



Second Quarter 2026

# The Real Estate Roundtable Sentiment Index

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The Real Estate Roundtable is pleased to announce the results from the Q2 2026 Real Estate Roundtable Sentiment Survey. The quarterly survey is the commercial real estate industry's comprehensive measure of senior executives' confidence and expectations about the commercial real estate market environment. Conducted by Ferguson Partners on behalf of The Roundtable, it measures the views of CEOs, presidents, and other top commercial real estate industry executives regarding current conditions and the future outlook on three topics:

1. Overall real estate conditions
  2. Real estate asset values
  3. Access to capital markets
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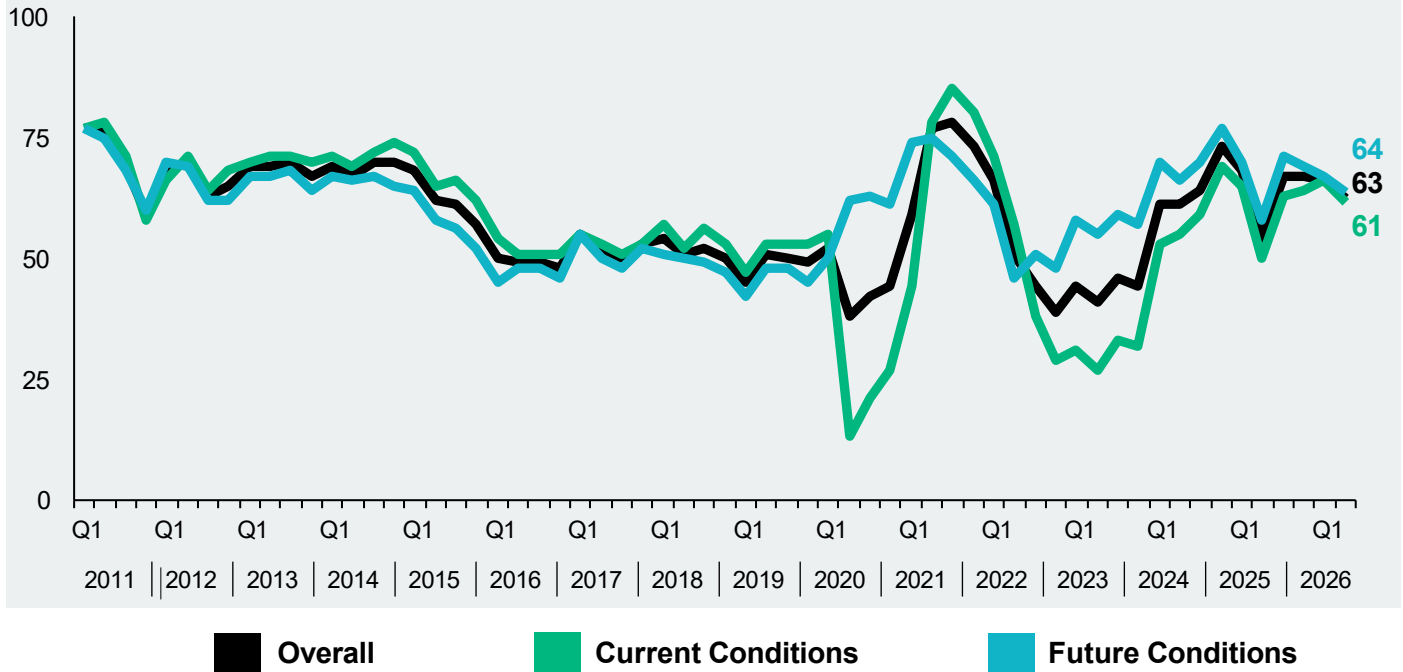
## Topline Findings

- **The Q2 2026 Real Estate Roundtable Sentiment Index registered an overall score of 63, a decrease of 3 points from the previous quarter.** The Current Index registered 61, a 5-point decrease from Q1 2026. The Future Index posted a score of 64 points, a decrease of 3 points from the previous quarter, reflecting a market caught in stalemate, where capital is abundant, debt is open, and fundamentals are holding, yet transactions remain stuck behind a wide bid-ask spread. Sellers are refinancing rather than listing, geopolitical shocks have delayed an otherwise visible recovery, and a K-shaped dynamic is widening the gap between well-capitalized players and those running short on equity. The mood is patient, not pessimistic: a 'decaffeinated' recovery that participants believe will accelerate once pricing clarity returns.
- Beneath the headline numbers, performance is increasingly defined by where firms are and what they own. Top-quartile markets and assets are pulling decisively away from the rest, with industrial, lodging, data centers, and high-quality retail running hot, while multifamily continues to absorb its supply overhang and office remains sharply bifurcated between trophy assets and everything else. Across every sector, AI is emerging as both a demand driver and an operational force multiplier, reshaping where capital flows and how participants underwrite the next cycle.
- **A majority (53%) of respondents believe asset values are relatively unchanged compared to a year ago,** while 32% feel they are higher and 15% think values have declined. Looking ahead, the outlook is overall optimistic: 54% expect asset prices to rise over the next year, 37% believe asset values will remain stable, and only 9% anticipate that values will decrease.
- Perceptions on equity capital are split, **with 24% believing availability is worse compared to a year ago, 33% thinking it is better, and 43% feeling it is the same.** On the other hand, sentiment around debt capital is positive, as 69% said the availability of debt capital has improved from last year. Looking forward, 51% of respondents believe that equity capital availability will be better in one year and 31% believe debt capital availability will be better.

<sup>1</sup> The Real Estate Roundtable Sentiment Index is measured on a scale of 1–100. It is the average of The Real Estate Roundtable Future Index and The Real Estate Roundtable Current Index. To register an Index of 100, all respondents would have to answer that they believe conditions are "much better" today than one year ago and will be "much better" one year from now.

# The Real Estate Roundtable Sentiment Index

**Exhibit 1 – Sentiment Index (Aggregate)**



- In the Q2 RER Sentiment Survey, participants rated the overall market conditions as a score of 63, current conditions as 61, and future conditions as 64
- Compared to one year ago, sentiments of current conditions are up by 11 points, perceptions of future conditions are up by 6 points, and overall conditions are up by 9 points
- In comparison to last quarter, sentiments on current conditions are down by 5 points, perceptions of future conditions are down by 3 points, and overall conditions are down by 3 points

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# General Conditions

**The Q2 2026 Real Estate Roundtable Sentiment Index registered an overall score of 63, a decrease of 3 points from the previous quarter.** The Current Index registered 61, a 5-point decrease from Q1 2026. The Future Index posted a score of 64 points, a decrease of 3 points from the previous quarter, reflecting a market caught in stalemate, where capital is abundant, debt is open, and fundamentals are holding, yet transactions remain stuck behind a wide bid-ask spread. Sellers are refinancing rather than listing, geopolitical shocks have delayed an otherwise visible recovery, and a K-shaped dynamic is widening the gap between well-capitalized players and those running short on equity. The mood is patient, not pessimistic: a 'decaffeinated' recovery that participants believe will accelerate once pricing clarity returns.

“ If I had to sum it up in one word, I would say 'stalemate'. Two years ago, I would have said 'bear market' – not distress, but some stress.”

“ It's a decaffeinated capital markets recovery. It's there fundamentally, but it's not allowing for full transactions. It's a rising tide, but there are certainly some ships with holes in their hulls.”

“ No longer is this an up-and-to-the-right economy. The haves have appropriate equity. The have-nots don't have the capital.”

“ It's a K-shaped economy. High income earners are doing better than others. We're not believers we're going to see a recession.”

“ We've been waiting on this wall of sellers to come to market. Nobody wants to sell; they're refinancing. Transaction volume is down vs. 2025; the hope is that by year-end we see a return to normalcy.”

“ If it weren't for war in the Middle East, I think we would be in a much better place right now. We were seeing wheels in motion for a significant recovery.”

“ People want to engage, and capital is looking for ways to engage. With the right long-term vision, this is a good time to enter the market.”

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# General Conditions (continued)

Beneath the headline numbers, performance is increasingly defined by where you are and what you own. Top-quartile markets and assets are pulling decisively away from the rest, with industrial, lodging, data centers, and high-quality retail running hot, while multifamily continues to absorb its supply overhang and office remains sharply bifurcated between trophy assets and everything else. Across every sector, AI is emerging as both a demand driver and an operational force multiplier, reshaping where capital flows and how participants underwrite the next cycle.



Industrial has had a banner twelve months and the vast majority of our large blocks of space have been absorbed."



The hotel market is good. There are lots of transactions, financing is readily available, and seller pricing has moderated. Expectations and reality are aligned; the market is healthy."



The top quartile of U.S. markets in each property type are showing a lot more strength than the other quartiles. There's more differentiation in performance across markets, property types, and within sectors."



The interesting part about office is the extremities. There are still foreclosures, and there are signature buildings doing well at triple the value of those foreclosures."



Multifamily is still soft and oversupplied. The pipeline is smaller than last year, but I think it will take longer than anyone expects to normalize."



Retail is doing fine. Population growth is supporting it. Deals are getting done and stabilized quickly."



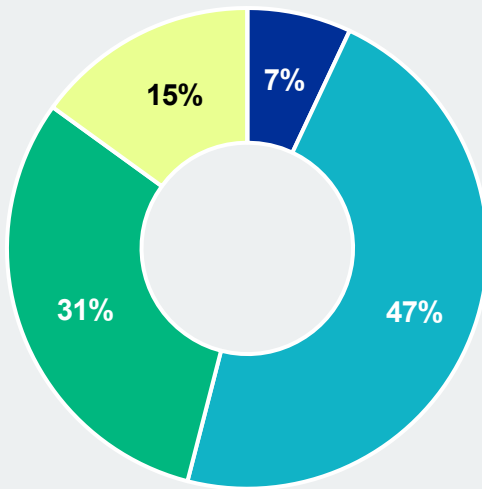
AI is providing tremendous support to the economy. We feel strongly about digital companies investing in hard assets such as data centers, energy generation, storage, and transmission."

# General Market Conditions

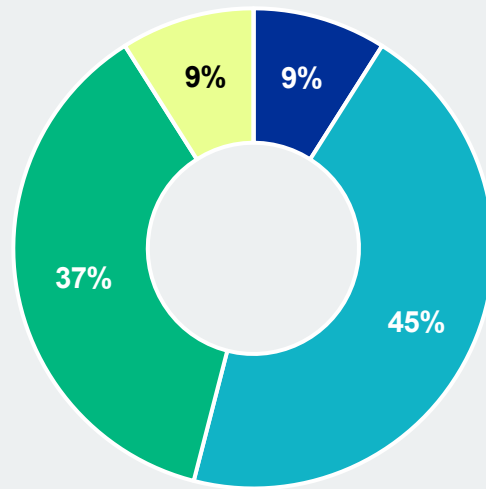
% of respondents

**Exhibit 2 – Perceptions on General Market Conditions**

**Today vs.  
One Year Ago**



**One Year From  
Now vs. Today**



**Much better**       **Somewhat better**       **About the same**       **Somewhat worse**       **Much worse**

- Regarding sentiment on current market conditions, 15% believe it is a less favorable environment compared to one year ago, 54% feel it has improved, and 31% believe conditions remain the same
- Current perceptions exceed the expectations outlined twelve months ago, when 47% of participants anticipated an improvement in general market conditions, with 54% of Q2 2026 participants believing conditions have in fact improved
- Looking towards the future, 54% of participants believe that a year from now will present more favorable market conditions

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# Asset Values

A majority (53%) of respondents believe asset values are relatively unchanged compared to a year ago, while 32% feel they are higher and 15% think values have declined. Looking ahead, the outlook is overall optimistic: 54% expect asset prices to rise over the next year, 37% believe asset values will remain stable, and only 9% anticipate that values will decrease.

“For quality assets, prices are about the same as they were a year ago. Looking ahead, I expect that assets will appreciate modestly, and the bid-ask spread will get smaller.”

“Industrial and multifamily pricing is tightly correlated with the 10-year treasury bond. As the 10-year has fluctuated, so too have those asset values.”

“The next few years won't generate the incredible returns we used to see; those only seem possible in a lower interest rate environment.”

“Debt pricing is aggressive, which is pushing the spreads that are coming in.”

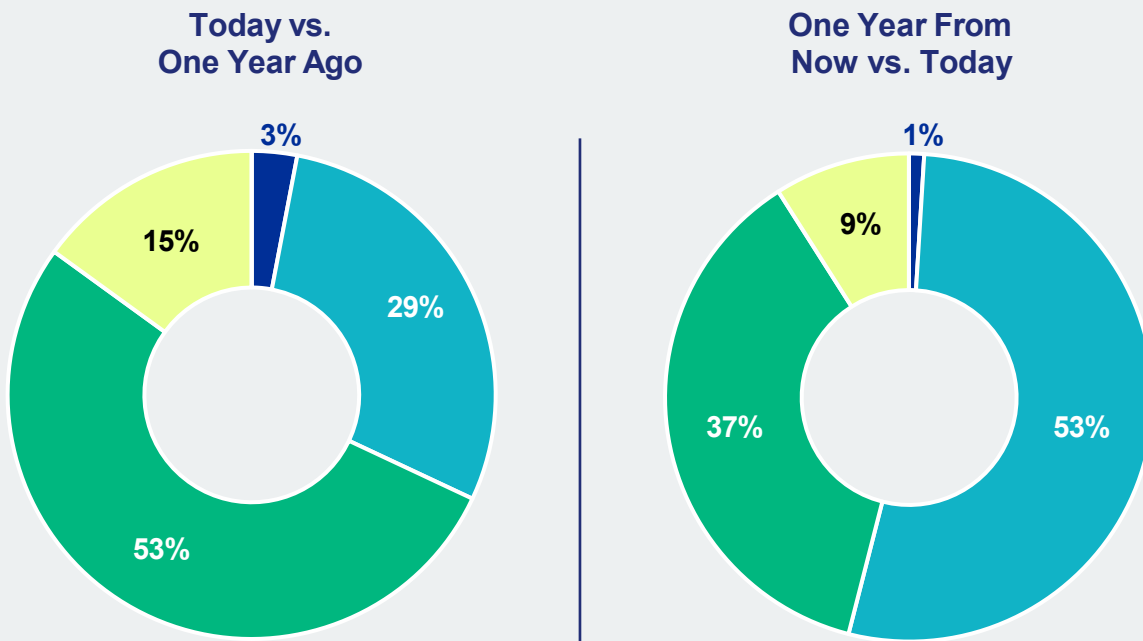
“Any increase in asset value is going to be driven more by NOI growth than capital appreciation. Cap rates are probably where they should be, with little room for tightening.”

“Asset values will plateau until cost pressures start to diminish. For multifamily, rents are increasing, but expenses are going up at almost the same rate, meaning operating income is stagnant.”

# Real Estate Asset Values

% of respondents

**Exhibit 3 – Perceptions on Asset Values**



□ **Much Higher**      □ **Somewhat higher**      □ **About the same**      □ **Somewhat lower**      □ **Much lower**

- Regarding sentiment on the state of current asset values, 15% believe they are lower than one year ago, 32% feel they are higher, and 53% believe asset values have remained the same when comparing to a year ago
- Looking at last year's Q2 Sentiment survey, 43% of participants expected asset values would be higher now, reflecting a drop in asset value expectations
- Looking towards the future, 54% of participants believe that a year from now will present more favorable asset values, 37% believe they will remain the same, and only 9% believe we will see lower asset values

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# Capital Markets

Perceptions on equity capital are split, with 24% believing availability is worse compared to a year ago, 33% thinking it is better, and 43% feeling it is the same. On the other hand, sentiment around debt capital is positive, as 69% said the availability of debt capital has improved from last year. Looking forward, 51% of respondents believe that equity capital availability will be better in one year and 31% believe debt capital availability will be better.

““ The pendulum has swung – debt is readily available, but now we can't raise equity capital. Fundraising has become a knife fight.”

““ There's a significant amount of equity capital looking to enter the market, but they are still hesitant to write checks. Many investors are waiting to see how geopolitical and economic issues will play out.”

““ Debt availability is back to pre-COVID levels. CMBS especially is highly active. You can find debt capital for anything, and lenders are pricing aggressively.”

““ Foreign capital is hard to find. The Middle East is preoccupied with war, and neither Europe nor Canada wants to invest in the United States right now.”

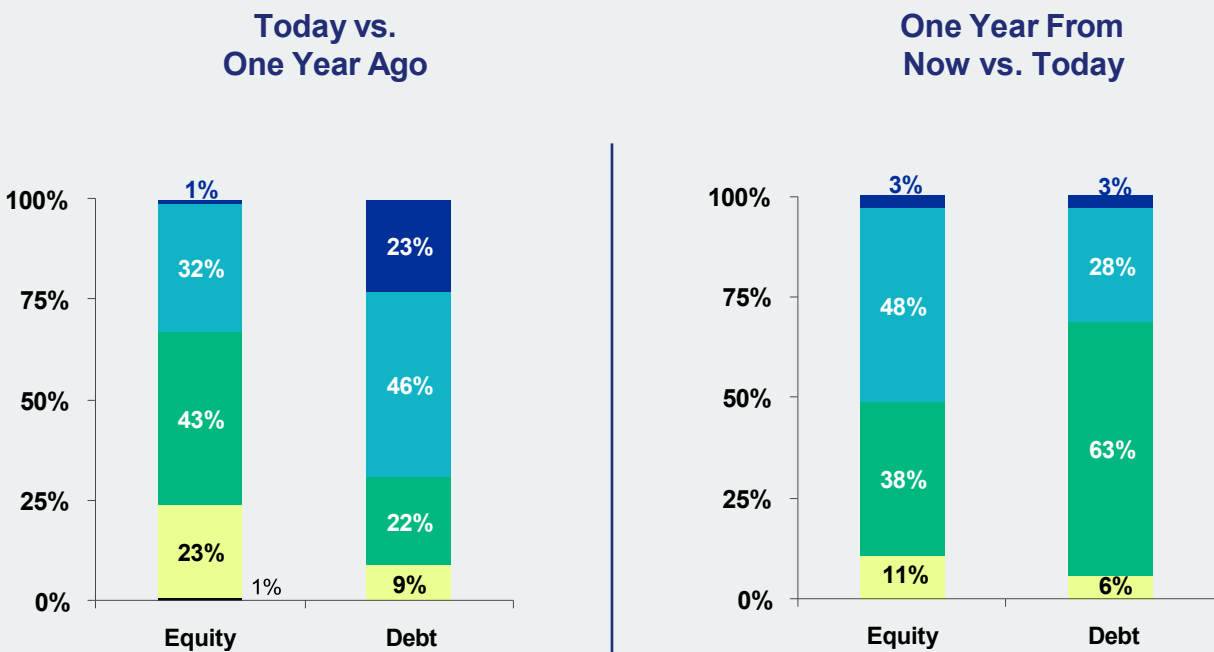
““ Construction debt spreads are the thinnest they've been in years. If you can bring equity to a deal, you can get a loan.”

““ Equity fundraising has been difficult, but that's starting to change this year. After eighteen months of effort, we've had real success in the last two months.”

# Availability of Capital

% of respondents

**Exhibit 4 – Perceptions on the Availability of Debt and Equity Capital**



**Much better**    
  **Somewhat better**    
  **About the same**    
  **Somewhat worse**    
  **Much worse**

- Regarding sentiment on the availability of equity capital, 24% believe it is worse compared to one year ago, 33% feel it has improved, and 43% believe the availability of equity remains the same
- In terms of the availability of debt capital, only 9% of participants believe it is worse compared to one year ago, 69% feel it has improved, and 22% believe the availability of credit remains the same
- Looking towards the future, 51% and 31% of participants believe that equity and debt availability, respectively, will be better one year from now, while 11% and 6% of participants, respectively, believe that capital availability will be worse one year from now.

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# Participants

(Please note that this is only a partial list. Not all survey participants elected to be listed.)

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## About Ferguson Partners Consulting

We are problem solvers for the real assets industries helping our clients with the strategy, structure, and performance of their businesses, often at times of transition and transformation. Our service offerings include:

- Strategy & Market Positioning – Optimizing business strategy to compete in the market.
- Organizational Design – Getting the right structure, roles, and people in place to execute the business plan.
- Governance & Succession Planning – Planning around current and future leadership, ownership, governance, and decision making.
- Operational Efficiency – Ensuring the performance of the business is optimized through rigorous assessments and benchmarking of staffing and financial results.

## About The Real Estate Roundtable

The Real Estate Roundtable brings together leaders of the nation's top publicly-held and privately-owned real estate ownership, development, lending and management firms with leaders of major [national real estate trade organizations](#) to jointly address key national policy issues relating to real estate and its important role in the global economy.

The collective value of assets held by Roundtable members exceeds \$4 trillion. The Roundtable's membership represents more than 3 million people working in real estate; 12 billion square feet of office, retail and industrial space; over 4 million apartments; and more than 5 million hotel rooms. It also includes the owners, managers, developers and financiers of senior, student, and manufactured housing—as well as medical offices, life science campuses, data centers, cell towers, and self-storage properties.

The Roundtable's policy news and more are [available on The Roundtable website](#).



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