

Bidding dynamics stabilise over previous three months, July marks first improvement of 2025

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Following a period of heightened macro uncertainty, bidder dynamics now appear to be stabilizing heading into the third quarter, and the depth of capital targeting commercial real estate continues to grow. This is according to JLL's (NYSE: JLL) proprietary [Global Bid Intensity Index](#), a leading indicator for transaction volumes, which offers a real-time view on the improving liquidity and competitiveness in private real estate capital markets. The stabilization in bidding dynamics comes as property sector performance fundamentals are holding up and asset valuations have generally held firm in year-to-date 2025, even with investor sentiment being tested.

Powered by three sub-indices, JLL's Global Bid Intensity Index analyzes proprietary bid data across investment sales transactions to identify areas of acceleration or deceleration ahead of third-party data providers. In July 2025, JLL's Global Bid Intensity Index marked the first month-over-month improvement since December of last year, signalling a market-wide indication of more competitive bidder dynamics, following a period of more volatile bond markets and trade policy uncertainty.

"With no shortage of liquidity, institutional investors are returning to the market with more capital sources and a renewed appetite for real estate," said Ben Breslau, Chief Research Officer at JLL. "While further recovery is expected to be gradual after moderating earlier this year, borrowing costs and real estate values in most markets have stabilized, so we expect momentum to pick up through the second half of the year."

Despite increased market uncertainty brought on by tariff announcements, bid-ask spreads are improving

toward healthy levels across multiple sectors. This is most evident in the living sector, where bidding dynamics remain at elevated levels and lead major property sectors globally. Retail bid intensity is at improved levels compared to earlier last year, driven by the sector's strong fundamentals. While supply chain uncertainty has impacted bidding intensity in Industrial and Logistics, Office bid dynamics are showing improvement, driven by growing bidder pools and greater number of lenders quoting on office loans.

With investors gradually accepting uncertainty as the new normal, amid sustained trade and geopolitical tensions, Breslau says this is leading some to embrace higher risk tolerances. "The attractiveness of CRE investments as a long-term store of value remains intact. As more investors move to a 'risk-on' mode, coupled with the exceptionally strong debt markets, we expect this will lead to continued growth in capital flows."

While investors remain focused on the potential economic impact of changing trade policies and geopolitical pressures, real estate capital markets are proving very resilient. As capital continues to invest through market uncertainty and favor growth-oriented sectors, there will be plenty of opportunities over the remainder of 2025. With some more tempering to the pace of acceleration of the real estate cycle than anticipated in the first half of the year, investors deploying capital through 2025 and into 2026 will likely see an early mover advantage in terms of returns—an advantage that will diminish as the cycle matures.