire year at or near triple-digit territory and remains well above the 83.3 recorded last year during the election-driven slump. Market components reflect recalibration rather than contraction: listings peaked in September before moderating seasonally, ESA volume has remained in a steady band since mid-summer, and appraisals show banks stepping back into the market after last year's retreat.

These trends highlight a CRE market adapting to macroeconomic crosscurrents yet maintaining underlying strength. How this momentum carries into early 2026 will hinge on credit availability, rate conditions, market confidence, and clarity in economic indicators.

LightBox CRE Activity Index (January 2024 - Present)

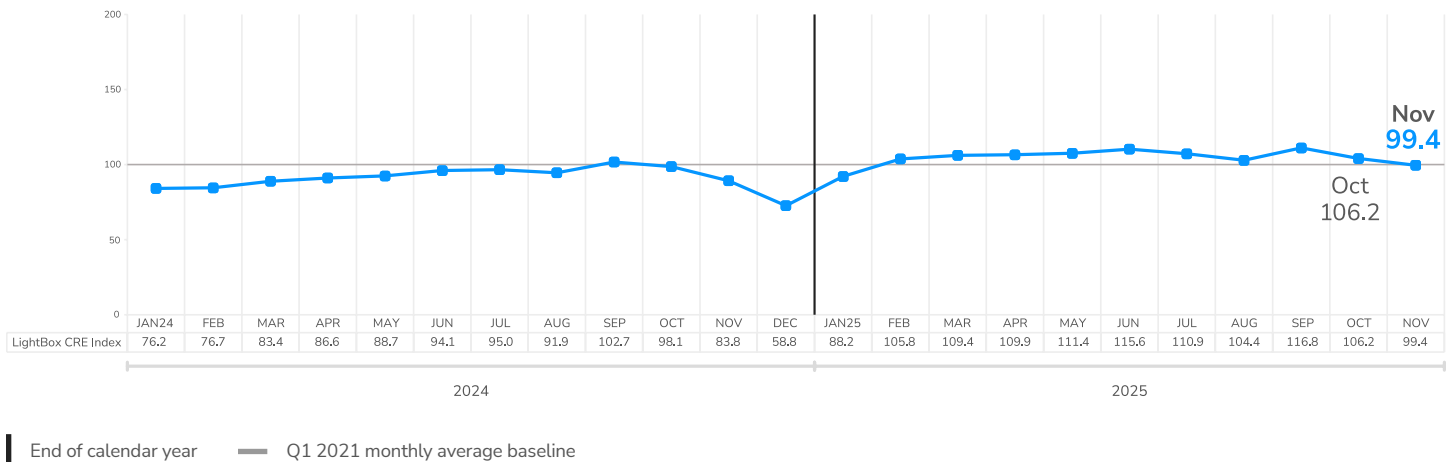


Figure 1B

NOTE: The LightBox CRE Activity Index is based on changes in environmental due diligence (measured by Phase I ESA volume), commercial property listings, and valuation market activity indexed to a baseline (Q1 2021 monthly average =100). The index is normalized to account for variations in the number of business days per month. The historical CRE Activity Index has been normalized to consistently include historical and current listings across LightBox platforms. The Index value reported for the most recent month may be revised in the subsequent publication as LightBox finalizes the input datasets.

CRE Activity Index: Current Month vs. Historical Benchmarks

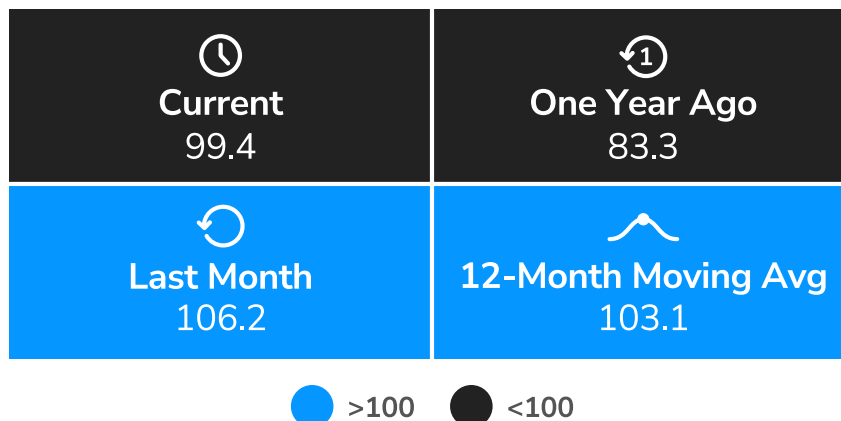
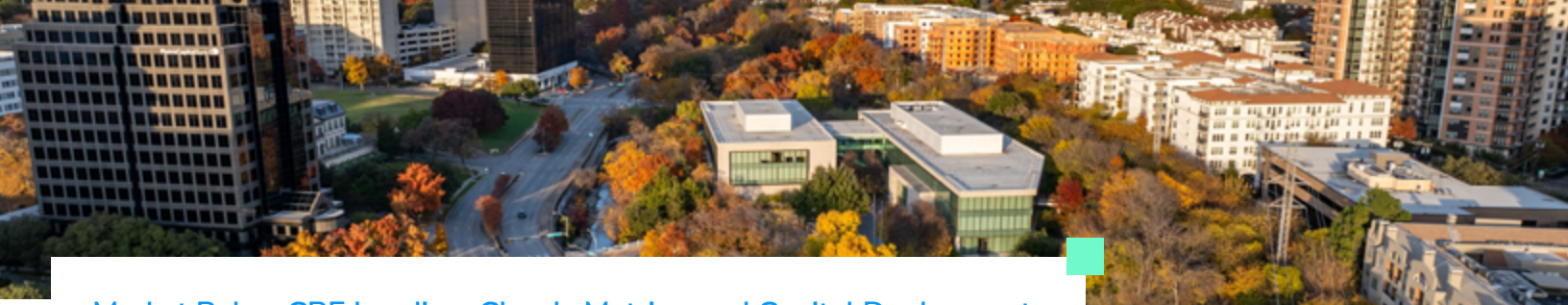


Figure 2



Market Pulse: CRE Lending, Cloudy Metrics, and Capital Deployment

The CRE market in November was bolstered by the tailwind of a healthy rebound in lending, declining rates, and a robust dealmaking environment, even in the face of mixed market signals.



CRE Lending and Refinancing Strengthen

Banks posted strong Q3 performance, positioning them to keep lending lines open into year-end. U.S. CRE loan closings surged 112% year-over-year in Q3, according to CBRE, the fastest pace since before the pandemic, with banks expanding their share of total lending from 18% to 31%. Average LTVs edged up from 63.3% to 63.8%, signaling a modest increase in risk tolerance. Banks have re-emerged alongside debt funds and a record year for CMBS, creating one of the most competitive debt markets in years.

After the muted activity of 2024, driven by high borrowing costs, banks sidelined, and election uncertainty, 2025 delivered a slower, steadier rebound. Balance sheets are healthier, refinancing demand is rising, and liquidity is returning without signs of excess. The result is a lending environment that looks increasingly constructive heading into 2026.

November Delivers Murkier Market Picture as Clarity Slips

Shutdown-delayed data clouded November's economic read. Inflation cooled modestly, layoffs ticked higher, and Treasury yields held in a tight range, offering little direction. The overdue PCE report showed core inflation at 2.8% year-over-year, broadly in line with expectations, while cooling retail sales and softer PPI data suggested gradual disinflation. Labor signals weakened further with four consecutive weeks of ADP-reported job losses and consumer confidence falling to a seven-month low.

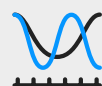


The Fed's Beige Book reinforced the uncertainty, describing flat economic momentum across most districts. Financial markets swung between selloffs and rallies as investors balanced geopolitical risks, private credit concerns, and anticipation of the December rate cut. The result was a month defined by noise rather than clear trendlines.

Against this backdrop, CRE continued to show resilience. Capital availability remained stable across banks, insurers, CMBS, and private equity. LightBox-tracked weekly announced sales held steady, with notable activity in senior living, student housing, data centers, and industrial. Lower Treasury yields strengthened refinancing pipelines, and lenders showed a greater willingness to extend credit despite multifamily softness and elevated risk premiums.

CRE Deal Flow Continues Its Post-Summer Strength

October and preliminary November data from the LightBox Transaction Tracker confirm solid deal momentum. October's 28% month-over-month increase marked a strong start to Q4, and November sustained that pace. Multifamily, retail, and office together accounted for 65% of transaction volume, while institutional investors actively targeted opportunities in healthcare, data centers, and prime office assets. In several markets, office assets even showed early signs of a comeback.



The CRE Activity Index captures the momentum behind pre-transaction activity (i.e., properties listed for sale, appraisals, and environmental site assessments) while the Transaction Tracker reflects deal closings. Both indicators point to a market that remained active even as November's macro environment felt stuck in neutral.



Cautious Close to 2025 as Optimism Builds for 2026

November's Index reading underscores a market digesting uneven economic signals yet remaining fundamentally resilient. Liquidity is available, lenders are re-engaging, and investors are increasingly positioning for opportunities where fundamentals are stabilizing. November's moderation reflects rational caution rather than weakening conviction.

Cushman & Wakefield's newly released 2026 U.S. Outlook projects a shift from resilience to renewed momentum, supported by AI-driven productivity gains, lower interest rates, and reduced policy uncertainty. Capital markets are recovering as tighter spreads and cheaper debt fuel double-digit growth in mortgage originations. Office fundamentals are stabilizing, industrial demand remains firm, multifamily stays elevated due to affordability pressures, and retail continues to hold steady.

These trends mirror what LightBox observes across its platforms: CRE appears to have moved past its most volatile phase and is entering a more orderly, strategically driven period. Lower interest rates, improving refinancing conditions, and accelerating liquidity are pushing investors from reactive stances to forward-looking portfolio positioning.

2025 was defined by unusually high macroeconomic uncertainty—but is closing with slightly clearer visibility, improving credit conditions, and growing optimism across capital markets and investment channels.

Risks remain on both sides of the outlook, but confidence in CRE's footing is steadily rebuilding. Investors are preparing for a more constructive 2026, marked by disciplined deployment, sector-specific tailwinds, and rising competition for quality opportunities.



ABOUT THE MONTHLY LIGHTBOX CRE ACTIVITY INDEX

The LightBox Monthly CRE Activity Index is an aggregate that represents a composite measure of movements across activity in appraisals, environmental due diligence, and commercial property listings as a barometer of broad industry shifts in response to changes in market conditions. To receive LightBox reports, [subscribe to Insights](#).

ABOUT LIGHTBOX

At LightBox, we are at the forefront of delivering advanced and precise solutions for commercial real estate intelligence. Our dedication to innovation propels real estate professionals forward by providing them with the essential tools required to navigate complex decisions, minimize risk, and boost productivity across the spectrum of real estate operations. LightBox is renowned for its commitment to promoting excellence and fostering connections in the industry, serving an extensive clientele of over 30,000 customers. Our diverse client base spans commercial and government sectors, including but not limited to brokers, developers, investors, lenders, insurers, technologists, environmental advisors, appraisers, and other businesses that depend on geospatial information. To discover more about how LightBox can illuminate the path to informed real estate solutions, visit us at: www.LightBoxRE.com

LIGHTBOX

LOCATE. ANALYZE. ACT.