

January 2026

KCP Payoff Report

CONTACTS

Cameron Casey
Analyst

+1 215-882-5885

cameron.casey@kbra.com

Maverick Force
Senior Director

+1 215-882-5904

maverick.force@kbra.com

Patrick Czupryna
Managing Director

+1 215-882-5854

patrick.czupryna@kbra.com

Mike Brotschol
Managing Director

+1 215-882-5853

mike.brotschol@kbra.com

Payoff and Default Rates	1
Upcoming Maturities	2
About the Payoff Data and Our Methodology	3

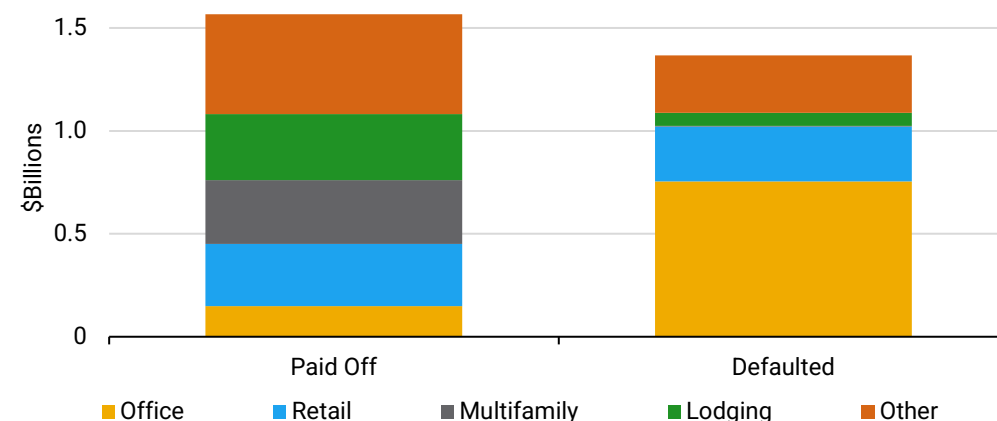
January 2026 Maturities			
Paid Off 53.39%	\$1.57 Billion (133 Loans)	Defaulted 46.61%	\$1.37 Billion (61 Loans)

Payoff and Default Rates

In January 2026, 194 non-deceased loans (\$2.93 billion) matured, of which 46.61% (61 loans; \$1.37 billion) by unpaid principal balance (UPB) defaulted at maturity. The default rate for loans collateralized by office was 83.5%, followed by retail (46.89%), lodging (16.69%), and multifamily (0.9%). The paid-off cohort comprises 133 loans (\$1.57 billion) with January maturities, including 68 (\$863 million) that paid off ahead of schedule. We stratify payoffs and defaults by property type in Figure 1.

Total payoffs in January, regardless of original maturity date and excluding liquidations, amounted to \$1.63 billion, including 34 loans (\$320.6 million) that were previously deceased. Another 34 loans (\$518.6 million) paid off ahead of their future scheduled maturities. Meanwhile, 12 loans with an aggregate UPB of \$83.4 million were paid off late, but within 90 days of their scheduled maturity (see Figure 2).

Figure 1: Payoffs and Defaults at Scheduled Maturity in January 2026



Source: KBRA Credit Profile (KCP)



Manhattan Office Loan Misses Maturity as Sale Efforts Continue

The \$85 million [79 Madison Avenue](#) loan ([CGCMT 2016-P3](#), [CGCMT 2016-GC37](#)) missed its January 2026 maturity. The borrower is marketing the 274,000 sf, Class B office building in the NoMad neighborhood of Manhattan for sale. A broker was first engaged in March 2025 to list the property for \$130 million (\$474/sf) as an office-to-luxury condominium conversion opportunity. The borrower is reportedly in negotiations with an experienced buyer and requested forbearance to allow time for a potential sale to close. Collateral occupancy has declined to 42% as of September 2025 from 100% prior to the pandemic. KCP identified the loan as a K-LOC in early 2020 due to its exposure to WeWork, which at one point occupied up to 205,000 sf—75% of the gross leasable area (GLA)—under a lease scheduled to expire in July 2032. The tenant renegotiated its lease, downsizing to 98,000 sf (36%) and accelerating the lease expiration to July 2026. The upcoming expiration may provide greater flexibility for a future owner to pursue redevelopment.

Figure 2: Other Payoffs and Liquidations January 2026

Type	Loan Count	UPB (\$Millions)
Early or Previously Defeased Payoff		
Defeased	34	320.6
Prepayment	12	180.1
Open Period	22	338.5
Late Payoff or Liquidation		
Grace Period	12	83.4
Liquidation	24	921.6
Total	104	1,844.3

Source: KBRA Credit Profile (KCP)

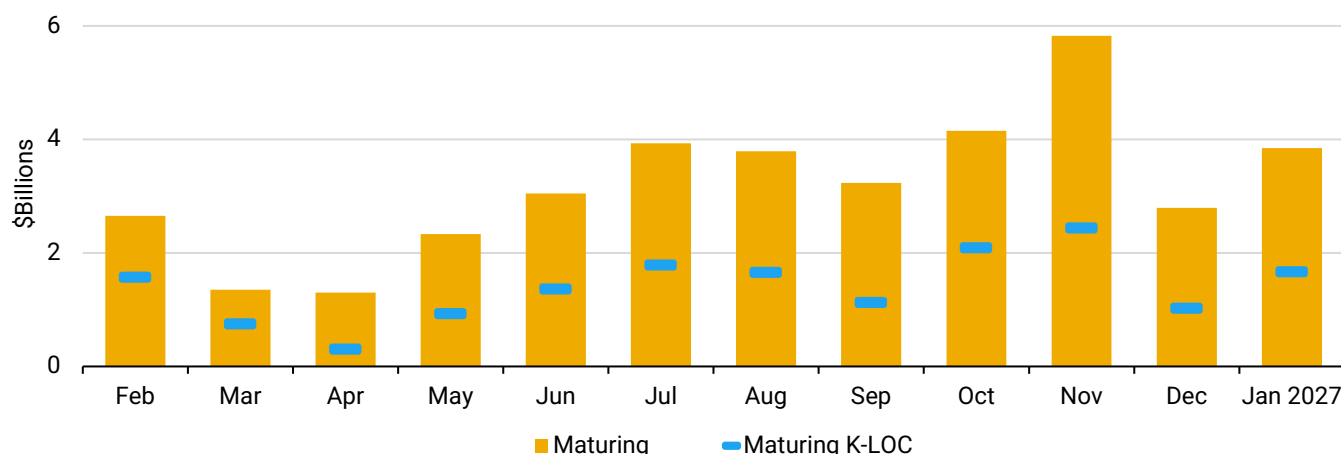
Equity Injection Enables Suburban Philadelphia Office Refi

The \$70 million [300 Four Falls](#) loan ([MSBAM 2016-C29](#), [BACM 2016-UB10](#)) paid off a month before its scheduled February 2026 maturity with help from a sizable equity contribution from the borrower. The 298,482 sf office is located approximately 12 miles northwest of Philadelphia. While the property has continued to generate positive cash flows, recent financials reflected a deterioration in performance. Occupancy was 84% as of June 2025, down from 98% at issuance. Positive leasing activity in 2025 included the addition of Brown & Brown (5%) and PM Group, which expanded from existing offices nearby. The borrower retired the existing \$70 million loan with a new \$58 million mortgage and closed the funding gap with \$20 million in cash equity, inclusive of \$6.1 million earmarked for TI/LC and free rent reserves. This new loan is securitized in BBCMS 2026-5C40.

Upcoming Maturities

A total of \$38.25 billion (2,186 loans) is scheduled to mature over the next 12 months. More than one-half of the maturing balance comprises retail (29.42%) and office (27.53%) loans. Figure 3 shows the UPB of loans with scheduled maturities in each of the next 12 months.

Figure 3: 12-Month Outlook by Maturing Loan Balance

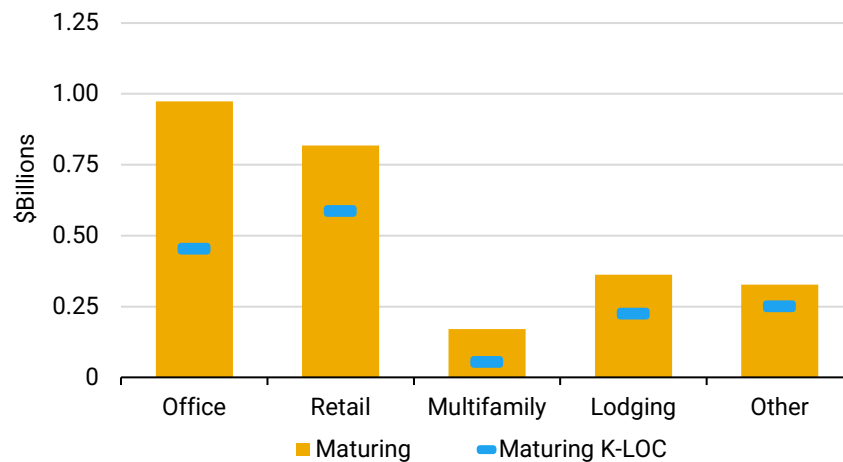


Source: KBRA Credit Profile (KCP)



In February 2026, \$2.65 billion is scheduled to mature. Across the major property types, retail has the highest share of identified K-LOCs by UPB within its maturing cohort at 71.75%, followed by lodging (62.15%) and office (46.66%). Notably, on a loan count basis, less than one-half of maturing retail loans have been identified as a K-LOC; the elevated distress rate is driven by several larger balance loans such as the [Williamsburg Premium Outlets](#) (\$185 million), [Twenty Ninth Street Retail](#) (\$75 million), and [Hagerstown Premium Outlets](#) (\$68.4 million), among others. The K-LOC rate for all loans maturing next month is 59.31%. Figure 4 stratifies loans maturing in February 2026 by property type and overlays each sector's K-LOC balance.

Figure 4: January 2026 Maturity Profile by Property Type and K-LOC Balance



Source: KBRA Credit Profile (KCP)

About Payoff Data and Our Methodology

Data in this report is conduit-focused and excludes CMBS issued prior to 2010. The payoff and default rates are calculated based on the non-defeased UPB of loans scheduled to mature in the reporting month. Loans that are paid off prior to maturity—whether within an open period or as part of a prepayment—are incorporated in the rate calculations in the reporting month those maturities were scheduled. The payoff rate excludes real estate owned (REO) assets and loans that are paid off after maturity; these loans are captured in the default rate when their scheduled maturity occurred.

Want more? In-depth research and analysis at the transaction level, including collateral valuations and loss projections, are available within our KCP reports, which are published monthly for every deal in our coverage universe and are available at kcp.kbra.com.

The KCP platform is a subscription-based surveillance service that covers about 1,400 commercial real estate (CRE) securitizations with an aggregate balance of nearly \$900 billion. For each deal, monthly reports are posted to our website that contain color and commentary for CMBS transactions and their underlying loan collateral. Unlike other sources of valuation and loss data, which primarily rely on models, the service is supported by a dedicated team of analysts, who can more readily appreciate the nonhomogeneous nature of CRE, loan, and transaction structures, as well as imperfect servicer information.

Related Reports

Register for access to our ratings and research.

■ [KCP Payoff Report: December 2025](#)

■ [KCP Payoff Report: November 2025](#)



© Copyright 2026, KBRA Analytics, LLC and/or its affiliates and licensors (together, "KBRA"). All rights reserved. All information contained herein is proprietary to KBRA and is protected by copyright and other intellectual property law, and none of such information may be copied or otherwise reproduced, further transmitted, redistributed, repackaged or resold, in whole or in part, by any person, without KBRA's prior express written consent. Information, including any ratings, is licensed by KBRA under these conditions. Misappropriation or misuse of KBRA information may cause serious damage to KBRA for which money damages may not constitute a sufficient remedy; KBRA shall have the right to obtain an injunction or other equitable relief in addition to any other remedies. The statements contained herein are based solely upon the opinions of KBRA and the data and information available to the authors at the time of publication. All information contained herein is obtained by KBRA from sources believed by it to be accurate and reliable; however, all information, including any ratings, is provided "AS IS". No warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability, or fitness for any particular purpose of any rating or other opinion or information is given or made by KBRA. Under no circumstances shall KBRA have any liability resulting from the use of any such information, including without limitation, for any indirect, special, consequential, incidental or compensatory damages whatsoever (including without limitation, loss of profits, revenue or goodwill), even if KBRA is advised of the possibility of such damages. The credit ratings, if any, and analysis constituting part of the information contained herein are, and must be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities. KBRA receives compensation for its rating activities from issuers, insurers, guarantors and/or underwriters of debt securities for assigning ratings and from subscribers to its website. Please read KBRA's full disclaimers and terms of use at www.kbra.com.