The RECAP is SitusAMC's monthly Real Estate Commentary, Analytics and Perspectives on the commercial real estate market.

Our team of experts aggregates the latest trends and perspectives across commercial real estate finance to help you stay up to date on market developments and make more informed decisions. Here are the key developments in March 2026.

WHAT YOU NEED TO KNOW

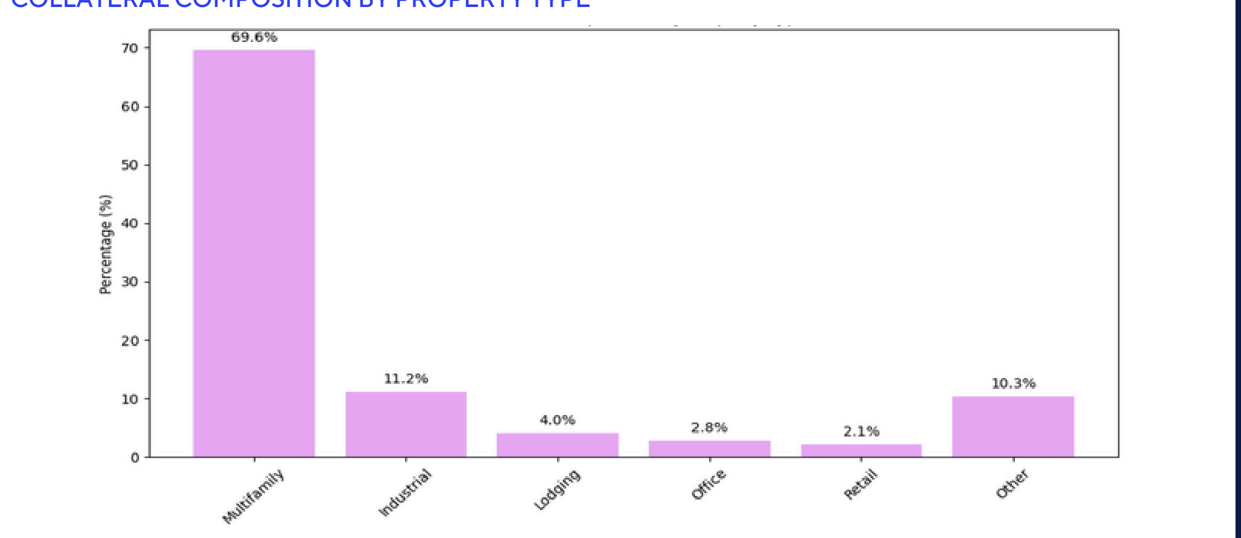
More than $11 billion in CRE CLOs were issued by early March, up 34% YoY. The percentage of apartments offering concessions hit the highest level in nearly 12 years in January. The 10-year Treasury rate has increased about 25 bps as Brent oil prices topped $100 per barrel since the beginning of the Iran War. January CRE deal activity plummeted 57% from the previous month. A large proportion of 2025 loan maturities were extended into subsequent years.

ABOUT SITUSAMC INSIGHTS

SitusAMC is the leading provider of data, research and analytical tools supporting the lifecycle of real estate finance. Leveraging proprietary and third-party data, our tools and research support smarter investment and portfolio decisions with expert-driven insights. LEARN MORE ⟶

COLLATERALIZED LOAN OBLIGATIONS (CLOS) START THE YEAR OFF STRONG

COLLATERAL COMPOSITION BY PROPERTY TYPE



Sources: Trepp, SitusAMC Insights

CRE CLOs are off to a strong start in 2026, with $11.2 billion issued by early March, a 34% jump over the same period in 2025, according to Trepp. At this pace, total issuance could reach $30 billion to $40 billion this year, and potentially approach the $45 billion peak set in 2021.

However, today's market differs significantly from the low-rate environment that fueled the 2021 surge, as current issuance reflects higher rates and more transitional, value-add lending. Multifamily continues to dominate the collateral pool, while office exposure has fallen sharply due to ongoing sector challenges. Underwriting has also become more conservative, with business plans based on realistic rent growth rather than the aggressive assumptions seen in the previous cycle.

"We've seen extreme volatility in the 10-Year Treasury."

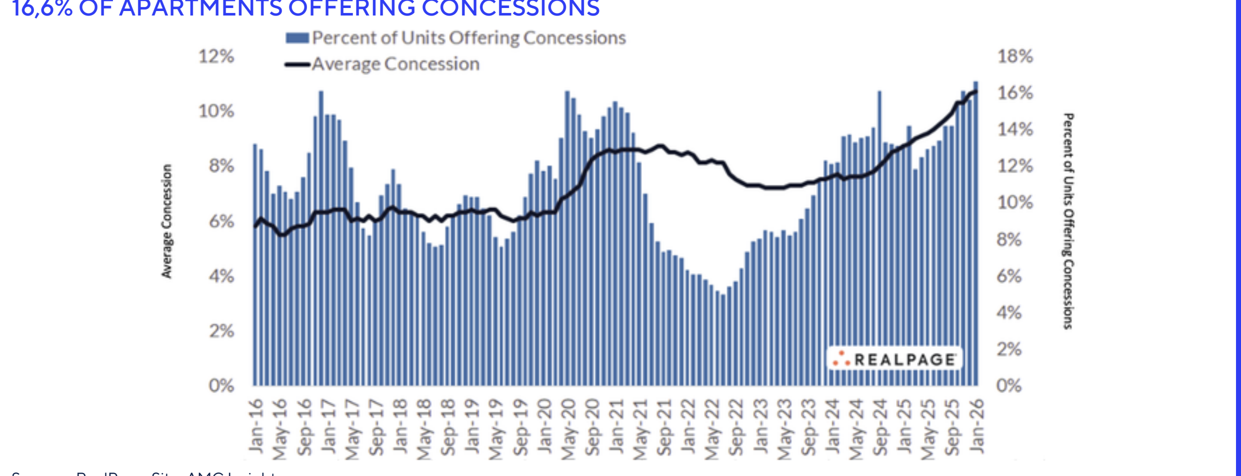
PETER MUIOI, PHD
Head of SitusAMC Insights

4.21

10-YEAR TREASURY MARCH 11TH

CONCESSIONS RISE AS APARTMENT FUNDAMENTALS REMAIN WEAK

16,6% OF APARTMENTS OFFERING CONCESSIONS



Sources: RealPage, SitusAMC Insights

Some 16.6% of apartments offered concessions in January, up a full point from the previous month to the highest share since mid-2014. The average discount remained around 10.7%, continuing a three-year trend toward deeper concessions, which now sit at levels last seen after the Global Financial Crisis.

Class A units maintained the deepest average discount at 11%, while Class B and C saw slight increases. Class C had the highest concession usage, with 23% of properties offering a discount in January. Concession rates across one-, two-, and three-bedroom units closely matched national averages, though efficiency units underperformed, with 19% offering discounts averaging 12.1%. Concessions were concentrated in the high-supply South (20.5%) and West (16.2%). The Northeast (12.8%) and Midwest (10.7%) also saw increases as operators worked to attract renters during a seasonally slow period. Texas markets dominated the top 10 rankings for concessions.

RATES RISE AS OIL TOPS $100/BARREL

U.S. TREASURIES - PAST YEAR

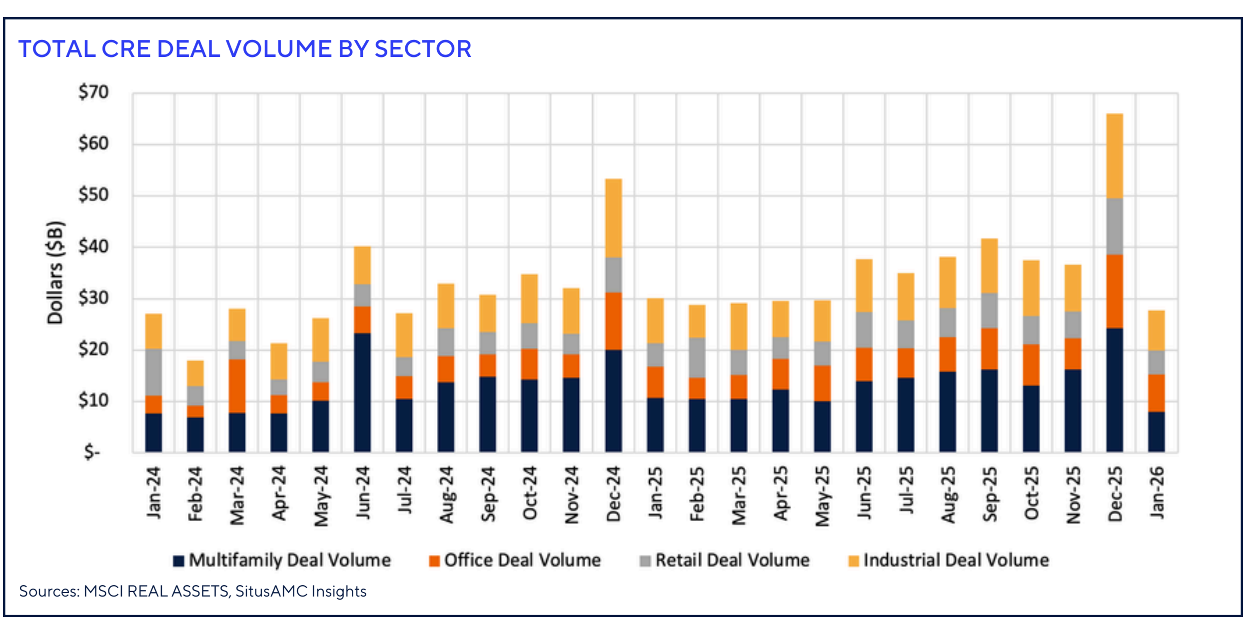
Sources: FRB, SitusAMC Insights

Since the beginning of the Iran War, the 10-year Treasury rate has whipsawed, increasing about 25 bps in less than two weeks as Brent oil prices topped $100 per barrel and gasoline prices rose about 20%. Skittishness about the Iran War and the ability to get oil through the Strait of Hormuz has overshadowed the downward pressure on rates following a weak labor market report, which showed a loss of jobs and rise in unemployment.

On March 11, Treasury rates continued to increase as oil prices rose despite the International Energy Agency announcing a record-level release of reserves and February's CPI (prior to the onset of the Iran War), which showed sticky, albeit as expected, inflation at 2.4% adding upward pressure on rates.

DEAL VOLUME DECLINES SHARPLY IN JANUARY

TOTAL CRE DEAL VOLUME BY SECTOR

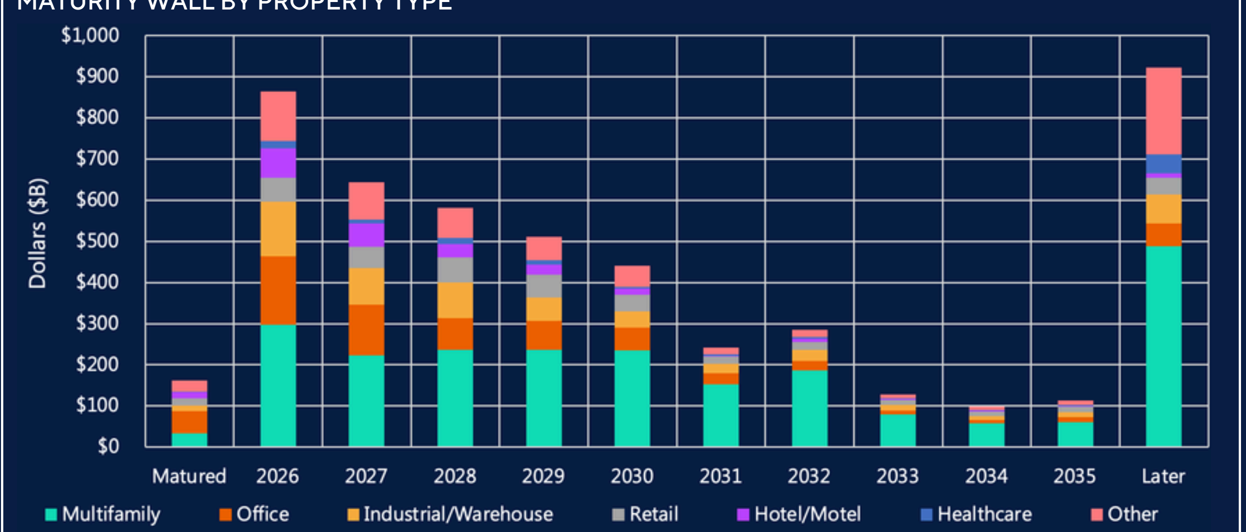


Sources: MSCI REAL ASSETS, SitusAMC Insights

January's overall CRE deal activity plummeted 57% MoM to about $34 billion, the slowest month since July 2024. All property types experienced significant declines in volume, most notably for multifamily, which was down 67% to the lowest level since April 2024. Multifamily deal activity in January was less than half of its historical monthly average. This followed the surge in December transaction volume, attributable to the rush to close deals before the end of the year.

MANY LOAN MATURITIES RECEIVE EXTENSIONS IN 2025

MATURITY WALL BY PROPERTY TYPE



Sources: MBA, SitusAMC Insights

A large proportion of loan maturities in 2025 were extended into subsequent years, according to new data from the Mortgage Bankers Association. The MBA report estimated that $874 billion worth of loans were expected to mature in 2026 – up from its $664 billion estimate last year. This trend is present in later maturity years as well. Banks hold the largest share of maturating loans at 37%. Multifamily comprises the largest share by property type – nearly half of all maturing loans.

ABOUT SITUSAMC

SitusAMC is the leading independent provider of innovative, trusted solutions powering the lifecycle of commercial real estate finance. Our comprehensive services and technology supports banks, alternative lenders, CMBS issuers, and insurance companies to power more efficient, effective, and agile businesses.

VIEW COMMERCIAL SOLUTIONS

VIEW PREVIOUS RECAPS

SitusAMC