



**SLATT CAPITAL**

## **CRE PERMANENT DEBT MARKET REPORT Q3 2026**

**Built on 17,235 permanent-loan quotes across 3,228 deals since 2019, Slatt Capital's quote database reflects the loans our clients actually finance.**

Every figure in this report comes from the lender quotes our producers log while placing a loan: 17,235 quotes from 398 lenders. The median loan is \$3.0 million, 86% are under \$10 million, and the median loan-to-value is near 51%. Life companies, banks, and credit unions provide 87% of quotes, and fixed terms have shortened from 10 years in 2019 to 5 years today.

Most published lending indices track larger institutional loans, typically over \$25 million at 55–65% loan-to-value with longer fixed terms. Our figures cover the small-balance and lower-middle-market segment those indices exclude. That difference alone can make spreads here wider than theirs, so the two should not be compared directly.

The following pages show how each property type is pricing this quarter, how lender preference has shifted since 2019. The appendix explains how the data is collected, defined, trimmed, and summarized, and what the numbers do and do not represent.



## Fixed-rate CRE debt is pricing 199 bps over Treasuries, 28 bps tighter than a year ago; office and single-tenant retail are quoting below their typical range.

Every property type with a year-ago reading tightened. Spreads narrowed even as Treasuries rose: the median quoted rate was 6.50% in Q3 2026 against 6.20% a year earlier, on 618 quotes from 89 lenders. Each row shows where the last four quarters of quotes fell for that property type and where this quarter's median sits inside that range.

### 199 bps

Median spread over Treasuries, Q3 2026

-28 bps vs Q3 2025

### 6.50%

Median quoted rate, Q3 2026

+30 bps vs Q3 2025

#### Treasury yields

|                  | Q3 range   | Sept. 30 close |
|------------------|------------|----------------|
| 5-year Treasury  | 4.20–5.09% | <b>5.09%</b>   |
| 10-year Treasury | 4.47–5.29% | <b>5.29%</b>   |

### Where each property type is quoting

Spread in bps, quotes prior 12 months:

Range, widest 10% excluded
  Typical range (25<sup>th</sup>–75<sup>th</sup>)
  Q3 2026 median
  Q3 2025 median

#### Q3 2026 median rate

Same quotes as the blue median

#### Hospitality

no year-ago reading

#### Office

-48 bps YOY

#### Retail, multi-tenant

-25 bps YOY

#### Retail, single-tenant

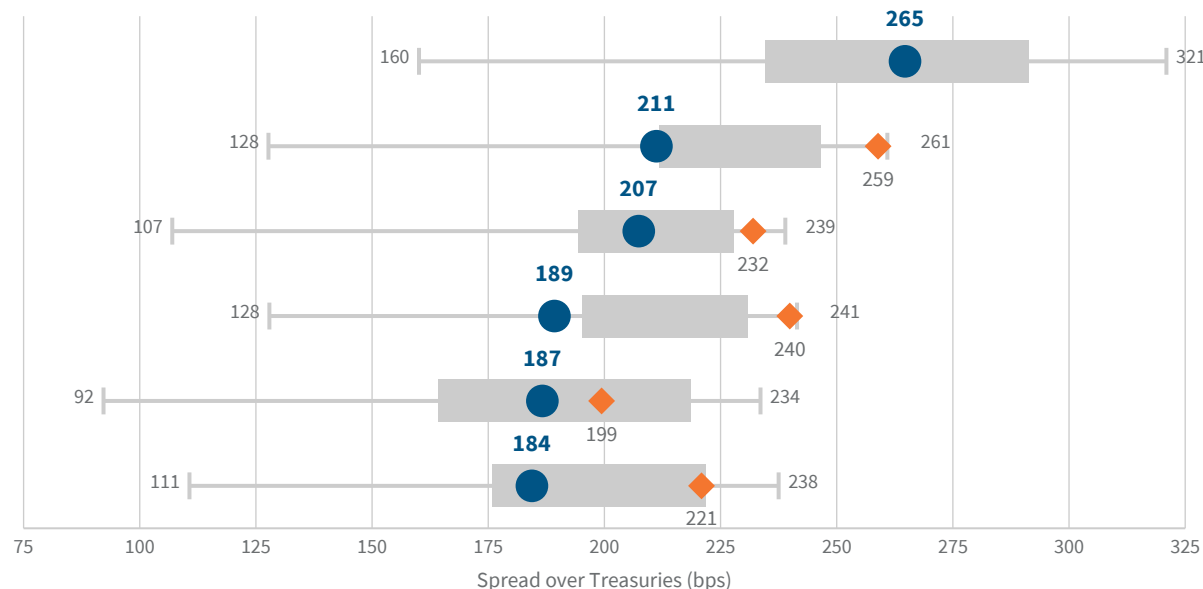
-51 bps YOY

#### Multifamily

-13 bps YOY

#### Industrial

-36 bps YOY



**7.04%**

**6.75%**

**6.62%**

**6.38%**

**6.30%**

**6.40%**

Property types with fewer than 10 quotes in the quarter are not shown. The typical range is the middle half of all quotes for that property type over the last four quarters (25th to 75th percentile). Hospitality had too few quotes a year ago for a comparison. Rates reflect each quote's own Treasury benchmark and date, so they do not equal spread plus the Sept. 30 yield.

Source: Slatt Capital quote database, quotes through September 30, 2026. Medians count each deal once; ranges exclude the widest 10% of quotes. Full methodology available on request.

## Office quoted 9 bps inside the market in 2019 and has priced wider than the market every quarter since 2023; industrial and multifamily remain the tightest-priced types.

Coupons for all six property types move with Treasuries, so this page compares relative spread: each type's median spread minus the average of all six types that quarter, smoothed over two quarters. That all-type average is 214 bps today. It differs from the 199 bps market median on page 1 because that figure weights every quote equally and covers only Q3 2026. Above the zero line, a type is pricing wider than the market; below it, tighter.

**+8 bps**

Office vs the market, Q3 2026  
Up from -9 bps in Q1 2019

**+54 bps**

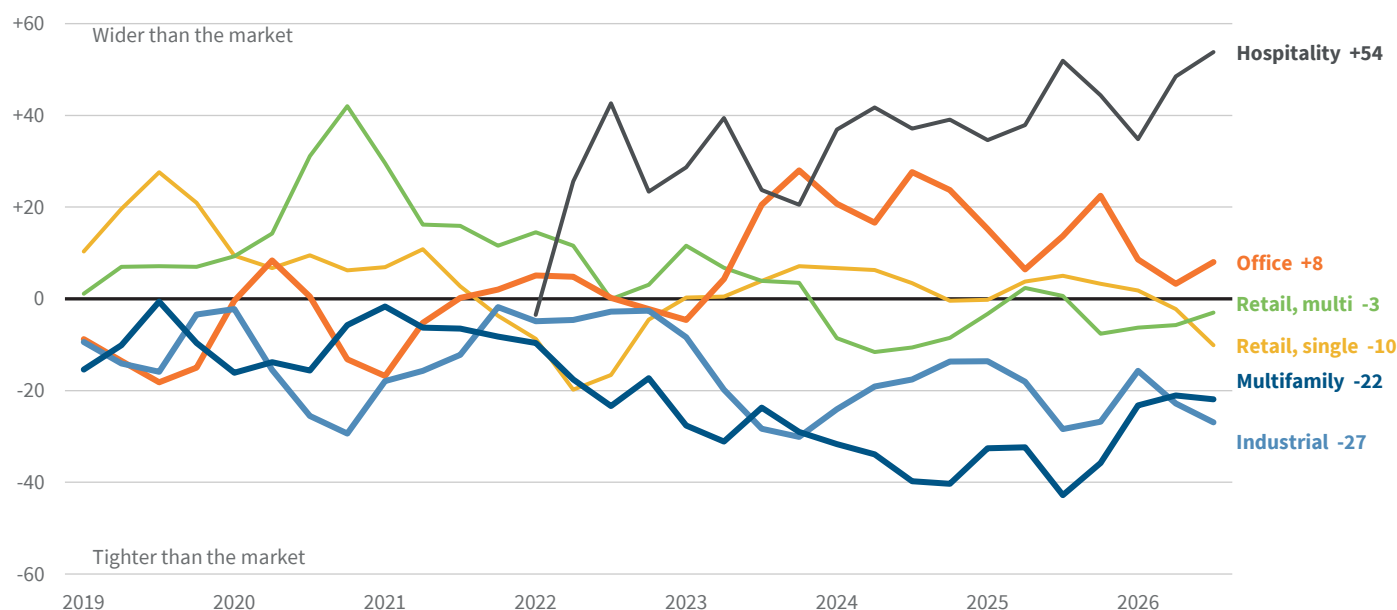
Widest: Hospitality  
Limited data before 2022

**-27 bps**

Tightest: Industrial  
Down from -9 bps in Q1 2019

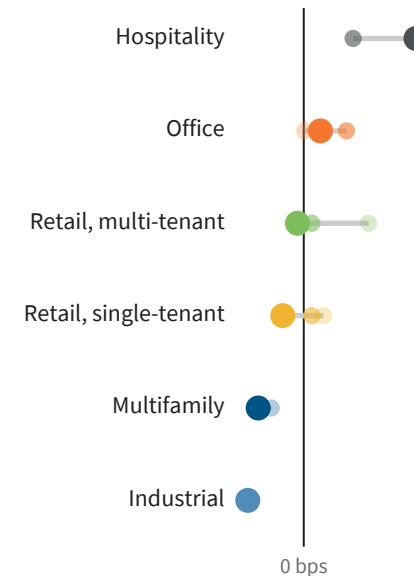
### Each property type vs the market average, 2019 to today

Trailing six-month average of each type's median spread minus the all-type average; zero is the market.



### Then and now

Dots: Q3 2020 (lightest), Q3 2023, Q3 2026 (solid)



Relative spread nets out moves in Treasuries and in overall credit conditions, so only the differences between property types remain. The all-type average is unweighted. Quarters with fewer than five quotes for a type are skipped; hospitality has limited data before 2022.

Source: Slatt Capital quote database, quotes through September 30, 2026. Medians count each deal once; ranges exclude the widest 10% of quotes. Full methodology available on request.

## Source and scope

**Quote records.** Every lender quote Slatt Capital received while placing a loan, January 2019 through September 30, 2026. Soft quotes, formal quotes and signed applications are included, so figures describe what lenders offered, not only what closed. Records flagged as mis-keyed or not comparable are excluded.

**Loan type.** Fixed-rate permanent loans priced over a U.S. Treasury benchmark, with fixed terms of 36 months or longer. Floating-rate, bridge, construction, SOFR- or swap-priced, credit-tenant-lease and bond quotes are excluded. 19,225 quotes qualify before trimming.

**Property types.** Multifamily, industrial, office, hospitality, single-tenant retail and multi-tenant retail, based on the deal's property type and tenancy. Hospitality has too few quotes before 2022 to publish. California accounts for about 56% of quotes.

## Definitions

**Spread.** Basis points over the quote's own Treasury benchmark (3- to 20-year) on the quote date, so a coupon does not equal its spread plus a single Treasury yield.

**Coupon.** The quoted all-in fixed rate.

**Lender types.** Life insurance (including pension funds); banks; credit unions; conduit (CMBS); agency (Fannie Mae, Freddie Mac and HUD, multifamily only); and Fund/REIT (debt funds, mortgage REITs and other private lenders).

**Leverage and lease term.** Loan-to-value and debt service coverage as quoted, in tiers of under 50%, 50–59% and 60% or more. For single-tenant retail, lease term is the major tenant's remaining term, split at ten years.

**Loan size.** Small balance is under \$10 million; middle market is \$10 million to \$75 million.

**Signed.** A quote the borrower accepted by signing the lender's application. Fixed term is the average across signed quotes in the trailing four quarters.

**Treasury yields.** Daily 5- and 10-year constant-maturity closes.

## How the figures are computed

**Trimming.** Within each property type, lender type and year, quotes above the 90th-percentile spread are removed to limit courtesy or placeholder quotes. 17,235 of 19,225 quotes remain, and every published figure uses this set.

**Deal-weighted medians.** Each headline median (spreads, coupons and year-ago comparisons) is the median of each deal's own median quote, so a deal shopped to eight lenders counts once.

**Quote-level ranges.** Gray range lines and the shaded typical range (25th to 75th percentile) count every quote over the trailing four quarters. The blue dot is this quarter's median; the orange diamond is the same quarter a year earlier.

**Relative value.** Each type's quarterly median minus the equal-weighted average of the six type medians, smoothed over two quarters. This differs from the market-wide median, which weights every quote equally.

**Size discount at equal DSCR.** A regression of spread on size segment, debt service coverage, fixed term and quarter over the trailing four quarters.

**Minimum samples.** A property type needs 10 quotes in the quarter (and 10 a year earlier for a comparison). Lender-type, leverage and size rows need 15 quotes over four quarters. A quarterly median needs 5 quotes on 3 deals; otherwise only the range is shown. Single-tenant retail has too few middle-market quotes for the size comparison.

## What the numbers do and do not represent

**Slatt's quote flow, not a market index.** The data covers loans Slatt Capital was engaged to place, so quote counts and lender shares reflect our relationships and how widely we shopped, as well as lender appetite.

**Composition moves medians.** A median can shift because the mix of deals or programs changed, not pricing. In multifamily, agency lenders retired wider-spread small-balance programs this past year, so 2026 agency figures are not like-for-like with 2025.

**Offers, not executions.** A quote is an offer at a point in time; terms often change before closing, and most quotes do not close. Some rows rest on a handful of deals, so counts are printed beside every row.