

Intelligent Investment

# 2023 U.S. Lender Intentions Survey

REPORT FIGURES

CBRE RESEARCH  
JANUARY 2023

The image shows a stylized architectural scene with a white sky, a brown textured wall on the right, and a blue textured wall on the left. The CBRE logo is positioned in the top right corner of the image area.

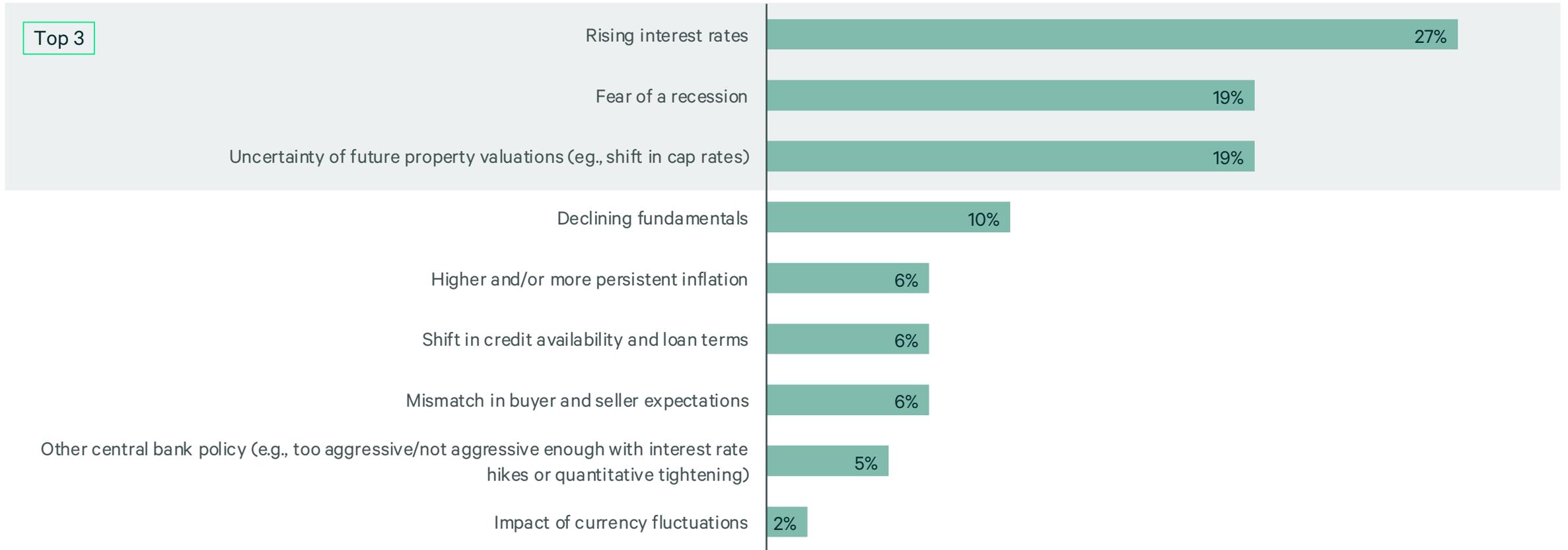
CBRE

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# Investment Activity Outlook

# Rising interest rates, fear of a recession and uncertainty about property valuations top lender concerns in 2023

FIGURE 1: Major challenges facing the lending environment in 2023 (select top three)

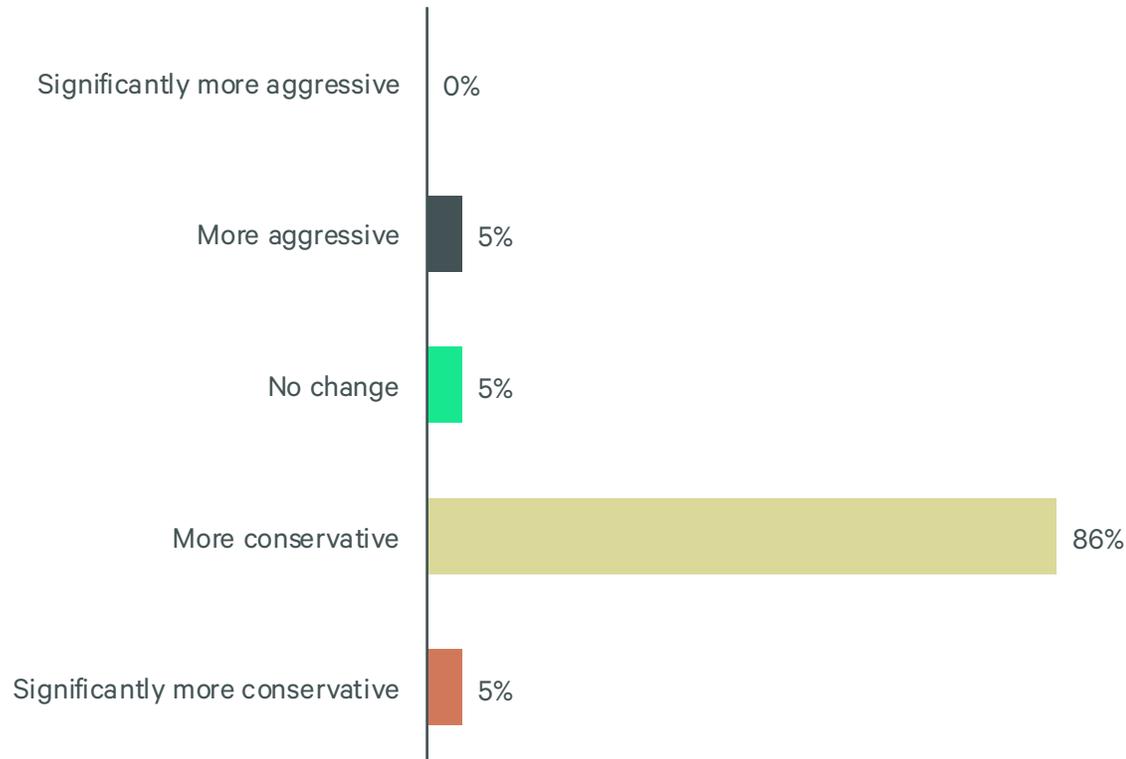


Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

## Most lenders expect to underwrite more conservatively in 2023, led by changing cap rate assumptions

**FIGURE 2: Expected changes to underwriting assumptions in 2023**

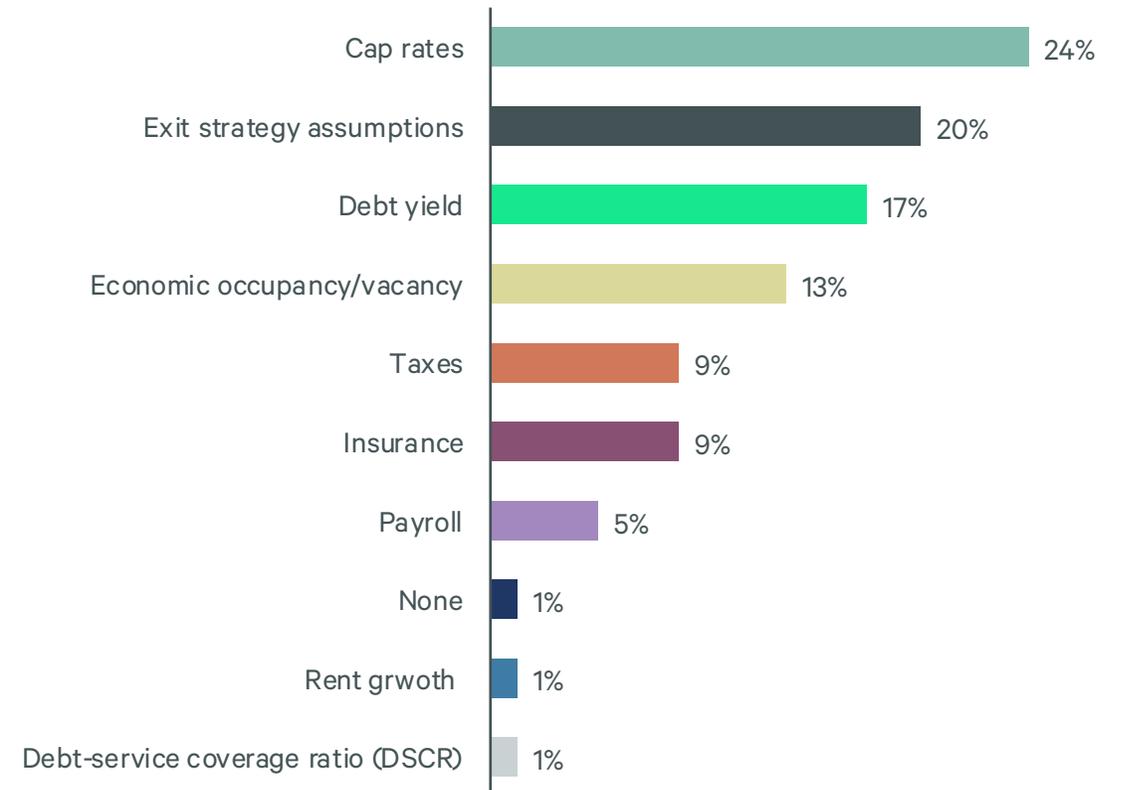
To what extent are you expecting changes to your underwriting requirements in 2023?



Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

**FIGURE 3: Main areas that will see changes in pro forma underwriting assumptions**

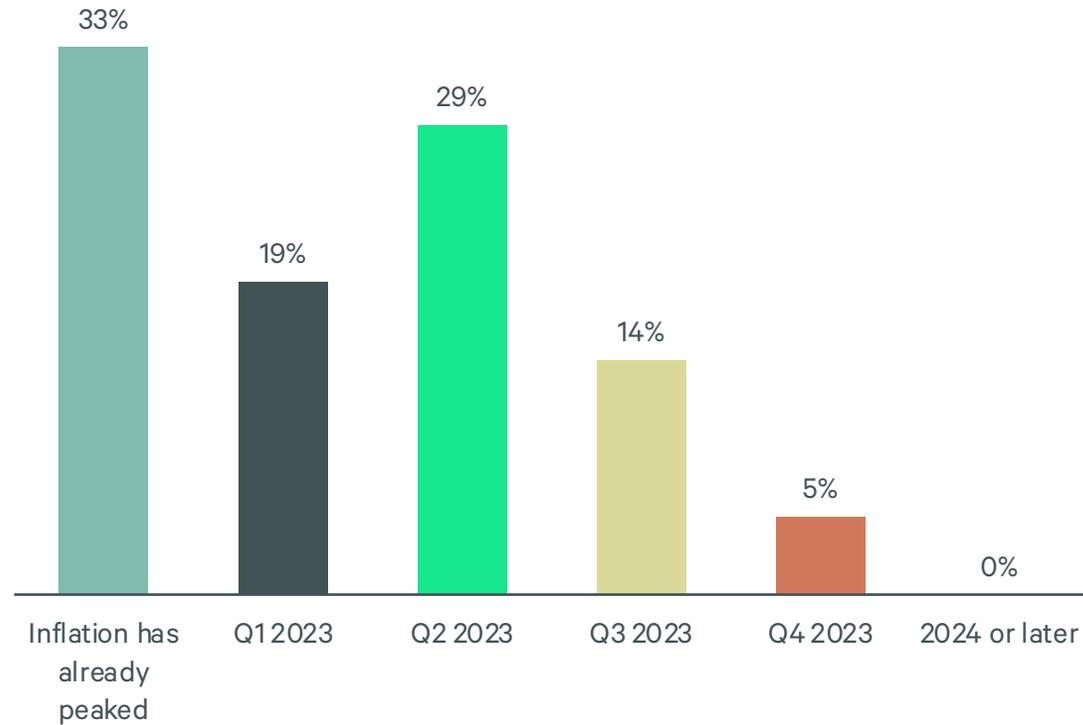
If you are expecting changes to your underwriting requirements, which areas will see changes in your pro forma underwriting assumptions in 2023? (multiple choices)



## Most lenders expect inflation will peak by H1 2023 and remain relatively high

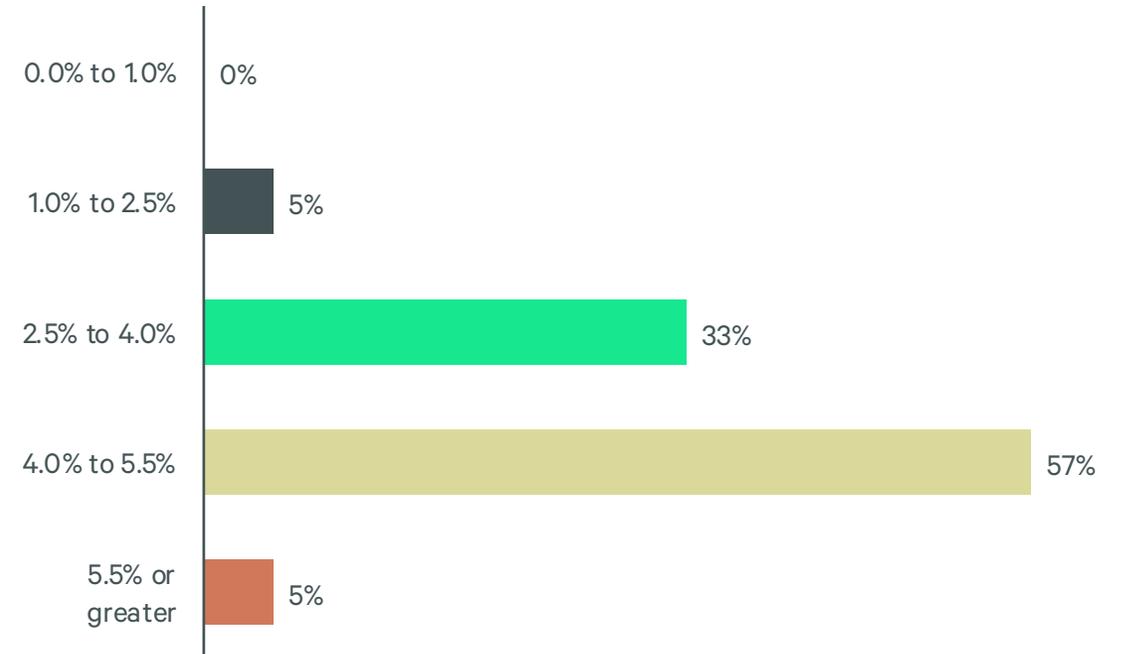
**FIGURE 4: Expectation of when inflation will peak**

When do you expect inflation will peak?



**FIGURE 5: Expected inflation rate at year-end 2023**

What do you think the inflation rate will be at year-end 2023?

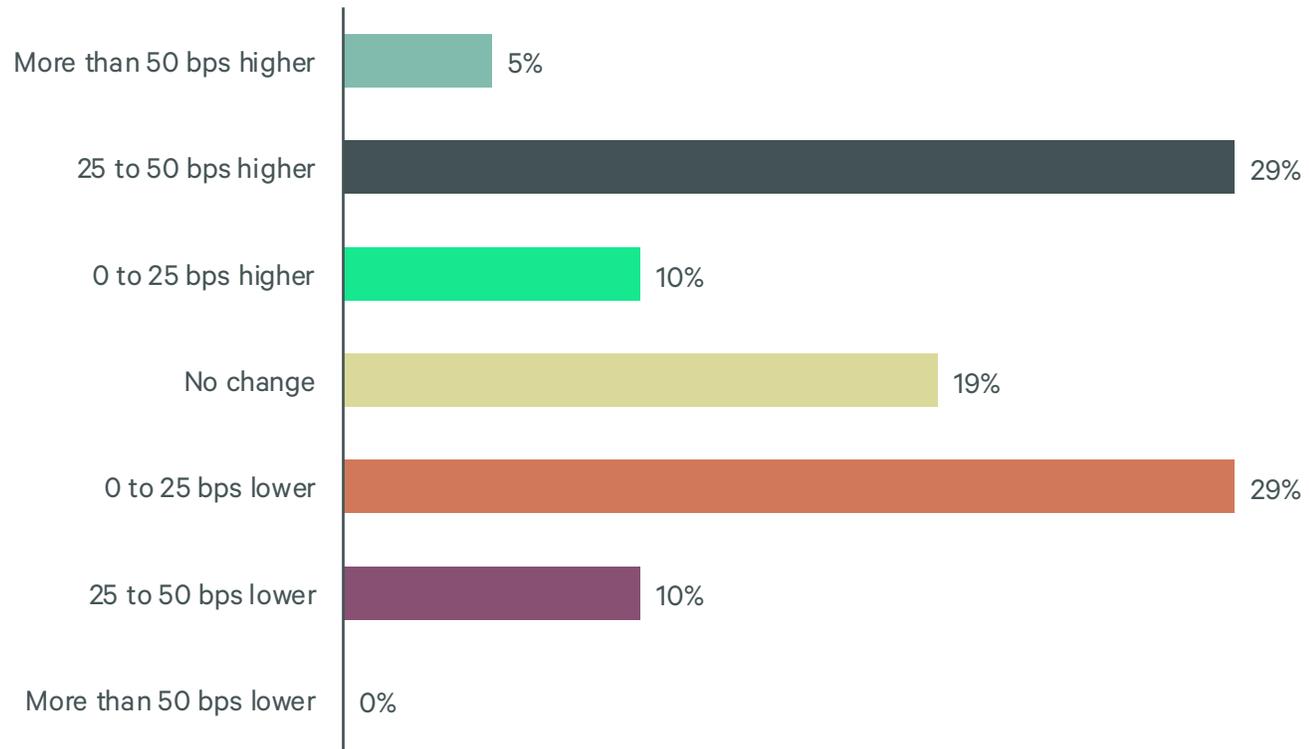


Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

## Expectations on spreads vary with no clear view on compression or expansion in H1 2023

**FIGURE 6: Expected spreads in H1 2023**

How do you expect spreads will change in H1 2023?

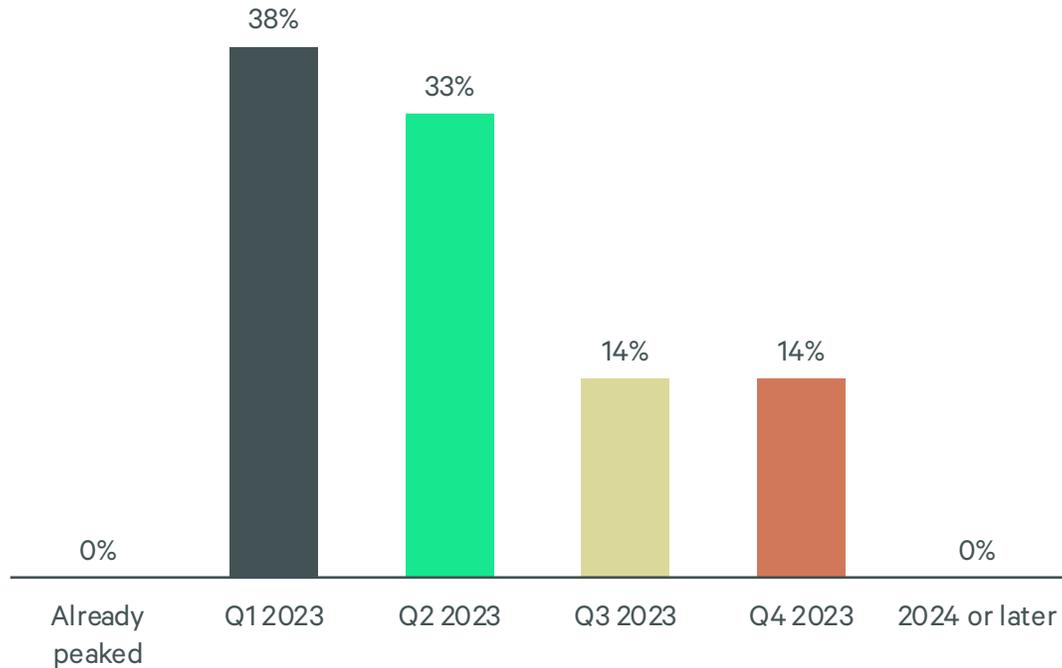


Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

## Most lenders think the U.S. 10-year Treasury rate will peak by H1 2023

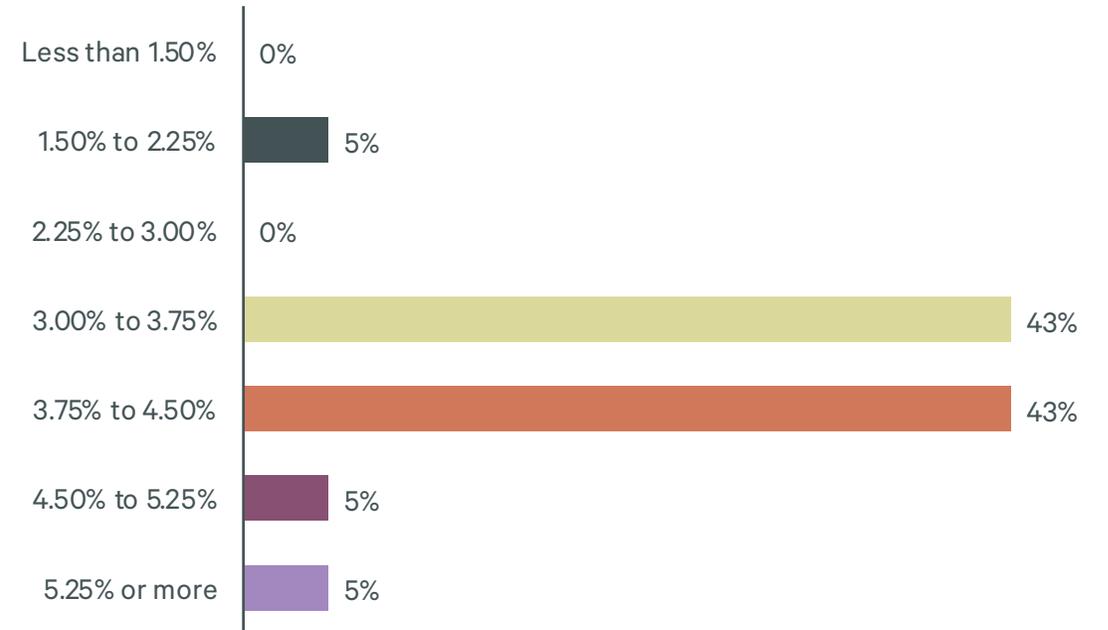
**FIGURE 7: Expectation of when the 10-year Treasury rate will peak**

When do you expect the 10-year Treasury rate will peak?



**FIGURE 8: Expected 10-year Treasury rate at year-end 2023**

What do you think the 10-year Treasury rate will be at year-end 2023?

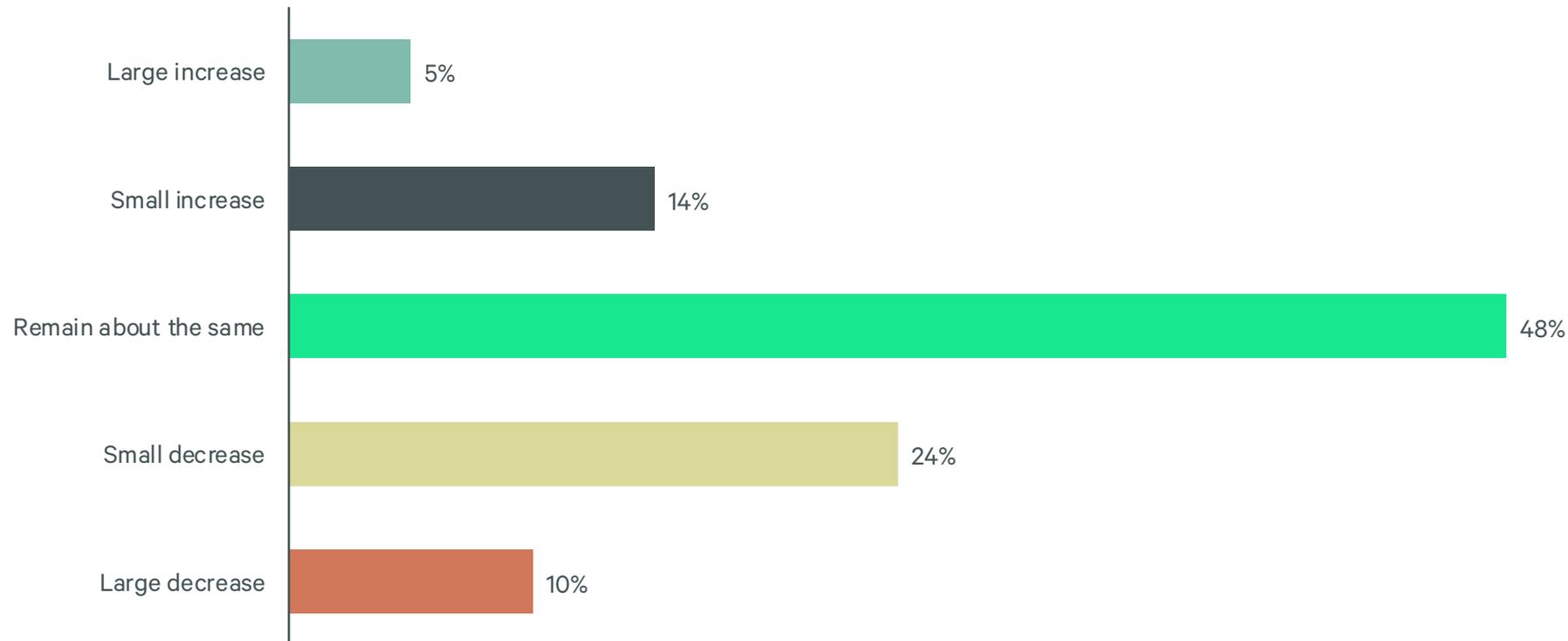


Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

## Lending allocations expected to remain relatively stable in 2023 vs. 2022

**FIGURE 9: Expected lending allocation to commercial real estate**

How do you expect your lending allocation to commercial real estate will change in 2023?

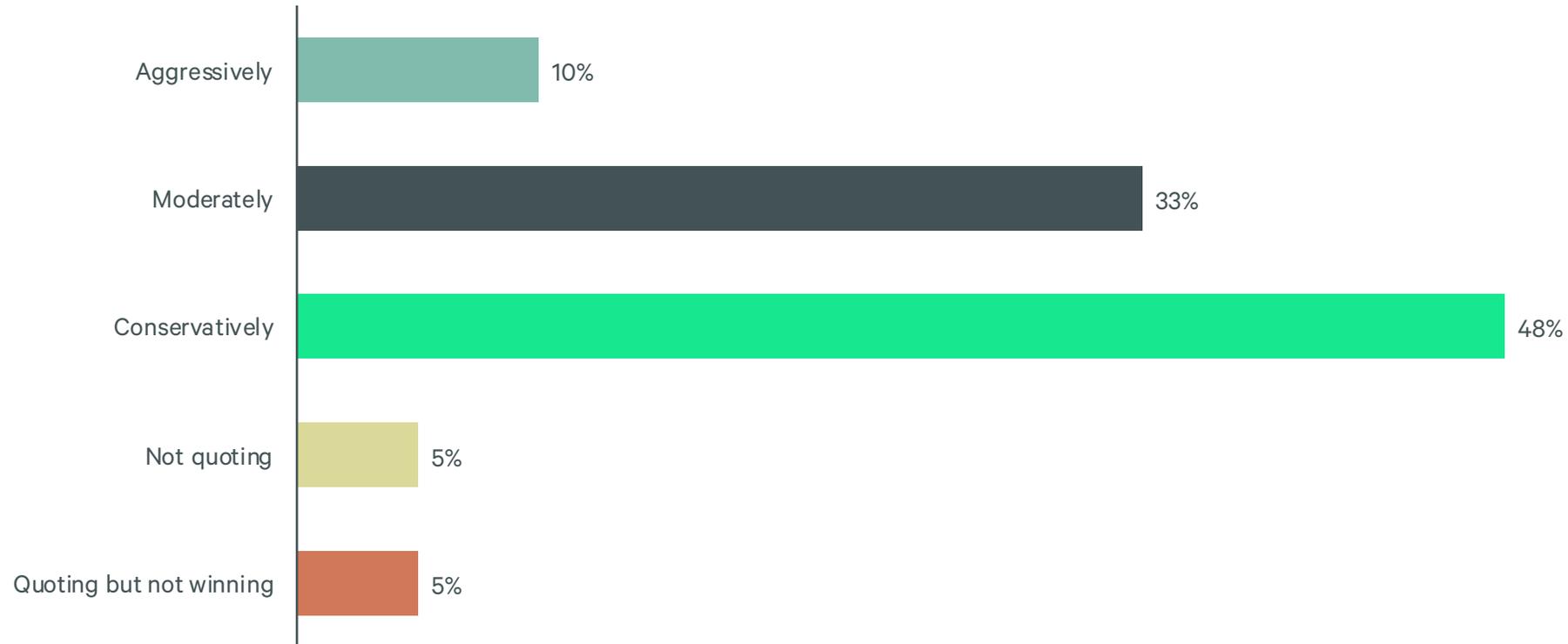


Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

## Most lenders are quoting and winning new business, proceeding conservatively

**FIGURE 10: Quoting for new business**

Are you currently quoting & winning new business?

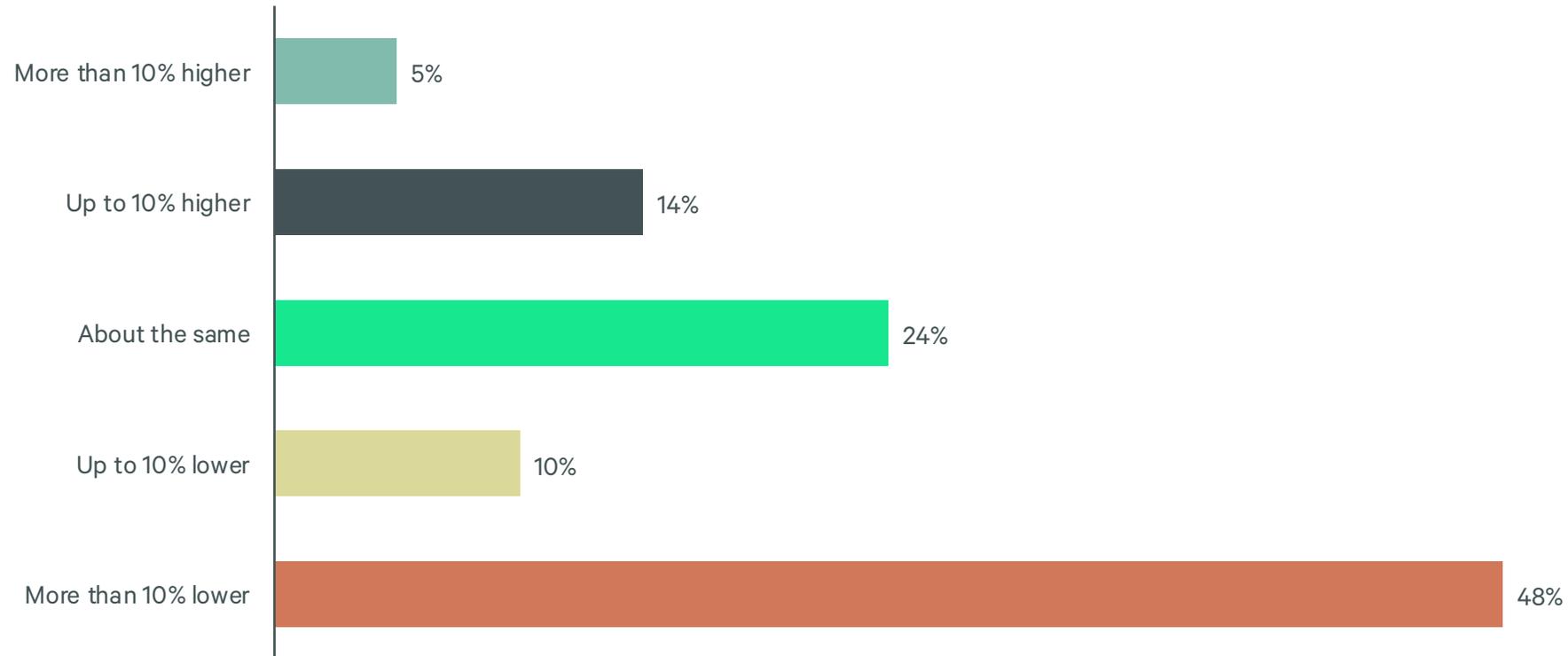


Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

## Nearly half of lenders expect to decrease origination activity by more than 10% in 2023 vs. 2022

**FIGURE 11: Expected origination activity in 2023**

Do you expect your origination activity in 2023 will be higher, lower or the same vs. 2022?

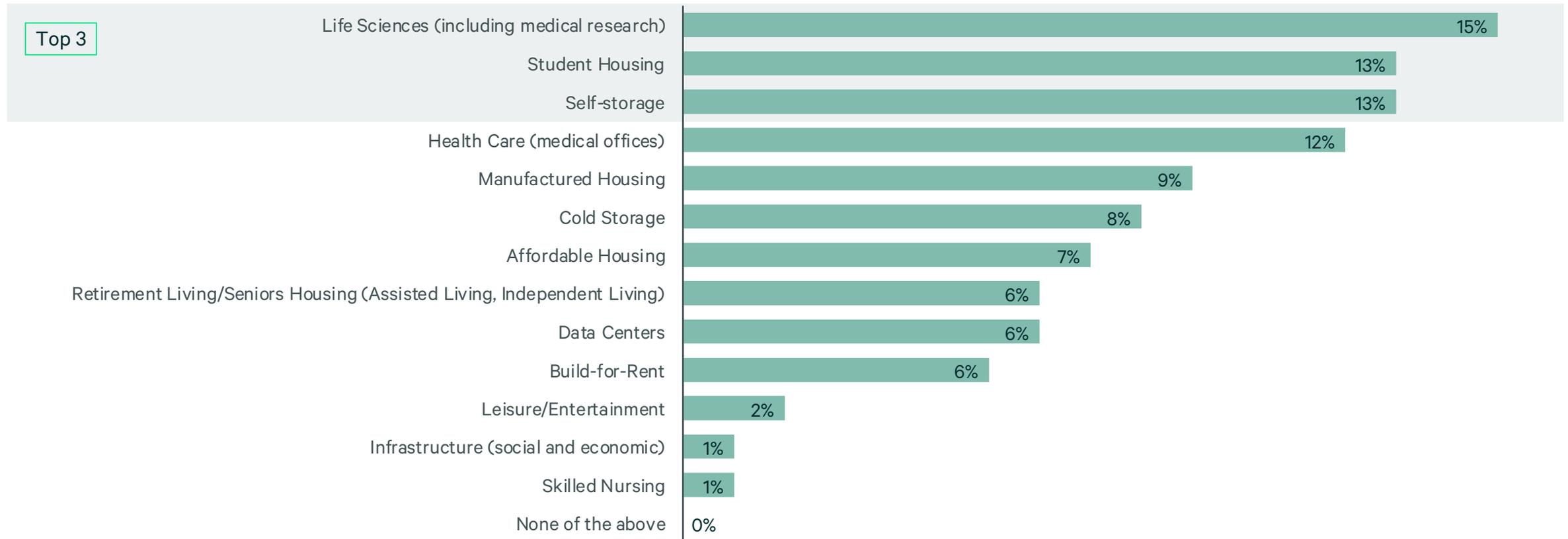


Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

## Life science assets are most preferred alternative sector, followed by student housing and self-storage

**FIGURE 12: Origination activity in alternative sectors**

Are you originating in any of the following alternative sectors? (multiple choices)



Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

## Most lenders are reluctant to develop new loan programs in the current environment

**FIGURE 13: Possibility for creating new loan programs**

Do you plan to create any new loan programs in response to market conditions?

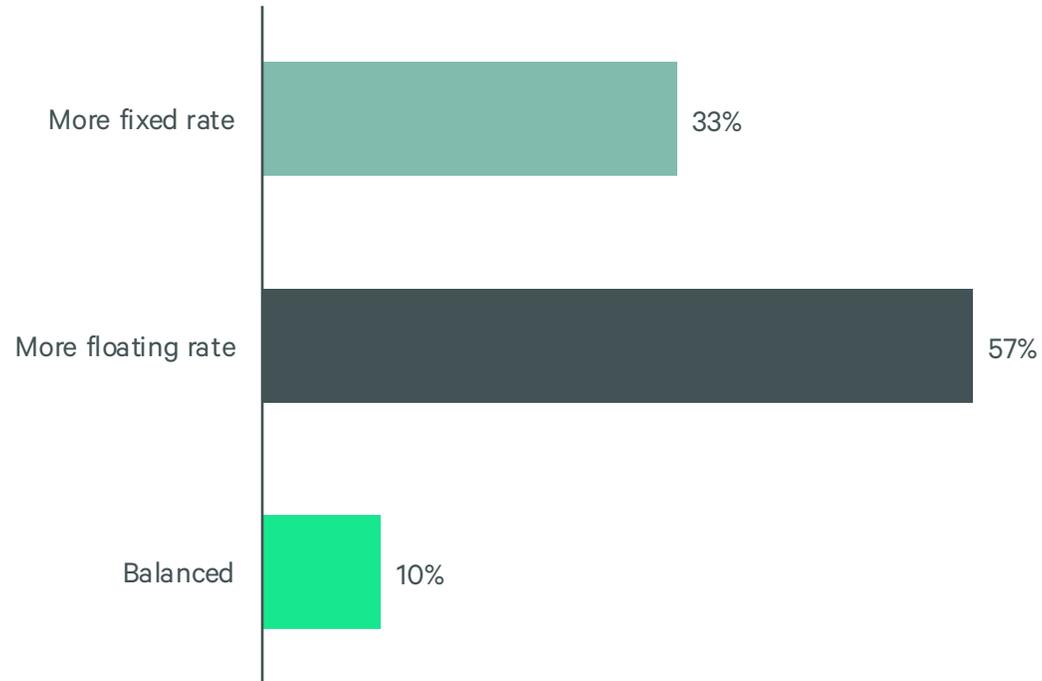


Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

## Lenders expect to originate more floating rate loans with maturity terms up to 5 years in 2023 vs. 2022

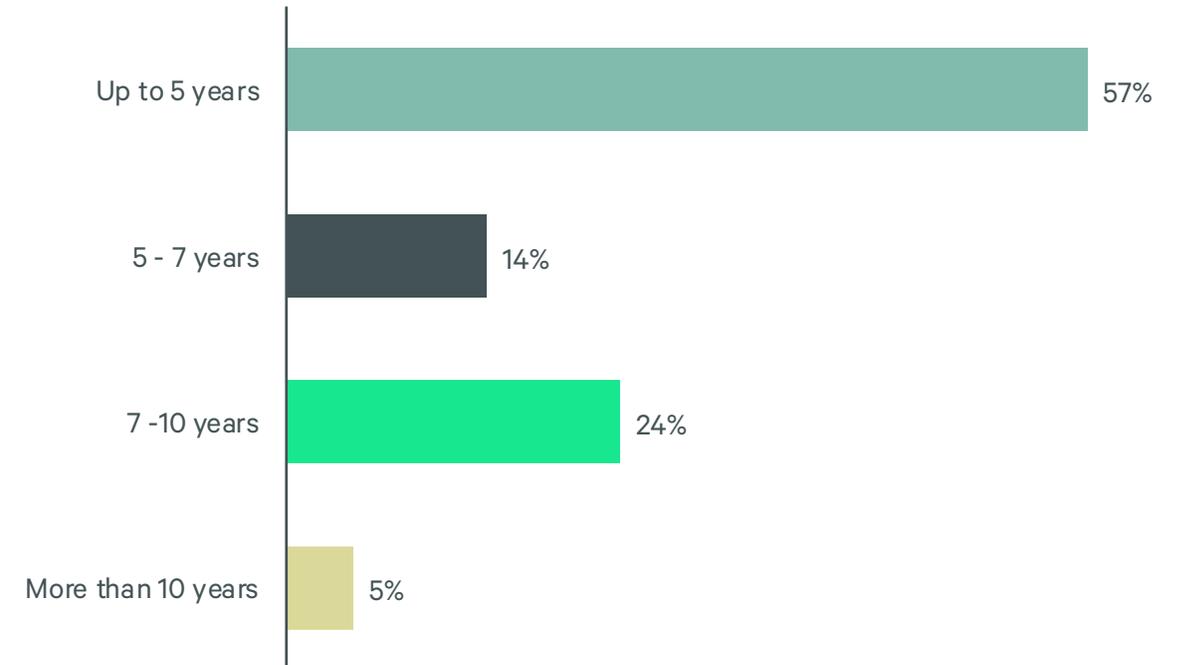
**FIGURE 14: Preferred types of interest for originating loans in 2023**

Do you think you will originate more fixed or floating rate loans in 2023?



**FIGURE 15: Preferred loan maturity terms in 2023**

What loan maturity terms do you prefer to originate in 2023?

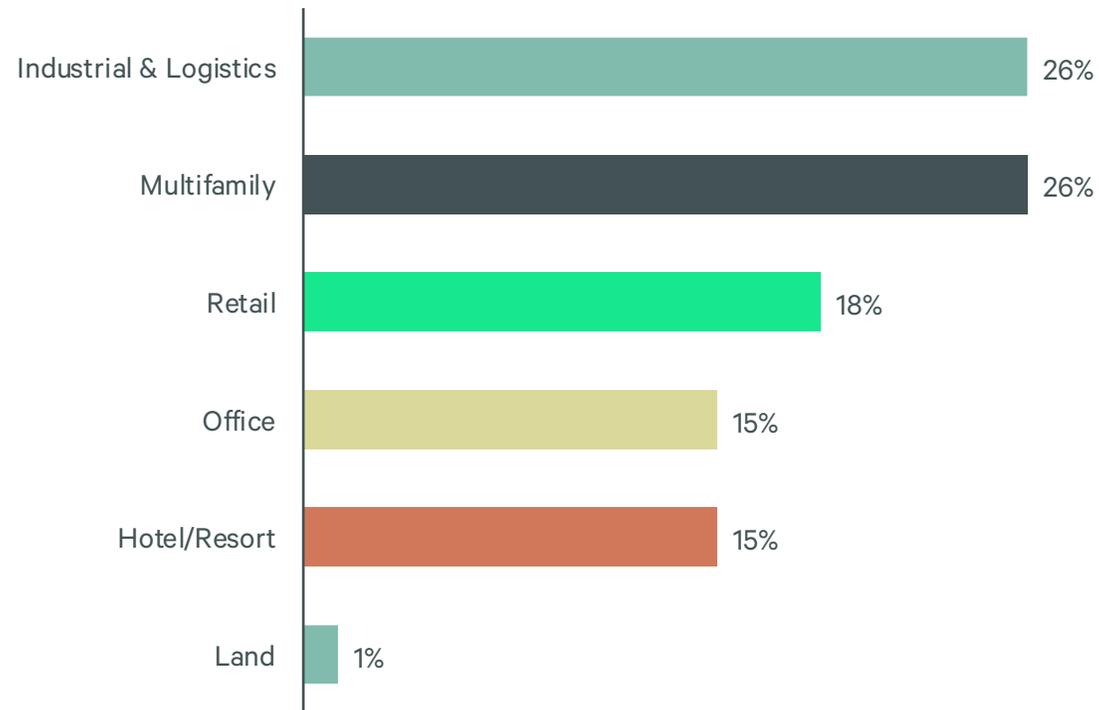


Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

## Industrial and multifamily remain the most favored property types

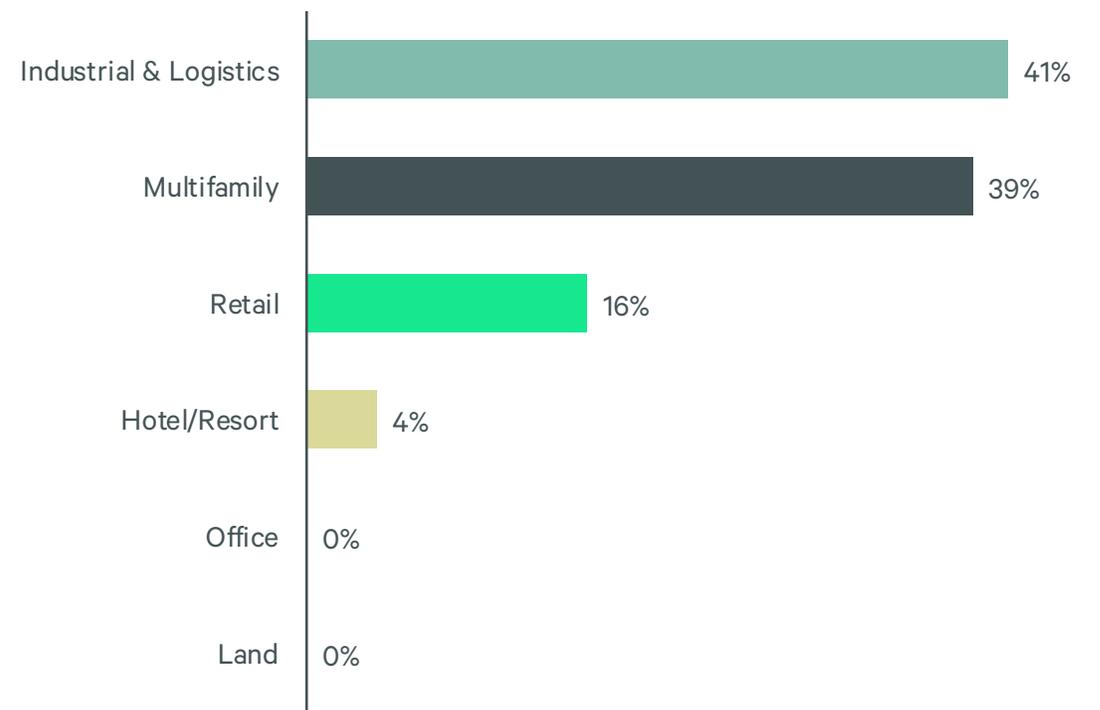
**FIGURE 16: Property types currently being financed**

Which property types does your company currently finance? (multiple choices)



**FIGURE 17: Preferred property types for lending in 2023**

Which property types will be most preferred for lending in 2023? (select three)

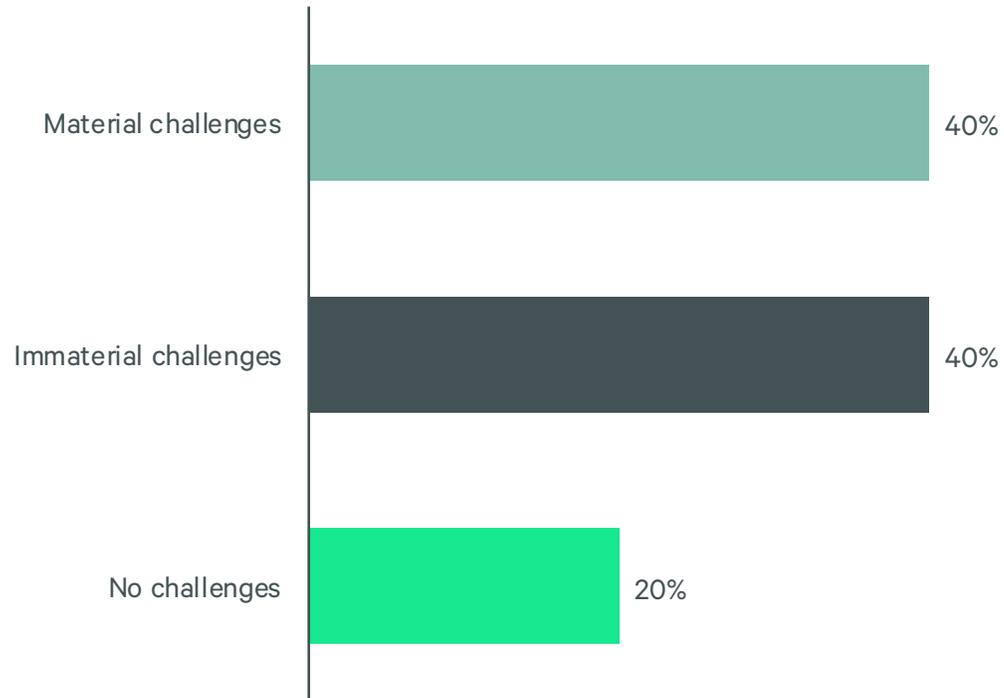


Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

## Most lenders expect challenges in repurchasing activities and loan maturities

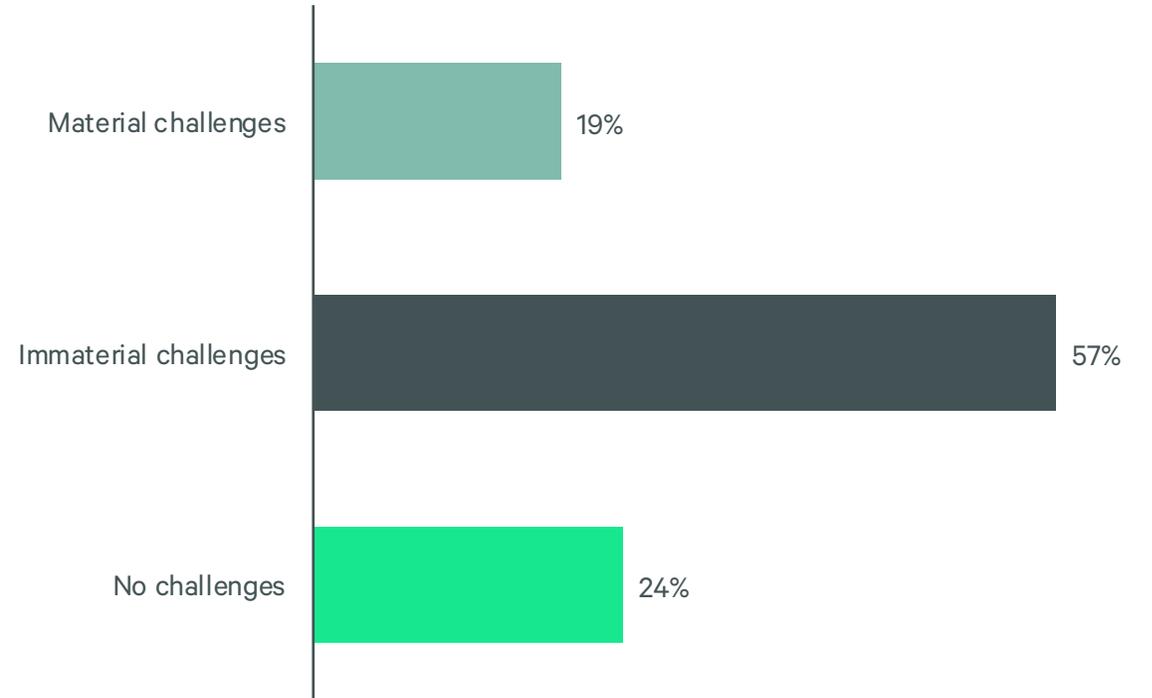
**FIGURE 18: Probable challenges with the availability of repo/warehouse lines**

Do you expect challenges with the availability of your repo and/or warehouse lines in 2023?



**FIGURE 19: Probable challenges with loan maturities**

Do you expect challenges with loan maturities in your portfolio in 2023?



Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

## Sun Belt and high-growth secondary markets remain attractive to lenders in 2023

FIGURE 20: Most preferred markets for new originations in 2023

1	Miami/South Florida
2	Raleigh-Durham
3	Atlanta
4	Nashville
T.5	Austin
	Charlotte
	Tampa
T.8	Dallas/Ft. Worth
	Los Angeles
	New York City
	San Diego



Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

## Western markets dominate those that lenders are most concerned about

FIGURE 21: Markets that lenders are most concerned about in terms of performance in 2023

1	San Francisco Bay Area
2	Phoenix
3	Portland
T.4	Chicago
	Houston
	Washington, D.C.
7	Las Vegas
8	Los Angeles
T.9	Miami/South Florida
	Seattle



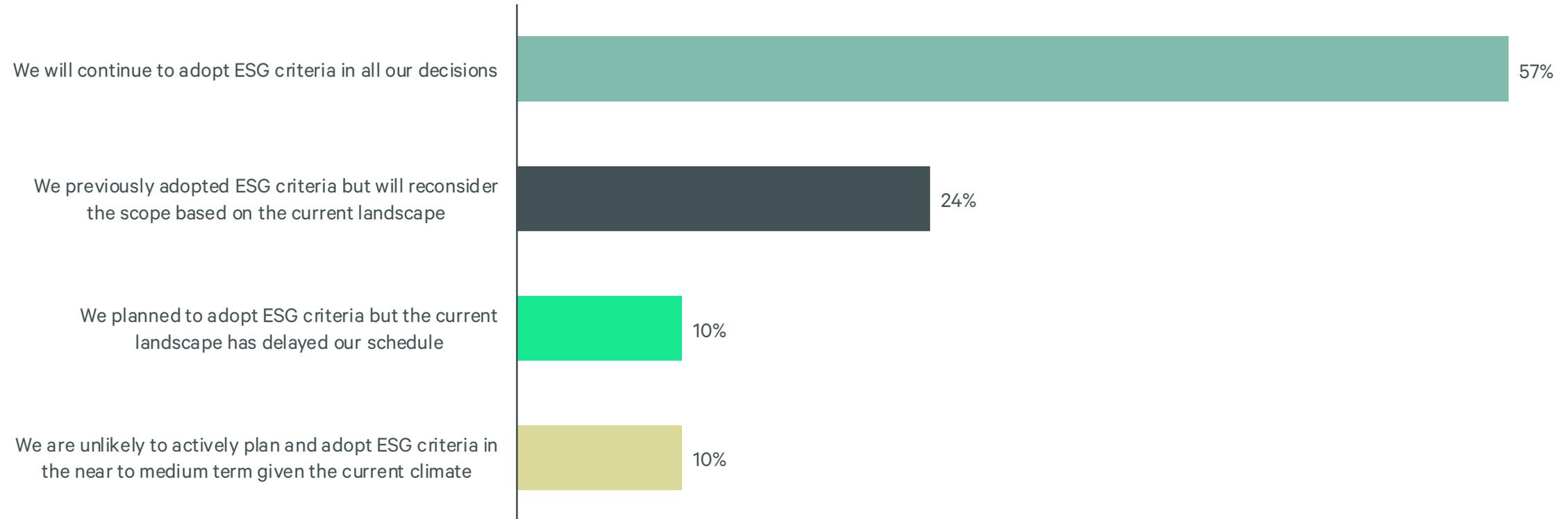
Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

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# ESG and Investment

## Appetite for ESG adoption remains solid but some lenders are reconsidering or delaying

FIGURE 22: ESG adoption levels



Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

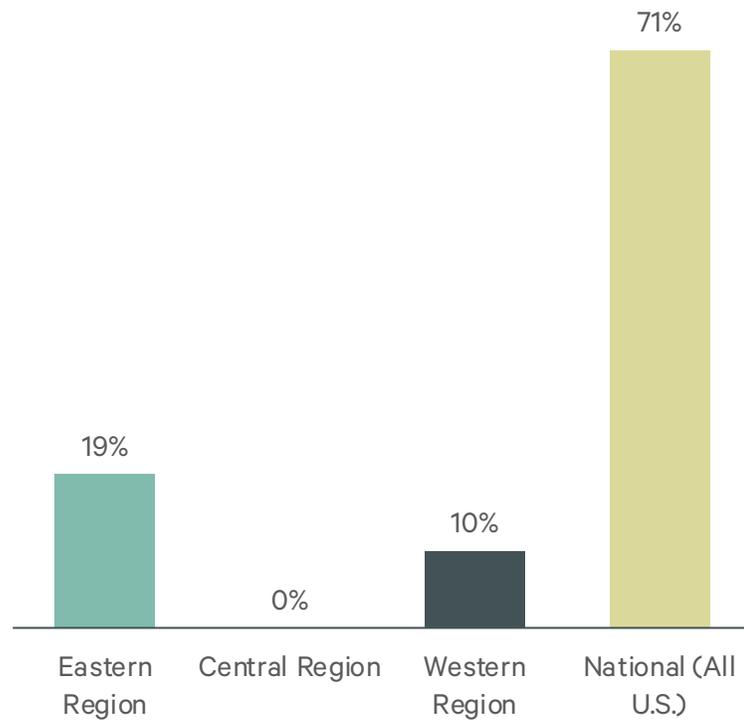
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# Respondent Profile

## Respondent profile

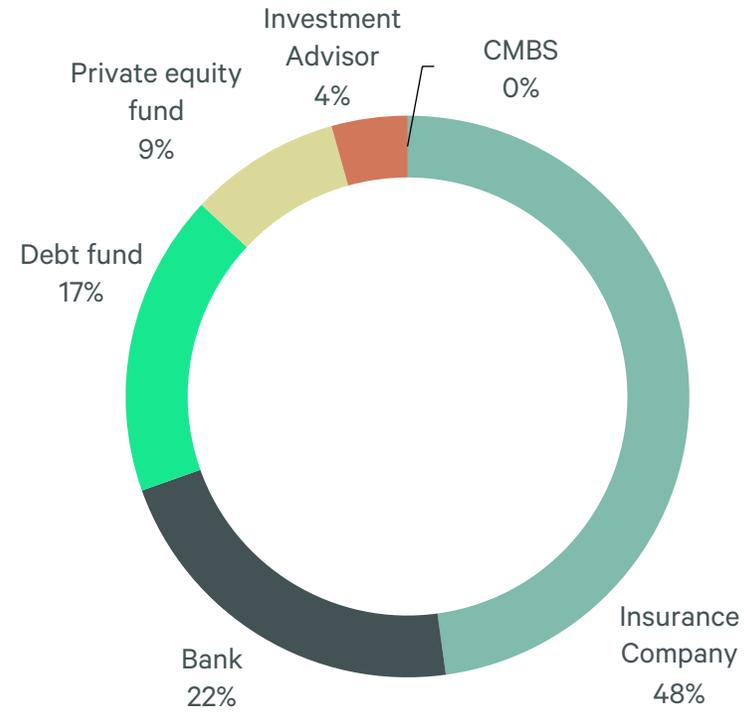
**FIGURE 23: Origination decisions by regions**

In which region are you primarily responsible for origination decisions?



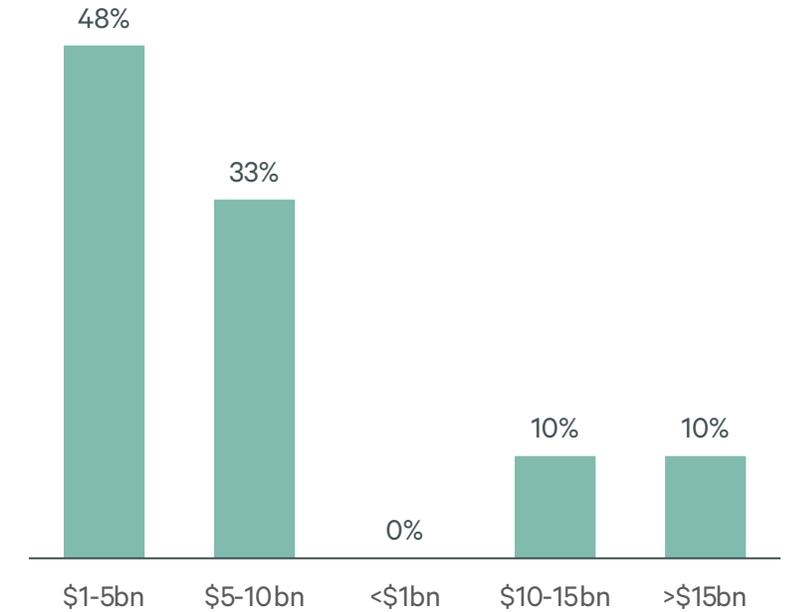
**FIGURE 24: Types of companies**

Which of the following best describes your company?



**FIGURE 25: Annual origination volume**

What is the approximate annual origination volume of your company?



Source: U.S. Lender Intentions Survey, CBRE Research, December 2022.

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