Grace Hill® | KingsleySurveys

CRE Emerging Trends Report:

Shaping Tenant Sentiment in 2026

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Foreword

At Grace Hill, we know the commercial real estate market has faced significant headwinds, from economic pressures and high financing costs to evolving work models that directly impact tenant sentiment, lease renewals, and property values. For more than 40 years, Grace Hill's KingsleySurveys has been the most trusted source for operational insights and tenant feedback.

The "2025 CRE Emerging Trends Report" is your essential guide to navigating this uncertain landscape. It provides decision-makers with the critical perspective needed to understand the factors shaping tenant expectations. This knowledge can transform headwinds into tailwinds, driving growth and improving portfolio performance.

Thank you to our many partners and industry experts for sharing your insights into these pivotal trends. We're proud to support you in advancing our industry.

Trey Tubbs,
Vice President of Commercial Growth, Grace Hill

Executive Summary

Tenant sentiment may surprise you. It is often a leading indicator, revealing how tenants are thinking and what they plan to do long before those actions hit the lease ledger. If you want to see where the market is headed in 2026, you can and should study how tenants closed out 2025.

Tenant satisfaction is strong, but the drivers are changing. Most sectors posted three-year highs in overall tenant satisfaction. Yet what underpins that satisfaction is shifting. Building-related features — HVAC, parking, food access, even social spaces — are growing significantly in influence, although management service delivery remains the most impactful to renewals. That said, the fundamentals of the building are no longer background noise; they are front and center in tenant decision-making.

Sustainability was the shock of the year. Across regions, states, and political leanings, tenants reported lower importance for sustainability measures like energy efficiency, recycling, renewable energy, and water efficiency. The surprising part wasn't partisan divide — it was partisan convergence. Nearly everyone, regardless of geography or politics, cared less about sustainability in 2025 than they did in 2024. Interestingly, though, sustainable operations were still ranked as highly important to 75% of tenants.

Certainty proved relative in 2025. At the surface level, renewal intent looked reassuring: Office and medical office tenants reported at or surpassing three-year highs in their likelihood to renew. Retail dropped slightly but remained higher than 2023. And if you zoom in slightly, the picture gets cloudier. By Q3, office and retail tenants' renewal intent grew murkier, with "unsure" renewals spiking back toward pandemic-era levels. Industrial tenants were the most unsettled, their hesitation rivaling 2020's indecision. Medical office tenants, meanwhile, remained the most loyal, a reminder of the sector's structural resilience.

The early signals for 2026 are clear. Expect tenants to carry this mix of steadiness and volatility into the new year. Renewal intent is likely to hold up, but short-term caution will persist in office and retail. Industrial's global exposure may keep uncertainty elevated. Medical office looks set to remain stable. And satisfaction will increasingly hinge on the basics: how well the building functions, not only how well it is managed.

Population & Methodology

Survey Population

This report draws on tenant sentiment data collected from Grace Hill's KingsleySurveys solution. With an average of 2.2 billion square feet surveyed per year, KingsleySurveys provides the commercial real estate industry's most comprehensive performance benchmarking database. Survey responses were analyzed across office, retail, industrial, and medical office/life sciences properties globally for all metrics other than sustainability, which were measured nationwide.

Methodology

The KingsleySurveys benchmark, also known as the Kingsley Index, compiles and analyzes tenant surveys to measure renewal intent, decision factors, satisfaction levels, and workplace trends, among numerous other categories. Results are reported here at both the annual and quarterly levels to provide long-term perspective and near-term insight. For this report, we compared results from 2023, 2024, and 2025 to identify shifts over time. Where applicable, we highlight three-year highs or lows to give historical context.

Aggregated survey responses presented throughout this paper ensure representativeness across property types and geographies. Political leanings are based on the most recent state-level voting. All satisfaction scores are measured on a 1-to-5 scale, with 5 representing the highest level of satisfaction. Renewal intent is reported as the percentage of tenants indicating they are "likely," "unsure," or "unlikely" to renew their leases at expiration.

Overall Satisfaction Trends

Tenant Satisfaction Is High, and Built Environments Are Driving It

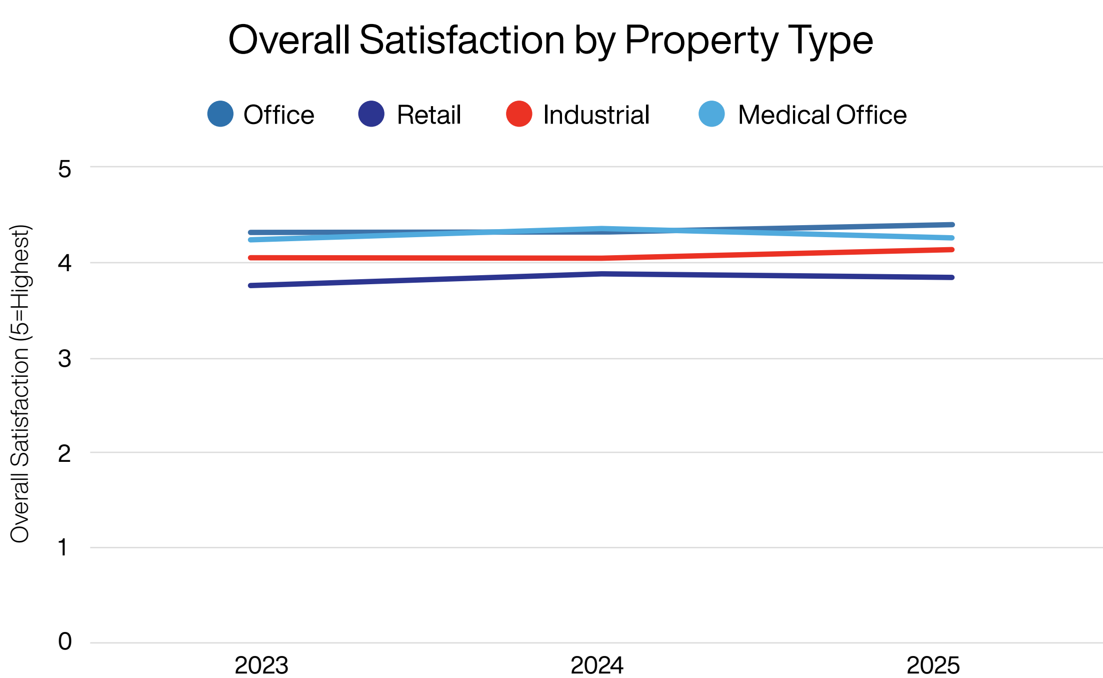
Tenant satisfaction in 2025 reached levels not seen since before the pandemic. While tenants are largely pleased with their current situation, the reasons why they're pleased are evolving.

Across most property types measured, satisfaction scores hovered at or near three-year highs. Office rose from 4.30 in 2024 to 4.39 in 2025, retail steadied at 3.88, industrial edged up to 4.14, and medical office ticked down from 4.34 to 4.26. While the differences seem small, in survey terms, these are meaningful moves, suggesting incremental but widespread confidence in property experience.

The twist is in the drivers of satisfaction. In prior years, management service delivery (problem resolution, communication, professionalism) was far and away the dominant factor. In 2025, it still ranks highest — but building-related factors are catching up. Tenants are increasingly tying their satisfaction to the physical experience of the property: HVAC systems that work reliably, accessible parking, exterior appearance, and even amenities like healthy food options or social spaces. The very things tenants notice when they show up at the property are the things moving the needle.

Of course, this doesn't mean management no longer matters, far from it. Across all property types, management service delivery remains the most predictive driver of overall satisfaction. But where management used to dominate, it now shares space with a broader cast of characters. Building-related factors now have real influence.

In short, satisfaction today is not just about how tenants are treated; it's about how the building performs. That shift should be instructive heading into 2026: As hybrid work stabilizes and tenants spend more time onsite, the built environment itself becomes the differentiator.



Across all sectors, management service delivery is most closely associated with overall satisfaction, and building-related factors are largely more predictive of OSAT in 2025 than in 2024 (i.e., their relative impact is growing).

OFFICE

Highest Correlation: 2025	Factors Increasing in Impact Since 2024
1. Mgmt. – Overall Satisfaction	1. Access to Food Trucks and Pop-Up Retail
2. Mgmt. – Problem Resolution	2. Amenities – Healthy Food Options
3. Mgmt. – Communication	3. Social Spaces with Common Area
4. Leasing Process – Overall Satisfaction	4. Access to Green Space / Nature
5. Accounting – Overall Satisfaction	5. Accounting – Overall Satisfaction
	6. Exterior Appearance
	7. Location
	8. Meeting Spaces for Large Meetings (20-40)
	9. Heating and A/C

RETAIL

Highest Correlation: 2025	Factors Increasing in Impact Since 2024
1. Mgmt. - Overall Satisfaction	1. Exterior Cleanliness
2. Mgmt. - Problem Resolution	2. Ingress / Egress
3. Mgmt. - Communication	3. "Green" Building Commitment - Overall Satisfaction
4. Maintenance / Engineering - Overall Satisfaction	4. Property - Parking Availability
5. Leasing Process - Overall Satisfaction	5. Property - Security
	6. Center Features - Trash Collection Times

INDUSTRIAL

Highest Correlation: 2025	Factors Increasing in Impact Since 2024
1. Mgmt. - Overall Satisfaction	1. Mgmt. - Professionalism / Courtesy
2. Mgmt. - Problem Resolution	2. Maintenance / Engineering - Overall Satisfaction
3. Mgmt. - Communication	3. Property - Security
4. Maintenance / Engineering - Overall Satisfaction	4. Quality of Building
5. Leasing Process - Overall Satisfaction	5. Exterior Appearance
	6. Mgmt. - Problem Resolution
	7. Property - Parking Availability
	8. Location

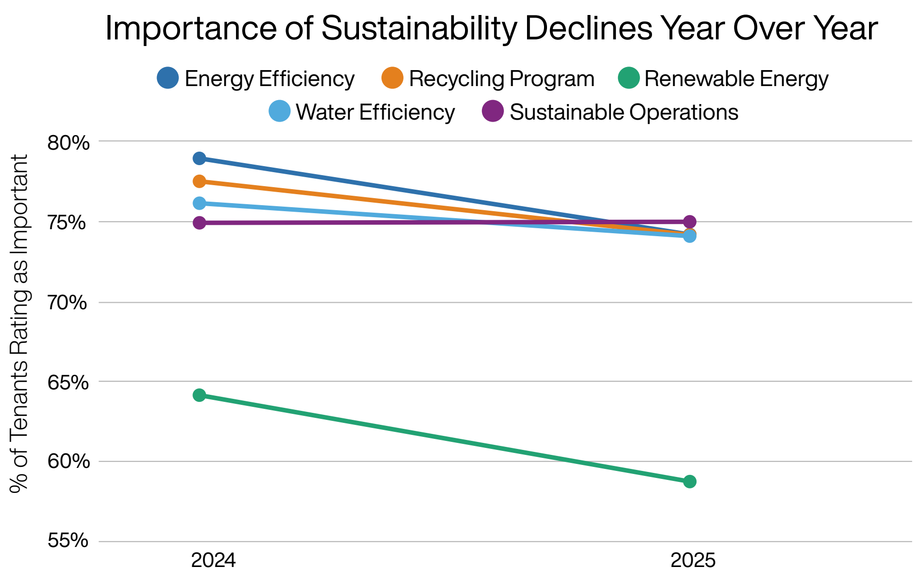
MEDICAL OFFICE

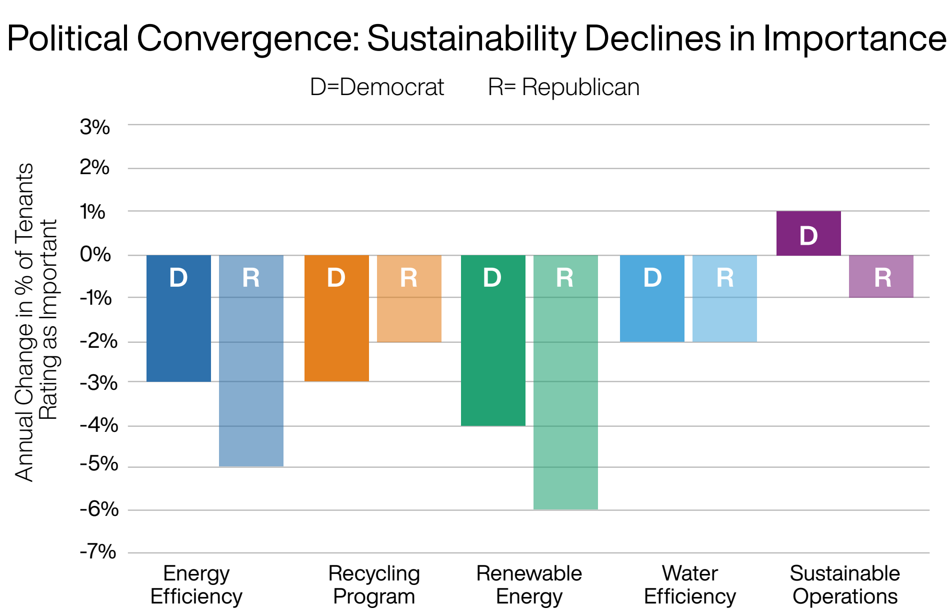
Highest Correlation: 2025	Factors Increasing in Impact Since 2024
1. Mgmt. - Overall Satisfaction	1. "Green" Building Commitment - Overall Satisfaction
2. Mgmt. - Problem Resolution	2. Elevator Performance
3. Mgmt. - Communication	3. Exterior Appearance
4. "Green" Building Commitment - Overall Satisfaction	4. Mgmt. - Overall Satisfaction
5. Accounting - Overall Satisfaction	5. Heating and A/C
	6. Location
	7. Mgmt. - Communication
	8. Accounting - Overall Satisfaction
	9. Quality of Cleaning - Overall
	10. Maintenance / Engineering - Overall Satisfaction
	11. Mgmt. - Problem Resolution
	12. Quality of Building
	13. Property - Security
	14. Leasing Process - Overall Satisfaction
	15. Appearance of Restrooms
	16. Property - Parking Availability
	17. Appearance of Common Areas

Sustainability Fatigue? The Data Suggests So

Tenants dialed back on sustainability in 2025 with a decline across most geographies and political leanings. Energy efficiency, recycling, renewable energy, and water efficiency all slipped several percentage points from 2024. The only outlier was sustainable operations, which held steady.

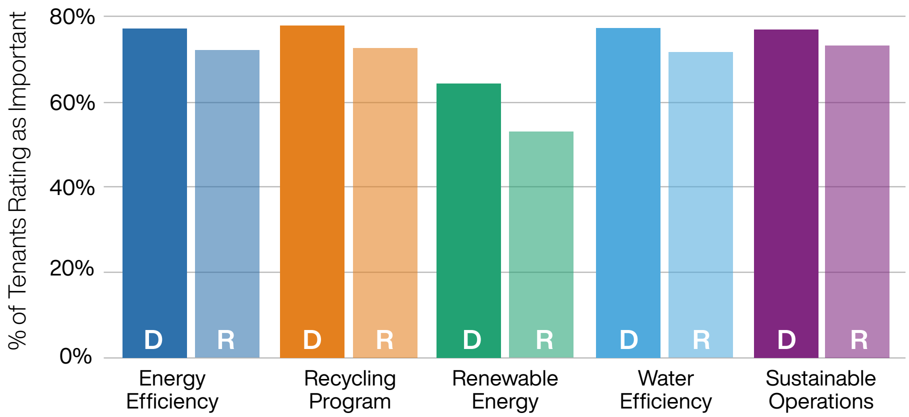
Why the sudden fatigue? One potential explanation is **social desirability bias**. In prior years, tenants may have overstated their interest in sustainability, answering in ways that felt socially virtuous. By 2025, honesty — or rather, fatigue — took over, and the responses shifted downward. This is particularly evidenced by the fact that the more generic "Sustainable Building Operations" metric remained flat, while the more specific and actionable metrics showed a decline in importance. Another potential cause is the outgroup effect: When sustainability became associated with certain extreme political or corporate groups not studied here, the rest of the market may have instinctively pulled back.





Political Leanings Toward Sustainability Across America

D=Democrat R= Republican



Relative Importance of Sustainability in the U.S. for 2025

WEST

Metrics	% of Tenants Rating as Important
Energy Efficiency	75%
Recycling Program	75%
Renewable Energy	62%
Water Efficiency	75%
Sustainable Operations	75%

NORTHEAST

Metrics	% of Tenants Rating as Important
Energy Efficiency	78%
Recycling Program	81%
Renewable Energy	68%
Water Efficiency	78%
Sustainable Operations	76%

SOUTHWEST

Metrics	% of Tenants Rating as Important
Energy Efficiency	70%
Recycling Program	69%
Renewable Energy	54%
Water Efficiency	71%
Sustainable Operations	71%

MIDWEST

Metrics	% of Tenants Rating as Important
Energy Efficiency	72%
Recycling Program	72%
Renewable Energy	56%
Water Efficiency	70%
Sustainable Operations	77%

SOUTHEAST

Metrics	% of Tenants Rating as Important
Energy Efficiency	72%
Recycling Program	71%
Renewable Energy	54%
Water Efficiency	75%
Sustainable Operations	74%

Importance of Sustainability Declines Across America 2024-2025

WEST

Metrics	% Change of Tenants Rating as Important
Energy Efficiency	-4%
Recycling Program	-5%
Renewable Energy	-6%
Water Efficiency	-2%
Sustainable Operations	1%

NORTHEAST

Metrics	% Change of Tenants Rating as Important
Energy Efficiency	-4%
Recycling Program	-2%
Renewable Energy	-5%
Water Efficiency	-2%
Sustainable Operations	-1%

SOUTHWEST

Metrics	% Change of Tenants Rating as Important
Energy Efficiency	-4%
Recycling Program	-4%
Renewable Energy	-4%
Water Efficiency	-3%
Sustainable Operations	0%

MIDWEST

Metrics	% Change of Tenants Rating as Important
Energy Efficiency	-5%
Recycling Program	-5%
Renewable Energy	-7%
Water Efficiency	-3%
Sustainable Operations	0%

SOUTHEAST

Metrics	% Change of Tenants Rating as Important
Energy Efficiency	-4%
Recycling Program	0%
Renewable Energy	-4%
Water Efficiency	1%
Sustainable Operations	0%

Across the U.S., partisan and regional divides have blurred. Democrats reported a decline in the importance of sustainability measures in all but one area. In fact, Democrat-leaning states grew less concerned about recycling from 2024 to 2025 than Republican-leaning ones. Regionally, while sustainable operations remained at or around prior year levels of importance, most areas across the U.S. experienced a decline in importance across specific categories of sustainability. The story here is not one of polarization but convergence — everyone agreeing that specific sustainability measures are no longer as important as they used to be.

In all likelihood, tenants are simply reprioritizing. In the hierarchy of renewal decisions, recycling bins and solar panels rarely outweigh rent terms, HVAC systems, or parking access. Tenants aren't uninterested in sustainability; they're just less likely to give it the final vote.

"While geopolitical and economic developments are reshaping how the market talks about sustainability, we observe an ever-increasing focus on its underlying fundamentals. Real estate organizations continue to strengthen climate risk management and improve energy efficiency—core actions that underpin sustainable business success. This trend helps demystify the misconception that sustainability is merely about reporting or compliance.

The integration of sustainability factors into investment processes was originally designed to drive resilience, efficiency, and long-term value creation through stronger risk-adjusted returns. At GRESB, we're proud to help our clients navigate these evolving times and stay focused on what sustainability truly means for business success."

—Charles van Thiel, Director, Real Estate Standard at GRESB

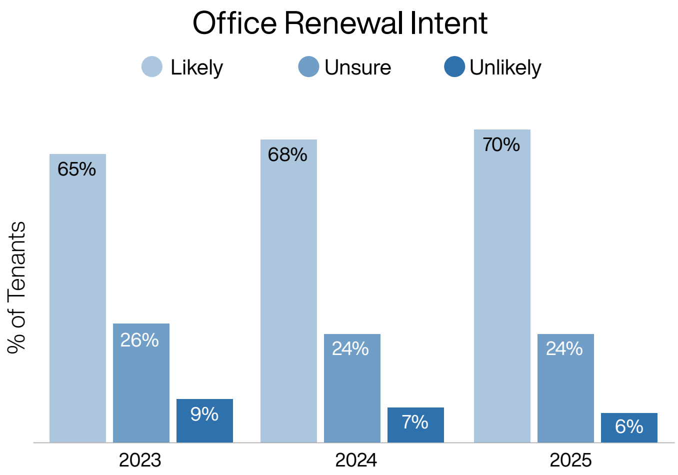
"At Fitwel, we're seeing the real estate sector increasingly embrace a people-first approach in response to rising tenant demand for healthier, more resilient spaces. As traditional sustainability metrics plateau, owners and investors are recognizing that prioritizing health and resilience not only enhances tenant well-being but also safeguards asset value against future shocks. We're proud to help real estate leaders turn these priorities into actionable design and operational strategies."

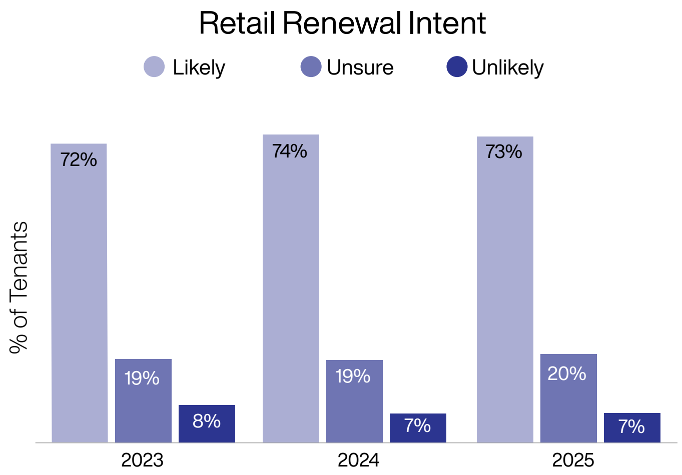
—Sara Karerat, Managing Director, Center for Active Design

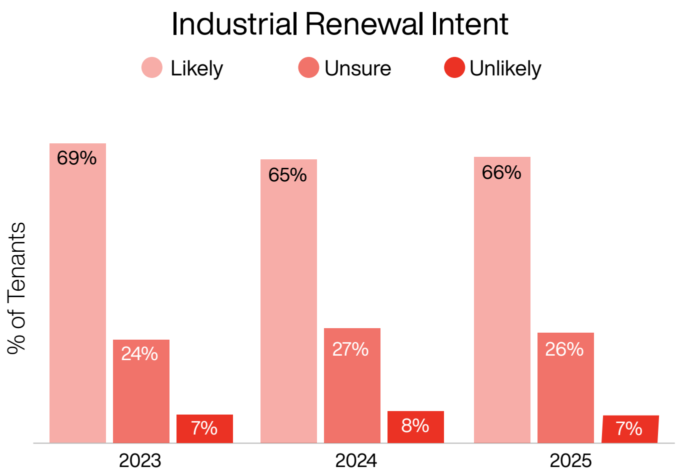
Renewal Trends

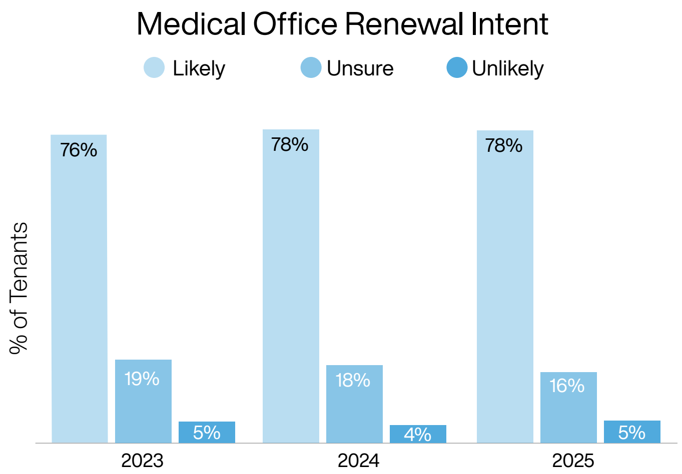
Renewal Intent by Property Type

Tenant renewal intent in 2025 tells a story of stability but with a shaky undercurrent. Annual trends suggest tenants are more committed than they've been in years, but a closer look at quarterly data reveals a market that is steady on paper yet twitchy in practice. Office and retail tenants, in particular, show widening gaps between long-term confidence and short-term caution. Industrial tenants remain hesitant, while medical office stands apart as the most stable asset class. Renewal intent appears to be less about a single trend line and more about the rhythm of uncertainty pulsing through different sectors.

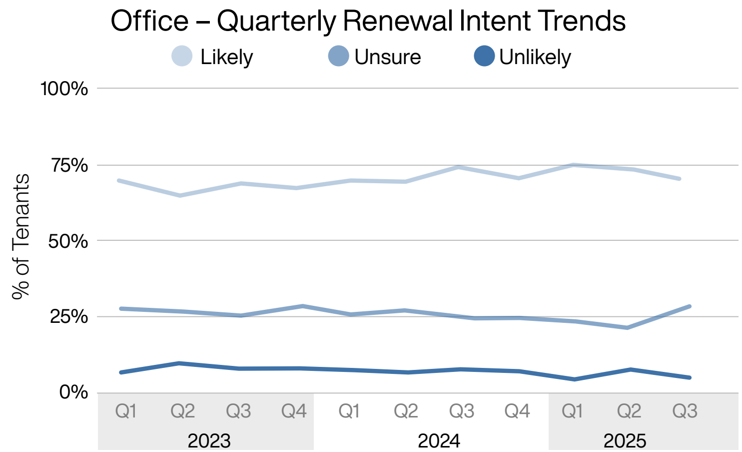


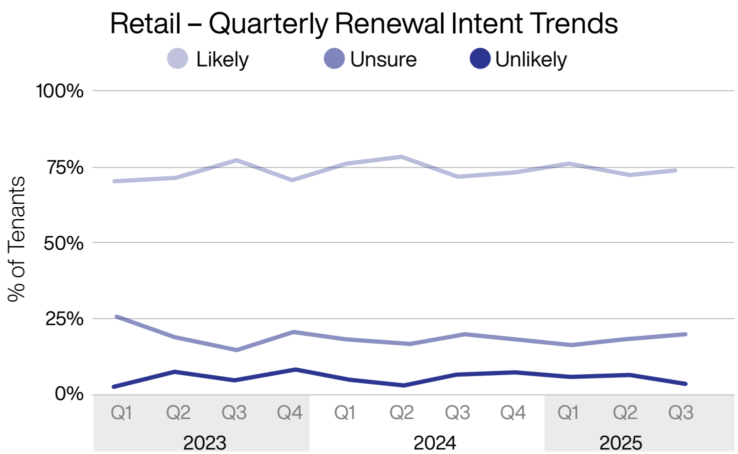






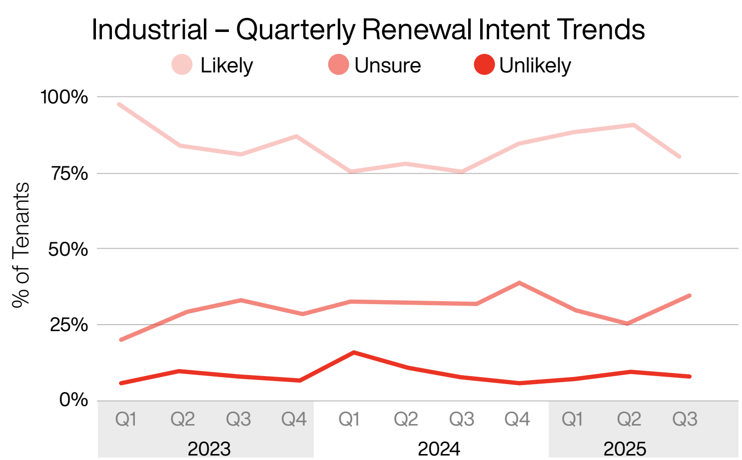
Office renewal intent reached new highs, but quarter-to-quarter nerves returned. In 2025, 70% of office tenants said they were likely to renew — a three-year peak. Unsure and unlikely renewals fell to or near three-year lows. Yet by Q3, “unsure” tenants jumped to 27%, siphoning from the “likely” category. The sector looks stable on an annual lens, but jittery in real time.

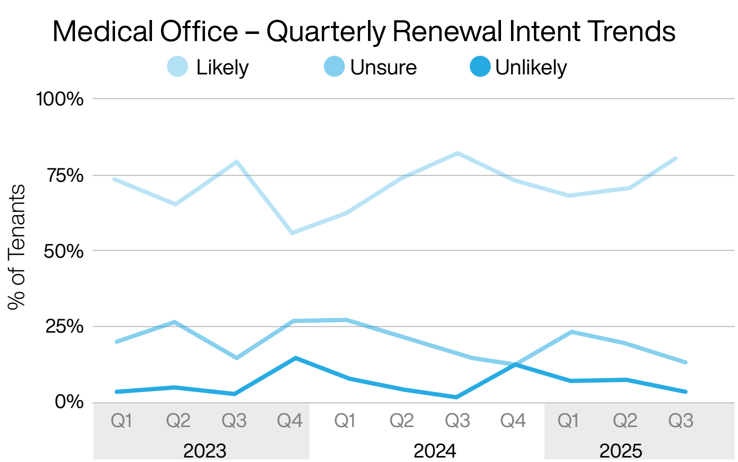




Similarly, retail showed stability in the long view, shakiness in the short. Year-over-year, renewal intent barely moved. But quarterly, unsure renewals climbed steadily through 2025, reaching 21% by Q3. The trajectory hints at mounting caution among retailers, likely tied to sales performance and shifting consumer demand.

Industrial looked unsettled, possibly a pandemic flashback. Uncertainty rose to 26% annually, matching 2021, and quarterly levels hit 29% in Q3. Global economic pressures — tariffs, trade policy, supply chain shifts — appear to weigh heavily on industrial tenants, delaying long-term commitments.





Medical office remained the picture of stability. Likely renewals held at 78%, matching three-year highs. Unsure renewals dropped to just 16%, which was the lowest of any sector. Healthcare demand once again proved resilient to broader market cycles.

What Are Industry Experts Saying?

"Retail's rising quarterly 'unsure' rate signals more cautious leasing behavior, making proactive retail management and tenant engagement essential. Meanwhile, medical office's resilience validates why we continue positioning those assets as anchors in portfolios — leveraging Meissner's management scale and leasing expertise to preserve occupancy and long-term value. We are even seeing tenant engagement being important in all asset classes, including industrial and corporate office. It's about keeping people happy, safe, and valued as a member of a community."

—Duston Sutton, Strategic Account Manager at Meissner Real Estate Services, Cofounder and President of BCREN, the Black Commercial Real Estate Network, and Podcast Host at "Tools, Talents and Techniques"

"These sector swings underscore the importance of adaptability and professional readiness in commercial real estate. The long-term stability everyone talks about is just a thin layer hiding how shaky things really are, especially in office and industrial buildings. To respond effectively, owners and managers need teams trained to interpret these subtle warning signs, engage tenants proactively, and adjust strategies - long before tenant uncertainty turns into a vacancy."

—P. Marc Fischer, MBA, M.Ed., CPM, RPA, CCIM, LEED Green Associate, and Head Honcho at INSPIRE CRE

Factors Impacting Renewal

Tenant renewal decisions in 2025 appeared to be shaped less by abstract market conditions and more by tangible building and lease attributes. The good news is that many of these building and lease attributes are controllable by managers and landlords.

- Office tenants likely to renew emphasized building quality, location, and property management.
- Retail tenants highlighted sales performance and customer traffic — the lifeblood of their business — while price and lease terms were more important to those wavering on renewal.
- Industrial tenants were more blunt: Functionality and cost defined their decisions, reflecting a focus on whether facilities could meet operational needs.
- Medical office tenants stressed location, property management, and space requirements, but what stood out was the rising importance of visitor parking and building upkeep.

While the differential impact of public policy, geopolitical factors, and economic cycles can explain varying levels of uncertainty across property types, it fails to address why building-related factors are universally becoming stronger predictors of overall satisfaction.

Shifting Renewal Drivers Across CRE Sectors

While management service delivery remains the most associated factor with overall satisfaction, building-related factors are explaining more variance in satisfaction in 2025 than they did in 2024. This data highlights how core features, amenities, and management practices are increasingly moving the needle on tenant sentiment across office, retail, industrial, and medical office sectors.

Office

Likely to Renew: Tenants who are likely to renew most frequently cite building quality, size, and location, plus property management. Building features/amenities and property management are also the factors that have increased the most since 2024.

FREQUENCY IN 2025	
Location	14.5%
Property Management	10.0%
Quality of Building	10.0%
Space Requirements	9.4%
Business Circumstances	7.9%

ANNUAL % CHANGE FROM 2024	
Quality of Building	1.5%
Property Management	1.1%
Parking	0.9%
Business Circumstances	0.8%
Space Requirements	0.4%

Unsure: Tenant uncertainty centers around lease terms and business conditions. But again, building features/amenities and property management are the factors that have increased the most since 2024.

FREQUENCY IN 2025	
Price	21.6%
Space Requirements	13.9%
Business Circumstances	13.8%
Length of Lease	10.8%
Corporate Decision	8.4%

ANNUAL % CHANGE FROM 2024	
Property Management	1.4%
Quality of Building	1.1%
Building Upkeep	0.8%
Property Location/Features	0.7%
Elevators	0.4%

Unlikely to Renew: Tenants unlikely to renew cite lease terms and business conditions. But, building features/amenities are four of the five factors that have increased the most since 2024.

FREQUENCY IN 2025	
Price	21.7%
Space Requirements	17.4%
Business Circumstances	11.8%
Property Management	9.0%
Length of Lease	6.1%

ANNUAL % CHANGE FROM 2024	
Price	1.5%
Space Requirements	1.2%
Business Circumstances	0.9%
Property Management	0.8%
Length of Lease	0.8%

Retail

Likely to Renew: Tenants likely to renew cite factors driving revenue, including location/traffic-based factors and sales performance, and these same factors have increased most since 2024.

FREQUENCY IN 2025	
Location	13.8%
Sales Performance	9.9%
Store Location Within Center	9.7%
Customer Traffic	9.5%
Business Circumstances	7.8%

ANNUAL % CHANGE FROM 2024	
Sales Performance	2.6%
Corporate Decision	2.2%
Business Circumstances	1.6%
Store Location Within Center	1.2%
Customer Traffic	1.2%

Unsure: Tenants unsure about renewal again cite factors driving revenue, but with less of a focus on location-based factors, and instead indicate concerns about leasing terms/pricing. These pricing concerns have increased most since 2024.

FREQUENCY IN 2025	
Price	18.1%
Sales Performance	14.4%
Customer Traffic	13.7%
Length of Lease	8.2%
Business Circumstances	8.0%

ANNUAL % CHANGE FROM 2024	
Rental Charge Level	2.0%
Price	1.7%
Business Circumstances	1.5%
Length of Lease	1.3%
Service Charge Level	0.4%

Unlikely to Renew: Tenants unlikely to renew most frequently cite customer traffic and sales performance, but leasing terms have increased the most in mentions since 2024.

FREQUENCY IN 2025		ANNUAL % CHANGE FROM 2024	
Sales Performance	15.4%	Length of Lease	3.1%
Customer Traffic	15.0%	Price	2.7%
Price	14.5%	Building Upkeep	1.8%
Property Management	8.8%	Rental Charge Level	1.4%
Length of Lease	7.0%	Location	1.3%

Industrial

Likely to Renew: Tenants likely to renew most frequently cite building features, like functionality, size, and location, along with price. Price is up the most since 2024.

FREQUENCY IN 2025		ANNUAL % CHANGE FROM 2024	
Building Functionality	14.3%	Price	4.0%
Location	12.9%	Building Functionality	1.4%
Price	11.2%	Access to Labor	1.3%
Space Requirements	9.1%	Corporate Decision	1.3%
Property Management	8.7%	Length of Lease	1.0%
Corporate Decision	8.7%		

Unsure: Tenants unsure about renewal again cite building features, like functionality and size, along with price. Price is up the most since 2024.

FREQUENCY IN 2025		ANNUAL % CHANGE FROM 2024	
Price	28.2%	Price	2.5%
Building Functionality	12.4%	Building Functionality	0.9%
Business Circumstances	11.6%	Corporate Decision	0.5%
Space Requirements	10.8%	Quality of Property	0.4%
Length of Lease	10.1%	Access to Labor	0.4%

Unlikely to Renew: Tenants unlikely to renew most frequently cite building functionality and price.

FREQUENCY IN 2025		ANNUAL % CHANGE FROM 2024	
Price	29.4%	Building Functionality	2.3%
Building Functionality	11.7%	Price	2.0%
Business Circumstances	10.9%	Length of Lease	1.0%
Property Management	10.5%	Property Management	0.7%
Space Requirements	9.7%		

Medical Office

Likely to Renew: Tenants likely to renew most frequently cite location, property management, and space requirements. Visitor parking and building quality/upkeep are up most from 2024.

FREQUENCY IN 2025		ANNUAL % CHANGE FROM 2024	
Location	21.1%	Parking - Visitor	2.4%
Property Management	9.0%	Quality of Building	2.1%
Space Requirements	8.7%	Business Circumstances	2.0%
Relationship With Hospital	8.5%	Length of Lease	1.7%
Price	6.3%	Building Upkeep	1.7%

Unsure: Tenants unsure about renewal again cite price, property management, and space requirements. Visitor parking and building quality/upkeep are up most from 2024.

FREQUENCY IN 2025		ANNUAL % CHANGE FROM 2024	
Price	20.0%	Building Upkeep	2.5%
Space Requirements	12.3%	Parking - Visitor	1.9%
Corporate Decision	10.9%	Price	1.8%
Property Management	7.0%	Property Management	1.7%
Length of Lease	6.7%	Quality of Building	1.6%

Unlikely to Renew: Tenants unlikely to renew most frequently cite price, property management, and space requirements. Visitor parking and building quality/upkeep are among the factors up most from 2024.

FREQUENCY IN 2025		ANNUAL % CHANGE FROM 2024	
Price	22.7%	Length of Lease	2.6%
Property Management	13.5%	Building Upkeep	2.3%
Space Requirements	7.9%	Parking - Visitor	2.0%
Business Circumstances	6.8%	Business Circumstances	1.8%
Length of Lease	6.8%	Property Management	1.1%

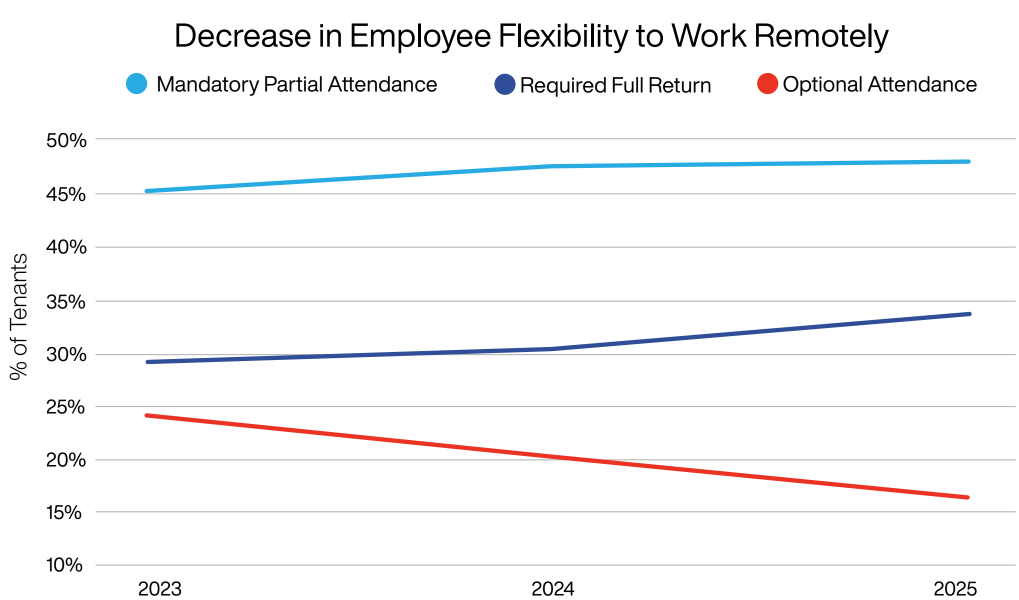
Return to Office: Less Flexibility, More Friction

Yes, we are still talking about return-to-office (RTO)! While the RTO debate may feel like old news, tenants are still working through its consequences. The 2025 Grace Hill KingsleySurveys data shows that employees had steadily less flexibility to work remotely compared to prior years. What started as a perk during COVID and solidified into a bargaining chip in 2021–2023 is now eroding.

For tenants, that shift has ripple effects. More employees onsite means more pressure on the physical workplace — parking lots fill faster, HVAC runs harder, food access becomes more critical, and shared spaces get heavier use. These seemingly mundane details have outsize influence when tenants decide whether they're satisfied with their space or ready to move on.

The takeaway heading into 2026: The "return" is no longer about corporate mandates; it's about whether buildings can absorb and support the volume of people actually showing up. A tenant who once needed occasional flexibility now demands consistent building performance. That makes return-to-office not just a workplace policy issue, but a property management and asset strategy issue.

> "Based on Gensler's Workplace Survey 2025 research, employees are seeking more than just a good place to work; they're craving great experiences that foster connection, productivity, and well-being. Amenities are no longer optional—they're essential to creating vibrant, high-performance environments both inside the office and the surrounding neighborhood."
>
> — Janet Pogue McLaurin, FAIA, FIIDA, LEED AP BD+C, LEED AP ID+C | Global Director Workplace Research, Principal at Gensler
>
> We encourage you to read more about Gensler's Workplace Survey 2025, which revealed the importance of in-person work.



Closing Thoughts

Certainty Is Relative, but the Direction Is Clear

The tenant sentiment story of 2025 was one of paradoxes: high renewal intent paired with quarterly jitters, strong satisfaction scores offset by shifting priorities, and a surprising step back from certain sustainability metrics. These contradictions are less confusing than they first appear. Together, they point to a market recalibrating around fundamentals.

Unsure renewal intentions for office, retail, and medical office properties are near three-year annual lows, but for office and retail, they have increased from Q1 to Q3 of 2025. This contrasts with industrial properties, where unsure renewals are at three-year annual and quarterly highs. These nuances suggest that each property type is experiencing public policy and economic cycles differently, though they share a unifying factor in the growing influence of building-related factors.

Overall, tenants are rethinking what they expect from their real estate. They want buildings that function seamlessly and management teams that deliver consistently. They remain cautious in the face of economic volatility and policy uncertainty, but they are not abandoning spaces in favor of remote work — if that's even possible for their situation. If anything, the lesson is that tenants are sharper, more selective, and more attuned to what matters.

Looking ahead to 2026, the signals are clear:

- Office and retail tenants will carry forward their mix of long-term commitment and short-term caution.
- Industrial tenants may remain unsettled, their confidence tied to macroeconomic winds.
- Medical office tenants will continue to anchor the market in stability.
- Satisfaction will hinge increasingly on tangible building features, not just service quality.
- Sustainability's role may evolve toward resilience and climate risk management, but only if owners make the case that it adds real value.

Certainty, in other words, is relative. But the direction of tenant expectations is unmistakable: The basics of building performance and tenant experience will define winners in 2026.

Where Tenant Insight Meets Action

Every chart and data point in this report has a practical purpose: helping you see tenant sentiment earlier and act on it faster. To create a regular cadence on your property's specific data and turn those insights into measurable impact, you need the right tools. That's where Grace Hill's KingsleySurveys come in.

Our platform combines survey intelligence, industry-wide benchmarking, and performance tools to give owners, operators, and managers a competitive edge. The insights in this report are not abstract — they are actionable, property-level signals that can guide renewal conversations, capital planning, and tenant engagement strategies. Imagine what more detailed, property-specific insights could do for your organization!

If you'd like to dig deeper into how your assets compare or see how tenant sentiment in your portfolio stacks up against the broader market, we'd love to talk.

Reach out to a Grace Hill Survey expert to get started!

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