

# The State of AI Readiness in Commercial Real Estate

---

Momentum Meets Readiness Gap



# Table of Contents

---

- I. Introduction: AI as a Business Imperative in CRE 3**
  - Survey Methodology
  - Key Findings
- II. Where the Industry Stands Today 5**
  - Organizational Readiness
  - Climbing the AI Maturity Curve
  - Current AI Use Cases
- III. The Readiness Gap 7**
  - Barriers to Adoption
  - The Data Dilemma
- IV. Unlocking Value: ROI Expectations & Strategic Use Cases 8**
- V. Future Outlook: Accelerating Investment, With a Human Lens 8**
- VI. Building the Foundations of AI Readiness 9**
- VII. From Readiness to Results: Why Dealpath 10**



# Introduction: AI as a Business Imperative in CRE



The commercial real estate industry is universally interested in AI, but widely underprepared to maximize its impact.

Artificial intelligence has moved from buzzword to business imperative—and commercial real estate (CRE) is no exception. Once regarded as a slow adopter of technology, the CRE industry is now racing to harness AI's transformative potential.

Dealpath's industry-wide survey of 100 leading institutional investors reveals both strong momentum and the stark realities of implementation at scale. On one hand, **100% of respondents have adopted or plan to adopt AI**, and nearly all (96%) expect to increase their investment in the next year. On the other hand, **93% of firms say they face significant barriers**—from fragmented data systems to leadership gaps and compliance challenges—that threaten ROI.

Institutional investors see AI not as an optional experiment, but as a foundational capability for competitive advantage.

The survey findings point to a defining inflection point for CRE. Leaders are mobilizing resources, building AI teams, and adopting governance frameworks, yet the industry's decentralized data and uneven expertise could widen the gap between early adopters and laggards. For those prepared to act, the opportunity is clear:

AI will not only accelerate deals and improve human skills like decision-making and relationship building, but also reshape the future of real estate investment management itself. For those that do not act, or only scratch the surface of AI, the risk of falling behind competitors is equally clear.

This report covers where CRE firms stand today, where they are headed, and the obstacles to ensuring AI delivers compounding value in the years ahead.

---

## Survey Methodology

**100** Institutional real estate investors

**80%** from firms with \$1B+ AUM

**67%** in executive roles

Dealpath commissioned the survey of 100 mid- to senior-level professionals at leading institutional real estate investment firms, including C-suite leaders at firms across North America with more than \$500M in AUM, ranging from boutique and regional firms to global institutions.

# Key Findings

## Adoption Momentum

100% of respondents are adopting or planning to adopt AI and also report that fragmented data across multiple platforms is slowing down AI readiness

- 43%** are using tools like ChatGPT to accomplish simple tasks
- 8%** are exploring new investment use cases powered by AI
- 13%** are piloting bespoke tools designed to streamline CRE investment tasks
- 36%** are actively scaling AI solutions across their organizations

## Barriers to Adoption

93% report barriers to adoption, including:

- 43%** lack of internal expertise
- 42%** regulatory/compliance concerns
- 39%** budget constraints
- 36%** decentralized data

## Data Drives Reliable Results

- 98%** say improving data systems for AI is a top 24-month priority
- 74%** already have AI governance policies in place
- 36%** of firms face the challenge of centralizing data

## Future Outlook

- 96%** plan to increase AI investment in the next year
- 68%** see AI as critical to long-term strategy

## Expected ROI from AI

- 61%** faster deal evaluation and closing
- 61%** increased efficiency
- 50%** more accurate underwriting
- 43%** higher deal velocity

## Current Use Cases

- 67%** document analysis
- 61%** portfolio monitoring
- 56%** investment memo creation
- 49%** offering memorandum/flyer extraction

# Where the Industry Stands Today

## Organizational Readiness: Firms are Actively Leveraging AI Technologies

Institutional investors are no longer treating AI as a peripheral experiment—they are building the foundations for sustained adoption. Nearly all firms surveyed (93%) either already have a dedicated AI budget in place or are actively establishing one. At the same time, 90% have established—or are establishing—AI-focused teams or leads, and 95% report moderate to strong executive support for AI transformation. Together, these indicators underscore that AI is not just a near-term initiative, but a strategic priority shaping the future of CRE operations.

93%

Have a dedicated AI budget or are actively establishing one

90%

Established/are establishing AI-focused teams or leads

95%

Moderate to strong executive support for AI transformation

## Climbing the AI Maturity Curve: Over 50% of Firms Have Moved Beyond Early Stages

AI adoption in commercial real estate is no longer theoretical—**100% of surveyed firms report they have already adopted AI in some form.** However, the extent of adoption varies widely. While 43% remain at the early stage of using tools like ChatGPT for simple tasks like document summarization, **57% of firms are already moving beyond these early applications:**

### Stage 1

Using tools like ChatGPT to accomplish simple tasks

43%

### Stage 2

Exploring new investment use cases powered by AI

8%

### Stage 3

Piloting bespoke tools designed to streamline CRE investment tasks

13%

### Stage 4

Actively scaling AI solutions across their organizations

36%



This progression underscores that AI adoption is maturing quickly, with a growing share of firms advancing into more sophisticated use cases.

A closer look at adoption broken down by firm size reveals a clear divide:

- Among firms with less than \$5B AUM, nearly half (48%) remain at stage 1, highlighting that a lack of resources can preclude adoption of advanced capabilities
- For firms with more than \$5B AUM, only 36% remain at stage 1—indicating larger players are moving faster toward scaled and bespoke AI initiatives

This suggests that scale matters: the industry's largest firms are not just experimenting with AI, but are laying the groundwork for enterprise-wide integration that could further widen the competitive gap.

## Current AI Use Cases: CRE Is Prioritizing Repetitive, Low-Risk Work

Even as adoption levels vary, firms are already applying AI to core investment and operational processes:

### Document analysis



### Portfolio performance and monitoring



### Automation of investment memos



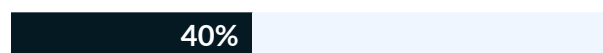
### Offering memorandum (OM) extraction/review



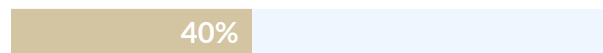
### AI-recommended comps



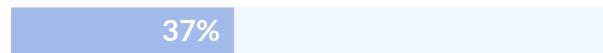
### Rent roll / lease extraction and analysis



### Underwriting or modeling support



### Proactive deal scoring



These patterns suggest that AI in CRE is rapidly moving beyond experimentation. Firms are beginning with efficiency gains in repetitive, document-heavy tasks, but momentum is clearly building toward more strategic applications like underwriting, modeling, and proactive deal scoring.

# The Readiness Gap

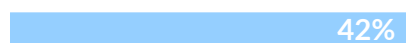
## Barriers to Adoption: Resolving Data Infrastructure, Budget, and Leadership Gaps

Even with strong momentum, firms admit they are not yet prepared to capture AI's full value. 93% of respondents reported barriers to adoption, with the most pressing challenges including:

### Lack of internal expertise



### Regulatory and compliance concerns



### Budget constraints



### Decentralized data



Perhaps unsurprisingly, CRE firm size is directly related to AI adoption. Survey results show that firms above \$5B AUM report fewer capability gaps, allocate budget more readily, and show near-universal adoption support. Meanwhile, firms below \$5B AUM are more likely to see internal expertise as a barrier and slower to dedicate budget to AI. Larger firms are better resourced and therefore better positioned to capture the full value of AI, while smaller firms face a steeper climb in resourcing and execution.

Despite these barriers, the industry is making real progress: 64% of firms already have an AI innovation team in place, 63% report a dedicated budget, and 74%

have adopted data governance policies. For many firms, the priority is to close these readiness gaps and inch closer to a strong ROI.

## The Data Dilemma: Centralizing Information to Drive Reliable Outputs at Scale

Lacking an industry standard, CRE firms have layered on new technology and infrastructure on an ad-hoc basis over the years. The result: fragmented systems that record and update data across spreadsheets, shared drives, BI tools, and project management platforms. In fact, every firm surveyed (100%) reported that their data is stored across multiple platforms, creating silos that limit outcomes.

Breaking down data silos is particularly critical for AI readiness. AI's impact relies on the data it draws from—if information is scattered across incompatible systems, AI cannot deliver trustworthy insights or scale across workflows. Without centralization, firms risk building AI on incomplete or inaccurate information.

The industry recognizes the urgency. Nearly all respondents (98%) reported that improving their firm's data infrastructure is a top priority over the next 12–24 months, underscoring the move toward centralization as a prerequisite for unlocking AI's value.

**98% of institutional investors say improving data infrastructure is a top priority for becoming AI-ready.**

## Unlocking Value: ROI Expectations and Strategic Use Cases

Survey respondents made clear that the next phase of AI adoption in commercial real estate is not about experimentation, but about enabling measurable business outcomes. The capabilities that firms are most hungry for support top ROI goals:

### Real-time reporting (63%)

#### FUELS

faster deal evaluation, decision making, and closing (61%)

### Asset and portfolio management (62%)

#### ENABLES

more accurate underwriting and forecasting (50%)

### Workflow automation (58%)

#### DRIVES

greater team efficiency and capacity (61%)

This alignment underscores that CRE leaders are prioritizing AI investments where the link between functionality and measurable impact is clearest: speeding up the deal lifecycle, improving precision, and unlocking new levels of productivity.

## Future Outlook: Accelerating Investment, With a Human Lens

Looking ahead, nearly all firms (96%) plan to expand AI investment, with 93% agreeing early adopters will gain a lasting competitive edge. Yet only 68% see AI as critical to long-term strategy—a meaningfully lower figure than other readiness indicators. The disparity between adoption momentum and long-term strategic conviction suggests many firms still see AI as a set of tools to improve existing workflows, rather than as a transformational shift. However, this short-term confidence could blossom into long-term conviction as AI's value becomes clearer.

The greatest rewards will come to firms that invest in AI-ready infrastructure, while firms that do not keep pace risk falling behind.

### Future Outlook on AI in CRE

Plan to increase AI investment in the next 12 months

96%

Report strong executive support for AI transformation

95%

Agree early adopters will gain a lasting edge

93%

View AI as critical to long-term strategy (vs. 90%+ across other measures)

68%



# Building the Foundations of AI Readiness

## STEP 1

### Unify and Structure Your Data

AI is only as powerful as the data it draws from. For CRE firms, this means centralizing critical data—including deal, lease, tenant, financial, and portfolio performance information—which is often scattered across spreadsheets, shared drives, and siloed systems today. Next, that data must be standardized into a consistent structure across your system of record. Finally, firms should configure automation to ensure accurate, error-free data ingestion with minimal manual effort. A clean, structured data foundation is the prerequisite for trustworthy insights and scalable AI adoption.

## STEP 2

### Build Organizational Readiness

Technology alone is not enough. To capture value from AI, firms need executive sponsorship, dedicated AI leadership, and a change management framework that brings teams along. This cultural readiness ensures that AI is not treated as a side experiment, but as a strategic initiative embedded into how the firm operates and makes decisions.

## STEP 3

### Define Goals and Identify Use Cases

Clarity on “why AI” is critical. Survey results show firms expect ROI through faster deal evaluation and closings (61%), increased team efficiency and capacity (61%), and more accurate underwriting and forecasting (50%). Consider starting with low-risk, repetitive tasks—such as automating offering memorandum abstraction, generating comps, or summarizing listings—that can deliver immediate wins. For firms lacking deep internal AI expertise, working with the right partner or platform can accelerate progress, helping identify the highest-value use cases and implement them with confidence.

## STEP 4

### Maintain Control and Compliance

As AI becomes more embedded in investment workflows, maintaining enterprise-grade security, role-based access, and governance is essential. This ensures that AI is not only accelerating decision-making but also preserving institutional trust, compliance, and scalability. Given that most firms cite internal expertise as a barrier, leveraging trusted technology partners can help institutions meet these requirements—providing built-in safeguards, compliance frameworks, and best practices that reduce risk while ensuring adoption is both scalable and secure.



# From Readiness to Results: Why Dealpath

The survey findings highlight a pivotal moment for CRE: firms recognize that AI is essential to remain competitive, but data silos and expertise gaps continue to slow progress. Without centralized, trusted data, even the most advanced AI cannot deliver on its promise.

As the trusted real estate deal management platform for 300+ institutional clients—including Blackstone, Nuveen, LaSalle, CBRE IM, MetLife, Oxford Properties, UBS, Manulife, DWS, Starwood Property Trust, and Principal—Dealpath is uniquely positioned to bridge this gap and serve as the industry’s AI partner of choice.

Beyond today’s proven capabilities—like transforming hundreds of pages of offering memoranda into decision-ready data with unmatched speed and accuracy—Dealpath is advancing AI features that accelerate screening, underwriting, and analysis.

In partnership with leading global investors, Dealpath is delivering innovations designed for real-world impact at scale, giving clients early access to shape the future of AI in CRE while realizing measurable ROI today.

Early adopters will define the next decade of CRE winners. Dealpath is the partner that ensures your firm is positioned to outcompete with an AI-ready database and access to innovative AI features as the industry advances.

[Request Demo](#)



DREAM FINDERS HOMES

