



February CRE Activity Index

LightBox CRE Activity Index Reaches Highest Level in Nearly Four Years

The LightBox CRE Activity Index continued its upward trajectory in February, rising to 118.2, a 7% increase from January and 12% higher year over year, marking the highest reading since May 2022 and the strongest level in nearly four years. The index also surpassed the previous recent high of 116.1 recorded in September 2025, signaling continued strengthening across core commercial real estate activity.

The gain occurred despite heightened geopolitical volatility and mounting concerns about risk across equity markets. While swings in the 10-year Treasury and uncertainty tied to global developments unsettled broader financial markets, activity across key CRE functions strengthened. Brokers brought an increasing volume of commercial property listings to market, and demand for Phase I environmental site assessments rose for the second consecutive month, signaling sustained transaction preparation by investors and lenders. Lender-driven appraisal activity eased modestly following January's sharp rebound but remained consistent with an active refinancing and lending environment.

The LightBox CRE Activity Index aggregates daily activity across commercial property listings, environmental due diligence, and lender-driven appraisals, drawing on more than 30,000 monthly data points to provide an early indicator of CRE lending and investment momentum.

Index at a Glance:

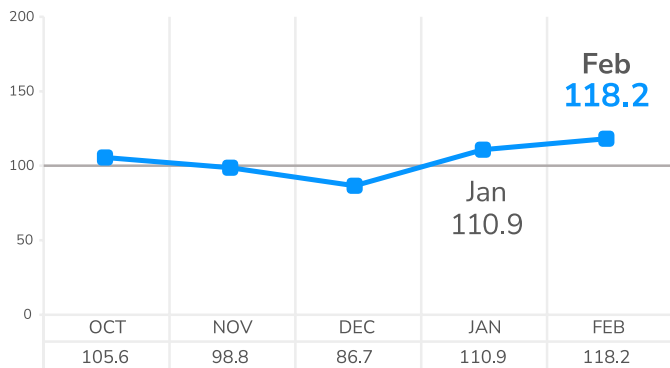


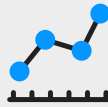
Figure 1A

See note below figure 1B

Three Signals Behind February's Index

Commercial Listings

Average daily listings rose 9% in February following January's strong rebound from December's seasonal dip, landing 27% above last February as a growing wave of commercial assets came to market. These listings are being met by an expanding pool of investors actively reviewing opportunities, signaling sustained buyer interest despite broader market volatility.



Phase I Environmental Site Assessments

Phase I ESA activity increased 14% above January, marking a second consecutive monthly gain. On a year-over-year basis, volume was 11% higher than last February, reflecting buyers and lenders moving projects forward as deal pipelines build early in the year.



Lender Appraisals

Average appraisal activity declined 10% month over month, a modest reset following January's surge, but remained consistent with strong lender engagement as refinancing activity and new loan originations continue to generate steady underwriting demand.



The first two months of 2026 have delivered strong signals. January opened the year with one of the strongest readings in three years, and February extended that momentum even as equity markets showed signs of stress. LightBox Transaction Tracker data confirms that sizable property sales remain elevated, underscoring continued investor engagement.

However, February closed with a new layer of uncertainty as geopolitical tensions escalated following airstrikes against Iran, a development that could influence investor sentiment in the coming months. With the Federal Reserve set to announce its next interest rate decision in mid-March, the Index will serve as an important barometer of how market confidence and capital deployment evolve in the near term.

February Index Reaches Highest Level Since May 2022

February extended the rebound that began in January, pushing the LightBox CRE Activity Index to its **highest level since May 2022**. The two-month trajectory signals a strong recovery following the late-2025 slowdown, supported by strengthening lending pipelines and active transaction preparation.

While still below the historic peak reached in early 2022, the return to sustained triple-digit readings signals improving capital deployment and investor engagement. If macro volatility remains contained, early-2026 activity suggests the CRE market is steadily rebuilding momentum and confidence.

LightBox CRE Activity Index (January 2024 - Present)

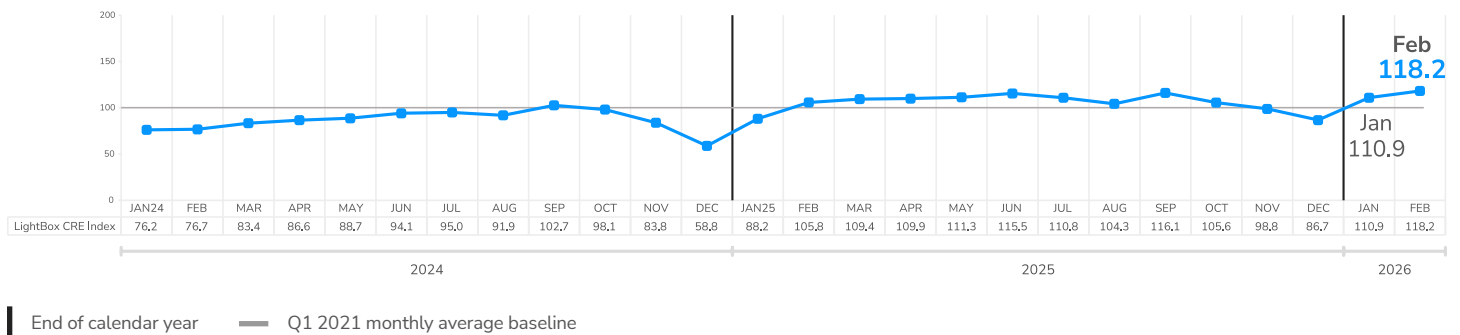


Figure 1B

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

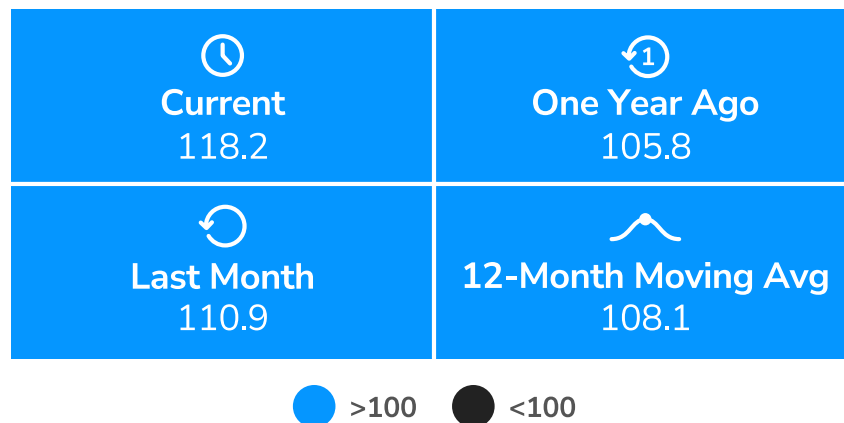



Figure 2



MARKET PULSE


Lending Momentum Builds as Underwriting Eases



CRE lending maintained solid momentum in February, building on the recovery that began in late 2025. The Mortgage Bankers Association reports \$634 billion in commercial mortgage originations in 2025, with volumes projected to rise to roughly \$805 billion in 2026 as refinancing demand accelerates.

Nearly \$875 billion in loans are scheduled to mature this year, creating a significant refinancing pipeline. Importantly, the latest Federal Reserve Senior Loan Officer Opinion Survey shows banks beginning to modestly ease underwriting standards for the first time since rates began rising in 2022. While delinquencies and legacy loan sales persist, deep pools of private capital and disciplined lending practices continue to support market liquidity.

Economic Data Points to a Cooling but Stable Economy




Recent economic data offered a mixed but generally stabilizing view of the broader environment influencing commercial real estate. Consumer confidence edged lower as households remain cautious about job prospects and personal finances, while initial jobless claims remained contained, suggesting the labor market is cooling but not deteriorating sharply.

Producer Price Index data showed easing pipeline inflation pressures, reinforcing expectations that price growth is moderating. Construction spending softened, particularly across interest-rate-sensitive commercial sectors, as higher financing costs continue to restrain new project starts.

For CRE, these signals remain constructive but measured: stable labor conditions and moderating inflation support capital markets, while reduced construction activity reinforces supply discipline across most property types.

Investor Sentiment Holds Steady Amid Policy Uncertainty



Soft sentiment data from CRE investors points to cautious stability as the market navigates tariff pressures, geopolitical risks, and interest rate uncertainty. The Real Estate Roundtable's Q1 2026 Sentiment Index slipped one point to 66, signaling a tentative but continuing recovery.

Current conditions improved modestly while expectations for the year ahead softened slightly. Most executives report conditions have improved compared to a year ago, and nearly two-thirds expect further improvement over the next 12 months.

Debt availability has strengthened notably, while equity capital access remains more measured. Overall, the survey reflects a market gradually stabilizing, with optimism tempered by policy and pricing uncertainty.

OUTLOOK: Will Early Year Momentum Withstand Rising Uncertainty?

The strong start to 2026 raises an important question: can early momentum in commercial real estate activity continue through the spring, or will macro uncertainty begin to slow the pace of investment and lending?

February's CRE Activity Index suggests the market entered the year on solid footing. Listings activity remains elevated, Phase I environmental site assessments have increased for two consecutive months, and lender-driven appraisal activity continues to reflect active refinancing pipelines. Institutional capital also remains engaged, and LightBox Transaction Tracker data shows a buyer pool that is both deep and increasingly diverse.

However, sentiment has become more cautious in recent weeks. Two competing narratives are emerging.

The bear case centers on rising concerns around private equity exposure to corporate lending. If losses in that sector were to trigger widening credit spreads or cause banks to pull back liquidity, the ripple effects could slow deal activity and increase borrowing costs across CRE.

The more likely scenario resembles a cautious but constructive outcome, where private equity volatility remains contained while markets remain functional. Credit spreads stay largely range-bound, borrowing costs stabilize, and CRE continues to attract capital as a comparatively steady investment relative to more volatile equity sectors.

Geopolitical developments add further uncertainty. The escalation of conflict involving Iran has pushed oil prices higher and raised concerns about inflation and interest rate volatility. A prolonged conflict could dampen investor confidence and slow transaction velocity as buyers and lenders pause for clarity.

Conversely, geopolitical instability can also trigger a flight to safety into U.S. Treasuries, potentially lowering long-term yields and supporting refinancing and acquisition activity.

The Federal Reserve's mid-March meeting will also be closely watched. Markets currently expect the Fed to hold rates steady, but shifting economic data could quickly alter expectations.

The outlook for March remains constructive but cautious. If geopolitical tensions ease and interest rates stabilize, CRE activity could continue building on the momentum established early in the year. If volatility persists, the CRE Activity Index will serve as an early barometer of whether investors and lenders begin to pull back from strategic commitments.



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

LightBox is the leading data and workflow platform for commercial real estate (CRE) and location intelligence. The Company provides authoritative property, ownership, zoning, environmental, and transaction data powered by a proprietary nationwide parcel fabric and the LightBox ID — a standardized identifier that brings clarity and consistency to complex real estate assets. Through its LightBox Live platform and suite of capital markets, lending, and due diligence solutions, LightBox supports critical workflows across investors, lenders, brokers, environmental professionals, government agencies, and infrastructure operators. By transforming fragmented public and private records into structured, connected intelligence, LightBox enables customers to reduce risk, accelerate transactions, improve underwriting accuracy, and make more informed decisions about physical assets and portfolio exposure. Visit us at: www.LightBoxRE.com

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