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CREF Roundup | Week 36, 2025

The CREF Roundup is a periodic digest of noteworthy developments, insights, and commentary in the world of commercial real estate finance (CREF). Curated for industry professionals, this ongoing series seeks to highlight key trends and news shaping the market. For more CREF intel and analysis, visit our blog, [The Carveout](#).

How AI is Reshaping Real Estate

Morgan Stanley published a [research summary](#) stating that AI is revolutionizing the real estate industry by automating up to 37% of tasks, leading to significant labor cost savings and improved operational efficiency. These advancements are especially impactful in property management, sales, and administrative functions, with companies reporting increased satisfaction despite reduced on-site staffing.

Key takeaway: Using AI to automate routine tasks, optimize staffing, and enhance client services can ultimately boost efficiency and profitability in real estate operations.

Want to Learn More About Early AI Adoption?

CRE Finance Council is putting on a webinar entitled "[Early AI Adoption in CRE Finance – Insights from the Frontlines](#)" on November 12th, which promises a dynamic conversation with early AI adopters across the CRE finance ecosystem. The webinar will explore real-world experiences with AI platform implementation, use cases, and lessons learned.

How Tariffs Are Reshaping Commercial Real Estate Construction

Trepp published [this report](#) discussing how tariffs on key construction materials like steel, aluminum, and copper have significantly increased U.S. commercial real estate development costs in 2025, causing delays, reduced project starts, and investor

uncertainty. Despite inflationary pressures and contracting margins, some sectors like data centers and renewable energy projects continue to show resilience.

Key takeaway: CRE developers must adapt to rising material costs and supply chain disruptions by exploring alternative materials/supply chains, adjusting contracts, and targeting sectors with strong long-term demand.

Covering Your Assets: Navigating the CRE Liability Insurance Landscape

If you're interested in the latest on liability insurance, CRE Finance Council has another [webinar September 17th](#) that will examine the changing liability insurance landscape for commercial real estate professionals and discover how to navigate current market trends and emerging risks.

Manufactured Housing: The Quiet Outperformer in CRE Finance

Manufactured housing has emerged as a top-performing CRE sector due to its affordability, low vacancy rates, and near-zero loan delinquencies, attracting growing investor interest and tighter cap rates according to [this Trepp report](#). Despite limited institutional ownership and lingering stigmas, the sector offers strong income stability and room for growth, especially in supply-constrained regions.

Key takeaway: Manufactured housing is transitioning from a niche asset to a core defensive play in CRE, offering reliable returns, resilience to economic cycles, and increasing institutional appeal.

The Carveout

A legal blog geared toward sophisticated capital market participants, The Carveout provides insight into current trends and developments in commercial real estate finance (CREF)—with a particular focus on non-recourse carveouts and CREF loan

platforms including CMBS, debt funds, private capital, REITs, life insurance companies, and other complex sources of capital.

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