

June 2025 LightBox CRE Activity Index

June CRE Activity Index Surges to Highest Level Since Mid-2022

Resilient CRE Market Amid Growing Uncertainty Over Tariffs and Broader Economy

The LightBox CRE Activity Index surged to 113.9 in June, its highest reading of 2025 and the strongest performance since May 2022, just before the Federal Reserve began its aggressive rate-tightening campaign. This powerful mid-year rally underscores that today's commercial real estate market velocity is regaining strength despite tariff-led volatility, sentiment headwinds, and economic uncertainty.

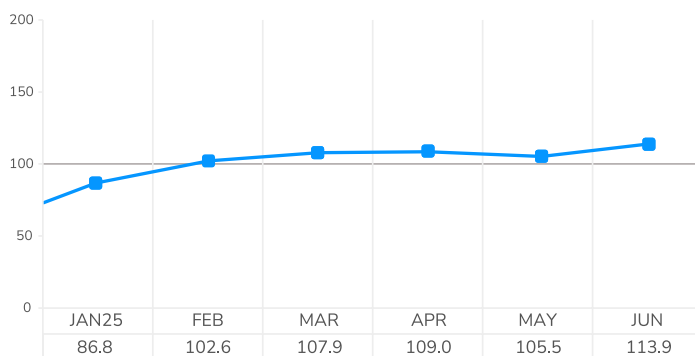


Figure 1A

See note below figure 1B

The Index measures the aggregate daily activity across three core CRE functions, environmental due diligence, commercial property listings, and lender-driven appraisals, amounting to more than 30,000 data points in June supporting CRE lending and investment. The 8% jump in the June Index on the heels of a slight but concerning 3% decline in May suggests that May's pullback was a short-lived pause, largely in response to rising geopolitical tension and uncertainty stemming from April's tariff announcements.

Amid negative headlines and softening sentiment surveys, the latest Index paints an encouraging picture. Brokers brought an increasing volume of commercial property listings to market for the sixth consecutive month, Phase I environmental site assessment volume rebounded sharply in June, and appraisal activity by lenders snapped back after a volatile April and May. Each of these indicators reflects active participants on all sides of the transaction table, sellers bringing assets to market, buyers underwriting deals, and lenders extending debt capital.

The Index is 21% higher than year-ago levels, a sign that the market is not just weathering the storm but recalibrating and setting the stage for a stronger second half of 2025.

While uncertainty remains elevated, from tariff fallout to the unknown timing of interest rate cuts by the Federal Reserve, deal-making and the critical functions that support it remain strong.

CRE Market Advances Steadily Through First Half of 2025

After closing 2024 with a sharp December drop to 58.8, the LightBox CRE Activity Index rebounded swiftly, climbing into triple digits by February. March and April delivered moderate but sustained gains, with April hitting the highest level in nearly three years. Though May marked the year's first monthly decline, it was the fourth consecutive month above 100, confirming the market's underlying resilience.

June's data delivered reassuring evidence that the May dip was short-lived, and CRE market activity continues to strengthen even amid wild fluctuations in the 10-year Treasury yield and weakening market sentiment by businesses and consumers. Investors are actively looking for opportunities now that pricing has stabilized, driving demand for the critical support functions reflected in the Index: commercial appraisals, environmental due diligence, and property listings.

One of the most promising trends of 2025 has been the broadening of debt capital sources. Banks are slowly re-engaging and have been joined by debt funds and CMBS lenders, combining to support the market's much-needed liquidity for new originations as well as the growing swell of loan maturities.

The Three-Pronged Look at CRE Momentum in June

The CRE Activity Index is based on the average daily volume over the past month in each of the three functions that support CRE lending and investment:



Commercial property listings rose for the sixth straight month, with daily volume up 2% from May and 31% higher than last June, when many sellers stayed on the sidelines awaiting the Fed's first interest rate cut and greater pricing clarity.



In a promising sign of renewed momentum in early-stage CRE deal flow, **Phase I ESA activity rebounded sharply, rising 10% from May after a sluggish spring marked by a 5% drop in April and a modest 1% gain in May.**



Lender-driven commercial appraisal volume bounced back strongly with a 19% month-over-month increase, reversing May's 19% decline in a sign of financing activity reaccelerating after a volatile April.

LightBox CRE Activity Index (January 2023 - Present)

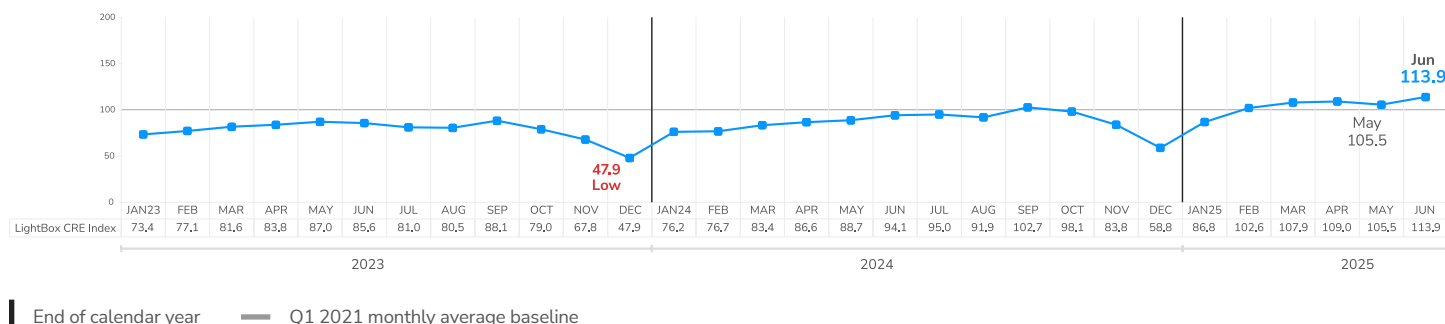


Figure 1B

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. Beginning in March 2025, the CRE Activity Index expanded the universe of LightBox's property listings to include Revere CRE's monthly volume of property listings. 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.

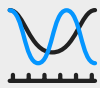
June 2025: Current Month vs. Historical Benchmarks

	Current Month	Previous Month	Corresponding Month of Prior Year	12-Month Moving Average	Historic Low*	Historic High*
Overall Index	113.9	105.5	94.1	96.1	47.9 (Dec. '23)	149.4 (Feb. '22)

Figure 2

NOTE: The historic low and historic high are based on the timeframe from Q1 2021's monthly average, which serves as the baseline for the index.

Trade Tensions Cloud Forecasts, Dampen Sentiment



Interest Rate Uncertainty: The Fed is currently split on whether to lower rates at the late July meeting, with some officials advocating action to support slowing growth, while others remain concerned about rekindling inflation. If the market sees a rate cut, either in July or later in September, it could be a catalyst for CRE activity and trigger another uptick in the Index, much as it did last September when the Index jumped into triple digits for the first time in two years.

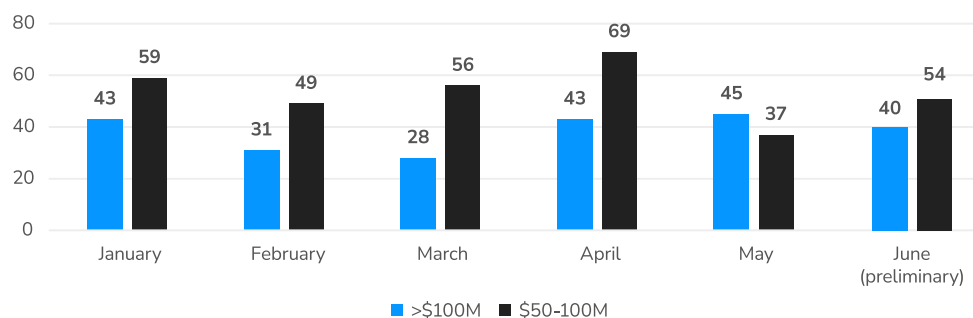


Macroeconomic Metrics: Consumer spending, which has been extremely strong in recent years, is beginning to soften and the housing market is showing early signs of stress. Yet inflation is not accelerating meaningfully, at least not yet. The latest PCE price index met expectations, but the core PCE ticked higher, edging inflation away from the Fed's target. Meanwhile, the labor market remains stable, but the market is on watch as the full impact of tariffs unfolds gradually over coming quarters.



Investment Climate: Institutional investors, private equity, and well-capitalized buyers remain active across multifamily, industrial, and select office properties. Deals are taking longer to close due to heightened due diligence and tighter underwriting, but the deal flow LightBox is tracking shows that investors aren't pulling back the reins (see Figure 3). Non-disclosure agreements by interested investors and bidding activity continue to rise, reflecting growing confidence and a broader buyer pool. Multifamily and industrial remain preferred targets, though retail and office assets are also seeing renewed interest. The office sector, once a post-pandemic laggard, is showing signs of life in 2025, with leasing volumes rising across most major metros. Retail faces the most pressure from tariffs, with large chains preparing for supply chain disruptions and margin compression. And as distress works through the system, investors can expect more listings from motivated sellers with maturing loans.

Major CRE Deals (YTD 2025)



SOURCE: LightBox Transactions Tracker

Figure 3

FORECAST: “Steady On” as Strong June Sets the Stage for a Busy Second Half of 2025

The Index, supported by a broad base of data on early indicators like property listings, appraisals, and environmental due diligence, points to an active stream of deal closings in the months ahead. If anything upsets the market in the coming months related to trade or monetary policy, the economy or overall sentiment, any noticeable change will show up in the Index. The strong June Index is a sign that CRE investors are still active, albeit with eyes wide open. Lenders are more risk averse, and underwriting is tighter, but they are still willing to extend capital when the numbers make sense. While risks remain, from inflation and tariffs to geopolitical unrest and interest rate surprises, the foundation is in place for continued deal flow in the coming months. The LightBox CRE Activity Index offers evidence that the CRE market is soldiering on, with discipline and direction, even under clouds of policy and economic uncertainty.



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.