



Feb 06, 2026

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Authors:

[E. Alan Morgan](#)
[Joshua \(Josh\) D. Brock](#)
[Keegan Hypes Williams](#)

CREF Roundup | Week 6, 2026

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](#).

Federal Reserve issues FOMC statement

On January 28, 2026, the [Federal Reserve Board](#) noted that the economy is growing at a solid pace, with low job gains, a stabilizing unemployment rate, and inflation still somewhat elevated amid high uncertainty. The Committee kept the federal funds rate unchanged at 3.5%–3.75%, emphasizing a data-dependent approach to future rate decisions. While most members supported holding rates steady, two dissented in favor of a modest rate cut. **Key Takeaway:** The Fed is prioritizing caution—holding rates steady while closely watching economic data to balance inflation control with supporting employment.

Late CRE CLO Loan Payments Rise

[Commercial Mortgage Alert](#) reported that late payments in CRE CLOs rose in December to 5.72%, snapping a three-month decline, mainly due to higher delinquencies in the “other” property category, while office, multifamily, retail, and hotel loans showed stability or improvement. Despite the monthly uptick, overall distress improved year over year, with delinquencies, special servicing rates, and loans of concern all falling meaningfully. At the same time, the CRE CLO market remains very active, with heavy deal redemptions, strong loan resolutions, and issuance expected to grow sharply in 2026. **Key Takeaway:** Short-term stress ticked up in certain property types, but underlying credit health in CRE CLOs is improving and investor appetite remains strong, signaling confidence in the sector despite pockets of risk.

CMBS Delinquency Report January 2026

In the newest [Trepp](#) report, the Trepp CMBS delinquency rate rose 17 bp in January 2026 to 7.47%, driven by a \$1.6 billion net increase in delinquent loans, led overwhelmingly by office properties. Office delinquencies jumped 103 bp to a record 12.34%, while multifamily and retail also increased, offset partly by sharp improvements in lodging and industrial. Including performing matured balloon loans pushes the delinquency rate to 9.14%, underscoring ongoing maturity-related stress. **Key Takeaway:** Office distress continues to worsen and remains the primary drag on CMBS performance, while maturity risk is becoming an important pressure point across the market.

Issuers Show No Signs of Slowing

[Commercial Mortgage Alert](#) reported that CMBS and CRE CLO markets had one of their busiest Januarys ever, with roughly \$12 billion of deals priced or launched in a single week as investor demand surged. Oversubscription and tightening spreads dominated both new-issue and secondary markets, including large single-borrower CMBS deals backed by Blackstone assets and heavy multifamily exposure across CRE CLOs. Issuance momentum is approaching post-financial-crisis records, with pricing often coming in tighter than initial guidance. **Key Takeaway:** Investor demand for structured commercial real estate debt is extremely strong, driving heavy issuance and tighter spreads and signaling a very bullish start to the year for CMBS and CRE CLO markets.

Fundrise Launches RealAI: “ChatGPT for Real Estate”

[Real Assets Adviser](#) posted an article covering Fundrise’s launch of RealAI, an AI-powered real estate intelligence platform that delivers institutional-grade property and market analysis in seconds. Trained on vast proprietary data and Fundrise’s experience managing \$7 billion in residential assets, RealAI automates underwriting and due diligence that once took days. The platform is

designed for both institutions and everyday users, expanding advanced real estate analytics beyond large firms. **Key Takeaway:** RealAI aims to democratize real estate investing by using AI to eliminate information advantages and dramatically speed up decision-making for professionals and consumers alike.

Conduit Issuers Weather Dip in Profits

Commercial Mortgage Alert reported that average gross profits on new CMBS conduit deals slipped to 2.64% last year, down from 2.84% in 2024, even as issuance picked up. That annual decline masks a stronger second half, when tighter spreads after loan origination boosted profitability, with fourth-quarter measurable deals averaging a healthier 3.24%. "All else being equal, lenders typically can reap higher profits if spreads on new conduit paper tighten after the collateral loans are originated but before they're securitized." Deals backed by longer-term loans were the most profitable, while five-year conduits lagged. **Key Takeaway:** Full-year margins were softer, but conduit economics improved late in the year, showing lenders were able to capitalize on favorable spread movements despite a volatile market.

Rates Steady, CRE in Motion: Multifamily Underwriting Pivot, Apartment Cash Flow Analysis, & Co-Working Comeback

TreppWire Podcast Episode 377, released January 29, 2026, covers the Fed holding rates steady and discusses how a shifting policy backdrop could shape CRE as Chair Powell's term winds down. It then shifts to multifamily, sharing takeaways from the National Multifamily Housing Council conference on tighter JV equity underwriting and the rise of bridge-to-bridge lending feeding CRE CLO issuance. The hosts note a co-working rebound, alongside headline items such as the halt of the \$16B Hudson Tunnel project, Amazon Fresh and Go closures, Fat Brands' Chapter 11 filing, and notable apartment transactions (including NBA star Giannis enlarging his CRE portfolio in Chicago). Overall, the market picture is one of steady rates, selective risk-taking, and divergent fortunes

across subsectors. **Key takeaway:** With interest rates on pause, investors are favoring disciplined multifamily underwriting and selective growth themes (collaborating, specific value-add plays) while stress in certain retail and infrastructure stories underscores the need for deal-by-deal scrutiny.

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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