COMMERCIAL / MULTIFAMILY QUARTERLY DATABOOK | Q4 2024

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COMMERCIAL/MULTIFAMILY
QUARTERLY DATABOOK
Q4 2024

MORTGAGE BANKERS ASSOCIATION

MBA COMMERCIAL REAL ESTATE / MULTIFAMILY FINANCE

QUARTERLY DATABOOK

MORTGAGE BANKERS ASSOCIATION

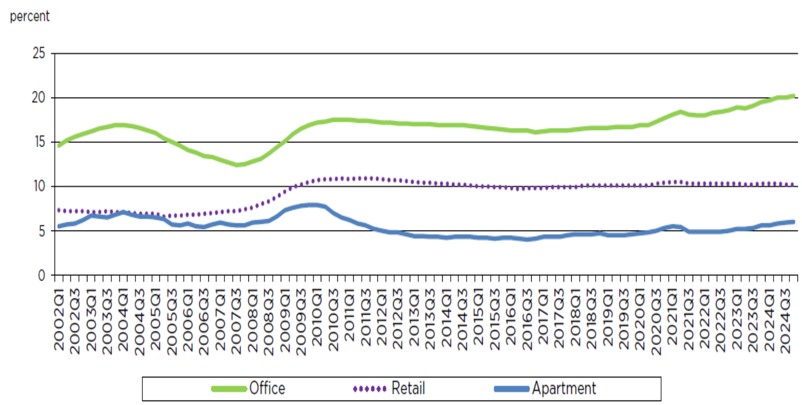
Fourth Quarter 2024

Selected Charts

Price Indices

Source: MBA, Federal Reserve Board, MSCI Real Assets, and Green Street Advisors

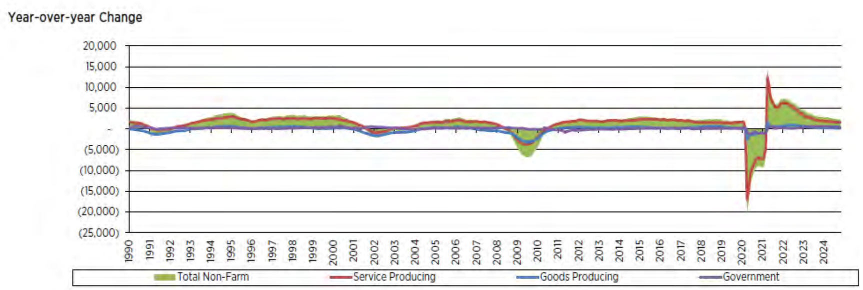
Average Vacancy Rates *By Property Type*



Source: Moody's Analytics

Year-over-year Change in At-Place Employment

Thousands of jobs

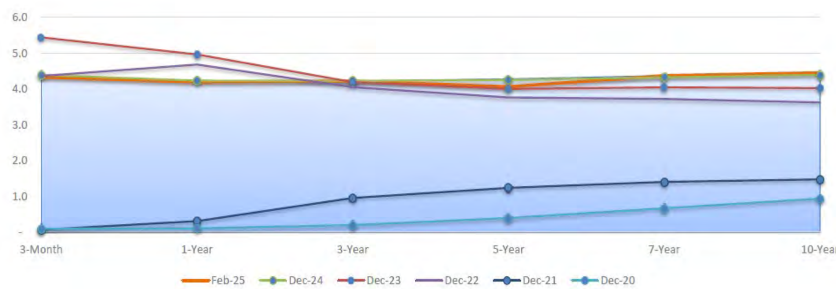


Source: Bureau of Labor Statistics

Ten-year Treasury and 10-year Swaps *Percent*

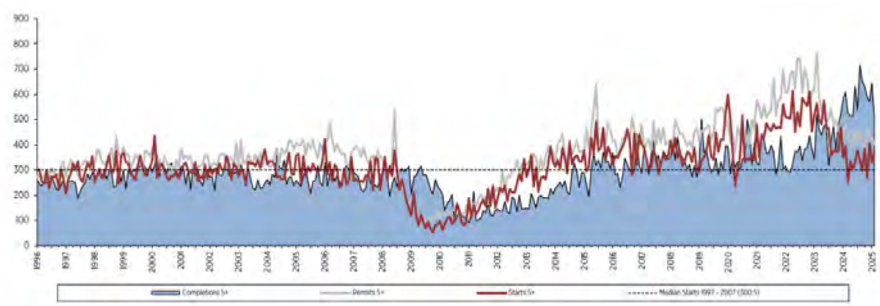
Source: Federal Reserve Board & JP Morgan Securities

Treasury Yield Curve *Percent*



Source: Federal Reserve Board

Multifamily Permits, Starts and Completions *Thousands, Seasonally adjusted annual rate*



Source: Census Bureau

The Commercial Real Estate/ Multifamily Finance Quarterly Data Book is a quarterly compendium of the latest MBA research on the commercial/multifamily finance markets. The latest version of the Data Book can be downloaded from the MBA website at:

http://www. mba.org/crefresearch

1. Outlook

Introduction

ECONOMY

Households, businesses, and the stock market are all reacting to the increase in policy and economic uncertainty with respect to international trade and the degree of restraint in fiscal policy by taking at least a temporary pause, as shown by recent declines in household spending on durable goods and business capex spending. The expected impact of the trade policy changes is to slow growth and raise prices, a move towards "stagflation", which is preventing the Fed from dropping rates as this point, as they also are trying to peer through a much more uncertain path for the economy.

We have downgraded our baseline forecast for economic growth to 1.2 percent in 2025 from over 2 percent last month, as consumer spending slows, weighed down by deteriorating consumer confidence and signs that the job market is weakening. Perhaps more importantly, in addition to reducing our baseline expectation for growth, we have also highlighted the increased downside risks. We estimate that there is a 35 percent risk of a recession over the next 12 months, up from 25 percent odds earlier this year. We expect growth to remain below trend in the following years, closer to 1.5 percent in 2026 and 2027.

The FOMC's projections following their March meeting showed a weaker economic growth and job market outlook, but inflation still above the Fed's target in the near term, compared to their forecasts from December. While the statement noted the weaker outlook and substantial uncertainty, projections for the fed funds target remained unchanged and no change was made to the rate target.

The biggest change to monetary policy was the decision to slow the pace of quantitative tightening (QT) beginning in April. Holdings of Treasuries will be running off at a pace of $5 billion per month compared to the previous $25 billion monthly pace. A slower pace of QT will prevent further liquidity strains in financial markets. The Fed's MBS holdings will continue to run off at the same $35 billion pace, as the Fed aims to move toward an all-Treasuries balance sheet.

We now expect two rate cuts in 2025, in line with the FOMC's projections. Longer-term rates, including mortgage rates, will stay within a narrow range for the foreseeable future. We expect the 10-year Treasury yield to average close to 4.5 percent at a quarterly frequency, but there will continue to be significant intra-period rate volatility as markets cope with incoming data and policy uncertainty. We expect the 30-year fixed mortgage rate to average roughly 6.5 percent over the forecast horizon. The February jobs report from the BLS showed a 151,000 increase in payroll employment, a slight increase to the unemployment rate at 4.1 percent, and wage growth steady at just over 4 percent. Federal government employment declined by 10,000 over the month and may increase in future months given the announced plans for further reductions in the federal workforce.

There was also a marked increase in broader measures of unemployment, with the U-6 unemployment rate increasing half a point to 8 percent, its highest level since 2021. The U-6 increase meant that more workers took part-time jobs when they preferred full-time work or were otherwise underemployed, in addition to those who were unemployed. This trend suggests that the underlying job market is somewhat weaker than the headline numbers suggest. MBA's forecast is for job growth to slow in 2025 relative to last year and for the unemployment rate to increase close to 4.5 percent by the end of the year.

SALES AND VALUES

The office market continues to face challenges, but MSCI Real Capital Analytics (RCA) reports 20% growth for full year 2024 relative to 2023. Office prices are down from $260 in 2021 to $216 in 2024 on a per square foot basis.

Retail property conditions are solid. RCA reports that sales of retail properties were down 7% compared to 2023, but retail prices were up 12% on the year.

Sales volume of industrial properties was up 5% on the year and prices up 7% compared to 2023, according to RCA, encouraging trends given the pace of industrial construction in recent years.

The multifamily market continues to work through excess supply in some markets. Multifamily completions, which totaled 592,000 for the full year of 2024, continue to run well of multifamily permits, 435,000, and multifamily starts, 336,000. The multifamily pipeline remains strong, with almost 760,000 units under construction as of the end of the year, dropping to 754,000 by February.

All that new supply continues to weigh on rents. According to the Bureau of Labor Statistics, average rents (including newly signed and in-place) rose 4.1 percent between February 2024 and 2025. In Q4, newly signed rents were up less than 1 percent compared to a year earlier.

MORTGAGE ORIGINATIONS

Commercial and multifamily mortgage loan originations were 84 percent higher in the fourth quarter of 2024 compared to a year earlier, and increased 30 percent from the third quarter of 2024, according to the Mortgage Bankers Association's (MBA) Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations.

2024, and particularly the fourth quarter, was a welcome rebound for the industry following a particularly slow pace of origination activity in 2023. The significant, but brief, dip in interest rates in September, followed by a pickup in market sentiment post-election, resulted in more business, with origination activity back to what we had seen in 2022. The triple digit percentage increases in the origination indexes certainly reflect this bounce off a low base. With interest rates having moved up again to start 2025, we will have to see how origination activity responds through the first quarter, but we are forecasting growth this year.

Originations for all major property types increased when compared to the fourth quarter of 2023. There was a 124 percent year-over-year increase in the dollar volume of loans for hotel properties, a 105 percent increase for office properties, a 94 percent increase for industrial properties, a 72 percent increase for health care properties, a 69 percent increase for multifamily properties, and retail property loan originations increased 48 percent, respectively, compared to the fourth quarter of 2023.

Among investor types, the dollar volume of loans originated for commercial mortgage-backed securities (CMBS) increased by 128 percent year-over-year. There was a 94 percent increase in loans for depositories, an 81 percent

MORTGAGE DEBT OUTSTANDING

The level of commercial and multifamily mortgage debt outstanding at the end of 2024 was $172 billion (3.7 percent) higher than at the end of 2023, according to the Mortgage Bankers Association's (MBA) latest Commercial/Multifamily Mortgage Debt Outstanding quarterly report.

MBA's report found that total mortgage debt outstanding rose relative to the third quarter of 2024 by 1.1 percent ($50.7 billion) to $4.79 trillion in fourth quarter 2024. Multifamily mortgage debt grew by $38.9 billion (1.8 percent) to $2.16 trillion during the fourth quarter, and by $111.0 billion (5.4 percent) for the entire year.

For the tenth consecutive quarter, multifamily MDO increased at a faster rate than the commercial market as a whole. Almost 56% of the growth in multifamily MDO reflected growth in Agency and GSE portfolios and MBS.

LOAN PERFORMANCE

Commercial mortgage delinquencies increased in the fourth quarter of 2024, according to the Mortgage Bankers Association's (MBA) latest Commercial Delinquency Report.
Commercial mortgage delinquency rates generally edged up in the fourth quarter of 2024, except for life company loans, which showed a slight decrease. Despite the challenges in the market facing owners of

office properties, with occupancy rates still low even as RTO, and multifamily properties given oversupply in some markets, delinquency rates remain relatively low from a historical perspective.

MBA estimates that almost a trillion dollars' worth of loans are maturing in 2025, and these maturities coupled with more challenging economic conditions and rangebound interest rates may result in some further increases in delinquencies if borrowers cannot successfully refinance these loans.

MBA Economic Forecast

March 20, 2025

	2024				2025				2026							
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2024	2025	2026	2027
Percent Change, SAAR																
Real Gross Domestic Product	1.6	3.0	3.1	2.3	1.1	1.1	1.2	1.5	1.5	1.6	1.5	1.4	2.5	1.2	1.5	1.6
Personal Consumption Expenditures	1.9	2.8	3.7	4.2	1.4	1.9	1.2	0.8	0.4	1.5	1.8	2.1	3.2	1.3	1.4	2.7
Business Fixed Investment	4.5	3.9	4.0	-3.2	4.4	0.1	0.5	0.8	0.6	0.4	0.1	0.1	2.3	1.4	0.3	0.6
Residential Investment	13.7	-2.8	-4.3	5.4	-1.3	1.2	1.5	5.5	4.2	4.5	4.3	1.3	3.0	1.8	3.6	0.2
Govt. Consumption & Investment	1.8	3.1	5.1	2.9	-0.2	-1.5	-0.8	-0.2	0.0	0.0	0.0	-0.2	3.2	-0.7	0.0	-0.2
Net Exports (Bil. Chain 2012$)	-977.0	-1035.7	-1069.2	-1061.4	-1138.6	-1135.1	-1096.3	-1065.3	-1035.9	-1023.9	-1024.1	-1028.6	-1035.8	-1108.8	-1028.1	-1073.0
Inventory Investment (Bil. Chain 2012$)	17.7	71.7	57.9	10.2	52.8	53.0	44.4	59.1	88.6	98.6	102.7	105.0	39.4	52.3	98.7	100.8
Consumer Prices (YOY)	3.2	3.2	2.7	2.7	2.9	3.1	3.1	2.9	2.6	2.2	2.4	2.3	2.7	2.9	2.3	2.1
Percent																
Unemployment Rate	3.8	4.0	4.2	4.2	4.1	4.3	4.4	4.4	4.5	4.5	4.5	4.5	4.0	4.3	4.5	4.5
Federal Funds Rate	5.375	5.375	4.875	4.375	4.375	4.375	3.875	3.875	3.875	3.875	3.875	3.875	4.375	3.875	3.875	3.875
10-Year Treasury Yield	4.2	4.4	3.9	4.3	4.5	4.5	4.5	4.5	4.4	4.4	4.4	4.4	4.3	4.5	4.4	4.4

Notes:
The Fed Funds Rate forecast is shown as the mid point of the Fed Funds range at the end of the period.
All data except interest rates are seasonally adjusted
The 10-Year Treasury Yield is the average for the quarter, while the annual value is the Q4 value
Forecast produced with the assistance of the S&P ECONOSIM model

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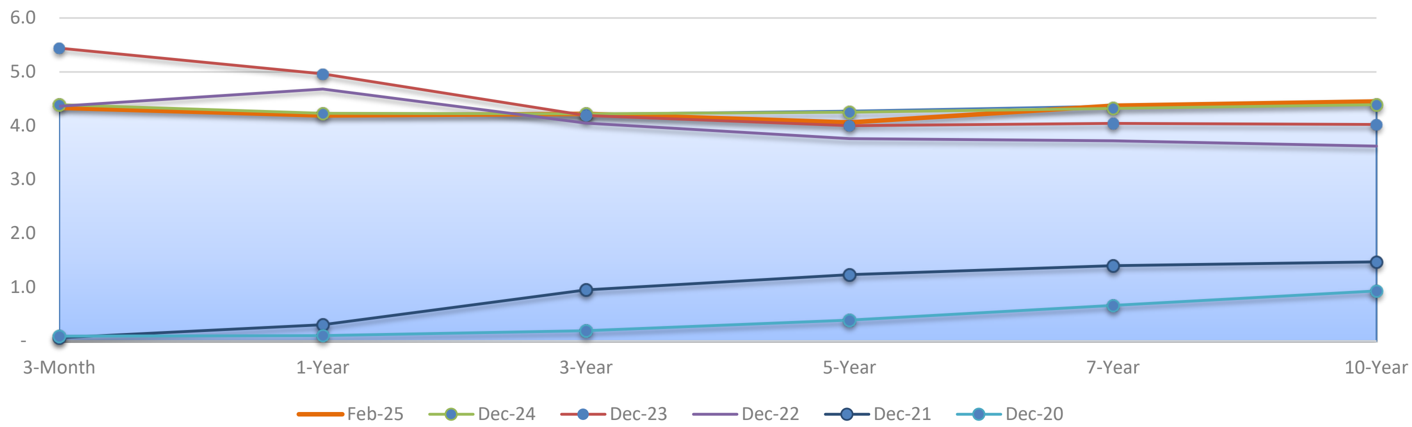
TREASURY YIELDS AND BANK RATES

Federal Reserve Statistical Release H-15

Treasury Yield Curve



Ten Year Treasury and Ten Year Swaps

Source: Federal Reserve Board H-15 Report and JP Morgan Securities
Yields on actively traded issues adjusted to constant maturities.

TREASURY YIELDS AND BANK RATES

Federal Reserve Statistical Release H-15

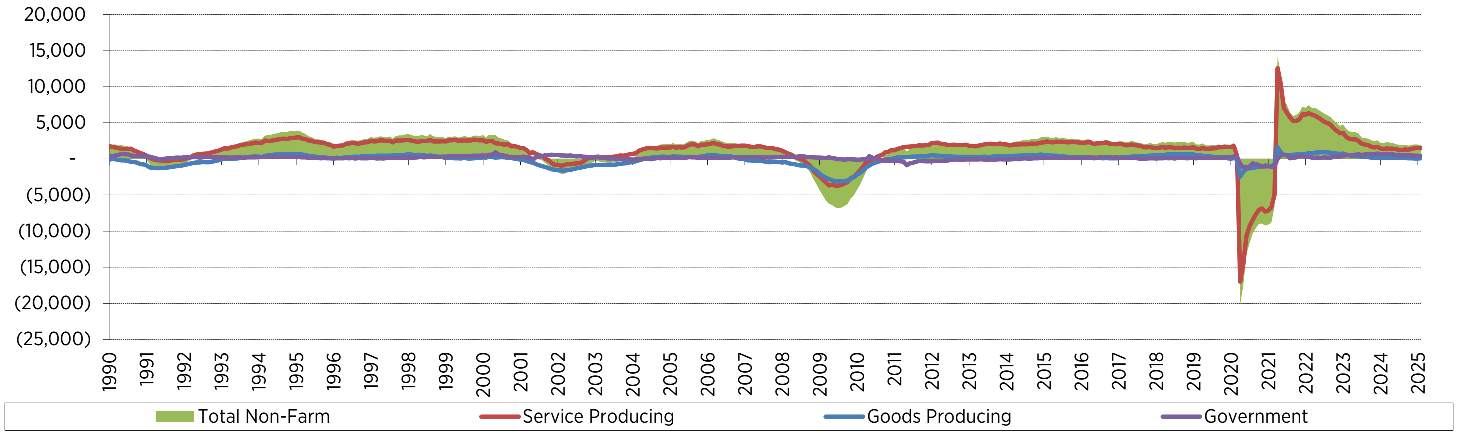
	3-Month Treasury	1-Year Treasury	3-Year Treasury	5-Year Treasury	7-Year Treasury	10-Year Treasury	10-Year Swap
Dec-19	1.57	1.55	1.63	1.68	1.79	1.86	1.83
Dec-20	0.09	0.10	0.19	0.39	0.66	0.93	0.92
Dec-21	0.06	0.30	0.95	1.23	1.40	1.47	1.56
Dec-22	4.36	4.68	4.05	3.76	3.72	3.62	3.79
Dec-23	5.44	4.96	4.19	4.00	4.04	4.02	3.75
Dec-24	4.39	4.23	4.22	4.25	4.32	4.39	4.73
Feb-24	5.44	4.92	4.33	4.19	4.21	4.21	4.17
Mar-24	5.47	4.99	4.38	4.20	4.21	4.21	4.11
Apr-24	5.44	5.14	4.71	4.56	4.56	4.54	4.58
May-24	5.46	5.16	4.66	4.50	4.49	4.48	4.43
Jun-24	5.51	5.11	4.50	4.32	4.30	4.31	4.21
Jul-24	5.43	4.90	4.29	4.16	4.19	4.25	4.04
Aug-24	5.30	4.43	3.79	3.71	3.77	3.87	3.70
Sep-24	4.92	4.03	3.51	3.50	3.60	3.72	3.61
Oct-24	4.72	4.20	3.90	3.91	3.99	4.10	4.06
Nov-24	4.62	4.33	4.21	4.23	4.29	4.36	4.05
Dec-24	4.39	4.23	4.22	4.25	4.32	4.39	4.73
Jan-25	4.34	4.18	4.33	4.43	4.53	4.63	4.34
Feb-25	4.33	4.19	4.22	4.28	4.37	4.45	3.87
Change in Rate Feb-24 to Feb-25	(1.11)	(0.73)	(0.11)	0.09	0.16	0.24	(0.30)

Source: Federal Reserve Board H-15 Report and JP Morgan Securities
Yields on actively traded issues adjusted to constant maturities.

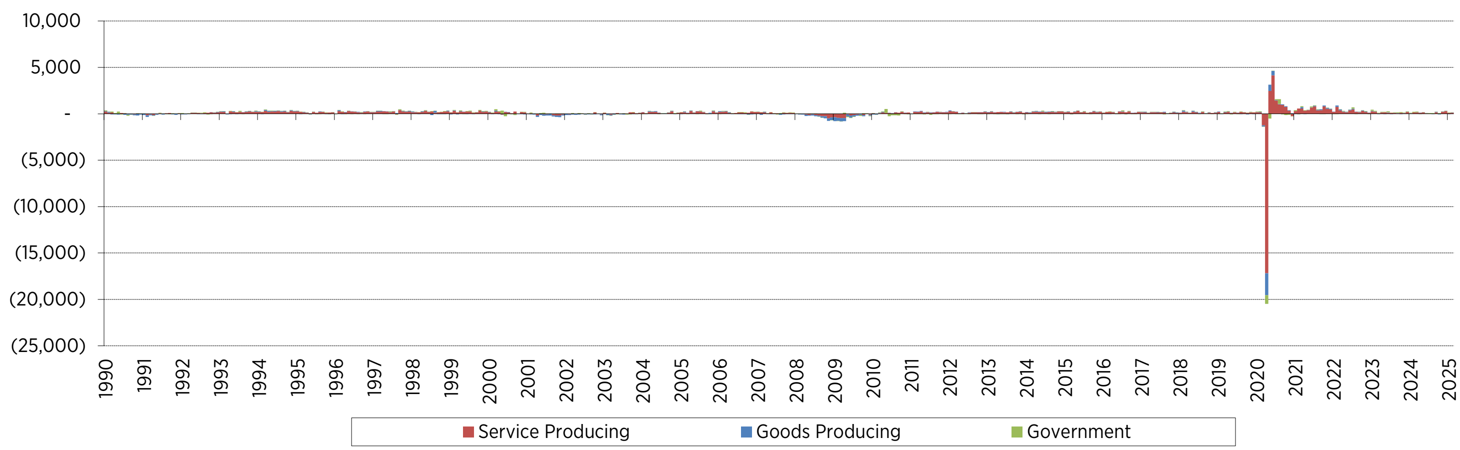
EMPLOYEES ON NONFARM PAYROLLS

Number of Employees on Nonfarm Payrolls
Seasonally Adjusted, Thousands of Employees

Year-over-year Change



Month-over-month Change



Source: Bureau of Labor Statistics

EMPLOYEES ON NONFARM PAYROLLS

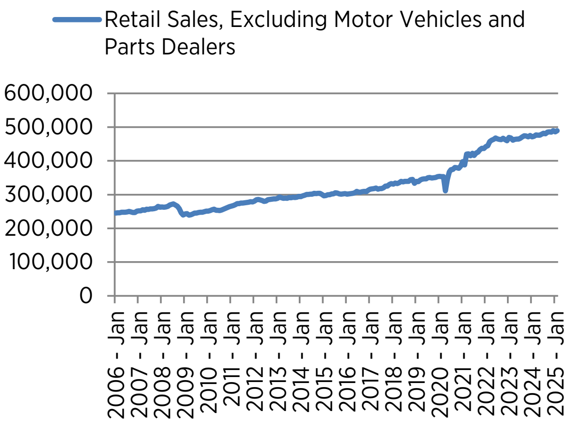
Number of Employees on Nonfarm Payrolls
Seasonally Adjusted, Thousands of Employees

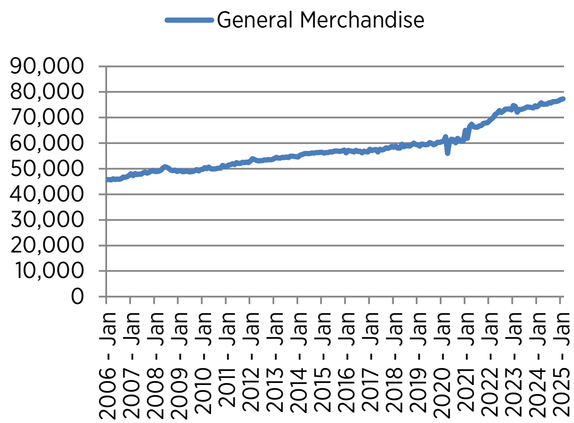
	Private Service Producing	Private Goods Producing	Government	Total Nonfarm
Dec 2020	100,803	20,067	21,678	142,548
Dec 2021	106,998	20,709	22,074	149,781
Dec 2022	110,556	21,407	22,373	154,336
Dec 2023	112,222	21,601	23,107	156,930
Dec 2024	113,709	21,673	23,560	158,942
Jun 2024	112,906	21,665	23,344	157,915
Jul 2024	112,934	21,677	23,392	158,003
Aug 2024	112,985	21,659	23,430	158,074
Sep 2024	113,161	21,691	23,462	158,314
Oct 2024	113,210	21,641	23,507	158,358
Nov 2024	113,426	21,669	23,524	158,619
Dec 2024	113,709	21,673	23,560	158,942
Jan 2025	113,797	21,666	23,604	159,067
Feb 2025	113,903	21,700	23,615	159,218
Percent change				
Feb 2024 to Feb 2025	1.3%	0.4%	1.7%	1.2%
		Change		
		Year-over-year		
Dec 2020	(7,286)	(913)	(1,048)	(9,247)
Dec 2021	6,195	642	396	7,233
Dec 2022	3,558	698	299	4,555
Dec 2023	1,666	194	734	2,594
Dec 2024	1,487	72	453	2,012
		Month-over-month		
Jun 2024	62	4	21	87
Jul 2024	28	12	48	88
Aug 2024	51	(18)	38	71
Sep 2024	176	32	32	240
Oct 2024	49	(50)	45	44
Nov 2024	216	28	17	261
Dec 2024	283	4	36	323
Jan 2025	88	(7)	44	125
Feb 2025	106	34	11	151

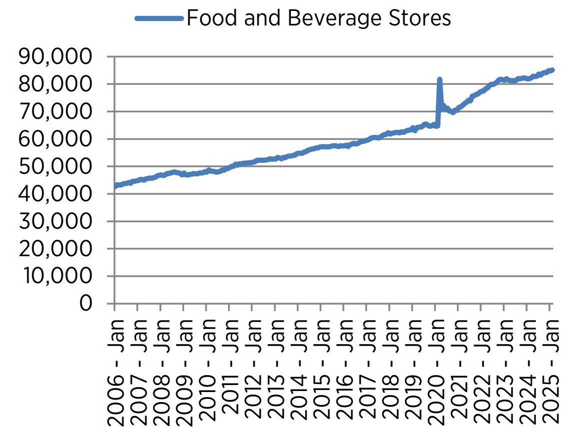
Source: Bureau of Labor Statistics

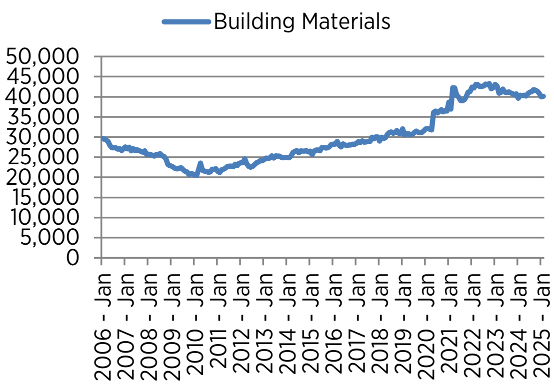
MONTHLY RETAIL SALES

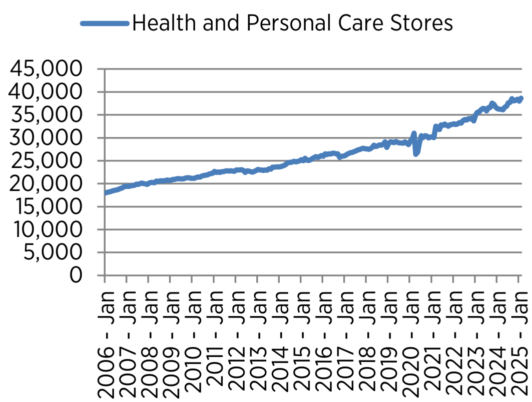
Seasonally Adjusted
By Kind of Business, $millions

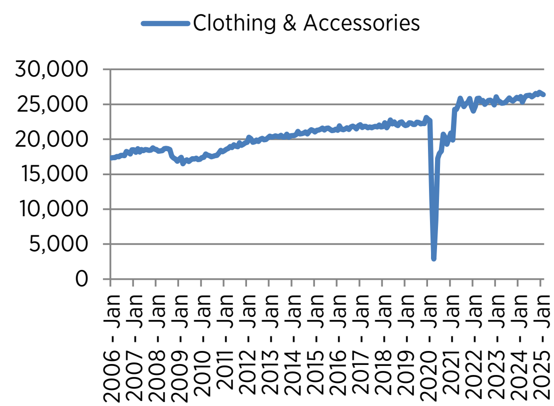












Source: U.S. Census Bureau

MONTHLY RETAIL SALES

Seasonally Adjusted
By Kind of Business, $millions

Total excludes motor vehicle and parts dealers

	Selected Businesses						
	General Merchandise	Food & Beverage	Building Materials	Health & Personal	Clothing & Accessories	Total	% Change
							Year-Over-Year
2020	728,847	847,295	418,813	353,531	202,031	4,355,414	4.61%
2021	796,847	890,435	480,321	386,328	290,730	5,035,234	15.61%
2022	861,341	956,837	512,141	403,208	303,101	5,519,520	9.62%
2023	885,391	980,071	495,923	435,639	306,841	5,625,613	1.92%
2024	907,481	998,707	489,577	446,993	313,828	5,761,046	2.41%
							Month-over-Month
2024 - Jul	75,860	83,658	41,153	37,605	26,299	481,593	0.49%
2024 - Aug	75,662	83,305	41,274	37,742	26,053	480,596	-0.21%
2024 - Sep	76,190	83,962	41,744	38,541	26,264	485,404	1.00%
2024 - Oct	76,244	84,228	41,622	38,057	26,544	485,613	0.04%
2024 - Nov	76,330	84,131	41,342	38,170	26,384	485,451	-0.03%
2024 - Dec	76,726	84,888	40,801	38,403	26,711	489,537	0.84%
2025 - Jan	77,134	84,825	40,009	37,963	26,531	485,749	-0.77%
2025 - Feb	77,303	85,123	40,106	38,627	26,368	489,176	0.71%
Percent change 2024 - Feb to 2025 - Feb	3.4%	3.9%	-0.7%	6.7%	1.0%	3.4%	

Source: U.S. Census Bureau

2. Commercial/Multifamily Finance Environment

Extract of Commercial Real Estate Comments from the Federal Reserve Board's Beige Book
March 5, 2025

NATIONAL SUMMARY
Overall economic activity rose slightly since mid-January. Six Districts reported no change, four reported modest or moderate growth, and two noted slight contractions. Consumer spending was lower on balance, with reports of solid demand for essential goods mixed with increased price sensitivity for discretionary items, particularly among lower-income shoppers. Unusual weather conditions in some regions over recent weeks weakened demand for leisure and hospitality services. Vehicle sales were modestly lower on balance. Manufacturing activity exhibited slight to modest increases across a majority of Districts. Contacts in manufacturing, ranging from petrochemical products to office equipment, expressed concerns over the potential impact of looming trade policy changes. Banking activity was slightly higher on balance among Districts that reported on it. Residential real estate markets were mixed, and reports pointed to ongoing inventory constraints. Construction activity declined modestly for both residential and nonresidential units. Some contacts in the sector also expressed nervousness around the impact of potential tariffs on the price of lumber and other materials. Agricultural conditions deteriorated some among reporting Districts. Overall expectations for economic activity over the coming months were slightly optimistic.

FIRST DISTRICT—BOSTON
Commercial real estate activity in the First District was mostly flat. Multifamily housing and retail continued to experience solid leasing and investment demand, and rents in those sectors increased modestly. Industrial rents were stable at very high levels amid steady leasing demand and low vacancy rates in that sector. The office sector continued to struggle with mostly tepid demand, as vacancy rates and rents were flat, although Providence experienced an uptick in activity. Some contacts expected stronger return-to-office policies to gradually boost office leasing activity in the coming months, but proposed cuts to NIH funding threatened the District's life sciences sector. One contact noted that larger banks were starting to resume lending for select commercial properties, which led to small reductions in borrowing rates. At the same time, the prospect of tariffs introduced considerable uncertainty into construction costs, putting a damper on lending for multifamily developments despite strong demand for such loans. Loan maturations on distressed office properties remained a concern, as forced sales became more common. The outlook was slightly pessimistic on balance but included some cautious optimism. The pessimism stemmed from uncertainty concerning inflation and the expectation that interest rates would remain elevated for some time, while the optimism reflected perceived upside risks to office leasing and investment activity.

SECOND DISTRICT—NEW YORK
Commercial real estate markets were mixed. New York City's office market saw a modest uptick in new leases, and vacancy rates fell. Financial services firms accounted for the lion's share of new office leases. Northern New Jersey's industrial market continued to weaken slightly, with a continued rise in vacancy rates and rents declining slightly as new supply on the market has offset rising demand. Increases in industrial demand was driven in large part by third-party logistics firms from Asia as well as big box retailers. Retail markets in New York City worsened slightly, with a small uptick in vacancy rates amid sagging rents.

Construction activity declined at a moderate pace. Despite concerns about rising materials prices, construction industry contacts remained optimistic about business activity in the coming months.

THIRD DISTRICT—PHILADELPHIA
In nonresidential markets, leasing activity and transaction volumes remain suppressed in the retail, commercial, and industrial segments. The

demand for office space remains weak. One contact reported that vacancies in the industrial real estate sector persist, but there has been more interest in that sector than there was one year ago. That said, industrial rents are holding, and there are no landlord concessions. One contact in the architect and engineering sector indicated that business is good, with a steady stream of projects planned for 2025.

Commercial real estate contacts continued to report a slight decrease in construction activity this period. One contact representing general contractors noted that 2024 was the third consecutive year of reduced hours worked. Federal spending cuts could also limit projects in the short to medium term.

FOURTH DISTRICT—CLEVELAND

Commercial and industrial construction activity was flat in recent weeks. On one hand, two builders were optimistic about demand because of more bidding opportunities, and firms' return-to-office plans boosted demand for two real estate brokers. On the other hand, some contacts reported firms putting planned investments on hold until tariff policies and the direction of interest rates become clearer. Contacts anticipated slightly higher demand in the coming months.

FIFTH DISTRICT—RICHMOND

Commercial real estate activity took a slight pause as companies waited to get a clearer picture on policy changes. A South Carolina agent stated, "uncertainty is not good for business" while a Maryland agent mentioned "psychographic data is beginning to complicate buyer's decision making." Two Virginia agents noted office space saw a bit of an uptick as employees were slowly coming back in-person. New construction and remodel activity remained limited as costs remain high.

SIXTH DISTRICT—ATLANTA

Commercial real estate (CRE) conditions were mixed, though some contacts noted improving sentiment since the previous report. Challenges remained in the office sector, and some contacts noted a strategic pullback in office investments. Multifamily was also hindered by elevated vacancies due to an increase in supply, but demand accelerated somewhat, driven by concessions. Contacts noted that lower CRE property values and rising operating expenses eroded net operating income.

SEVENTH DISTRICT—CHICAGO

Nonresidential construction was unchanged, though some contacts reported strong interest in site studies for industrial projects. High costs for labor and materials continued to pose challenges to builders. In the commercial real estate sector, activity was up, selling prices decreased slightly, and rents and vacancy rates rose slightly.

EIGHTH DISTRICT—ST. LOUIS

Commercial real estate has improved slightly. Multifamily demand remained solid; however, investors remain in a holding pattern due to cold weather and policy uncertainty. Retail property demand has been steady, continuing its recent upward trajectory. Some contacts reported a slight uptick in office space demand as businesses who went exclusively remote begin to make their way back into physical space. Construction has been slightly slower than expected: Construction costs, higher interest rates, and insurance costs are having a large impact on underwriting.

NINTH DISTRICT—MINNEAPOLIS

Commercial real estate was flat overall. Office vacancy rates remained very high in the central business districts of Minneapolis and St. Paul. Industrial vacancy rates have ticked slightly higher but remained comparatively healthy. Retail vacancy stayed tight amid a dearth of new construction. Residential real estate was higher; January home sales rose in two-thirds of regional markets year over year.

TENTH DISTRICT—KANSAS CITY

Development and construction activity in commercial real estate picked up modestly outside of the office segments of the sector. Completions of retail facilities and hotel upgrades and modifications also accelerated in recent weeks. Developers indicated the number of contractor bids for projects rose, and contractors reported subcontractors and workers were more available to support new work.

ELEVENTH DISTRICT—DALLAS

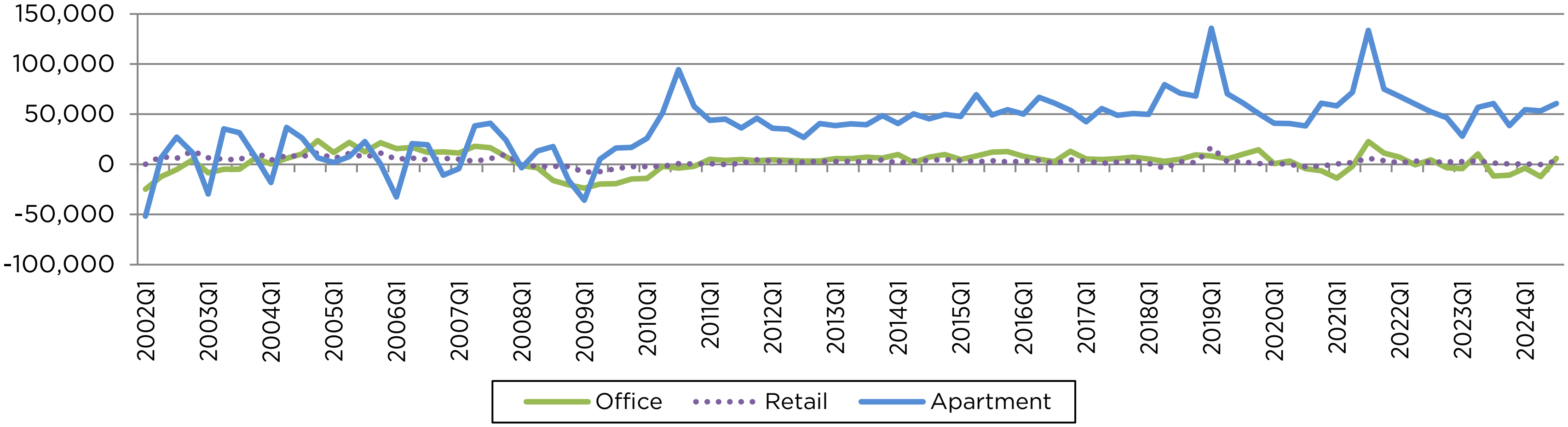
Commercial real estate activity improved slightly. Apartment demand was stable, but rents were flat to down and the construction pipeline is expected to recede this year. Office absorption picked up in some markets though vacancy rates remained elevated. Industrial demand was solid but has moderated from its recent highs.

TWELFTH DISTRICT—SAN FRANCISCO

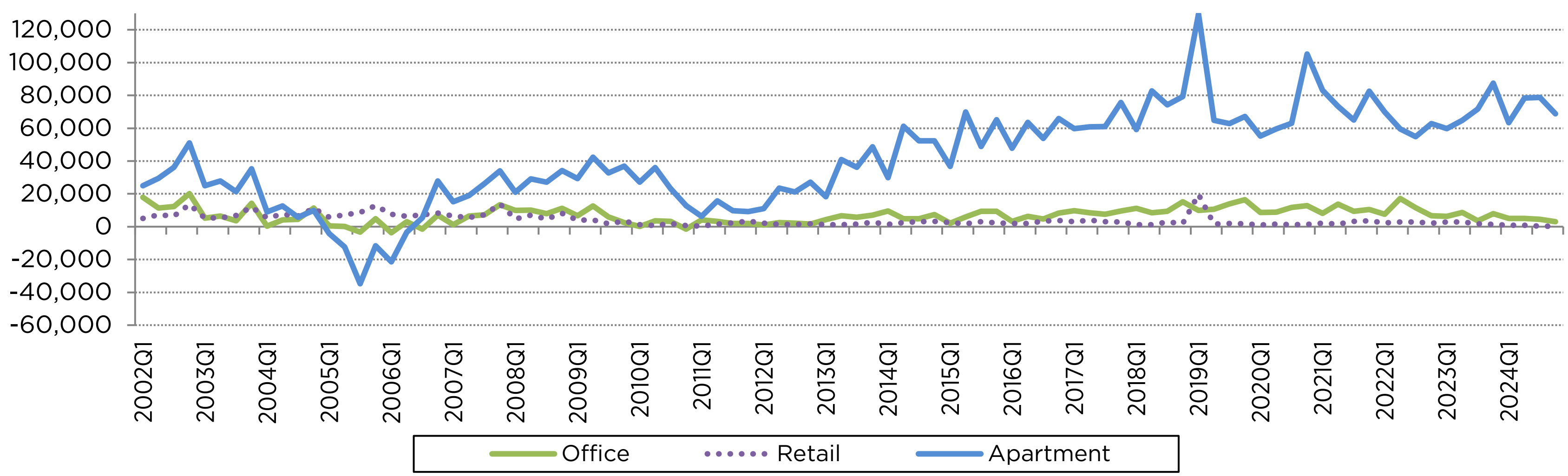
Commercial real estate conditions were largely similar to those in the prior reporting period. Office space demand increased slightly but remained subdued overall. Rents for retail space rose at a pace in line with inflation. Commercial projects continued to be held back, with contacts citing higher construction and financing costs. However, work on public and infrastructure projects continued. Contacts reported that businesses paid attention to the possibility of further increases in construction materials costs and labor availability issues.

NET INVENTORY CHANGE/NET ABSORPTION COMMERCIAL/MULTIFAMILY PROPERTIES

Net Absorption (Thousands of Square Feet)



Net Inventory Change (Thousands of Square Feet)



Source: Moody's Analytics

COMMERCIAL/MULTIFAMILY PROPERTIES NET INVENTORY CHANGE LESS NET ABSORPTION

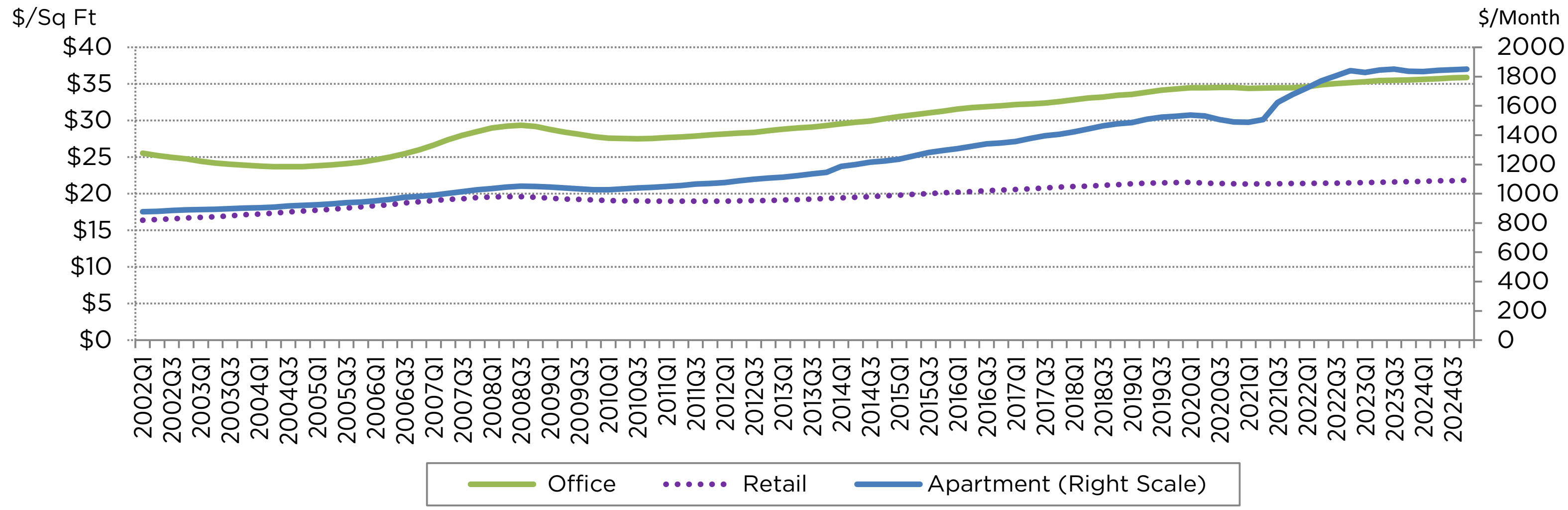
THOUSANDS OF SQUARE FEET

Year	Q1	Q2	Q3	Q4	Calendar Year	YTD Q4
APARTMENT						
2018	9,239	3,247	3,217	11,170	26,873	26,873
2019	(6,237)	(5,550)	1,556	16,561	6,330	6,330
2020	14,185	18,721	24,739	44,280	101,925	101,925
2021	24,786	1,394	(68,729)	7,382	(35,167)	(35,167)
2022	2,091	(574)	2,311	16,142	19,970	19,970
2023	31,600	7,824	10,955	48,875	99,254	99,254
2024	8,863	24,925	18,176	24,674	76,638	76,638
OFFICE						
2018	5,794	5,560	4,346	5,566	21,266	21,266
2019	1,431	5,330	3,593	1,790	12,144	12,144
2020	7,950	5,425	16,007	19,355	48,737	48,737
2021	21,898	15,682	(13,608)	(870)	23,102	23,102
2022	331	17,718	7,009	10,016	35,074	35,074
2023	10,640	(1,729)	15,318	18,815	43,044	43,044
2024	8,887	17,386	(1,668)	13,075	37,680	37,680
RETAIL						
2018	192	5,253	142	488	6,075	6,075
2019	2,510	(1,149)	(467)	1,067	1,961	1,961
2020	(343)	1,796	3,458	2,936	7,847	7,847
2021	1,537	(417)	(2,932)	(104)	(1,916)	(1,916)
2022	619	(682)	660	(174)	423	423
2023	81	(578)	455	966	924	924
2024	343	1,099	(2,966)	614	(910)	(910)

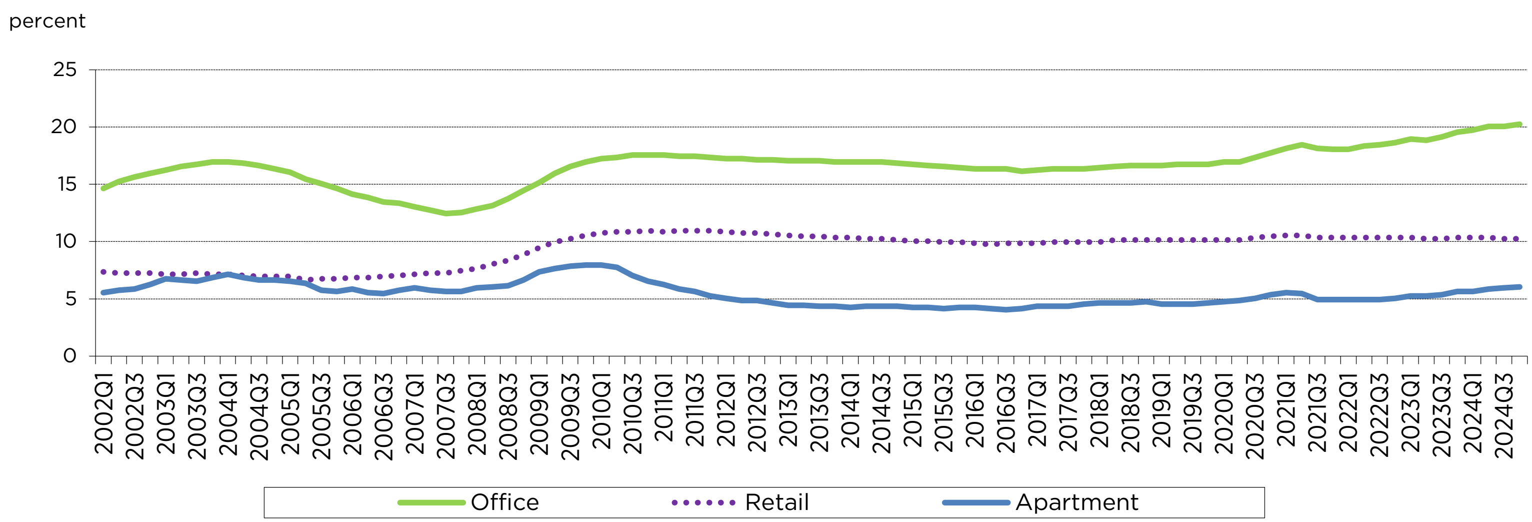
Source: Moody's Analytics

AVERAGE RENTS AND VACANCY RATES AT COMMERCIAL/MULTIFAMILY PROPERTIES

Average Rents



Average Vacancy Rates



Source: Moody's Analytics

AVERAGE RENTS AND VACANCY RATES AT COMMERCIAL/MULTIFAMILY PROPERTIES

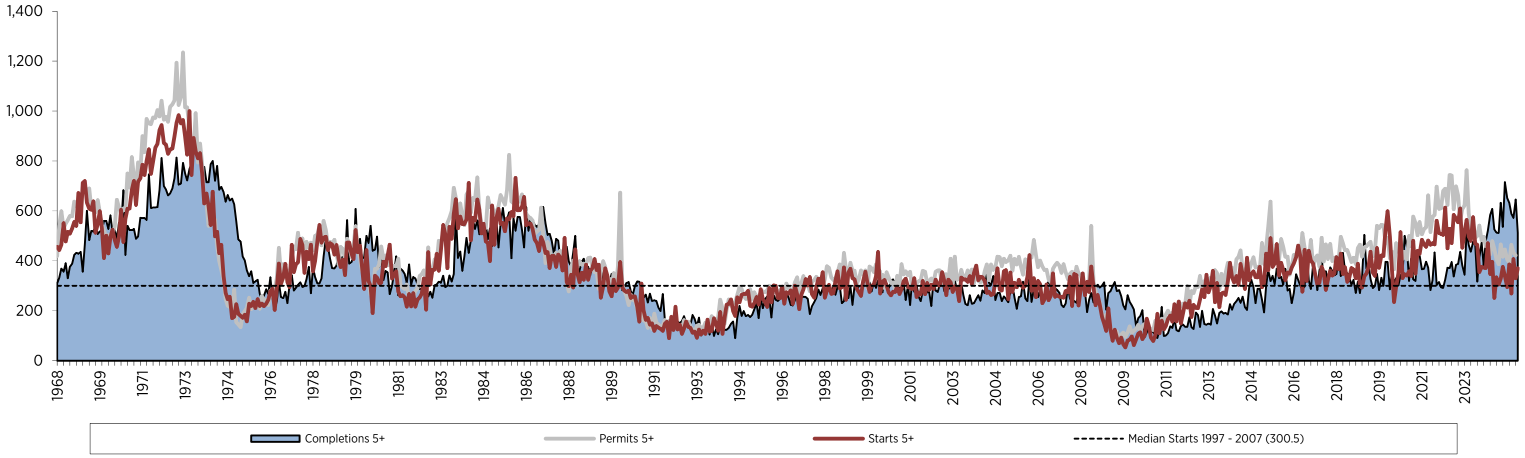
	Average Asking Rents					Average Vacancy Rates (percent)				
Year	Q1	Q2	Q3	Q4	Q4 Year-over-year % change	Q1	Q2	Q3	Q4	Q4 Year-over-year change
APARTMENT	(per month)									
2018	$ 1,422	$ 1,443	$ 1,464	$ 1,478	5.1%	4.7	4.7	4.7	4.8	0.2
2019	$ 1,487	$ 1,508	$ 1,522	$ 1,530	3.5%	4.6	4.6	4.6	4.7	-0.1
2020	$ 1,537	$ 1,531	$ 1,506	$ 1,490	-2.6%	4.8	4.9	5.1	5.4	0.7
2021	$ 1,489	$ 1,506	$ 1,623	$ 1,676	12.5%	5.6	5.5	5.0	5.0	-0.4
2022	$ 1,721	$ 1,771	$ 1,805	$ 1,840	9.8%	5.0	5.0	5.0	5.1	0.1
2023	$ 1,829	$ 1,844	$ 1,851	$ 1,837	-0.2%	5.3	5.3	5.4	5.7	0.6
2024	$ 1,835	$ 1,843	$ 1,847	$ 1,850	0.7%	5.7	5.9	6.0	6.1	0.4
OFFICE	(per sq. ft)									
2018	$ 32.84	$ 33.08	$ 33.22	$ 33.45	2.7%	16.5	16.6	16.7	16.7	0.3
2019	$ 33.58	$ 33.87	$ 34.14	$ 34.33	2.6%	16.7	16.8	16.8	16.8	0.1
2020	$ 34.47	$ 34.46	$ 34.53	$ 34.50	0.5%	17.0	17.0	17.4	17.8	1.0
2021	$ 34.41	$ 34.44	$ 34.47	$ 34.49	0.0%	18.2	18.5	18.2	18.1	0.3
2022	$ 34.58	$ 34.87	$ 35.03	$ 35.15	1.9%	18.1	18.4	18.5	18.7	0.6
2023	$ 35.30	$ 35.47	$ 35.50	$ 35.55	1.1%	19.0	18.9	19.2	19.6	0.9
2024	$ 35.61	$ 35.72	$ 35.81	$ 35.88	0.9%	19.8	20.1	20.1	20.3	0.7
RETAIL	(per sq. ft)									
2018	$ 20.98	$ 21.04	$ 21.14	$ 21.23	1.6%	10.0	10.2	10.2	10.2	0.2
2019	$ 21.35	$ 21.43	$ 21.50	$ 21.51	1.3%	10.2	10.2	10.2	10.2	0.0
2020	$ 21.55	$ 21.45	$ 21.41	$ 21.35	-0.7%	10.2	10.2	10.4	10.5	0.3
2021	$ 21.33	$ 21.34	$ 21.38	$ 21.39	0.2%	10.6	10.6	10.4	10.4	-0.1
2022	$ 21.42	$ 21.44	$ 21.45	$ 21.49	0.5%	10.4	10.4	10.4	10.4	0.0
2023	$ 21.54	$ 21.58	$ 21.62	$ 21.65	0.7%	10.4	10.3	10.3	10.4	0.0
2024	$ 21.70	$ 21.75	$ 21.79	$ 21.85	0.9%	10.4	10.4	10.3	10.3	-0.1

Source: Moody's Analytics

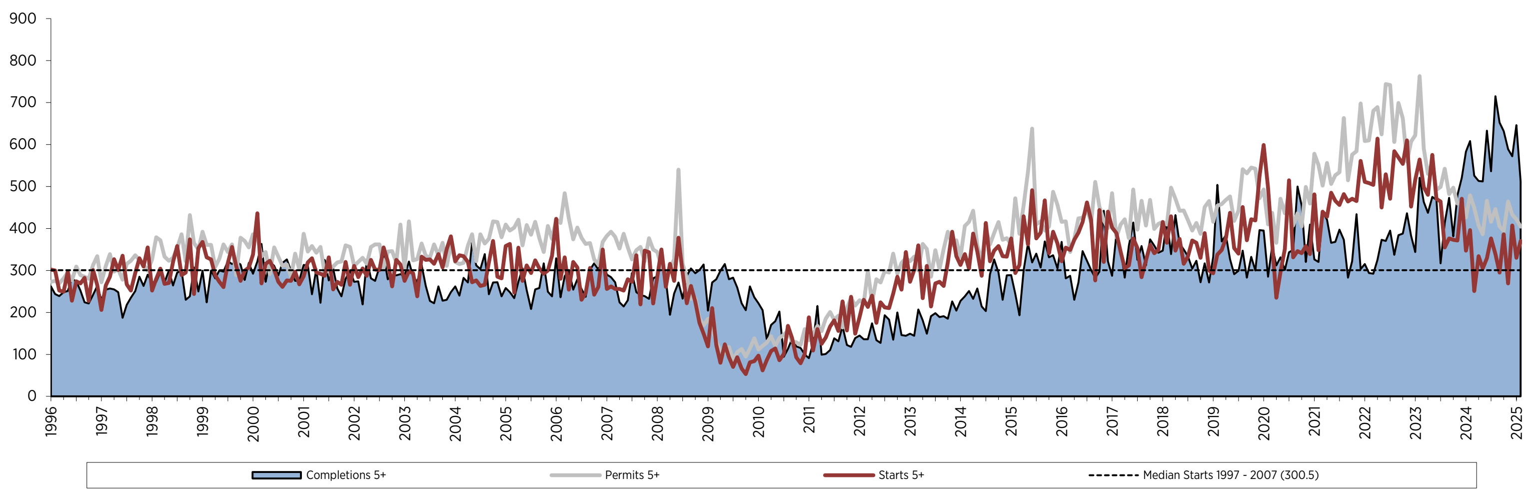
MULTIFAMILY BUILDING PERMITS, STARTS AND COMPLETIONS

Thousands of Units Permitted, Started and Completed
in Structures with 5 or More Units, Seasonally Adjusted Annual Rate

1968 to present



1996 to present



Source: U.S. Census Bureau

MULTIFAMILY BUILDING PERMITS, STARTS AND COMPLETIONS

Number of Units Permitted, Started and Completed in Structures with
5 or More Units, Seasonally Adjusted Annual Rate

	Thousands of Units			Percent Change		
	Permits	Starts	Completions	Permits	Starts	Completions
					Year-over-year	
2020	445	377	365	-7.7%	-3.1%	6.4%
2021	569	462	364	28.0%	22.6%	-0.3%
2022	651	531	359	14.5%	14.9%	-1.3%
2023	536	459	438	-17.6%	-13.6%	22.1%
2024	435	336	592	-18.9%	-26.7%	35.0%
					Month-over-month	
Feb 2024	479	396	608	12.4%	14.1%	4.3%
Mar 2024	449	251	526	-6.3%	-36.6%	-13.5%
Apr 2024	407	334	513	-9.4%	33.1%	-2.5%
May 2024	386	305	512	-5.2%	-8.7%	-0.2%
June 2024	466	329	633	20.7%	7.9%	23.6%
Jul 2024	416	376	536	-10.7%	14.3%	-15.3%
Aug 2024	446	339	715	7.2%	-9.8%	33.4%
Sep 2024	405	295	652	-9.2%	-13.0%	-8.8%
Oct 2024	394	386	632	-2.7%	30.8%	-3.1%
Nov 2024	464	269	589	17.8%	-30.3%	-6.8%
Dec 2024	433	407	572	-6.7%	51.3%	-2.9%
Jan 2025	422	330	646	-2.5%	-18.9%	12.9%
Feb 2025	404	370	512	-4.3%	12.1%	-20.7%
Percent change Feb 2024 to Feb 2025	-15.7%	-6.6%	-15.8%			

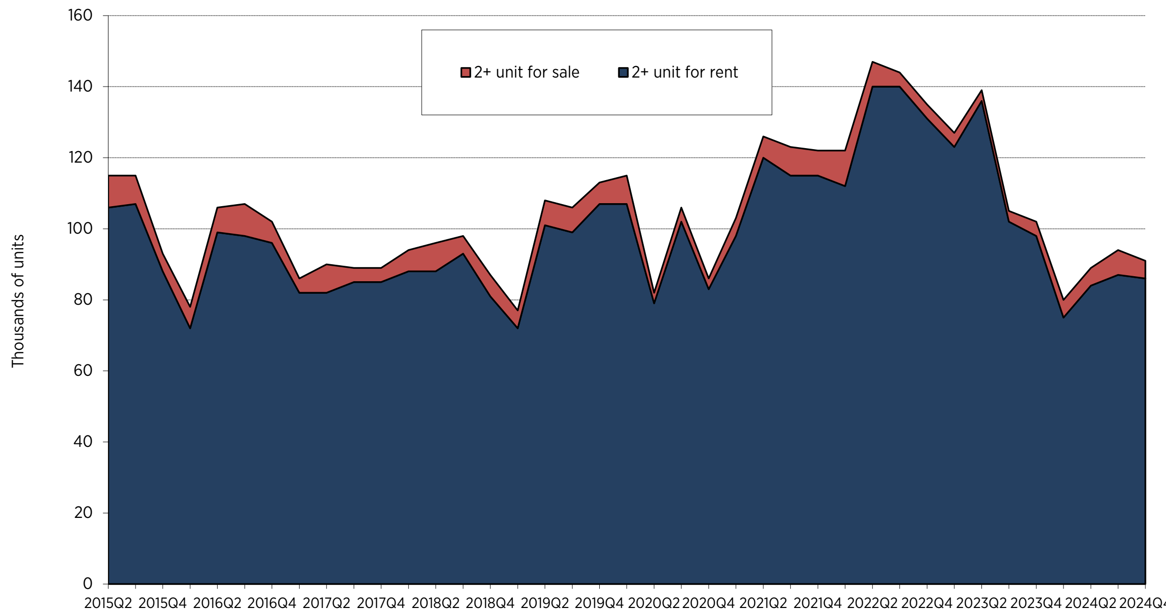
Source: U.S. Census Bureau

NEW PRIVATELY OWNED HOUSING UNITS STARTED, BY PURPOSE

Thousands of Units

Quarter	TOTAL	1-Family Units	Units in Buildings with 2 or More Units: Total	For Rent	For Sale	Percent for Rent
2014Q4	241	154	87	78	9	90%
2015Q1	215	140	75	71	4	95%
2015Q2	320	205	115	106	9	92%
2015Q3	318	203	115	107	8	93%
2015Q4	259	166	93	88	5	95%
2016Q1	249	170	79	72	6	91%
2016Q2	323	218	105	99	7	94%
2016Q3	312	206	106	98	9	92%
2016Q4	289	187	102	96	6	94%
2017Q1	267	181	86	82	4	95%
2017Q2	328	238	90	82	8	91%
2017Q3	319	230	89	85	4	96%
2017Q4	289	200	89	85	4	96%
2018Q1	289	195	94	88	6	94%
2018Q2	353	257	96	88	8	92%
2018Q3	336	238	98	93	5	95%
2018Q4	273	186	87	81	6	93%
2019Q1	266	189	77	72	5	94%
2019Q2	350	242	108	101	7	94%
2019Q3	348	243	105	99	7	94%
2019Q4	327	214	113	107	6	95%
2020Q1	329	214	115	107	8	93%
2020Q2	298	217	81	79	3	98%
2020Q3	387	281	106	102	4	96%
2020Q4	364	277	87	83	3	95%
2021Q1	357	255	102	98	5	96%
2021Q2	435	309	126	120	6	95%
2021Q3	419	296	123	115	8	93%
2021Q4	388	266	122	115	7	94%
2022Q1	390	267	123	112	10	91%
2022Q2	450	303	147	140	7	95%
2022Q3	386	242	144	140	4	97%
2022Q4	327	193	134	131	4	98%
2023Q1	315	188	127	123	4	97%
2023Q2	400	261	139	136	3	98%
2023Q3	364	259	105	102	3	97%
2023Q4	341	239	102	98	4	96%
2024Q1	321	241	80	75	5	94%
2024Q2	370	281	89	84	5	94%
2024Q3	353	260	93	87	7	94%
2024Q4	321	230	91	86	5	95%

Source: U.S. Census Bureau



OUTLOOK | **ENVIRONMENT** | PRODUCTION | OUTSTANDING | RELEASES

Value of Commercial Real Estate Construction Put-In-Place

January 2025 Data

The value of selected commercial real estate (CRE)-related private construction put-in-place decreased slightly in the month of January and was lower than the pace of construction in January 2024. The $635.0 billion seasonally adjusted annual rate in January was 0.2 percent lower than the December 2024 rate, and 1.7 percent lower than the January 2024 pace. The pace of construction in January was 290 percent higher than its recession low.

Private MULTIFAMILY new construction activity decreased in January. January's seasonally adjusted annual pace of $116.9 billion was 0.7 percent lower than as December's $117.8 billion and 12.0 percent lower than last January's rate. The pace of construction in January was 601 percent higher than its recession low and 17 percent below its pre-recession high.

The value of private OFFICE construction put-in-place increased 0.4 percent in January. January's seasonally adjusted annual pace of $87.9 billion was 3.5 percent higher than last January's rate. The pace of construction in January was 305 percent higher than its recession low and 0 percent below its pre-recession high.

The value of private HEALTH CARE construction put-in-place increased 0.7 percent in January. January's seasonally adjusted annual pace of $54.2 billion was 3.5 percent lower than last January's rate. The pace of construction in January was 99 percent higher than its recession low and 3 percent below its pre-recession high.

The value of private RETAIL, WHOLESALE AND SELECTED SERVICES (referred to as COMMERCIAL by the Census Bureau) construction put-in-place decreased 0.4 percent in January. January's seasonally adjusted annual pace of $118.3 billion was 6.4 percent lower than last January's rate. The pace of construction in January was 245 percent higher than its recession low and 16 percent below its pre-recession high.

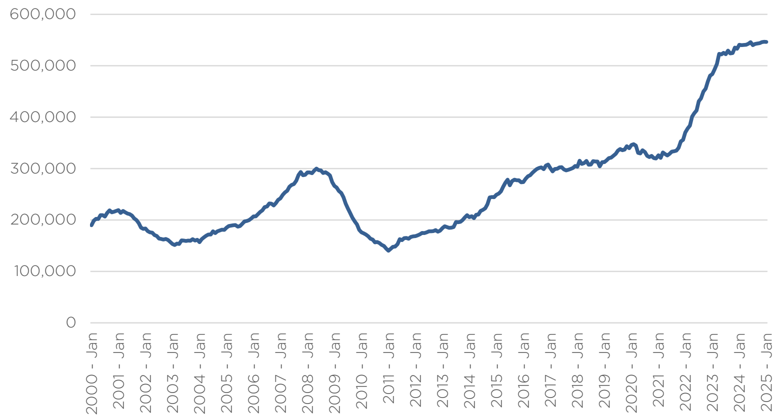
The value of LODGING construction put-in-place increased 0.6 percent in January. January's seasonally adjusted annual pace of $22.9 billion was 0.4 percent lower than last January's rate. The pace of construction in January was 188 percent higher than its recession low and 39 percent below its pre-recession high.

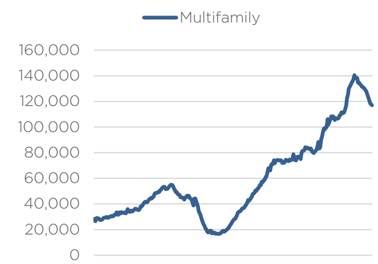
The value of MANUFACTURING construction put-in-place decreased 0.3 percent in January. January's seasonally adjusted annual pace of $234.8 billion was 5.6 percent higher than last January's rate. The pace of construction in January was 683 percent higher than its recession low.

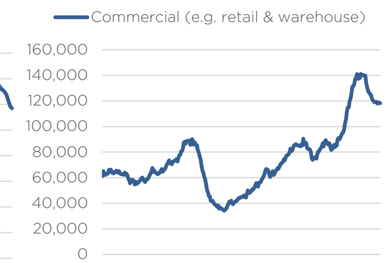
VALUE OF CONSTRUCTION PUT-IN-PLACE

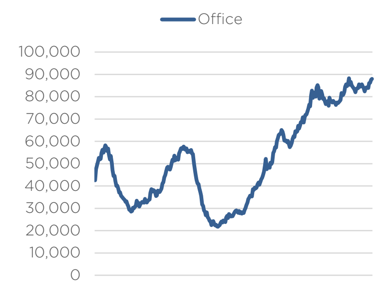
Seasonally Adjusted Annual Rate

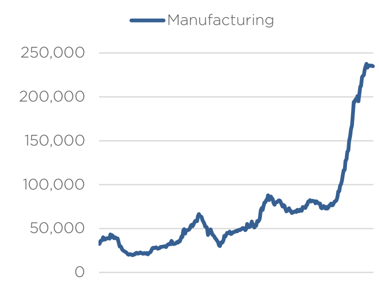
Value of Selected Private CRE-Related Construction Put-In-Place, in $mil.



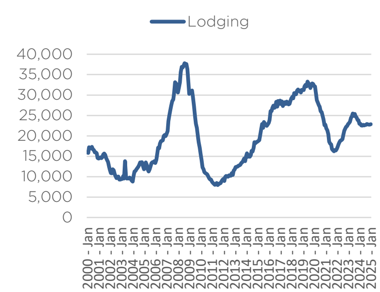


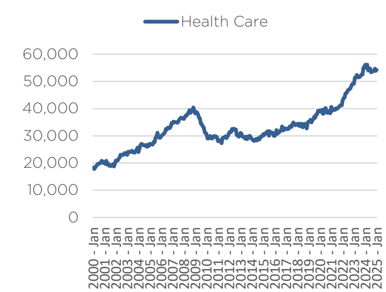






Year-Over-Year Change in Trailing Three Month Selected Private CRE-Related Construction in % Percent





Source: MBA, U.S. Census Bureau

VALUE OF CONSTRUCTION PUT-IN-PLACE

Seasonally Adjusted Annual Rate

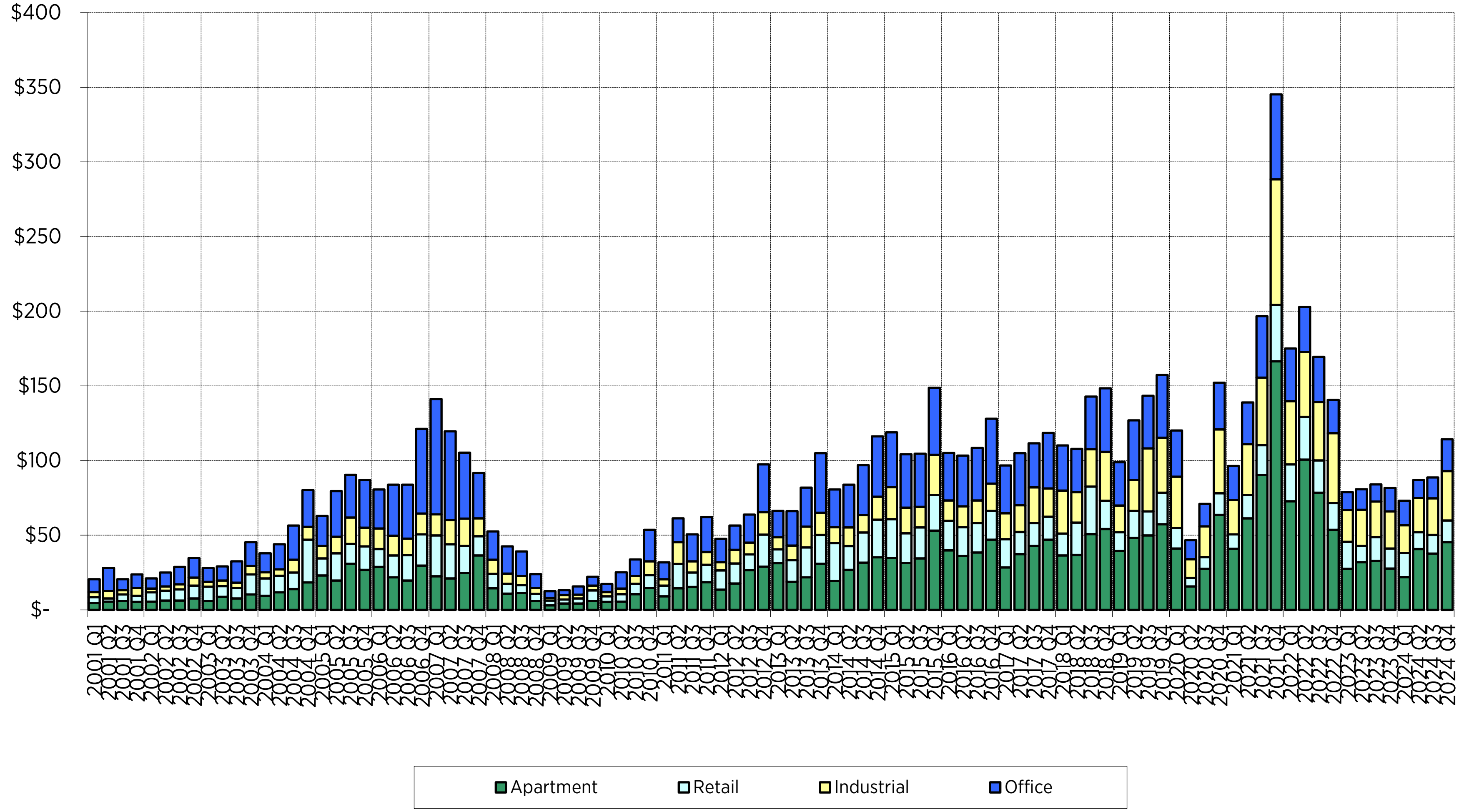
Value of Selected Private CRE-Related Construction Put-In-Place, $millions

	Selected Private CRE-Related Types of Construction							
	Multifamily	Commercial	Office	Lodging	Health Care	Manufacturing	Total	% Change Month-over-Month
2023 - Sep	138,249	139,861	83,798	24,761	52,564	194,941	634,174	-0.9%
2023 - Oct	134,533	133,397	83,804	24,479	52,542	202,083	630,838	-0.5%
2023 - Nov	134,728	130,707	85,573	23,874	54,824	211,541	641,247	1.7%
2023 - Dec	133,430	127,677	84,406	23,838	55,475	212,480	637,306	-0.6%
2024 - Jan	132,883	126,352	84,990	22,972	56,149	222,458	645,804	1.3%
2024 - Feb	131,453	125,406	85,504	22,933	55,022	223,765	644,083	-0.3%
2024 - Mar	131,377	124,683	84,678	22,560	56,169	224,837	644,304	0.0%
2024 - Apr	130,690	122,207	83,826	22,491	53,997	230,822	644,033	0.0%
2024 - May	129,899	120,517	82,334	22,681	54,454	234,970	644,855	0.1%
2024 - Jun	128,754	119,707	83,637	22,566	54,741	237,617	647,022	0.3%
2024 - Jul	127,537	119,003	84,171	22,633	53,333	233,283	639,960	-1.1%
2024 - Aug	125,470	119,106	83,914	22,689	53,649	235,288	640,116	0.0%
2024 - Sep	123,277	119,372	83,912	22,877	53,717	235,709	638,864	-0.2%
2024 - Oct	121,279	117,930	86,098	22,798	53,830	235,642	637,577	-0.2%
2024 - Nov	118,561	118,647	86,222	22,758	54,727	235,310	636,225	-0.2%
2024 - Dec	117,809	118,752	87,578	22,742	53,842	235,472	636,195	0.0%
2025 - Jan	116,932	118,259	87,940	22,873	54,208	234,833	635,045	-0.2%
Dec - Jan	-0.7%	-0.4%	0.4%	0.6%	0.7%	-0.3%	-0.2%	
Jan - Jan	-12.0%	-6.4%	3.5%	-0.4%	-3.5%	5.6%	-1.7%	
Trough to current	601%	245%	305%	188%	99%	683%	290%	
Peak to current	-17%	-16%	0%	-39%	-3%	-1%	0%	

Source: MBA, U.S. Census Bureau

QUARTERLY SALES OF LARGER ($2.5 MILLION+) COMMERCIAL/MULTIFAMILY PROPERTIES

Billions of dollars, Properties and portfolios $2.5 million and greater



Source: Real Capital Analytics.

QUARTERLY SALES OF LARGER ($2.5 MILLION+) COMMERCIAL/MULTIFAMILY PROPERTIES

Billions of dollars, Properties and portfolios $2.5 million and greater

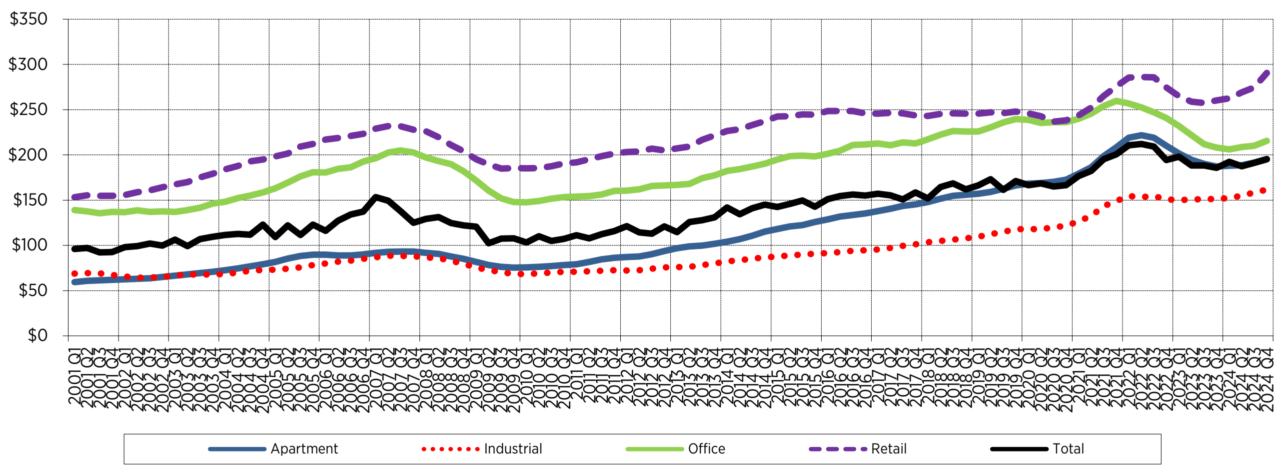
					Total		YTD Q4	
Year	Q1	Q2	Q3	Q4	Sales	Percent change	Sales	Percent change
APARTMENT								
2020	$ 41.20	$ 15.75	$ 27.57	$ 63.67	$ 148.18	-24%	$ 148.18	-24%
2021	$ 40.91	$ 61.40	$ 90.27	$ 166.45	$ 359.03	142%	$ 359.03	142%
2022	$ 72.81	$ 100.64	$ 78.51	$ 53.64	$ 305.59	-15%	$ 305.59	-15%
2023	$ 27.48	$ 32.08	$ 32.81	$ 27.71	$ 120.08	-61%	$ 120.08	-61%
2024	$ 22.07	$ 40.76	$ 37.69	$ 45.45	$ 145.97	22%	$ 145.97	22%
INDUSTRIAL								
2020	$ 34.49	$ 12.52	$ 20.62	$ 42.76	$ 110.38	-6%	$ 110.38	-6%
2021	$ 23.18	$ 34.24	$ 45.30	$ 84.28	$ 187.01	69%	$ 187.01	69%
2022	$ 42.48	$ 43.47	$ 39.04	$ 46.80	$ 171.80	-8%	$ 171.80	-8%
2023	$ 21.13	$ 24.14	$ 23.81	$ 24.91	$ 94.00	-45%	$ 94.00	-45%
2024	$ 18.64	$ 22.84	$ 24.54	$ 33.03	$ 99.05	5%	$ 99.05	5%
OFFICE								
2020	$ 30.88	$ 12.69	$ 15.08	$ 31.29	$ 89.94	-38%	$ 89.94	-38%
2021	$ 22.63	$ 27.92	$ 40.96	$ 56.82	$ 148.34	65%	$ 148.34	65%
2022	$ 35.23	$ 30.17	$ 30.37	$ 22.29	$ 118.06	-20%	$ 118.06	-20%
2023	$ 12.06	$ 13.77	$ 11.37	$ 15.77	$ 52.97	-55%	$ 52.97	-55%
2024	$ 16.43	$ 12.01	$ 13.81	$ 21.37	$ 63.61	20%	$ 63.61	20%
RETAIL								
2020	$ 13.60	$ 5.64	$ 7.78	$ 14.48	$ 41.50	-39%	$ 41.50	-39%
2021	$ 9.60	$ 15.40	$ 20.06	$ 37.67	$ 82.72	99%	$ 82.72	99%
2022	$ 24.57	$ 28.69	$ 21.62	$ 17.92	$ 92.80	12%	$ 92.80	12%
2023	$ 18.18	$ 10.86	$ 16.05	$ 13.33	$ 58.41	-37%	$ 58.41	-37%
2024	$ 16.04	$ 11.25	$ 12.57	$ 14.41	$ 54.27	-7%	$ 54.27	-7%
TOTAL								
2020	$ 120.16	$ 46.60	$ 71.04	$ 152.20	$ 390.01	-26%	$ 390.01	-26%
2021	$ 96.33	$ 138.96	$ 196.59	$ 345.22	$ 777.10	99%	$ 777.10	99%
2022	$ 175.09	$ 202.97	$ 169.54	$ 140.65	$ 688.25	-11%	$ 688.25	-11%
2023	$ 78.85	$ 80.85	$ 84.04	$ 81.72	$ 325.46	-53%	$ 325.46	-53%
2024	$ 73.17	$ 86.86	$ 88.61	$ 114.26	$ 362.90	12%	$ 362.90	12%

Source: Real Capital Analytics.

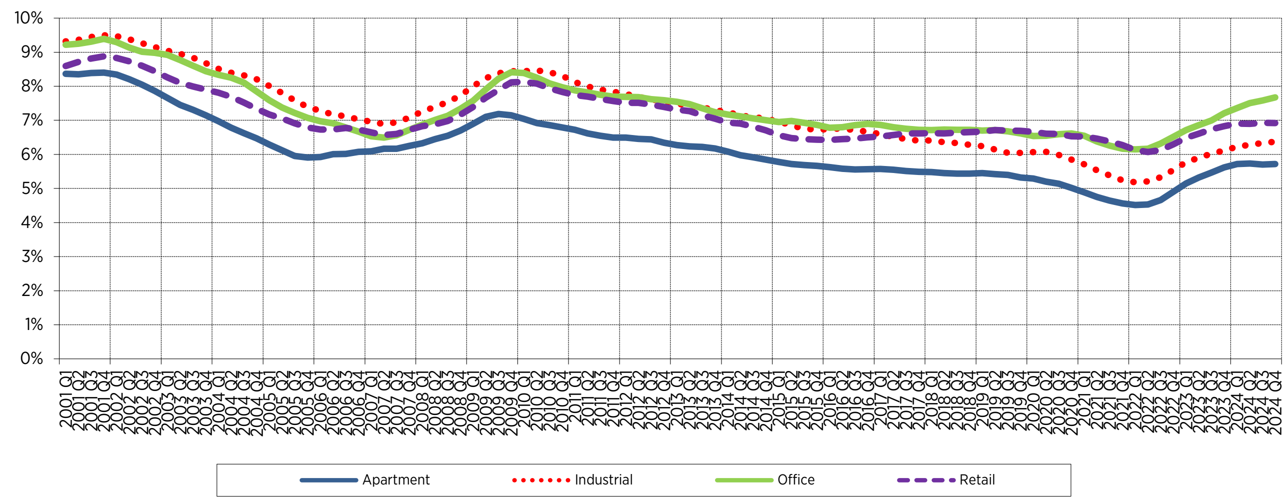
QUARTERLY SALES PRICES OF LARGER ($2.5 MILLION+) COMMERCIAL/MULTIFAMILY PROPERTIES

Properties and portfolios $2.5 million and greater

Sales price per unit or sq. ft. ($/sq. ft, or $1000/unit for apartment)



Capitalization Rate



Source: Real Capital Analytics.

QUARTERLY SALES PRICES OF LARGER ($2.5 MILLION+) COMMERCIAL/MULTIFAMILY PROPERTIES

Properties and portfolios $2.5 million and greater

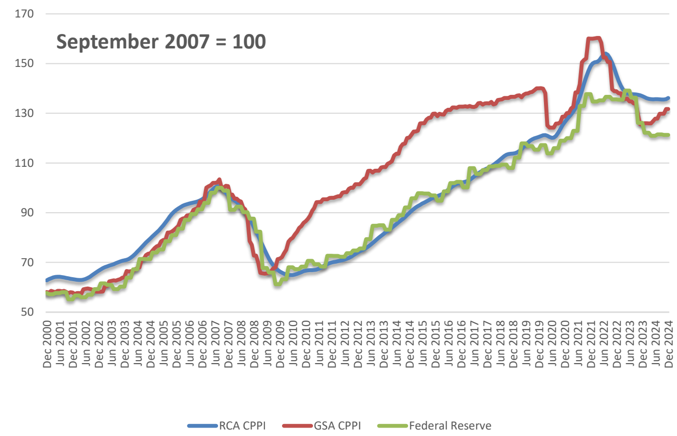
	Price per unit or sq. ft.					Capitalization Rate				
Year	Q1	Q2	Q3	Q4	Q4 Year-over-year % change	Q1	Q2	Q3	Q4	Q4 Year-over-year % change
APARTMENT		($1000/unit)								
2020	$ 168	$ 169	$ 170	$ 173	4%	5.3%	5.2%	5.1%	5.0%	-6%
2021	$ 179	$ 186	$ 199	$ 208	21%	4.9%	4.8%	4.6%	4.6%	-9%
2022	$ 219	$ 222	$ 219	$ 210	1%	4.5%	4.5%	4.7%	4.9%	8%
2023	$ 201	$ 195	$ 190	$ 187	-11%	5.1%	5.3%	5.5%	5.6%	15%
2024	$ 188	$ 189	$ 191	$ 196	4%	5.7%	5.7%	5.7%	5.7%	2%
INDUSTRIAL		($/sq. ft)								
2020	$ 118	$ 118	$ 120	$ 122	3%	6.1%	6.1%	6.0%	5.8%	-3%
2021	$ 127	$ 132	$ 143	$ 149	23%	5.7%	5.5%	5.4%	5.2%	-10%
2022	$ 155	$ 153	$ 154	$ 151	1%	5.2%	5.2%	5.3%	5.5%	6%
2023	$ 150	$ 151	$ 151	$ 151	0%	5.8%	5.9%	6.0%	6.1%	10%
2024	$ 153	$ 155	$ 159	$ 162	7%	6.2%	6.3%	6.3%	6.4%	4%
OFFICE		($/sq. ft)								
2020	$ 239	$ 235	$ 236	$ 236	-1%	6.5%	6.5%	6.6%	6.6%	0%
2021	$ 240	$ 246	$ 254	$ 260	10%	6.5%	6.4%	6.3%	6.2%	-7%
2022	$ 257	$ 253	$ 247	$ 241	-7%	6.1%	6.2%	6.3%	6.5%	6%
2023	$ 232	$ 222	$ 212	$ 208	-14%	6.7%	6.9%	7.0%	7.2%	11%
2024	$ 206	$ 209	$ 210	$ 216	4%	7.4%	7.5%	7.6%	7.7%	6%
RETAIL		($/sq. ft)								
2020	$ 246	$ 243	$ 237	$ 238	-4%	6.7%	6.6%	6.6%	6.5%	-2%
2021	$ 244	$ 252	$ 265	$ 276	16%	6.5%	6.5%	6.4%	6.5%	0%
2022	$ 285	$ 286	$ 286	$ 275	0%	6.1%	6.1%	6.1%	6.3%	-3%
2023	$ 265	$ 259	$ 258	$ 260	-5%	6.5%	6.6%	6.7%	6.8%	8%
2024	$ 263	$ 269	$ 275	$ 291	12%	6.9%	6.9%	6.9%	6.9%	1%
TOTAL		($1000/unit or $/sq. ft)*								
2020	$ 167	$ 169	$ 165	$ 167	-3%	6.0%	6.0%	5.9%	5.7%	-5%
2021	$ 177	$ 182	$ 195	$ 201	20%	5.6%	5.5%	5.3%	5.2%	-10%
2022	$ 211	$ 212	$ 209	$ 194	-3%	5.2%	5.1%	5.3%	5.5%	7%
2023	$ 198	$ 188	$ 188	$ 186	-4%	5.9%	5.9%	6.1%	6.3%	13%
2024	$ 192	$ 188	$ 191	$ 195	5%	6.5%	6.3%	6.3%	6.4%	2%

Source: Real Capital Analytics.

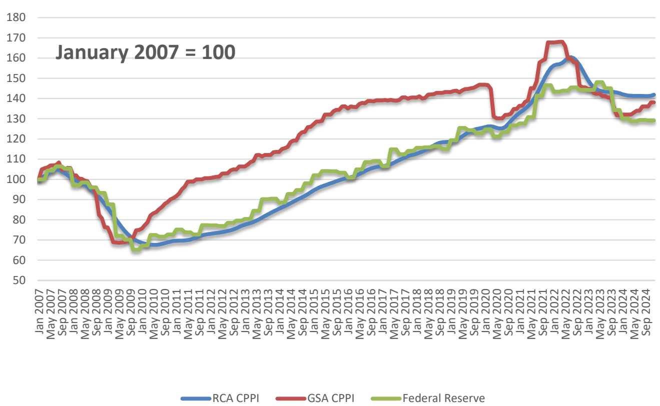
COMMERCIAL/MULTIFAMILY PROPERTY PRICES AS REFLECTED IN SELECTED INDICES

Changes in the MSCI Real Assets RCA CPPI, Green Street Advisors CPPI, Federal Reserve Board CRE Price Index

Year-over-year Change			
	RCA CPPI	Green Street Advisors CPPI	Federal Reserve Board CRE Price Index
Year End 2015	6.3%	7.0%	1.2%
Year End 2016	5.6%	3.0%	8.0%
Year End 2017	5.4%	1.0%	7.0%
Year End 2018	5.2%	2.0%	-0.5%
Year End 2019	5.8%	2.5%	2.9%
Year End 2020	4.6%	-8.2%	1.6%
Year End 2021	16.8%	23.0%	14.7%
Year End 2022	-3.0%	-13.2%	0.6%
Year End 2023	-4.4%	-9.0%	-6.9%
Year End 2024	-0.2%	4.6%	-0.7%



Quarter-Over-Quarter			
	RCA CPPI	Green Street Advisors CPPI	Federal Reserve Board CRE Price Index
Q2 2020	-0.9%	-10.1%	-2.8%
Q3 2020	1.7%	1.3%	1.8%
Q4 2020	3.5%	2.2%	2.6%
Q1 2021	2.5%	2.6%	0.8%
Q2 2021	3.5%	4.8%	2.4%
Q3 2021	5.9%	9.5%	8.2%
Q4 2021	4.9%	5.7%	3.6%
Q1 2022	1.2%	0.2%	-2.2%
Q2 2022	1.9%	-4.9%	0.4%
Q3 2022	-0.9%	-1.2%	1.1%
Q4 2022	-4.3%	-7.8%	-0.8%
Q1 2023	-4.0%	-2.0%	-0.1%
Q2 2023	-1.4%	-1.0%	2.7%
Q3 2023	-0.1%	-0.6%	-2.0%
Q4 2023	-0.5%	-6.2%	-7.4%
Q1 2024	-0.5%	0.0%	-3.2%
Q2 2024	0.0%	1.5%	-1.0%
Q3 2024	-0.1%	1.6%	0.5%
Q4 2024	0.5%	1.5%	-0.2%
Current price relative to 2007 peak	135%	127%	121%



Source: Mortgage Bankers Association, Federal Reserve Board, MSCI Real Assets, and Green Street Advisors

*NCREIF TBI discontinued Q1 2020

3. Production

Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations
February 10, 2025

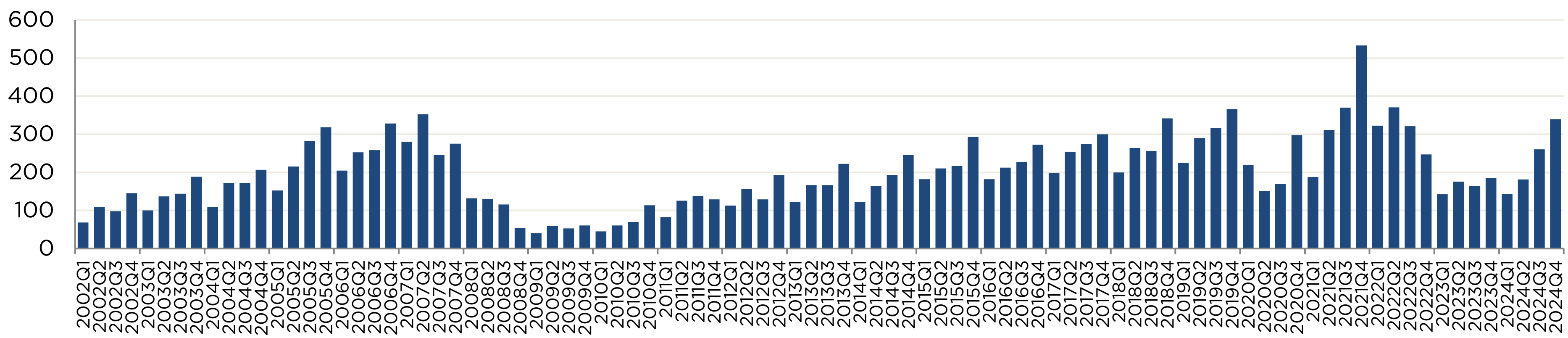
Commercial and multifamily mortgage loan originations were 84 percent higher in the fourth quarter of 2024 compared to a year earlier, and increased 30 percent from the third quarter of 2024, according to the Mortgage Bankers Association's (MBA) Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations.

"2024, and particularly the fourth quarter, was a welcome rebound for the industry following a slow pace of origination activity in 2023. The significant, but brief, dip in interest rates in September, followed by a pickup in market sentiment post-election, resulted in more business, with origination activity back to 2022 levels," said Mike Fratantoni, MBA's SVP and Chief Economist "The triple-digit percentage increases in the origination indexes certainly reflect this bounce off a low base. With interest rates moving up again to start 2025, we will have to see how origination activity responds through the first quarter. However, MBA still expects more borrowing and lending in 2025."

ORIGINATIONS INCREASE 84 PERCENT IN THE FOURTH QUARTER OF 2024

Originations for all major property types increased when compared to the fourth quarter of 2023. There was a 124 percent year-over-year increase in the dollar volume of loans for hotel properties, a 105 percent increase for office properties, a 94 percent increase for industrial properties, a 72 percent increase for health care properties, a 69 percent

Commercial/Multifamily Mortgage Bankers Originations Index
2001 quarterly average = 100



increase for multifamily properties, and retail property loan originations increased 48 percent, respectively, compared to the fourth quarter of 2023.

Among investor types, the dollar volume of loans originated for commercial mortgage-backed securities (CMBS) increased by 128 percent year-over-year. There was a 94 percent increase in loans for depositories, an 81 percent increase in investor-driven lender loans, a 72 percent increase in government sponsored enterprises (GSEs – Fannie Mae and Freddie Mac) loans, and a 70 percent increase in life insurance company loans.

FOURTH QUARTER ORIGINATIONS UP 30 PERCENT FROM THE THIRD QUARTER OF 2024

On a quarterly basis, fourth-quarter originations for hotel properties increased 159 percent compared to the third quarter 2024. There was a 55 percent increase in originations for retail properties, a 43 percent increase for office properties, a 22 percent increase for multifamily properties, and a 10 percent increase for industrial properties. Originations for health care properties decreased 51 percent compared to the third quarter of 2024.

Among investor types, between the third and fourth quarters of 2024, the dollar volume of loans for investor-driven lender increased 51 percent, loans for GSEs increased 36 percent, originations for depositories increased 34 percent, loans for life insurance companies increased 21 percent, and the dollar volume of loans for CMBS increased by 6 percent.

PRELIMINARY 2024 ORIGINATIONS 39 PERCENT HIGHER THAN 2023

A preliminary measure of commercial mortgage bankers' originations volumes shows activity in 2024 was 39 percent higher than in 2023. By property type, mortgage bankers' originations for health care properties increased 134 percent from 2023, hotel properties increased 100 percent, industrial properties increased 73 percent, multifamily properties increased 27 percent, retail properties increased 21 percent, and office properties increased 6 percent.

Among investor types, for 2024 compared to 2023, mortgage bankers originations for CMBS increased 150 percent, originations for investor-driven lenders increased 52 percent, loans for life insurance companies increased 38 percent, loans for depositories increased 20 percent, and GSE loans increased 17 percent.

In late March, MBA will release its Annual Origination Summation report for 2024 with final origination figures for the year.

To view the report, please visit the following Web link: https://www.mba.org/news-and-research/research-and-economics/commercial-multifamily-research/quarterly-commercial-multifamily-mortgage-bankers-originations-index

Detailed statistics on the size and scope of the commercial/multifamily origination market are available from these MBA commercial/multifamily research reports.

- Commercial Real Estate/Multifamily Finance: Annual Origination Volume Summation, 2023
- Commercial Real Estate/Multifamily Finance Firms: Annual Origination Volumes, 2023
- Annual Report on Multifamily Lending, 2023
- Commercial/Multifamily Database Subscription

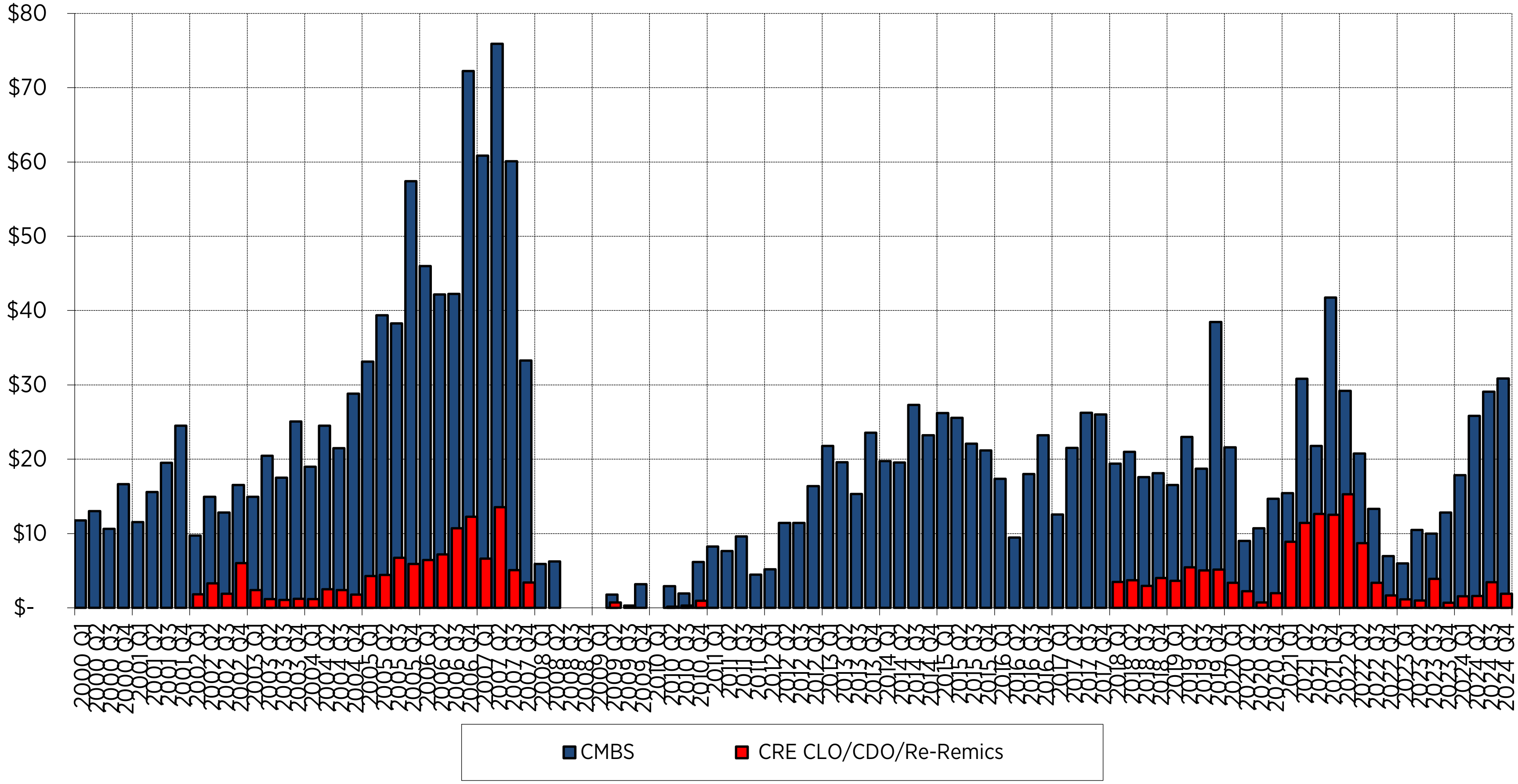
Commercial/Multifamily Mortgage Bankers Originations Index

	Origination Volume Index (2001 Avg Qtr = 100)				Percent Change,		
	Q1	Q2	Q3	Q4	Year-over-year Q4	Q3-to-Q4	YTD-YTD
TOTAL							
2021	188	311	370	533	79%	44%	67%
2022	323	370	321	247	-54%	-23%	-10%
2023	142	175	164	185	-25%	13%	-47%
2024	143	181	260	339	84%	30%	39%
CMBS/Conduits							
2021	64	113	107	260	305%	144%	167%
2022	100	49	31	21	-92%	-35%	-63%
2023	41	38	30	50	144%	68%	-21%
2024	79	96	107	114	128%	6%	150%
Depositories							
2021	175	362	547	869	147%	59%	83%
2022	515	733	684	457	-47%	-33%	22%
2023	236	227	183	215	-53%	17%	-64%
2024	138	167	310	416	94%	34%	20%
Life Insurance Companies							
2021	252	487	501	593	63%	18%	76%
2022	456	465	292	278	-53%	-5%	-19%
2023	122	238	282	261	-6%	-7%	-39%
2024	165	264	369	446	70%	21%	38%
Fannie Mae/Freddie Mac							
2021	479	439	784	797	-30%	2%	-17%
2022	483	568	664	693	-13%	4%	-4%
2023	414	503	484	490	-29%	1%	-21%
2024	344	400	621	844	72%	36%	17%
Investor-Driven Lenders							
2021	369	704	662	940	211%	42%	225%
2022	654	788	611	380	-60%	-38%	-9%
2023	219	319	278	376	-1%	35%	-51%
2024	309	372	449	680	81%	51%	52%

	Origination Volume Index (2001 Avg Qtr = 100)				Percent Change,		
	Q1	Q2	Q3	Q4	Year-over-year Q4	Q3-to-Q4	YTD-YTD
Multifamily							
2021	423	632	829	1,122	57%	35%	54%
2022	665	786	696	536	-52%	-23%	-11%
2023	299	409	345	390	-27%	13%	-46%
2024	279	354	540	658	69%	22%	27%
Office							
2021	83	137	150	209	122%	39%	66%
2022	108	123	85	92	-56%	9%	-30%
2023	35	41	43	29	-68%	-32%	-63%
2024	28	29	41	59	105%	43%	6%
Retail							
2021	38	62	101	106	109%	6%	73%
2022	72	129	94	60	-44%	-37%	16%
2023	67	58	47	89	50%	91%	-27%
2024	46	54	85	132	48%	55%	21%
Industrial							
2021	736	1,296	1,300	2,545	113%	96%	140%
2022	1,801	1,330	1,254	778	-69%	-38%	-12%
2023	498	594	809	723	-7%	-11%	-49%
2024	813	1,050	1,271	1,404	94%	10%	73%
Hotel							
2021	36	119	190	268	167%	42%	71%
2022	166	162	236	145	-46%	-39%	16%
2023	152	111	113	262	81%	131%	-10%
2024	164	302	226	585	124%	159%	100%
Health Care							
2021	57	181	86	88	-17%	2%	56%
2022	103	175	139	92	4%	-34%	23%
2023	32	46	33	56	-39%	72%	-67%
2024	25	68	199	97	72%	-51%	134%

QUARTERLY ISSUANCE OF COMMERCIAL MORTGAGE BACKED SECURITIES (CMBS) and COMMERCIAL REAL ESTATE COLLATERALIZED LOAN OBLIGATIONS (CLOs)

Billions of Dollars



Source: Commercial Real Estate Direct

QUARTERLY ISSUANCE OF COMMERCIAL MORTGAGE BACKED SECURITIES (CMBS) and COMMERCIAL REAL ESTATE COLLATERALIZED DEBT OBLIGATIONS (CRE CDOs)/RE-REMICS

Billions of Dollars

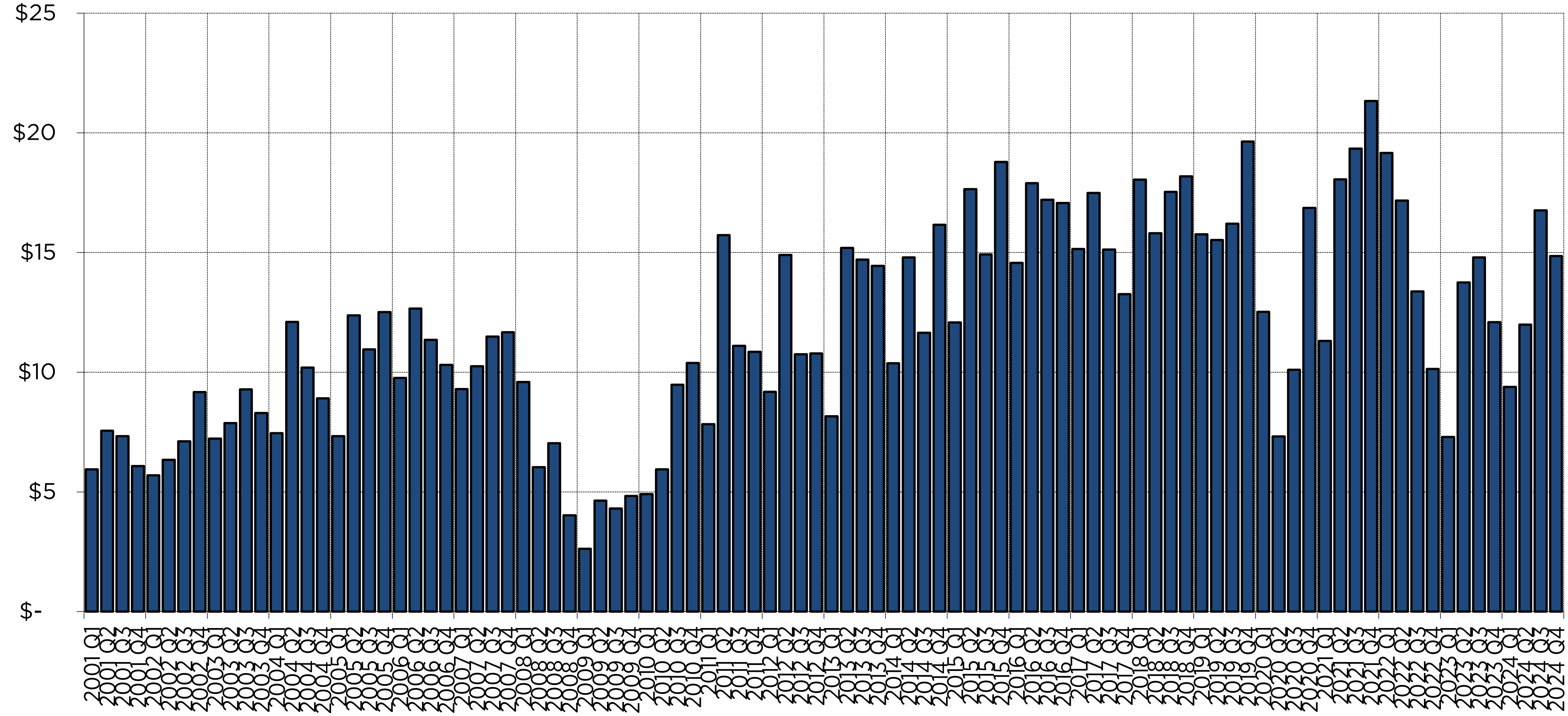
					Annual		YTD Q4	
Year	Q1	Q2	Q3	Q4	Total	Percent change	Total	Percent change
U.S. CMBS ISSUANCE								
2017	$ 12.55	$ 21.54	$ 26.26	$ 26.04	$ 86.39	27%	$ 86.39	27%
2018	$ 19.40	$ 20.99	$ 17.60	$ 18.11	$ 76.10	-12%	$ 76.10	-12%
2019	$ 16.54	$ 23.00	$ 18.72	$ 38.48	$ 96.74	27%	$ 96.74	27%
2020	$ 21.60	$ 9.01	$ 10.72	$ 14.68	$ 56.01	-42%	$ 56.01	-42%
2021	$ 15.43	$ 30.84	$ 21.79	$ 41.74	$ 109.80	96%	$ 109.80	96%
2022	$ 29.19	$ 20.78	$ 13.30	$ 6.95	$ 70.23	-36%	$ 70.23	-36%
2023	$ 5.98	$ 10.49	$ 9.97	$ 12.83	$ 39.28	-44%	$ 39.28	-44%
2024	$ 17.85	$ 25.82	$ 29.08	$ 30.85	$ 103.59	164%	$ 103.59	164%
** CRE CLO/CDO/RE-REMICS ISSUANCE*								
2017	$ -	$ -	$ -	$ -	$ -	N/A	$ -	N/A
2018	$ 3.48	$ 3.70	$ 2.96	$ 4.01	$ 14.15	N/A	$ 14.15	N/A
2019	$ 3.62	$ 5.46	$ 5.03	$ 5.13	$ 19.24	36%	$ 19.24	36%
2020	$ 3.37	$ 2.25	$ 0.74	$ 1.95	$ 8.31	-57%	$ 8.31	-57%
2021	$ 8.90	$ 11.41	$ 12.62	$ 12.51	$ 45.44	447%	$ 45.44	447%
2022	$ 15.27	$ 8.70	$ 3.39	$ 1.68	$ 29.03	-36%	$ 29.03	-36%
2023	$ 1.12	$ 0.99	$ 3.88	$ 0.67	$ 6.67	-77%	$ 6.67	-77%
2024	$ 1.55	$ 1.58	$ 3.44	$ 1.90	$ 8.47	27%	$ 8.47	27%

Source: Commercial Real Estate Direct

* In January 2018, the CRE CLO/CDO/Re-Remics data collection began.

QUARTERLY COMMERCIAL/MULTIFAMILY MORTGAGE COMMITMENTS BY LIFE INSURANCE COMPANIES

Billions of Dollars



Source: American Council of Life Insurance Companies (ACLI)
a. Annual figures may not equal the sum of quarterly figures due to change in reporting.

QUARTERLY COMMERCIAL/MULTIFAMILY MORTGAGE COMMITMENTS BY LIFE INSURANCE COMPANIES

Billions of Dollars

					Annual (a)		YTD Q4	
Year	Q1	Q2	Q3	Q4	Total	Percent change	Total	Percent change
2001	$ 5.95	$ 7.56	$ 7.33	$ 6.08	$ 26.92		$ 26.92	
2002	$ 5.69	$ 6.34	$ 7.12	$ 9.17	$ 28.32	5%	$ 28.32	5%
2003	$ 7.22	$ 7.88	$ 9.28	$ 8.30	$ 32.68	15%	$ 32.68	15%
2004	$ 7.46	$ 12.11	$ 10.20	$ 8.91	$ 38.67	18%	$ 38.67	18%
2005	$ 7.33	$ 12.37	$ 10.96	$ 12.51	$ 43.17	12%	$ 43.17	12%
2006	$ 9.76	$ 12.66	$ 11.35	$ 10.31	$ 44.08	2%	$ 44.08	2%
2007	$ 9.29	$ 10.25	$ 11.49	$ 11.67	$ 42.69	-3%	$ 42.69	-3%
2008	$ 9.59	$ 6.03	$ 7.03	$ 4.02	$ 26.67	-38%	$ 26.67	-38%
2009	$ 2.62	$ 4.63	$ 4.30	$ 4.83	$ 16.39	-39%	$ 16.39	-39%
2010	$ 4.90	$ 5.94	$ 9.47	$ 10.39	$ 30.71	87%	$ 30.71	87%
2011	$ 7.83	$ 15.73	$ 11.10	$ 10.85	$ 45.52	48%	$ 45.52	48%
2012	$ 9.18	$ 14.90	$ 10.75	$ 10.78	$ 45.60	0%	$ 45.60	0%
2013	$ 8.15	$ 15.19	$ 14.70	$ 14.45	$ 52.50	15%	$ 52.50	15%
2014	$ 10.38	$ 14.80	$ 11.64	$ 16.16	$ 52.98	1%	$ 52.98	1%
2015	$ 12.08	$ 17.65	$ 14.93	$ 18.79	$ 63.45	20%	$ 63.45	20%
2016	$ 14.57	$ 17.90	$ 17.20	$ 17.07	$ 66.73	5%	$ 66.73	5%
2017	$ 15.15	$ 17.49	$ 15.12	$ 13.26	$ 61.03	-9%	$ 61.03	-9%
2018	$ 18.05	$ 15.81	$ 17.54	$ 18.19	$ 69.58	14%	$ 69.58	14%
2019	$ 15.76	$ 15.52	$ 16.21	$ 19.64	$ 67.13	-4%	$ 67.13	-4%
2020	$ 12.52	$ 7.32	$ 10.10	$ 16.86	$ 46.80	-30%	$ 46.80	-30%
2021	$ 11.30	$ 18.06	$ 19.34	$ 21.33	$ 70.03	50%	$ 70.03	50%
2022	$ 19.16	$ 17.17	$ 13.37	$ 10.13	$ 59.83	-15%	$ 59.83	-15%
2023	$ 7.30	$ 13.75	$ 14.79	$ 12.09	$ 47.93	-20%	$ 47.93	-20%
2024	$ 9.39	$ 11.99	$ 16.76	$ 14.85	$ 52.98	11%	$ 52.98	11%

Source: American Council of Life Insurance Companies (ACLI)
a. Annual figures may not equal the sum of quarterly figures due to changes in reporting.

4. Commercial & Multifamily Mortgage Debt Outstanding

March 18, 2025

The level of commercial and multifamily mortgage debt outstanding at the end of 2024 was $172 billion (3.7 percent) higher than at the end of 2023, according to the Mortgage Bankers Association's (MBA) latest Commercial/Multifamily Mortgage Debt Outstanding quarterly report.

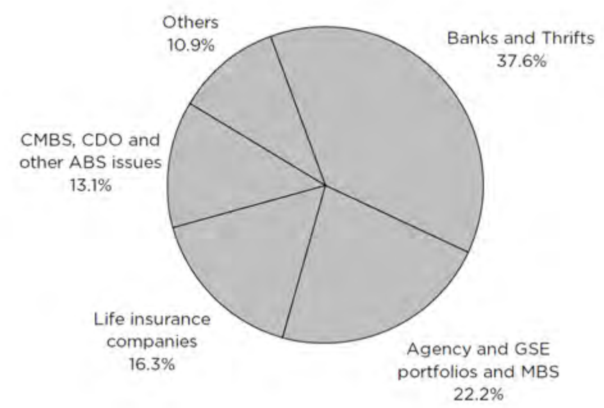
MBA's report found that total mortgage debt outstanding – on a quarterly basis – rose by 1.1 percent ($50.7 billion) to $4.79 trillion in fourth-quarter 2024. Multifamily mortgage debt grew by $38.9 billion (1.8 percent) to $2.16 trillion during the fourth quarter, and by $111.0 billion (5.4 percent) for the entire year.

"Commercial and multifamily mortgage debt outstanding increased to almost $4.8 trillion in the fourth quarter of 2024, up 3.7 percent compared to last year. Multifamily debt now totals almost $2.2 trillion, up 5.4. percent compared to the last year," said Mike Fratantoni, MBA's Senior Vice President and Chief Economist. "Life insurance companies had the fastest growth in commercial debt outstanding over the past year, accounting for almost 39 percent of the annual increase. By contrast, bank holdings increased by just 1 percent over the year, with this growth accounting for 10. .5 percent of the total increase."

Added Fratantoni, "For the tenth consecutive quarter, multifamily debt outstanding increased at a faster rate than the overall CRE market. Almost 56 percent of the growth in multifamily MDO reflected growth in Agency and GSE portfolios and mortgage-backed securities (MBS)."

The four major investor groups are: banks and thrifts; commercial mortgage-backed securities (CMBS), collateralized debt obligation (CDO) and other asset backed securities (ABS) issues; federal agency and government sponsored enterprise (GSE) portfolios and mortgage-backed securities (MBS); and life insurance companies.

Commercial & Multifamily Mortgage Debt Outstanding
By Investor Group, Fourth Quarter 2024



MBA's analysis summarizes the holdings of loans or, if the loans are securitized, the form of the security. For example, many life insurance companies invest in whole loans for which they hold the mortgage note (and which appear in this data under "Life Insurance Companies"), and in CMBS, CDOs and other ABS for which the security issuers and trustees hold the note (and which appear here under CMBS, CDO and other ABS issues).

Commercial banks and thrifts continue to hold the largest share (38 percent) of commercial/multifamily mortgages at $1.8 trillion. Agency and GSE portfolios and MBS are the second largest holders of commercial/multifamily mortgages, at $1.1 trillion (22 percent of the total). Life insurance companies hold $779 billion (16 percent), and CMBS, CDO and other ABS issues hold $626 billion (13 percent).

MULTIFAMILY MORTGAGE DEBT OUTSTANDING

Looking solely at multifamily mortgages, agency and GSE portfolios and MBS hold the largest share of total debt outstanding at $1.1 trillion (49 percent of the total), followed by commercial banks with $629 billion (29 percent), life insurance companies with $255 billion (12 percent), state and local governments with $92 billion (4 percent), and CMBS, CDO and other ABS issues with $68 billion (3 percent).

CHANGES IN COMMERCIAL & MULTIFAMILY MORTGAGE DEBT OUTSTANDING

In the fourth quarter of 2024, Agency and GSE portfolios and MBS saw the largest rise in dollar terms in their holdings of commercial/multifamily mortgage debt, with an increase of $31.2 billion (3.0 percent). Life insurance companies increased their holdings by $22.7 billion (3.0 percent), CMBS, CDO and other ABS issues increased their holdings by $6.4 billion (1.0 percent), and federal government increased their holdings by $1.2 billion (1.2 percent). Commercial banks saw a modest decline (0.2 percent) in their holdings, by $4.5 billion.

In percentage terms, agency and GSE portfolios and MBS saw the largest increase – 3.0 percent – in their holdings of commercial/multifamily mortgages.

CHANGES IN MULTIFAMILY MORTGAGE DEBT OUTSTANDING

The $38.9 billion rise in multifamily mortgage debt outstanding between the third and fourth quarters of 2024 represented a 1.8 percent increase. In dollar terms, agency and GSE portfolios and MBS saw the largest increase, at $31.2 billion (3.0 percent), in their holdings of multifamily mortgage debt. Life insurance companies increased their holdings of multifamily mortgage debt by $10.2 billion (4.2 percent), and CMBS, CDO and other ABS issues increased holdings by $282 million (0.4 percent). State and local government saw a decline (1.7 percent) in their holdings, by $1.6 billion.

In percentage terms, life insurance companies recorded the largest increase in holdings of multifamily mortgages (4.2 percent), and private pension funds saw the biggest decrease (10.9 percent).

CHANGES IN COMMERCIAL/MULTIFAMILY MORTGAGE DEBT OUTSTANDING DURING 2024

Between December 2023 and December 2024, life insurance companies saw the largest gain in dollar terms in their holdings of commercial/multifamily mortgage debt – an increase of $67 billion (9.3 percent). Agency and GSE portfolios and MBS increased their holdings of commercial/multifamily mortgages by $61.8 billion (6.2 percent).

In percentage terms, life insurance companies saw the largest increase (9.3 percent) in their holdings of commercial/multifamily mortgages.

CHANGES IN MULTIFAMILY MORTGAGE DEBT OUTSTANDING DURING 2024

The $111.0 billion rise in multifamily mortgage debt outstanding during 2024 represents a 5.4 percent increase. In dollar terms, agency and GSE portfolios and MBS saw the largest increase in their holdings of multifamily mortgage debt at 6.2 percent ($61.8 billion). Private pension funds saw the largest decrease in their holdings, down $419 million (26.4 percent).

The report's analysis is based on data from the Federal Reserve Board's Financial Accounts of the United States, the Federal Deposit Insurance Corporation's Quarterly Banking Profile, and Trepp LLC. More information on this data series is contained in Appendix A.

Mortgages in CMBS and held by REITs

Beginning with its Q2 2014 release, the Federal Reserve's *Financial Accounts of the United States* adjusted its balance of commercial mortgages held in CMBS and by REITs to reflect the impact of FAS 167 and its implications for how entities report certain securitized mortgages on their balance sheets. The effect of this change was to inflate the balance of mortgages appearing under REITs by approximately $130 billion and to reduce the balance appearing under CMBS by the same amount. From an accounting perspective, such changes are required, but the changes lead to a significant distortion of the size of the CMBS and REIT markets.

For CMBS, MBA corrects for this by relying on data from Trepp LLC to size the balance of commercial and multifamily mortgages in CMBS. (The analysis continues to rely on the Financial Accounts of the United States to size multifamily balances held in CMBS, as the FAS 167 adjustments did not affect them.)

For REIT balances, MBA uses Fed data to reverse the FAS 167 inclusions and thus to report the mortgages, and not securitized assets, that REITs hold. The full corrected series are available as a part of MBA's CREF Database. Contact CREFResearch@mba.org for more information.

YEAR END COMMERCIAL AND MULTIFAMILY MORTGAGE DEBT OUTSTANDING

Commercial and Multifamily Mortgage Debt Outstanding, by Sector

	Mortgage Debt Outstanding				Change		Sector Share of $
	2024 Q4		2023 Q4				
	($millions)	% of total	($millions)	% of total	($millions)	Percent	
Bank and Thrift	1,800,592	37.6%	1,782,515	38.6%	18,077	1.0%	10.5%
Agency and GSE portfolios and MBS	1,064,242	22.2%	1,002,469	21.7%	61,773	6.2%	35.9%
Life insurance companies	779,212	16.3%	712,686	15.4%	66,526	9.3%	38.6%
CMBS, CDO and other ABS issues	625,523	13.1%	593,061	12.8%	32,462	5.5%	18.8%
State and local government	109,985	2.3%	106,939	2.3%	3,046	2.8%	1.8%
Nonfinancial corporate business	107,186	2.2%	106,338	2.3%	848	0.8%	0.5%
Federal government	100,331	2.1%	96,607	2.1%	3,724	3.9%	2.2%
REITs	85,831	1.8%	95,491	2.1%	-9,660	-10.1%	-5.6%
Finance companies	34,348	0.7%	35,417	0.8%	-1,069	-3.0%	-0.6%
Nonfarm noncorporate business	34,820	0.7%	33,971	0.7%	849	2.5%	0.5%
Other insurance companies	32,477	0.7%	32,935	0.7%	-458	-1.4%	-0.3%
Private pension funds	10,769	0.2%	14,446	0.3%	-3,677	-25.5%	-2.1%
State and local government retirement	2,812	0.1%	2,986	0.1%	-174	-5.8%	-0.1%
Household sector	1,529	0.0%	1,504	0.0%	25	1.7%	0.0%
TOTAL	**4,789,657**		**4,617,365**		**172,292**	**3.7%**	

Source: MBA, Federal Reserve Board of Governors, Trepp LLC, and FDIC

Note: Beginning with the Q2 2014 release, MBA's analysis of mortgage debt outstanding modifies the data from the Federal Reserve's Financial Accounts of the United States with respect to loans held in commercial mortgage-backed securities (CMBS) and by real estate investment trusts (REITs). The corrections create differences with previous releases and with the Federal Reserve data. For more information, please see the Appendix to this report.

YEAR END MULTIFAMILY MORTGAGE DEBT OUTSTANDING

Multifamily Mortgage Debt Outstanding, by Sector

	Mortgage Debt Outstanding 2024 Q4 ($millions)	2024 Q4 % of total	2023 Q4 ($millions)	2023 Q4 % of total	Change ($millions)	Change Percent	Sector Share of $
Agency and GSE portfolios and MBS	1,064,242	49.3%	1,002,469	49.0%	61,773	6.2%	55.6%
Bank and Thrift	628,892	29.2%	611,224	29.9%	17,668	2.9%	15.9%
Life insurance companies	254,505	11.8%	226,202	11.1%	28,303	12.5%	25.5%
State and local government	91,654	4.2%	89,116	4.4%	2,538	2.8%	2.3%
CMBS, CDO and other ABS issues	68,061	3.2%	66,710	3.3%	1,351	2.0%	1.2%
Nonfarm noncorporate business	19,378	0.9%	18,906	0.9%	472	2.5%	0.4%
Finance companies	12,091	0.6%	12,329	0.6%	-238	-1.9%	-0.2%
Federal government	9,959	0.5%	10,318	0.5%	-359	-3.5%	-0.3%
REITs	4,617	0.2%	4,599	0.2%	18	0.4%	0.0%
Private pension funds	1,169	0.1%	1,588	0.1%	-419	-26.4%	-0.4%
State and local government retirement	1,318	0.1%	1,400	0.1%	-82	-5.9%	-0.1%
Nonfinancial corporate business	1,234	0.1%	1,211	0.1%	23	1.9%	0.0%
TOTAL	**2,157,120**		**2,046,072**		**111,048**	**5.4%**	

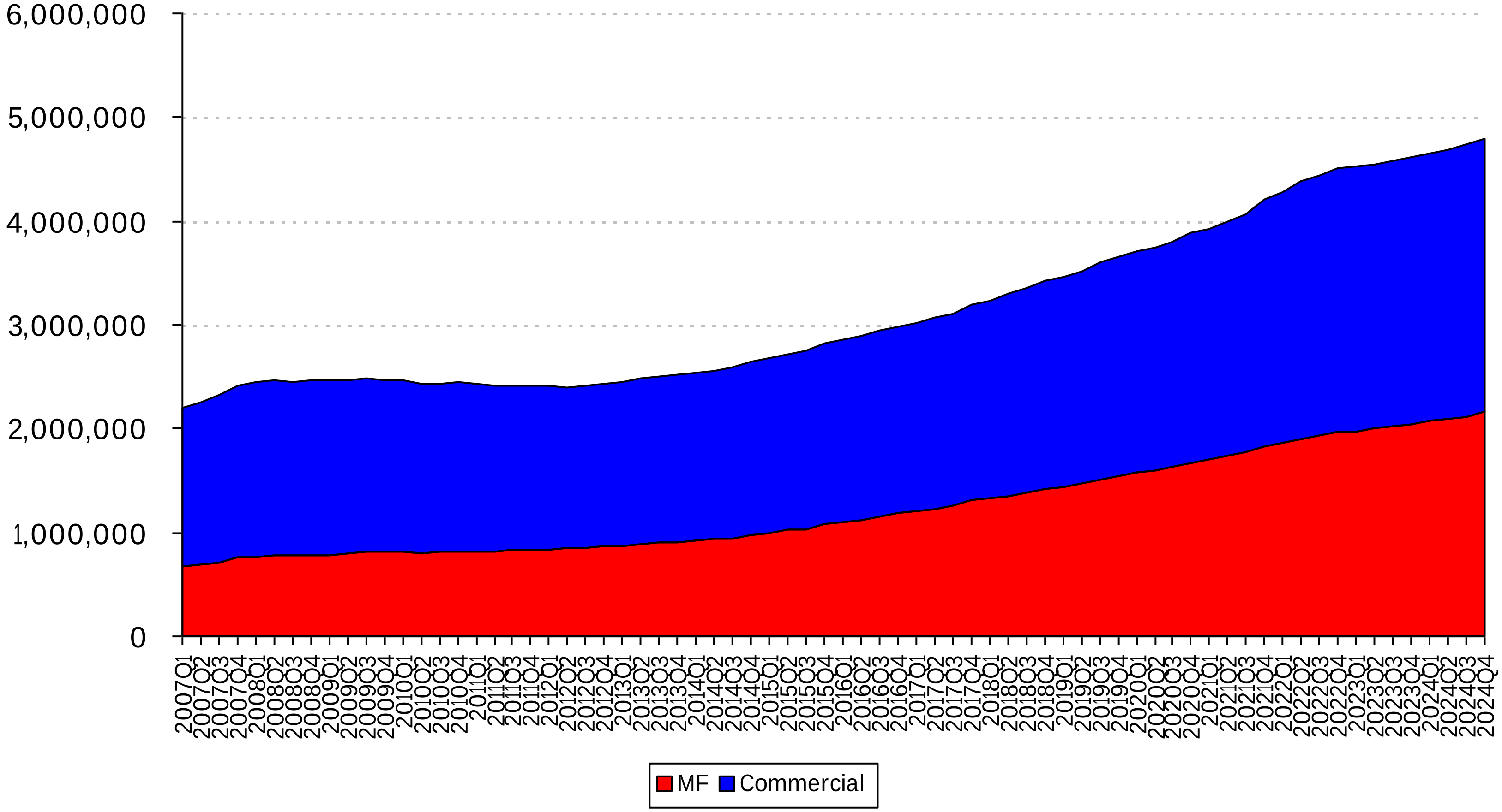
Source: MBA, Federal Reserve Board of Governors, Trepp LLC, and FDIC

Note: Beginning with the Q2 2014 release, MBA's analysis of mortgage debt outstanding modifies the data from the Federal Reserve's Financial Accounts of the United States with respect to loans held in commercial mortgage-backed securities (CMBS) and by real estate investment trusts (REITs). The corrections create differences with previous releases and with the Federal Reserve data. For more information, please see the Appendix to this report.

COMMERCIAL AND MULTIFAMILY MORTGAGE DEBT OUTSTANDING

Total Commercial and Multifamily Mortgage Debt Outstanding, by Quarter

($millions)



Source: MBA, Federal Reserve Board of Governors, Trepp LLC, and FDIC

QUARTERLY COMMERCIAL AND MULTIFAMILY MORTGAGE DEBT OUTSTANDING

Commercial and Multifamily Mortgage Debt Outstanding, by Sector

	Mortgage Debt Outstanding				Change		Sector Share of $ Change
	2024 Q4		2024 Q3				
	($millions)	% of total	($millions)	% of total	($millions)	Percent	
Bank and Thrift	1,800,592	37.6%	1,805,044	38.1%	-4,452	-0.2%	-8.8%
Agency and GSE portfolios and MBS	1,064,242	22.2%	1,033,055	21.8%	31,187	3.0%	61.5%
Life insurance companies	779,212	16.3%	756,530	16.0%	22,682	3.0%	44.7%
CMBS, CDO and other ABS issues	625,523	13.1%	619,080	13.1%	6,443	1.0%	12.7%
State and local government	109,985	2.3%	111,925	2.4%	-1,940	-1.7%	-3.8%
Nonfinancial corporate business	107,186	2.2%	107,864	2.3%	-678	-0.6%	-1.3%
Federal government	100,331	2.1%	99,123	2.1%	1,208	1.2%	2.4%
REITs	85,831	1.8%	87,924	1.9%	-2,093	-2.4%	-4.1%
Nonfarm noncorporate business	34,820	0.7%	34,556	0.7%	264	0.8%	0.5%
Finance companies	34,348	0.7%	34,411	0.7%	-63	-0.2%	-0.1%
Other insurance companies	32,477	0.7%	33,098	0.7%	-621	-1.9%	-1.2%
Private pension funds	10,769	0.2%	11,873	0.3%	-1,104	-9.3%	-2.2%
State and local government retirement funds	2,812	0.1%	2,940	0.1%	-128	-4.4%	-0.3%
Household sector	1,529	0.0%	1,525	0.0%	4	0.3%	0.0%
TOTAL	**4,789,657**		**4,738,948**		**50,709**	**1.1%**	

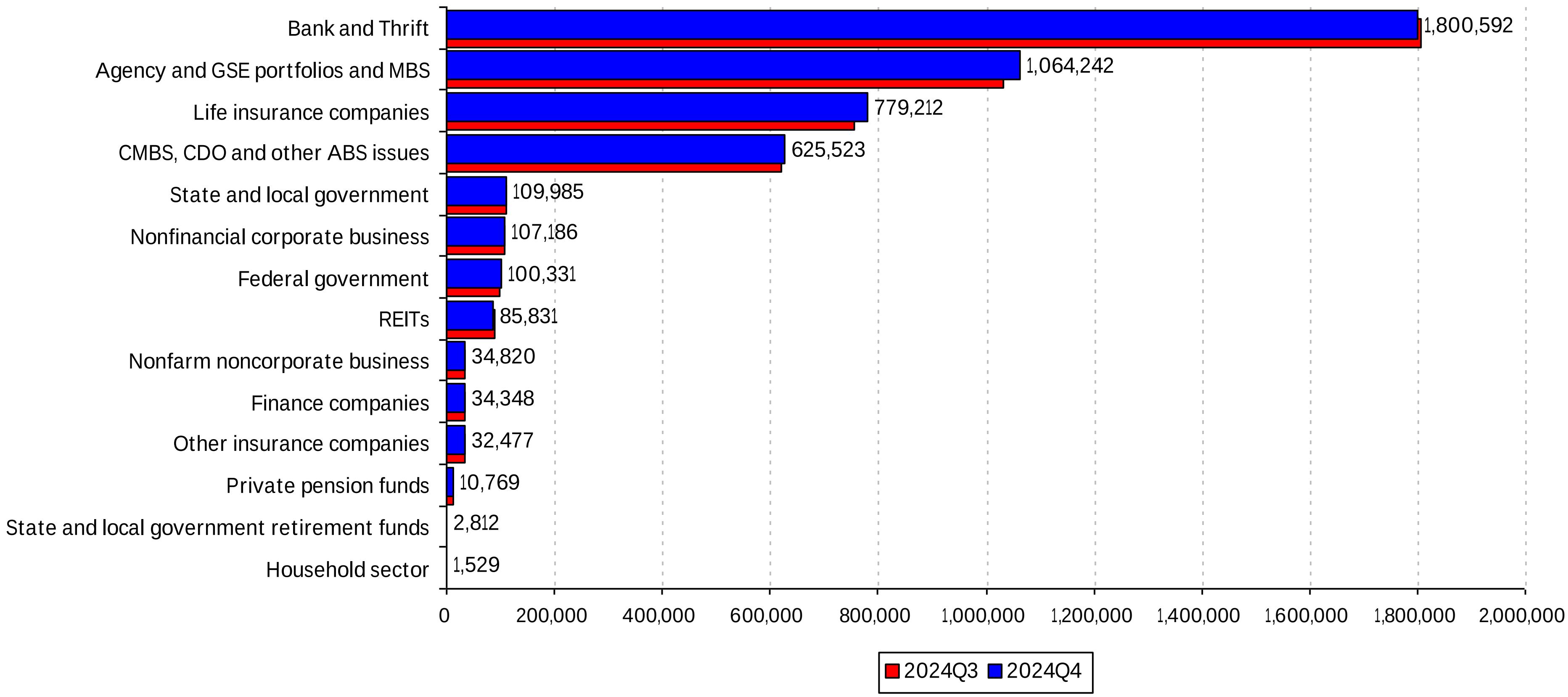
Source: MBA, Federal Reserve Board of Governors, Trepp LLC, and FDIC

Note: Beginning with the Q2 2014 release, MBA's analysis of mortgage debt outstanding modifies the data from the Federal Reserve's Financial Accounts of the United States with respect to loans held in commercial mortgage-backed securities (CMBS) and by real estate investment trusts (REITs). The corrections create differences with previous releases and with the Federal Reserve data. For more information, please see the Appendix to this report.

COMMERCIAL AND MULTIFAMILY MORTGAGE DEBT OUTSTANDING

Total Commercial and Multifamily Mortgage Debt Outstanding, by Sector

($millions)

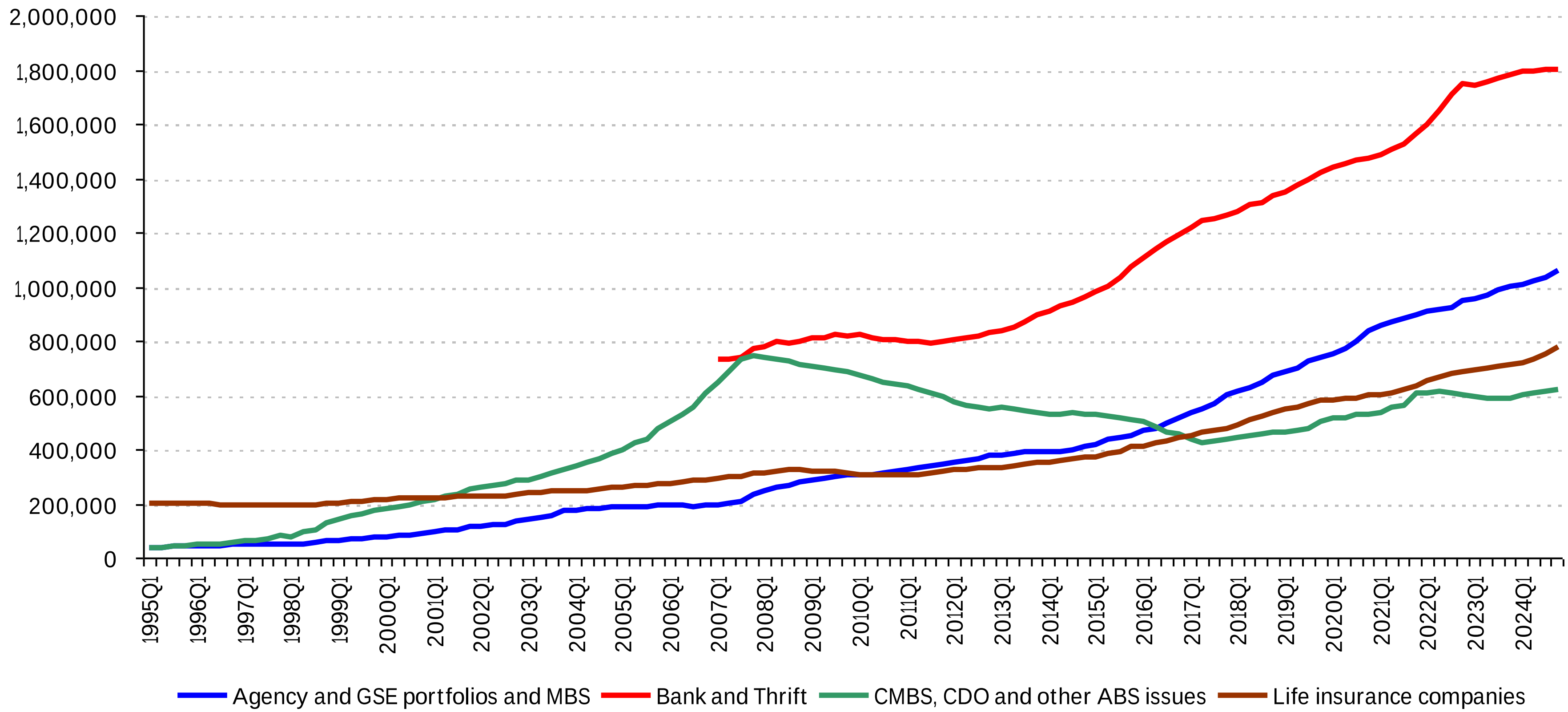


Source: MBA, Federal Reserve Board of Governors, Trepp LLC, and FDIC

COMMERCIAL AND MULTIFAMILY MORTGAGE DEBT OUTSTANDING

Total Commercial and Multifamily Mortgage Debt Outstanding, by Selected Sector by Quarter

($millions)

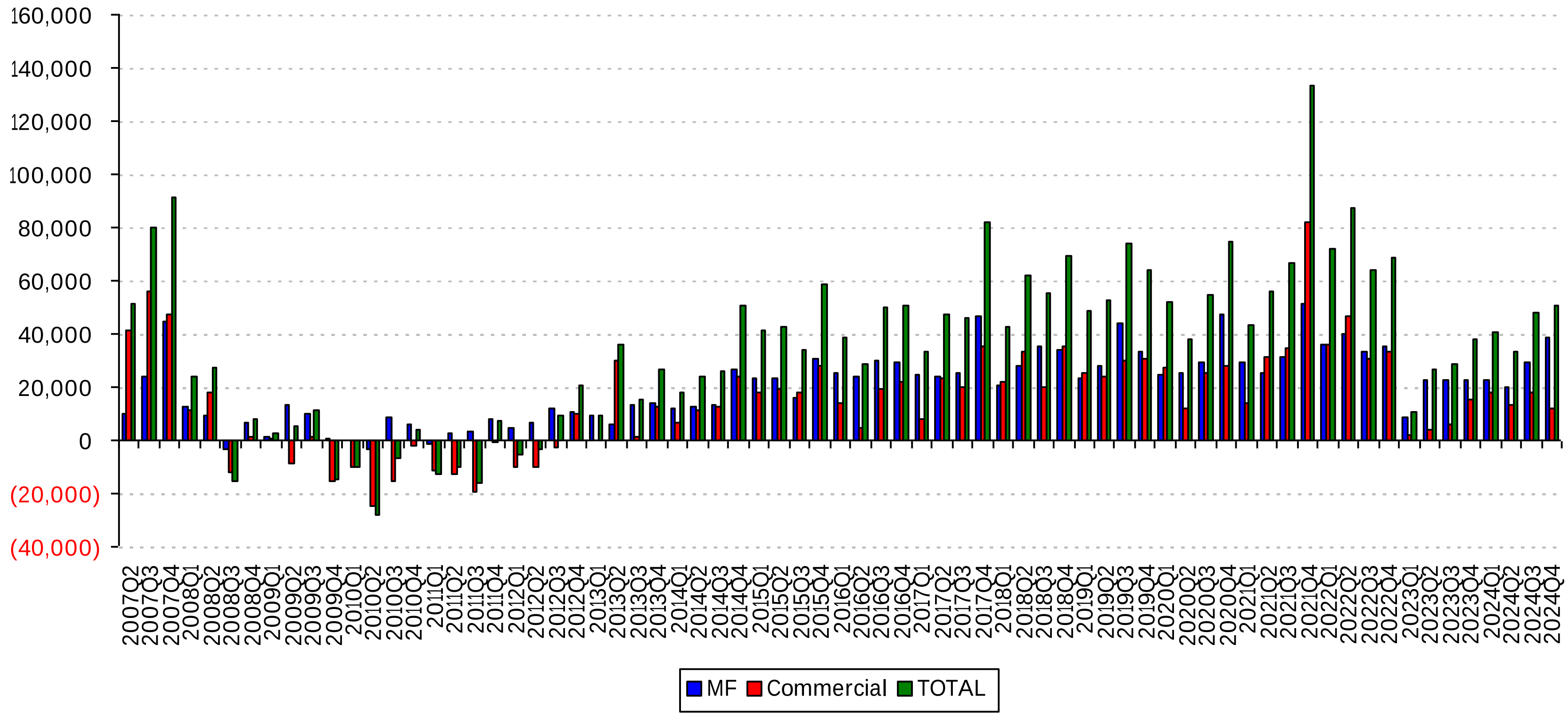


Source: MBA, Federal Reserve Board of Governors, Trepp LLC, and FDIC

COMMERCIAL AND MULTIFAMILY MORTGAGE FLOWS

Net Change in Commercial and Multifamily Mortgage Debt Outstanding, by Quarter

($millions)

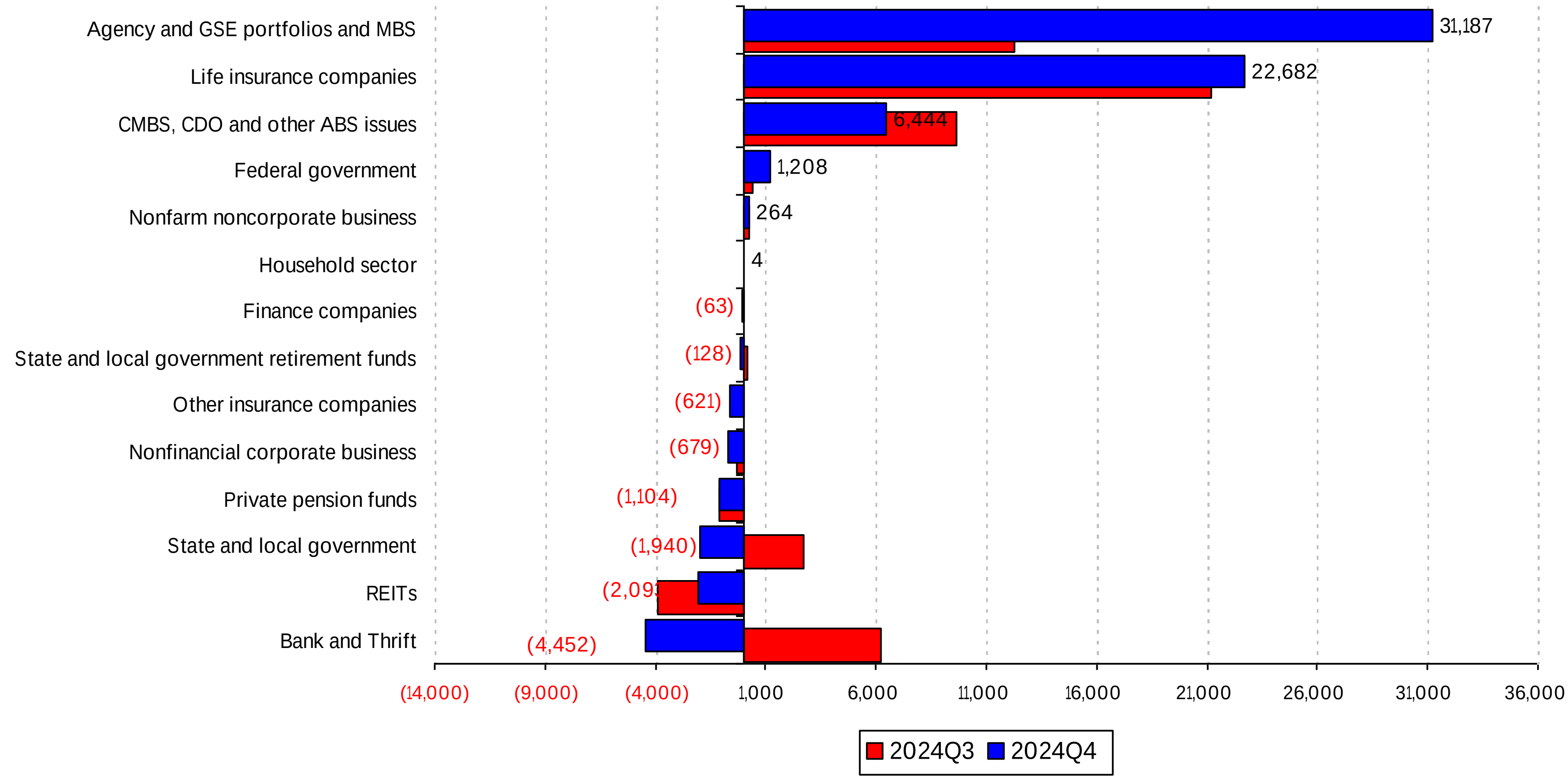


Source: MBA, Federal Reserve Board of Governors, Trepp LLC, and FDIC

COMMERCIAL AND MULTIFAMILY MORTGAGE FLOWS

Net Change in Commercial and Multifamily Mortgage Debt Outstanding, by Sector

($millions)



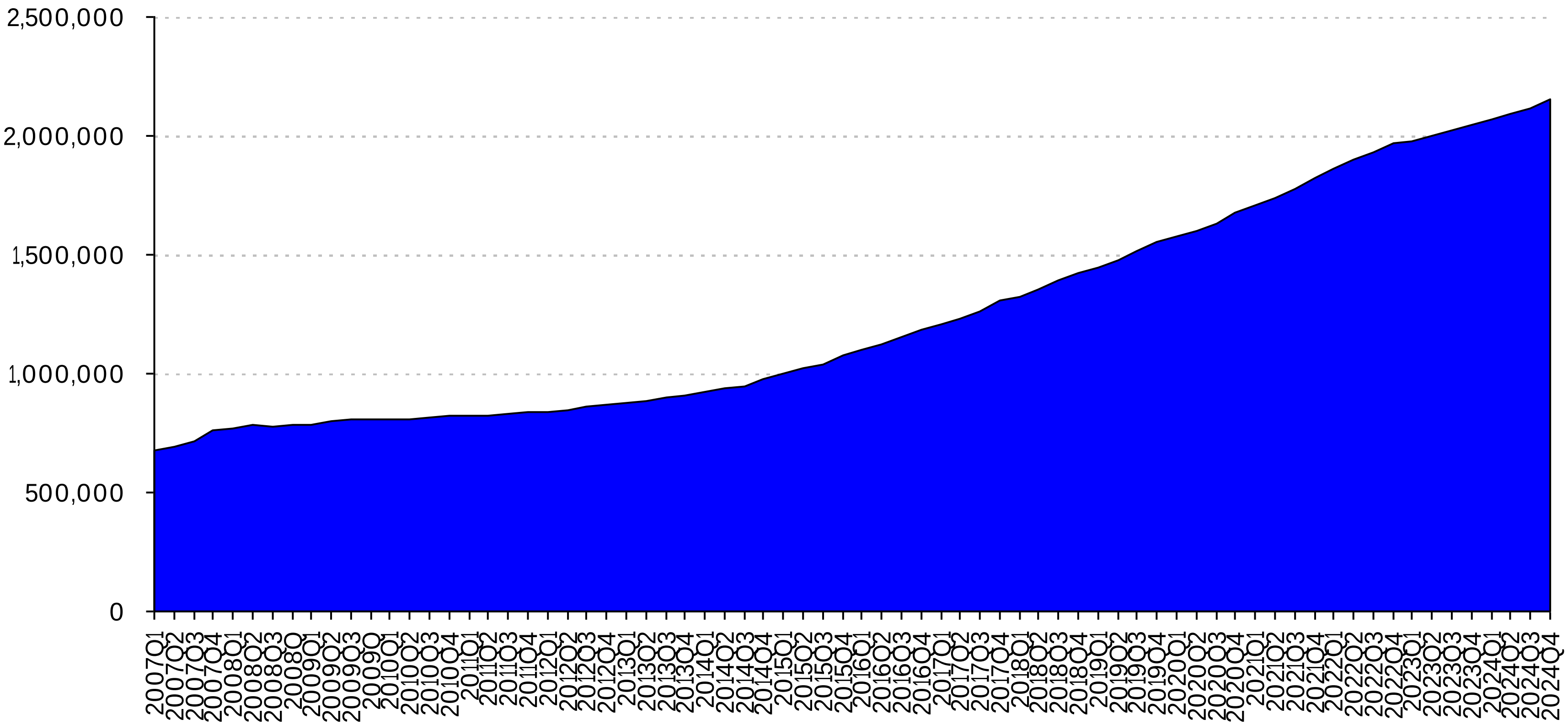
Source: MBA, Federal Reserve Board of Governors, Trepp LLC, and FDIC

MULTIFAMILY MORTGAGE DEBT OUTSTANDING

MULTIFAMILY MORTGAGE DEBT OUTSTANDING

Total Multifamily Mortgage Debt Outstanding, by Quarter

($millions)



Source: MBA, Federal Reserve Board of Governors, Trepp LLC, and FDIC

QUARTERLY MULTIFAMILY MORTGAGE DEBT OUTSTANDING

Multifamily Mortgage Debt Outstanding, by Sector

	Mortgage Debt Outstanding				Change		Sector Share of $ Change
	2024 Q4		2024 Q3				
	($millions)	% of total	($millions)	% of total	($millions)	Percent	
Agency and GSE portfolios and MBS	1,064,242	49.3%	1,033,055	48.8%	31,187	3.0%	80.2%
Bank and Thrift	628,892	29.2%	629,729	29.7%	-837	-0.1%	-2.2%
Life insurance companies	254,505	11.8%	244,345	11.5%	10,160	4.2%	26.1%
State and local government	91,654	4.2%	93,271	4.4%	-1,617	-1.7%	-4.2%
CMBS, CDO and other ABS issues	68,061	3.2%	67,779	3.2%	282	0.4%	0.7%
Nonfarm noncorporate business	19,378	0.9%	19,231	0.9%	147	0.8%	0.4%
Finance companies	12,091	0.6%	12,312	0.6%	-221	-1.8%	-0.6%
Federal government	9,959	0.5%	10,048	0.5%	-89	-0.9%	-0.2%
REITs	4,617	0.2%	4,435	0.2%	182	4.1%	0.5%
State and local government retirement funds	1,318	0.1%	1,378	0.1%	-60	-4.4%	-0.2%
Nonfinancial corporate business	1,234	0.1%	1,349	0.1%	-115	-8.5%	-0.3%
Private pension funds	1,169	0.1%	1,312	0.1%	-143	-10.9%	-0.4%
TOTAL	**2,157,120**		**2,118,244**		**38,876**	**1.8%**	

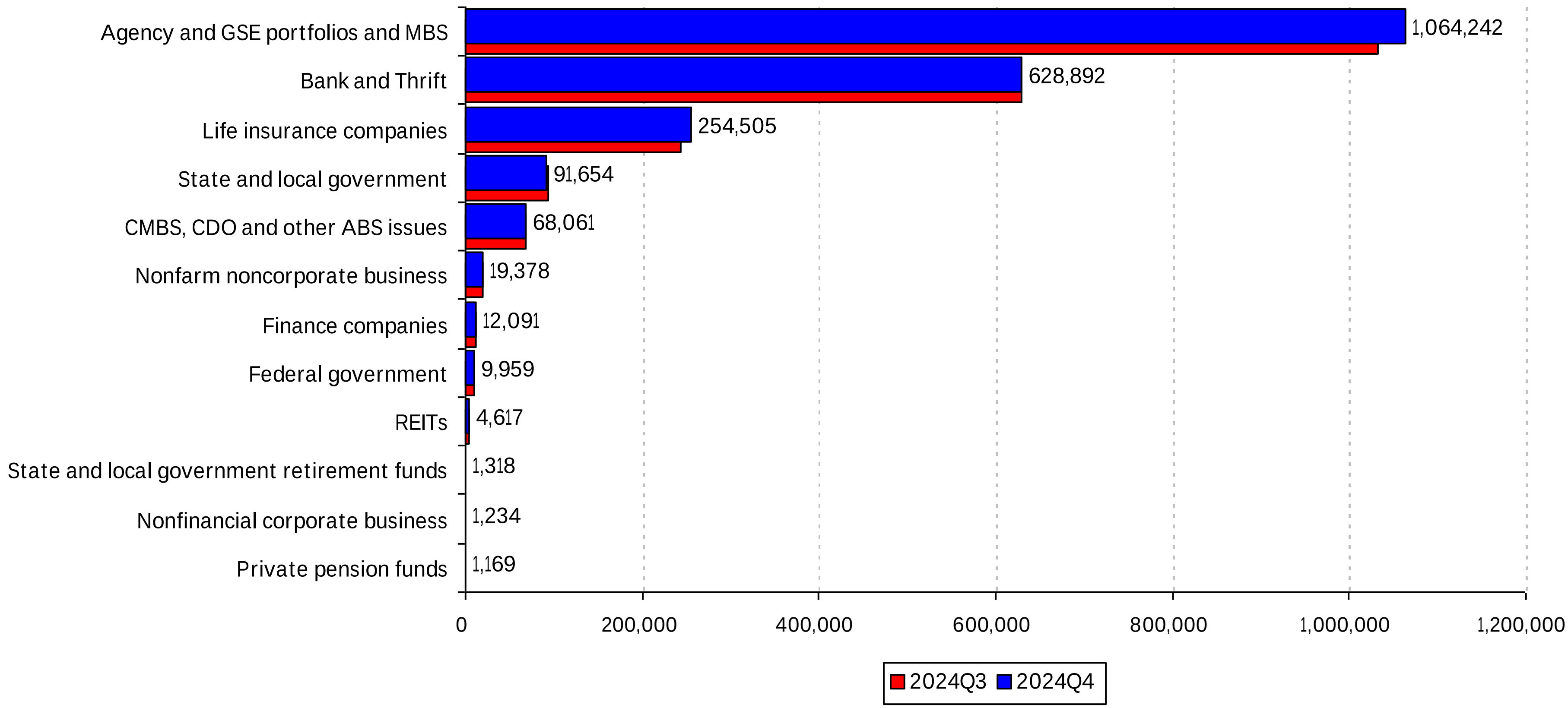
Source: MBA, Federal Reserve Board of Governors, Trepp LLC, and FDIC

Note: Beginning with the Q2 2014 release, MBA's analysis of mortgage debt outstanding modifies the data from the Federal Reserve's Financial Accounts of the United States with respect to loans held in commercial mortgage-backed securities (CMBS) and by real estate investment trusts (REITs). The corrections create differences with previous releases and with the Federal Reserve data. For more information, please see the Appendix to this report.

MULTIFAMILY MORTGAGE DEBT OUTSTANDING

Total Multifamily Mortgage Debt Outstanding, by Sector

($millions)

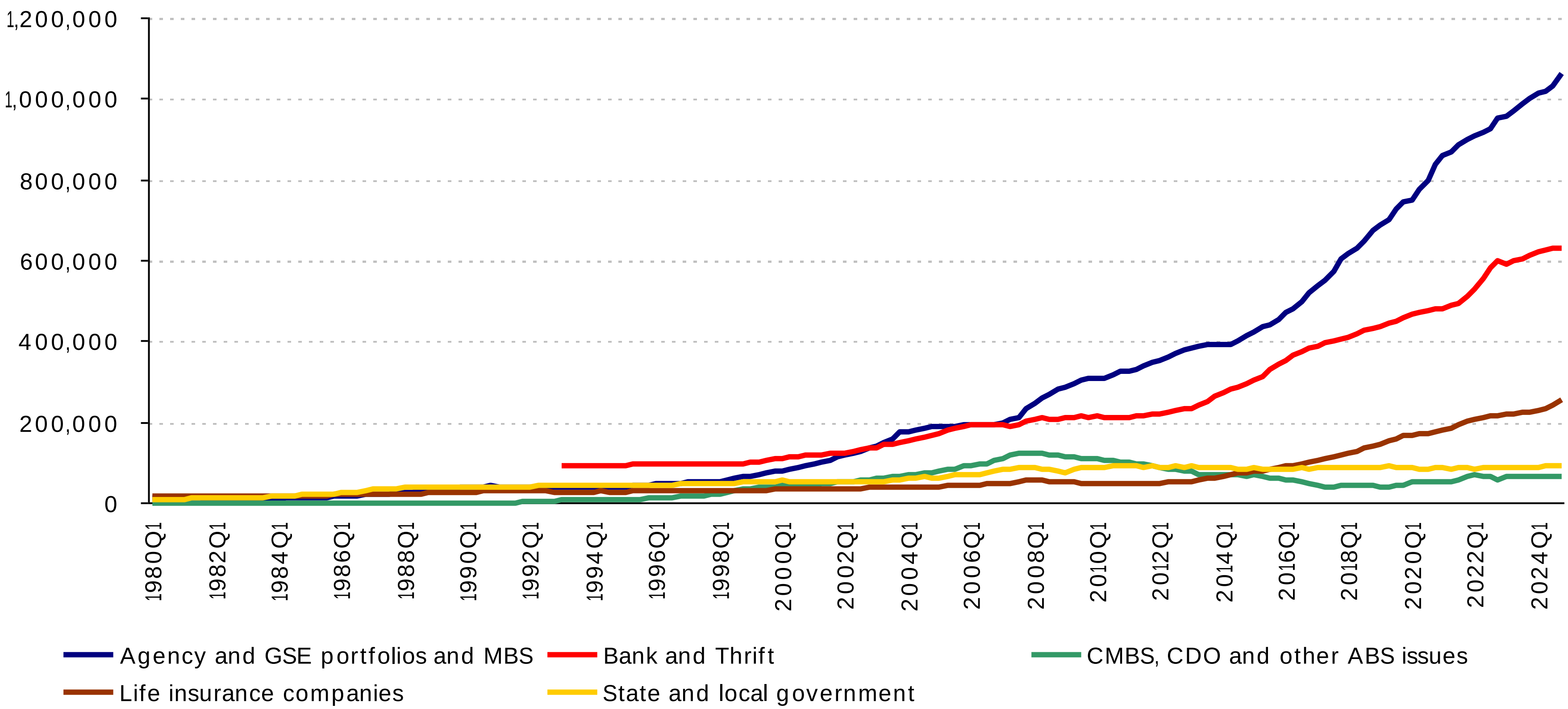


Source: MBA, Federal Reserve Board of Governors, Trepp LLC, and FDIC

MULTIFAMILY MORTGAGE DEBT OUTSTANDING

Total Multifamily Mortgage Debt Outstanding, by Selected Sector by Quarter

($millions)

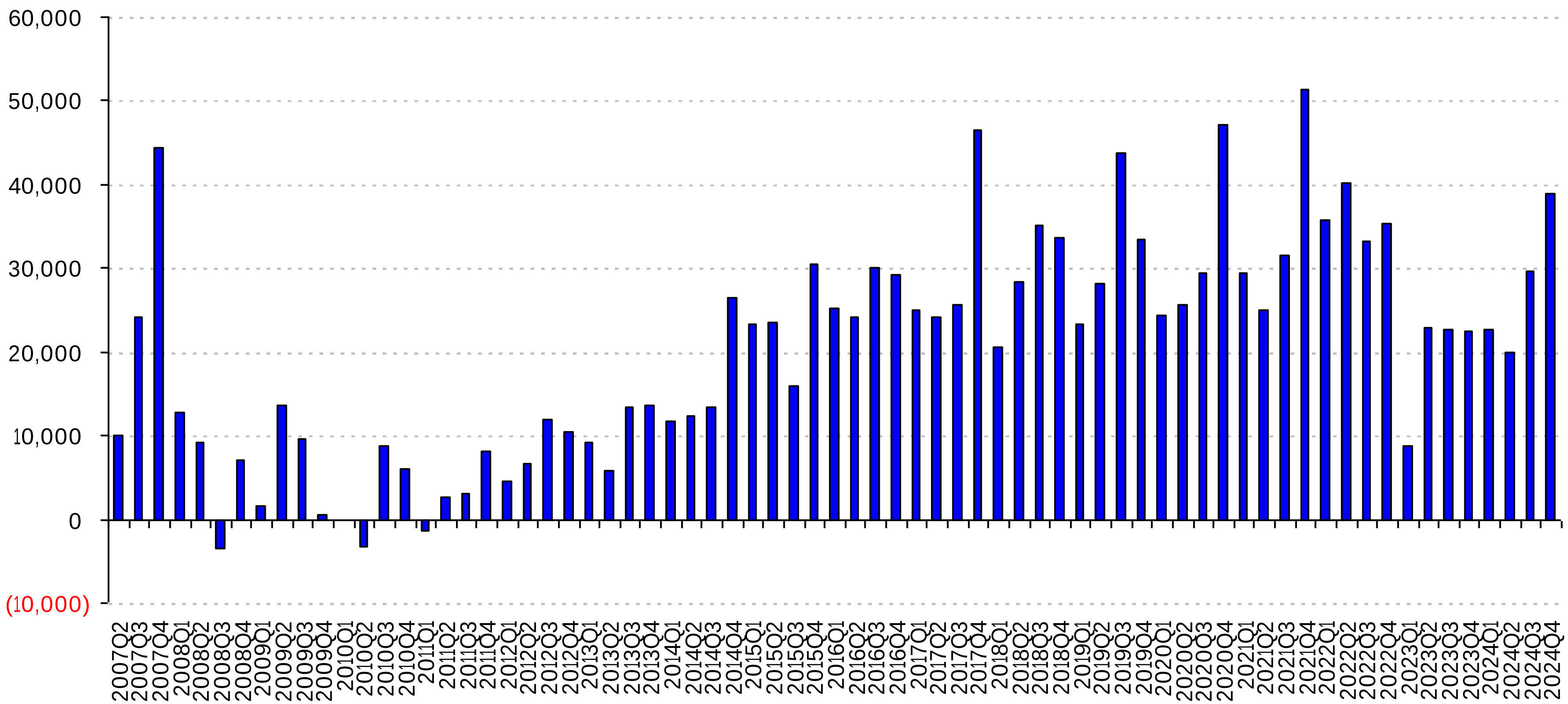


Source: MBA, Federal Reserve Board of Governors, Trepp LLC, and FDIC

MULTIFAMILY MORTGAGE FLOWS

Net Change in Multifamily Mortgage Debt Outstanding, by Quarter

($millions)

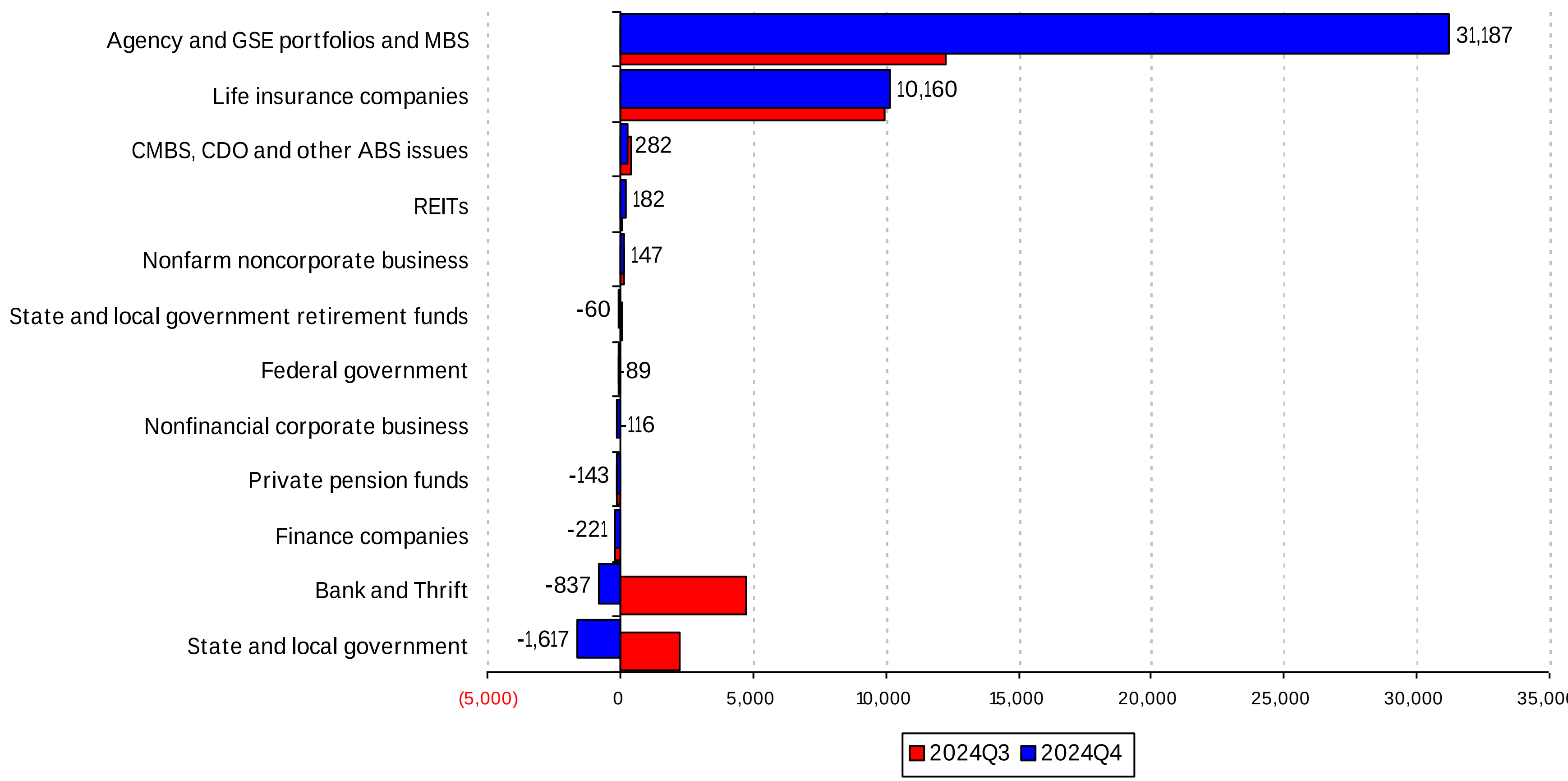


Source: MBA, Federal Reserve Board of Governors, Trepp LLC, and FDIC

MULTIFAMILY MORTGAGE FLOWS

Net Change in Multifamily Mortgage Debt Outstanding, by Sector

($millions)



Source: MBA, Federal Reserve Board of Governors, Trepp LLC, and FDIC

APPENDIX A

MBA's analysis is based on data from the Federal Reserve Board's *Financial Accounts of the United States*, the Federal Deposit Insurance Corporation's *Quarterly Banking Profile* and data fromTrepp LLC.

Bank Holdings

MBA's analysis of commercial and multifamily mortgage debt outstanding was changed in the fourth quarter of 2010 to exclude two categories of loans that had previously been included;

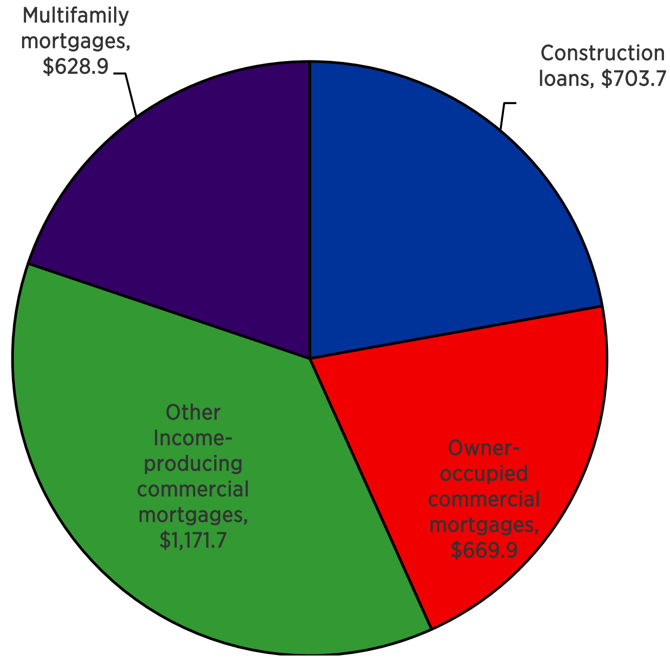
a. loans for acquisition, development and construction and
b. loans collateralized by owner-occupied commercial properties.

By excluding these loan types, MBA's analysis more accurately reflects the balance of loans supported by office buildings, retail centers, apartment buildings and other income-producing properties that rely on rents and leases to make their payments.

For the fourth quarter 2024, the Federal Reserve Board's Flow of Funds Accounts data attributed $3.2 trillion of outstanding commercial and multifamily mortgages to banks and thrifts. Comparing this number to the FDIC's Quarterly Banking Profile for the same period, one sees that banks and thrifts held $629 billion of multifamily mortgages and $1.8 trillion of non-farm nonresidential mortgages, of which 64 percent or $1.2 trillion were income-producing. The combined $1.8 trillion of mortgages backed by multifamily and other income-producing properties is included in this analysis. The $3.2 trillion total reported by the Federal Reserve also includes $670 billion of loans collateralized by owner-occupied commercial properties and another $704 billion of loans backed by acquisition, development and construction projects (including those for single-family development), which are excluded in from this analysis.

Estimated Components of Federal Reserve's Flow of Funds "Commercial and Multifamily Mortgages" Held by Banks and Thrifts

($Billions)



Source: MBA, Federal Reserve Board of Governors, and FDIC

Commercial/Multifamily Mortgage Delinquencies

Delinquency Rates for Commercial Properties Increased in Fourth-Quarter 2024

January 28, 2025

Delinquency rates for mortgages backed by commercial properties increased during the fourth quarter of 2024. This is according to the Mortgage Bankers Association's (MBA) latest commercial real estate finance (CREF) Loan Performance Survey.

"The delinquency rate for commercial mortgages increased during the final three months of 2024, with increases across most capital sources and property types," said Mike Fratantoni, MBA's SVP and Chief Economist. "The challenges facing different sectors vary – with office properties perhaps facing the most challenging combination of weaker fundamentals and stubbornly high interest rates. However, despite the current conditions, other property types continue to benefit from a relatively strong economy."

The balance of commercial mortgages that are not current increased slightly in the Fourth Quarter of 2024.

- The share of loans that were delinquent increased for some property types, particularly office, lodging, retail, and multifamily, and decreased for industrial properties.
- Among capital sources, CMBS loan delinquency rates saw the highest levels but were flat during the quarter.
- 5.3% of CMBS loan balances were 30 days or more delinquent, up from 4.8% at the end of last quarter.

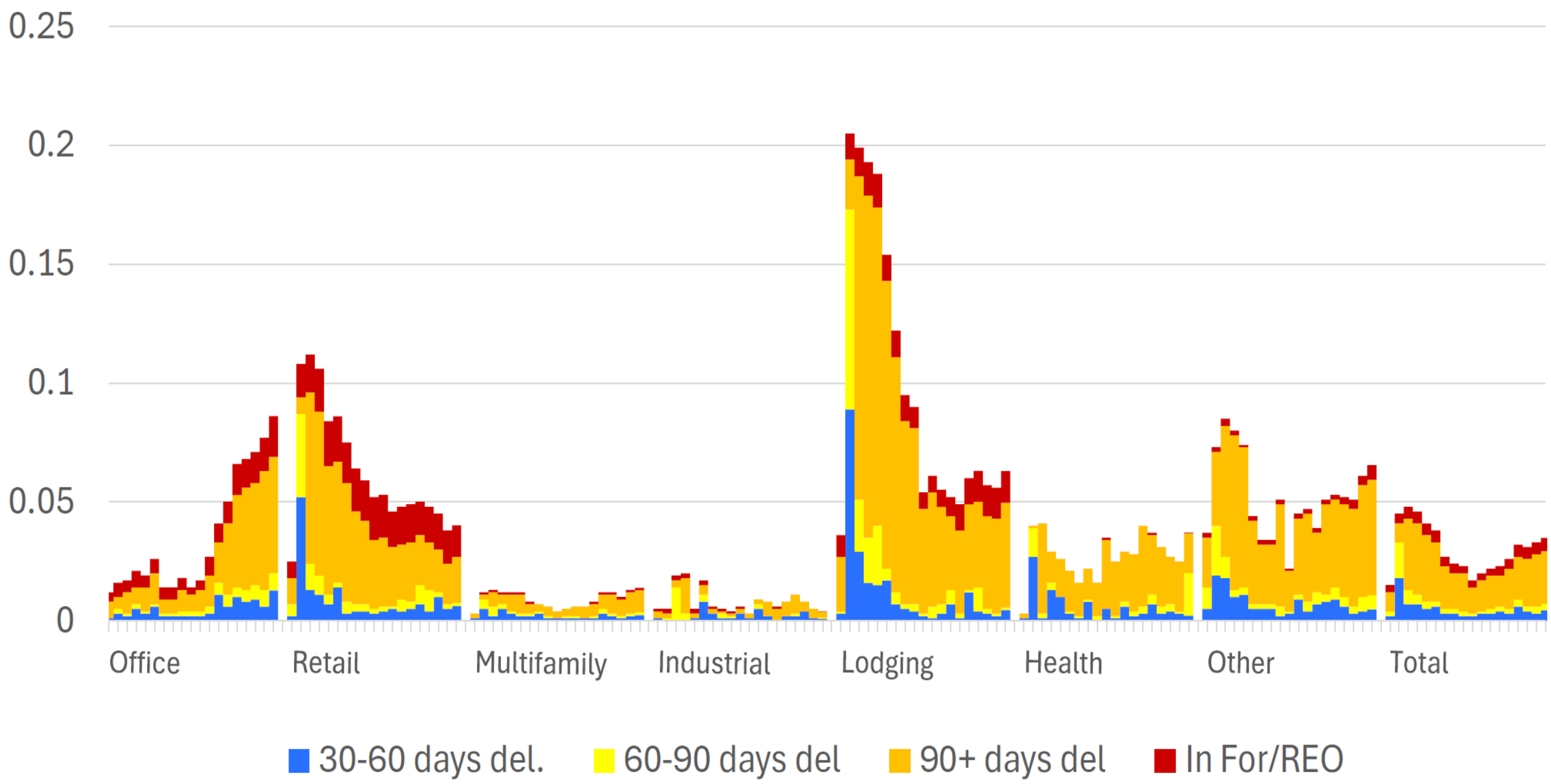
Non-current rates for other capital sources remained more moderate.

- 1.0% of FHA multifamily and health care loan balances were 30 days or more delinquent, up from 0.87% at the end of last quarter.
- 0.86% of life company loan balances were delinquent, down from 0.94%.
- 0.6% of GSE loan balances were delinquent, up from 0.5% the previous quarter.

MBA's CREF Loan Performance survey collected information on commercial and multifamily mortgage portfolios as of September 30, 2024. This quarter's results build on similar surveys conducted since April 2020. Participants reported on $2.6 trillion of loans in September 2024, representing 56 percent of the total $4.7 trillion in commercial and multifamily mortgage debt outstanding (MDO).

For more information on MBA's CREF Loan Performance Survey, please visit: www.mba.org/store/products/research/general/report/commercial-real-estate-finance-loan-performance-survey.

End-of-quarter Delinquency Status, by Property Type, Share of Total Unpaid Principal Balance, Apr 2020 – Dec 2024 (Note: no data for Q2 2022)



Commercial/Multifamily Mortgage Delinquencies

Commercial and Multifamily Mortgage Delinquency Rates Increased in Fourth-Quarter 2024
March 20, 2025

Commercial mortgage delinquencies increased in the fourth quarter of 2024, according to the Mortgage Bankers Association's (MBA) latest Commercial Delinquency Report.

"Commercial mortgage delinquency rates increased in the fourth quarter of 2024, with the exception of life company loans, which showed a slight decrease," said MBA Senior Vice President and Chief Economist Mike Fratantoni. "Even with certain market challenges such as low occupancy rates and the uncertain impact of return-to-office mandates in the office market, and oversupply in the multifamily property market, delinquency rates remain relatively low from a historical perspective."

Added Fratantoni, "MBA estimates that almost a trillion dollars' worth of loans are maturing in 2025, and these maturities, coupled with more challenging economic conditions and rangebound interest rates, may result in some further increases in delinquencies if borrowers cannot successfully refinance these loans."

MBA's quarterly analysis looks at commercial delinquency rates for five of the largest investor-groups: commercial banks and thrifts, commercial mortgage-backed securities (CMBS), life insurance companies, and Fannie Mae and Freddie Mac. Together, these groups hold more than 80 percent of commercial mortgage debt outstanding. MBA's analysis incorporates the measures used by each individual investor group to track the performance of their loans. Because each investor group tracks delinquencies in its own way, delinquency rates are not comparable from one group to another. As an example, Fannie Mae reports loans receiving payment forbearance as delinquent, while Freddie Mac excludes those loans if the borrower is in compliance with the forbearance agreement.

Based on the unpaid principal balance (UPB) of loans, delinquency rates for each group at the end of the fourth quarter of 2024 were as follows:

- Banks and thrifts (90 or more days delinquent or in non-accrual): 1.26 percent, an increase of 0.02 percentage points from the third quarter of 2024;
- Life company portfolios (60 or more days delinquent): 0.43 percent, a decrease of 0.03 percentage points from the third quarter of 2024;
- Fannie Mae (60 or more days delinquent): 0.57 percent, an increase of 0.01 percentage points from the third quarter of 2024;
- Freddie Mac (60 or more days delinquent): 0.40 percent, an increase of 0.01 percentage points from the third quarter of 2024; and
- CMBS (30 or more days delinquent or in REO): 5.78 percent, an increase of 0.63 percentage points from the third quarter of 2024.

Construction and development loans are generally not included in the numbers presented in this report but are included in many regulatory definitions of 'commercial real estate' despite the fact they are often backed by single-family residential development projects rather than by office buildings, apartment buildings, shopping centers, or other income-producing properties. The FDIC delinquency rates for bank and thrift held mortgages reported here do include loans backed by owner-occupied commercial properties. Differences between the delinquencies measures are detailed in Appendix A.

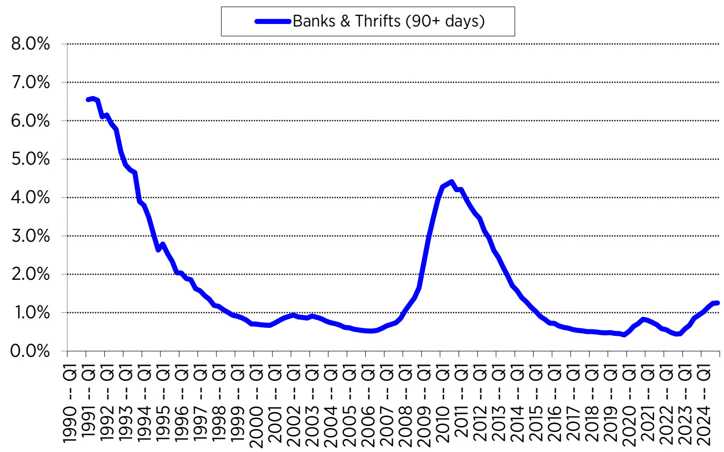
To download current report go to: https://www.mba.org/news-and-research/research-and-economics/commercial-multifamily-research/commercial-multifamily-mortgage-delinquency-rates.

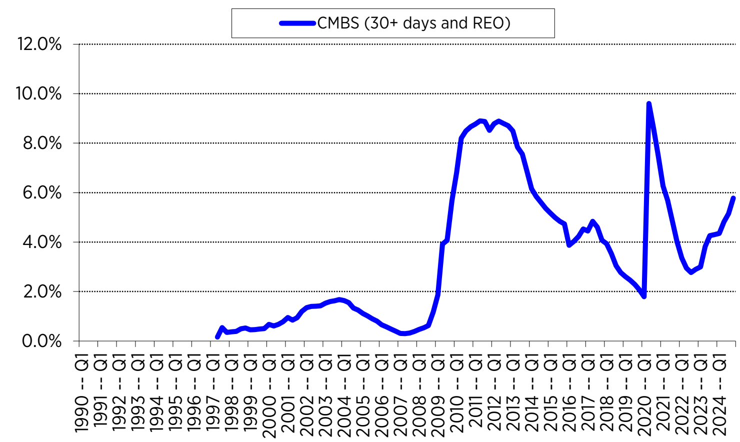
In addition to this report, MBA works with its servicer members to develop the CREF Loan Performance Survey each quarter, which highlights delinquency rates by property type. For more information on the most recent results and the historical series go to: https://www.mba.org/home/product/commercial-multifamily-loan-performance-survey-73258.

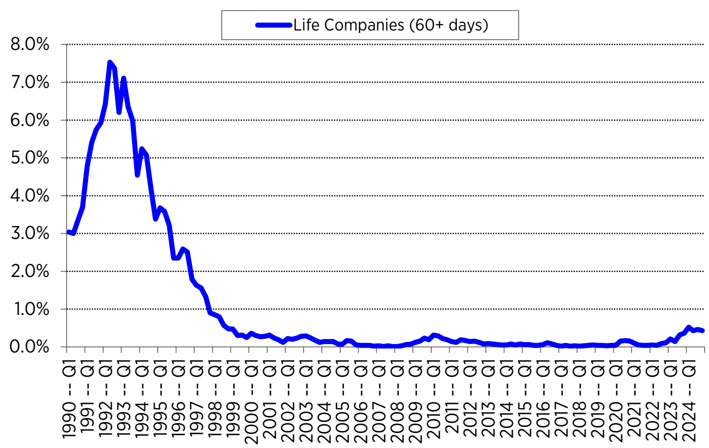
CHART 1. COMMERCIAL/MULTIFAMILY MORTGAGE DELINQUENCY RATES AMONG MAJOR INVESTOR GROUPS

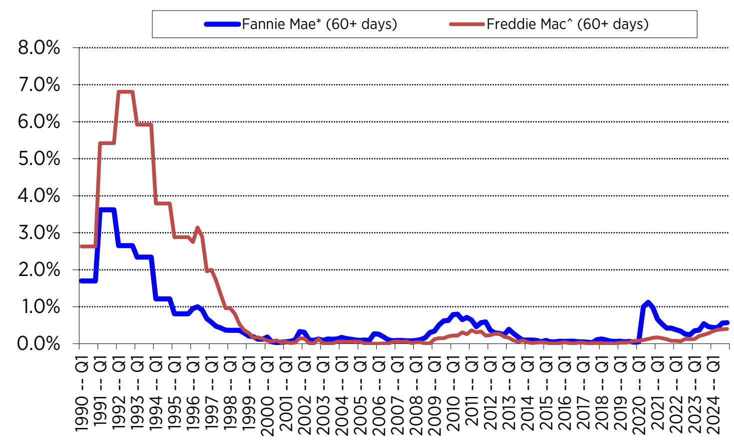
Selected delinquency rates at the end of the period

NOTE: Delinquency rates shown are NOT comparable between investor groups. These rates show how performance of loans for each investor groups has varied over time, but cannot be used to compare one investor group to another.







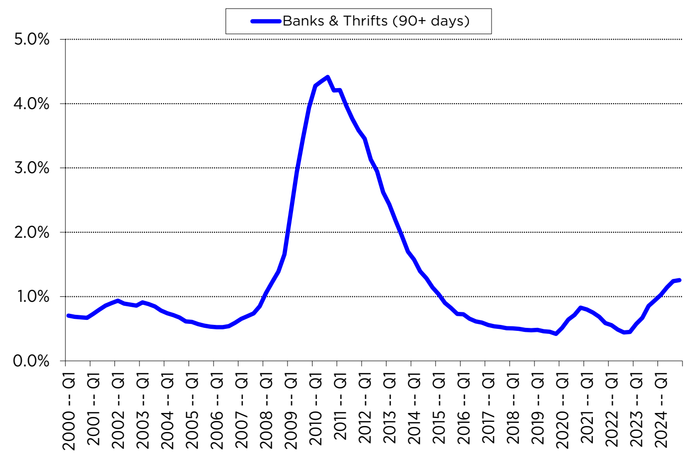


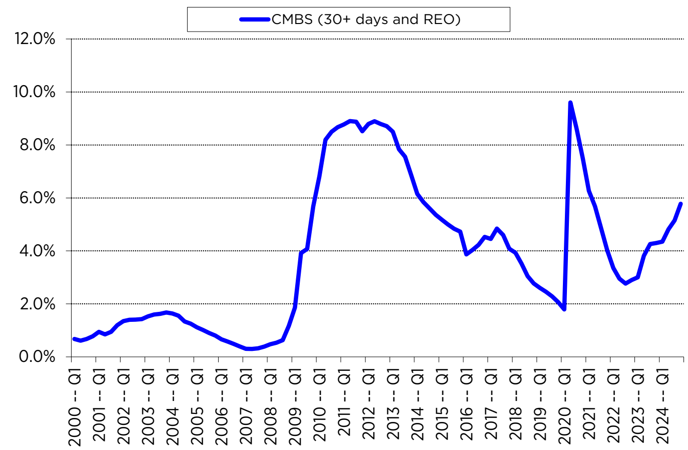
Sources: Trepp LLC, American Council of Life Insurers, Fannie Mae, Freddie Mac, OFHEO and Federal Deposit Insurance Corporation

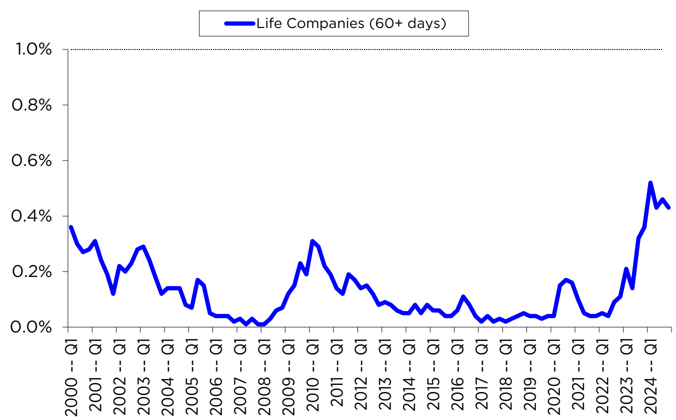
CHART 2. COMMERCIAL/MULTIFAMILY MORTGAGE DELINQUENCY RATES AMONG MAJOR INVESTOR GROUPS, 2000 - PRESENT

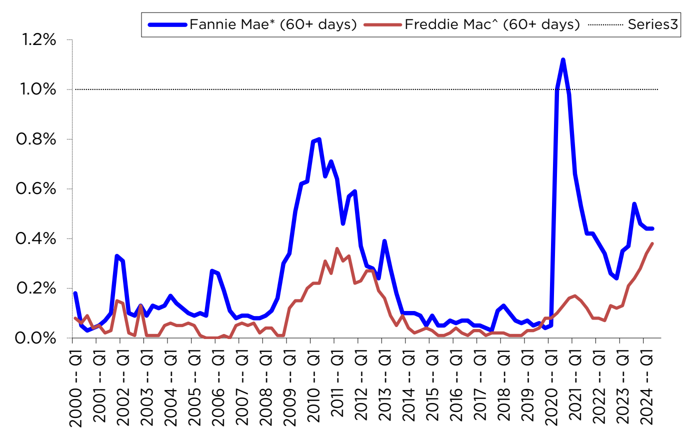
Selected delinquency rates at the end of the period

NOTE: Delinquency rates shown are NOT comparable between investor groups. These rates show how performance of loans for each investor groups has varied over time, but cannot be used to compare one investor group to another.





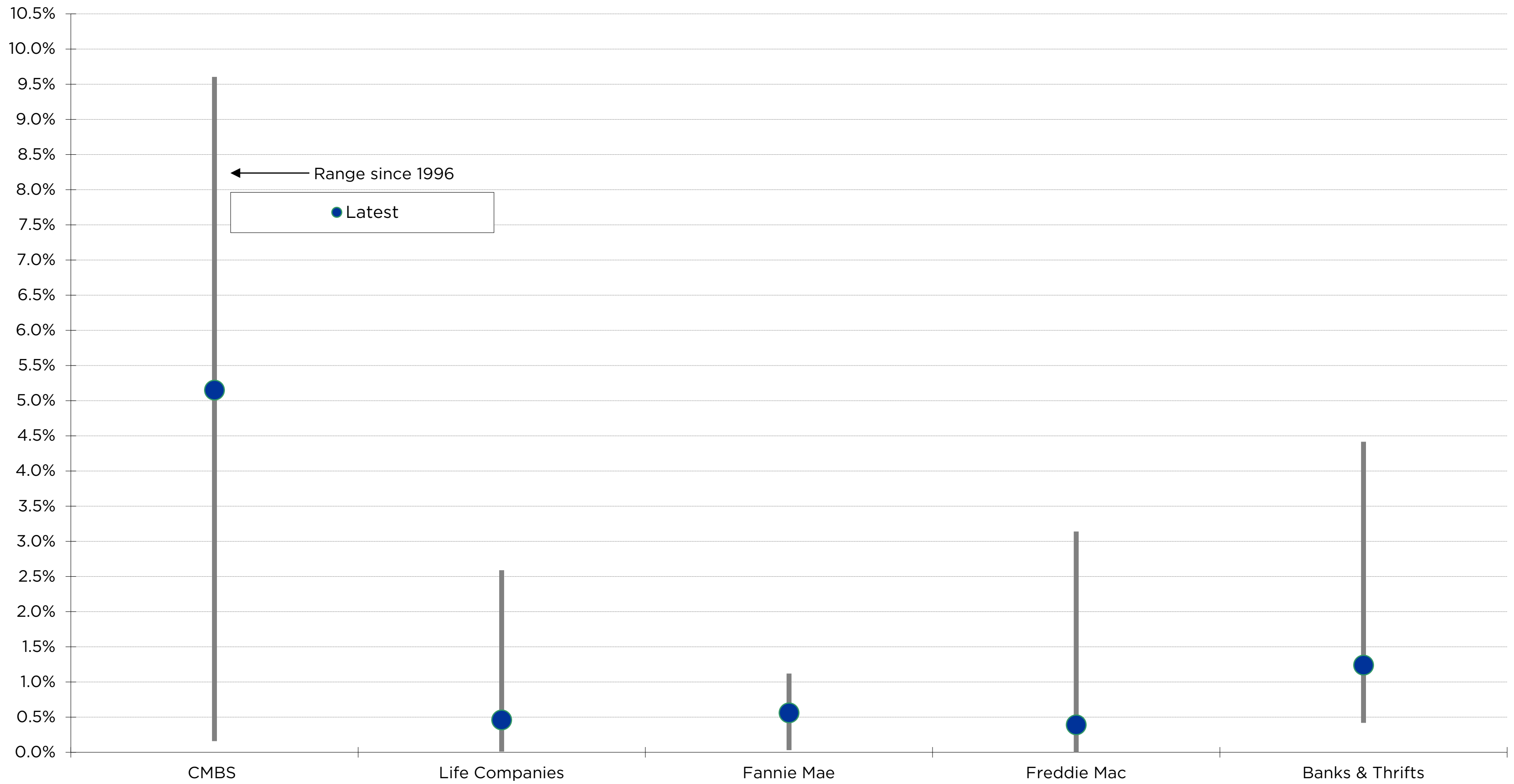




Sources: Trepp LLC, American Council of Life Insurers, Fannie Mae, Freddie Mac, OFHEO and Federal Deposit Insurance Corporation

CHART 3. Latest Delinquency Rates and Range Since 1996

NOTE: Delinquency rates shown are NOT comparable between investor groups. These rates show how performance of loans for each investor groups has varied over time, but cannot be used to compare one investor group to another.



Sources: Trepp LLC, American Council of Life Insurers, Fannie Mae, Freddie Mac, OFHEO and Fannie Mae, Freddie Mac, OFHEO and Federal Deposit Insurance Corporation

COMMERCIAL/MULTIFAMILY MORTGAGE DELINQUENCY RATES AMONG MAJOR INVESTOR GROUPS

Selected delinquency rates at the end of the period

NOTE: Delinquency rates shown are NOT comparable between investor groups. These rates show how performance of loans for each investor groups has varied over time, but cannot be used to compare one investor group to another.

	CMBS (30+ days and REO)	Life Companies (60+ days)	Fannie Mae (60+ days)	Freddie Mac (60+days)	Banks & Thrifts (90+ days)
Year-end					
2005 -- Q4	0.80%	0.05%	0.27%	0.00%	0.53%
2006 -- Q4	0.39%	0.02%	0.08%	0.05%	0.59%
2007 -- Q4	0.39%	0.01%	0.08%	0.02%	0.85%
2008 -- Q4	1.17%	0.07%	0.30%	0.01%	1.66%
2009 -- Q4	5.68%	0.19%	0.63%	0.20%	3.94%
2010 -- Q4	8.67%	0.19%	0.71%	0.26%	4.21%
2011 -- Q4	8.51%	0.17%	0.59%	0.22%	3.58%
2012 -- Q4	8.71%	0.08%	0.24%	0.19%	2.62%
2013 -- Q4	6.86%	0.05%	0.10%	0.09%	1.70%
2014 -- Q4	5.36%	0.08%	0.05%	0.04%	1.14%
2015 -- Q4	4.73%	0.04%	0.07%	0.02%	0.73%
2016 -- Q4	4.53%	0.04%	0.05%	0.03%	0.60%
2017 -- Q4	4.08%	0.03%	0.11%	0.02%	0.51%
2018 -- Q4	2.77%	0.05%	0.06%	0.01%	0.48%
2019 -- Q4	2.07%	0.04%	0.04%	0.08%	0.42%
2020 -- Q4	7.50%	0.16%	0.98%	0.16%	0.83%
2021 -- Q4	4.02%	0.04%	0.42%	0.08%	0.59%
2022 -- Q4	2.90%	0.11%	0.24%	0.12%	0.45%
2023 -- Q4	4.30%	0.36%	0.46%	0.28%	0.94%
2024 -- Q4	5.78%	0.43%	0.57%	0.40%	1.26%
Quarter-end					
2020 -- Q4	7.50%	0.16%	0.98%	0.16%	0.83%
2021 -- Q1	6.26%	0.10%	0.66%	0.17%	0.80%
2021 -- Q2	5.68%	0.05%	0.53%	0.15%	0.75%
2021 -- Q3	4.86%	0.04%	0.42%	0.12%	0.69%
2021 -- Q4	4.02%	0.04%	0.42%	0.08%	0.59%
2022 -- Q1	3.36%	0.05%	0.38%	0.08%	0.56%
2022 -- Q2	2.95%	0.04%	0.34%	0.07%	0.49%
2022 -- Q3	2.77%	0.09%	0.26%	0.13%	0.44%
2022 -- Q4	2.90%	0.11%	0.24%	0.12%	0.45%
2023 -- Q1	3.00%	0.21%	0.35%	0.13%	0.58%
2023 -- Q2	3.82%	0.14%	0.37%	0.21%	0.67%
2024 -- Q3	4.26%	0.32%	0.54%	0.24%	0.85%
2023 -- Q4	4.30%	0.36%	0.46%	0.28%	0.94%
2024 -- Q1	4.35%	0.52%	0.44%	0.34%	1.02%
2024 -- Q2	4.82%	0.43%	0.44%	0.38%	1.15%
2024 -- Q3	5.15%	0.46%	0.56%	0.39%	1.24%
2024 -- Q4	5.78%	0.43%	0.57%	0.40%	1.26%

Sources: Trepp LLC, American Council of Life Insurers, Fannie Mae, Freddie Mac, OFHEO and Federal Deposit Insurance Corporation.

Note: Differences between the delinquency measures are detailed in Appendix A.

APPENDIX A
SOURCES & MEASURES OF DELINQUENCIES

Commercial Mortgage-backed Securities (CMBS)
Source: Trepp LLC.
The delinquency rate for CMBS loans covers loans 30+ days delinquent, including those in foreclosure, and real estate owned (REO). The CMBS rate is the only one to include REO in either the numerator or the denominator.

Life Companies
Source: American Council of Life Insurers
The delinquency rate for life insurance company loans covers loans 60+ days delinquent, including those in foreclosure, and does not include real estate owned (REO) in either the numerator or the denominator.

Fannie Mae
Source: Fannie Mae Monthly Volume Summary and Office of Federal Housing Enterprise Oversight Annual Reports to Congress the delinquency rate for multifamily loans either held in portfolio or securitized and guaranteed by the company covers loans 60+ days delinquent, including those in foreclosure, and does not include real estate owned (REO) in either the numerator or the denominator. The company was unable to provide December delinquency figures for the years 2000 to 2004, so the fourth quarter numbers presented for those years are November, rather December, figures. In January 2011, Fannie Mae revised its 2010 monthly multifamily delinquency rates for all periods presented to exclude multifamily borrowers who have entered into a forbearance agreement and are abiding by the terms of the agreement, but had been previously included in the multifamily delinquency rates due to an error.

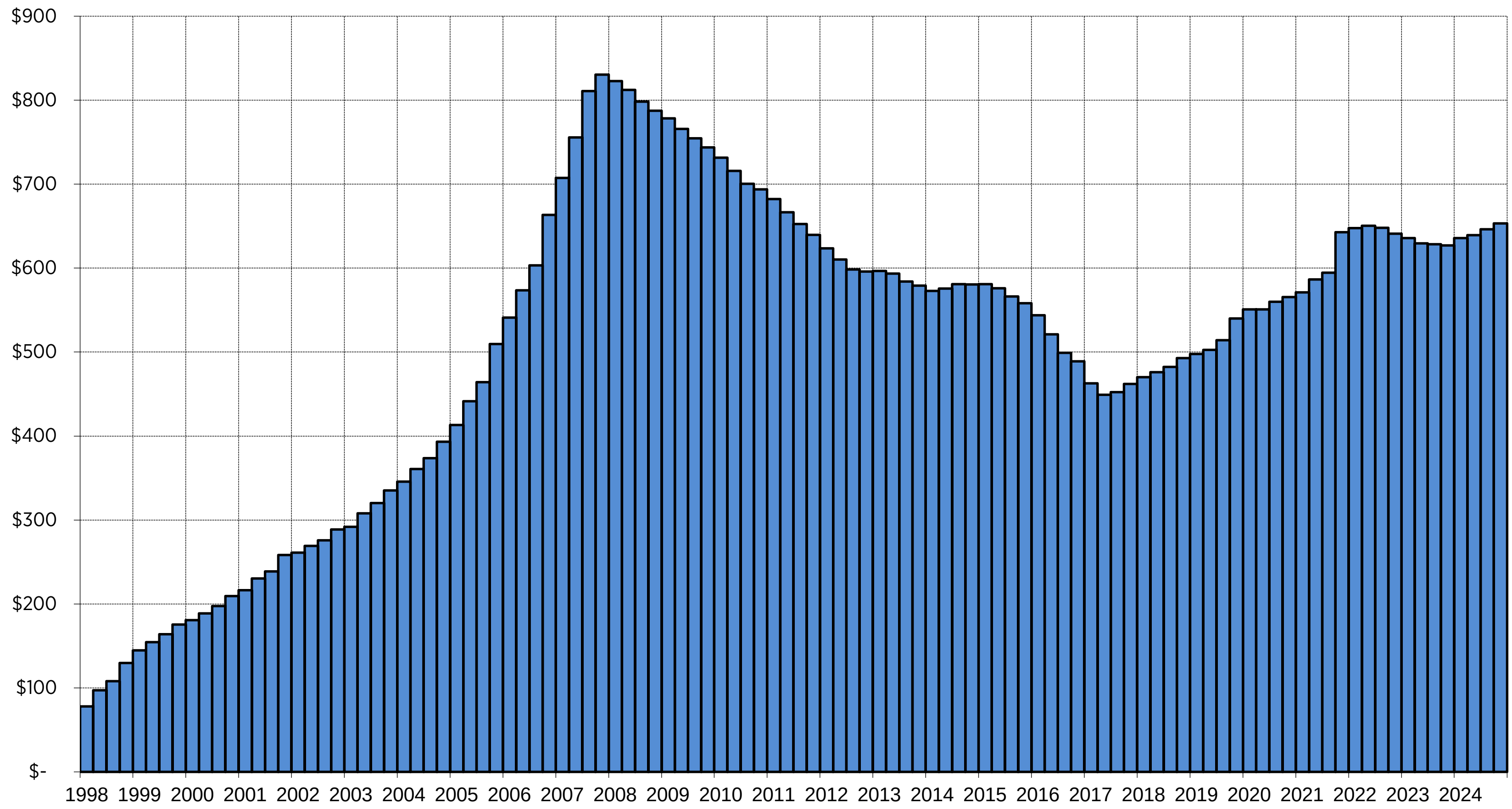
Freddie Mac
Source: Freddie Mac Monthly Volume Summary and Office of Federal Housing Enterprise Oversight Annual Reports to Congress
The delinquency rate for multifamily loans either held in portfolio or securitized and guaranteed by the company covers loans
60+ days delinquent, including those in foreclosure, and does not include real estate owned (REO) in either the numerator or the denominator. Freddie Mac notes that their delinquency rate "[e]xcludes mortgage loans whose original contractual terms have been modified under an agreement with the borrower as long as the borrower complies with the modified contractual terms." As an example, after Hurricane Katrina, Freddie Mac modified a number of loans affected by the storms. In May 2010, Freddie Mac returned to reporting multifamily delinquencies as those loans 60+ days delinquent.

FDIC-insured Banks & Thrifts
Source: Federal Deposit Insurance Corporation
The delinquency rate for FDIC banks and thrifts covers loans 90+ days delinquent, including those in foreclosure and in non-accrual status, and does not include real estate owned (REO) in either the numerator or the denominator. The universe of loans covered by this series also includes a large number of "owner-occupied" commercial loans – loans supported by the income of the resident business rather than by rent and lease payments. In a 2007 analysis by MBA of the ten banks with the largest commercial mortgage portfolios, approximately half, in dollar volume, of their commercial (non-multifamily) loan portfolio was comprised of these "owner-occupied" properties.

Data are available for life companies, FDIC-insured banks and thrifts, Fannie Mae and Freddie Mac since 1990 and CMBS since 1997.

COMMERCIAL MORTGAGE-BACKED SECURITIES (CMBS) OUTSTANDING

Billions of Dollars



Source: Trepp LLC

COMMERCIAL MORTGAGE-BACKED SECURITIES (CMBS) OUTSTANDING

Billions of Dollars

					Q4 Year-Over-Year Change		Q3-to-Q4 Change	
Year	Q1	Q2	Q3	Q4	Total	Percent change	Total	Percent change
U.S. CMBS OUTSTANDING								
2002	$ 261.16	$ 269.10	$ 275.95	$ 288.57	$ 30.37	12%	$ 12.62	4.6%
2003	$ 292.00	$ 308.09	$ 320.32	$ 335.14	$ 46.57	16%	$ 14.82	4.6%
2004	$ 345.86	$ 360.86	$ 373.65	$ 393.29	$ 58.15	17%	$ 19.64	5.3%
2005	$ 413.05	$ 441.38	$ 464.05	$ 509.67	$ 116.38	30%	$ 45.62	9.8%
2006	$ 541.16	$ 573.55	$ 603.33	$ 663.31	$ 153.64	30%	$ 59.98	9.9%
2007	$ 707.40	$ 755.46	$ 811.02	$ 830.28	$ 166.96	25%	$ 19.26	2.4%
2008	$ 822.76	$ 812.17	$ 798.21	$ 787.42	$ (42.86)	-5%	$ (10.80)	-1.4%
2009	$ 778.19	$ 765.76	$ 754.70	$ 743.90	$ (43.51)	-6%	$ (10.80)	-1.4%
2010	$ 731.41	$ 715.77	$ 700.28	$ 693.69	$ (50.21)	-7%	$ (6.59)	-0.9%
2011	$ 682.40	$ 666.38	$ 652.68	$ 639.75	$ (53.94)	-8%	$ (12.93)	-2.0%
2012	$ 623.55	$ 610.07	$ 598.29	$ 595.83	$ (43.93)	-7%	$ (2.46)	-0.4%
2013	$ 596.60	$ 593.46	$ 584.17	$ 579.23	$ (16.59)	-3%	$ (4.94)	-0.8%
2014	$ 572.84	$ 575.66	$ 580.79	$ 580.41	$ 1.18	0%	$ (0.38)	-0.1%
2015	$ 580.83	$ 576.00	$ 566.10	$ 558.00	$ (22.41)	-4%	$ (8.09)	-1.4%
2016	$ 543.70	$ 521.15	$ 499.25	$ 489.06	$ (68.94)	-12%	$ (10.19)	-2.0%
2017	$ 462.68	$ 449.07	$ 452.25	$ 461.98	$ (27.08)	-6%	$ 9.74	2.2%
2018	$ 469.99	$ 475.98	$ 482.49	$ 492.90	$ 30.92	7%	$ 10.41	2.2%
2019	$ 497.64	$ 502.75	$ 514.22	$ 539.96	$ 47.05	10%	$ 25.73	5.0%
2020	$ 550.82	$ 550.88	$ 559.78	$ 565.39	$ 25.43	5%	$ 5.60	1.0%
2021	$ 570.96	$ 586.59	$ 594.62	$ 642.63	$ 77.24	14%	$ 48.01	8.1%
2022	$ 647.60	$ 650.38	$ 647.88	$ 641.16	$ (1.46)	0%	$ (6.71)	-1.0%
2023	$ 635.72	$ 629.58	$ 628.25	$ 627.16	$ (14.01)	-2%	$ (1.09)	-0.2%
2024	$ 635.80	$ 639.10	$ 646.32	$ 653.19	$ 26.03	4%	$ 6.86	1.1%

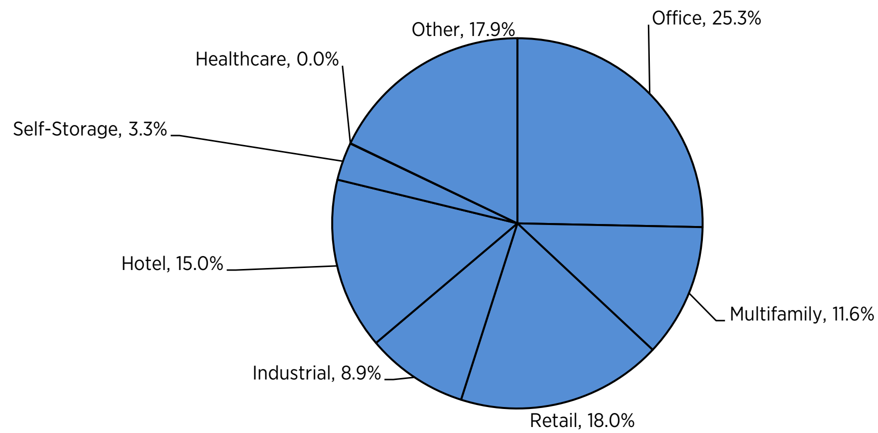
Source: Trepp LLC

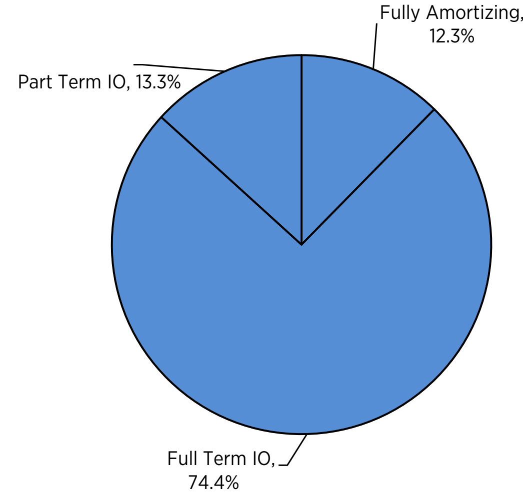
COMMERCIAL MORTGAGE-BACKED SECURITIES (CMBS) MARKET COMPOSITION

Composition of CMBS Outstanding, as of December 31, 2024

Total CMBS Outstanding	$ 653.2 billion
By Property Types:	
Office	25.3%
Multifamily	11.6%
Retail	18.0%
Industrial	8.9%
Hotel	15.0%
Self-Storage	3.3%
Healthcare	0.0%
Other	17.9%
By Amortization:	
Fully Amortizing	12.3%
All Interest-Only (IO)	87.7%
Full Term IO	74.4%
Part Term IO	13.3%
By Percent Defeased	3.4%
By Delinquency:	
Current	97.2%
30-day delinquent	0.24%
60-day delinquent	0.28%
90+day delinquent	0.42%
Foreclosure	1.87%
REO	0.82%

Source: Trepp LLC

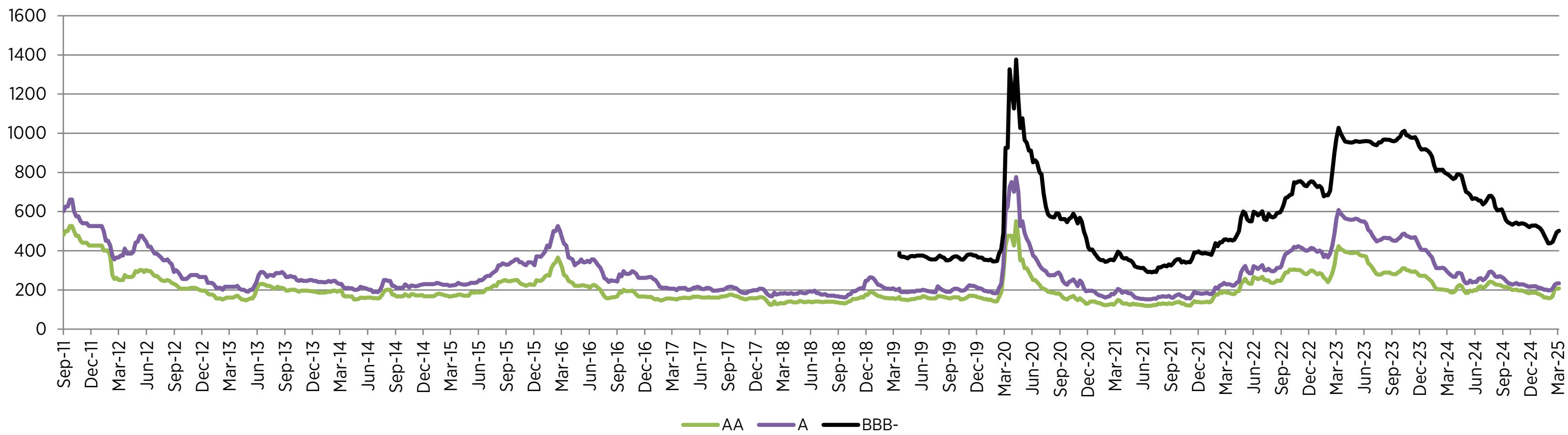




CMBS SPREADS
COMMERCIAL MORTGAGE BACKED SECURITIES (CMBS)
NEW ISSUE SPREADS TO SOFR RATES

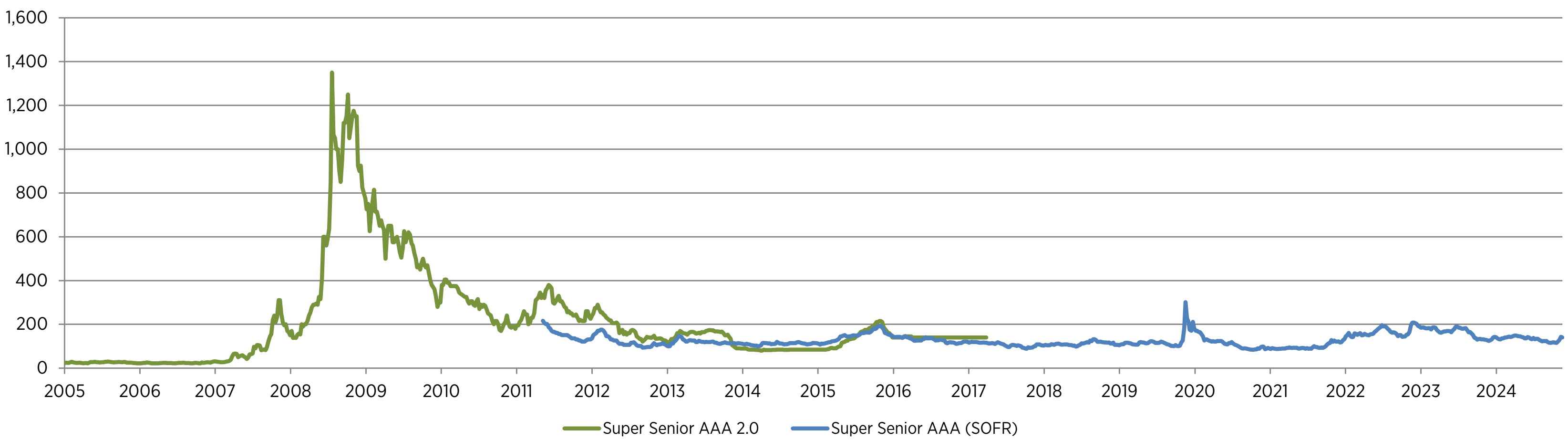
NOTE: In Q1 2022 MBA began using spreads to SOFR. As a result, the data presented here may not be comparable to that in previous Quarterly Data Books.

(in Basis Points)



AAA CMBS SPREADS

(in Basis Points)



Source: JP Morgan Securities

CMBS AND OTHER SPREADS

Commercial Mortgage Backed Securities (CMBS) and selected other CRE mortgage bonds

Spreads to SOFR Rates

NOTE: In Q1 2022 MBA began using spreads to SOFR. As a result, the data presented here may not be comparable to that in previous data books.

(in Basis Points)

	New Issue CMBS					
	Super Senior AAA	AA	A	BBB-	10/9.5 DUS	10yr Freddie K A1
End of Q4 2022	162	297	412	752	102	97
End of Q1 2023	208	409	589	999	107	105
End of Q2 2023	186	336	506	959	101	91
End of Q3 2023	164	281	451	962	108	103
End of Q4 2023	165	273	405	918	105	97
End of Q1 2024	124	188	276	778	94	84
End of Q2 2024	142	214	257	657	95	85
End of Q3 2024	136	215	247	557	104	87
End of Q4 2024	123	185	218	528	96	92
2-Jan-25	124	187	220	530	98	92
9-Jan-25	118	181	213	523	95	86
16-Jan-25	116	176	211	516	90	82
23-Jan-25	115	171	207	502	89	82
30-Jan-25	117	161	201	480	93	87
6-Feb-25	118	162	202	460	94	86
13-Feb-25	116	158	198	438	89	82
20-Feb-25	115	159	199	439	87	82
27-Feb-25	121	168	208	446	91	79
6-Mar-25	129	208	227	472	93	81
13-Mar-25	143	208	233	495	92	83
20-Mar-25	140	208	234	502	90	81

Source: JP Morgan Securities

5. Recent Commercial/Multifamily Research Releases from MBA

The following reports can be found at www.mba.org/crefresearch. If you have trouble locating these or other MBA reports, email crefresearch@mba.org

3/18/2025

Commercial and Multifamily Mortgage Debt Outstanding Increased in the Fourth Quarter of 2024

The level of commercial and multifamily mortgage debt outstanding at the end of 2024 was $172 billion (3.7 percent) higher than at the end of 2023, according to the Mortgage Bankers Association's (MBA) latest Commercial/Multifamily Mortgage Debt Outstanding quarterly report.

2/10/2025

20 Percent of Commercial and Multifamily Mortgage Balances Mature in 2025

Twenty percent ($957 billion) of $4.8 trillion of outstanding commercial mortgages held by lenders and investors will mature in 2025, a 3 percent increase from the $929 billion that matured in 2024, according to the Mortgage Bankers Association's 2024 Commercial Real Estate Survey of Loan Maturity Volumes, released today at the 2025 Commercial/Multifamily Finance Convention and Expo.

2/10/2025

CREF Forecast: Commercial/Multifamily Borrowing and Lending Expected to Increase 16 Percent to $583 Billion in 2025

Total commercial and multifamily mortgage borrowing and lending is expected to rise to $583 billion in 2025, which is a 16 percent increase from 2024's estimated total of $503 billion. This is according to an updated baseline forecast released today by the Mortgage Bankers Association (MBA) here at its 2025 Commercial/Multifamily Finance Convention and Expo.

2/10/2025

Commercial/Multifamily Borrowing Up in the Fourth Quarter of 2024

Commercial and multifamily mortgage loan originations were 84 percent higher in the fourth quarter of 2024 compared to a year earlier, and increased 30 percent from the third quarter of 2024, according to the Mortgage Bankers Association's (MBA) Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations, released today at the 2025 Commercial/Multifamily Finance Convention and Expo.

2/10/2025

MBA Releases 2024 Year-End Commercial/Multifamily Servicer Rankings

The Mortgage Bankers Association (MBA) today released its year-end ranking of commercial and multifamily mortgage servicers' volumes as of December 31, 2024, at its 2025 Commercial/Multifamily Finance Convention and Expo.

1/28/2025

Delinquency Rates for Commercial Properties Increased in Fourth-Quarter 2024

Delinquency rates for mortgages backed by commercial properties increased during the fourth quarter of 2024, according to the Mortgage Bankers Association's (MBA) latest commercial real estate finance (CREF) Loan Performance Survey.

12/19/2024

Commercial and Multifamily Mortgage Debt Outstanding Increased $47.7 Billion in Third Quarter of 2024

The level of commercial/multifamily mortgage debt outstanding increased by $47.7 billion (1.0 percent) in the third quarter of 2024, according to the Mortgage Bankers Association's (MBA) latest Commercial/Multifamily Mortgage Debt Outstanding quarterly report.

12/17/2024

Commercial Mortgage Delinquency Rates Continue to Increase in Third Quarter of 2024

Commercial mortgage delinquencies increased in the third quarter of 2024, according to the Mortgage Bankers Association's (MBA) latest Commercial Delinquency Report.

11/8/2024

Commercial/Multifamily Borrowing Increased 59 Percent in Third-Quarter 2024

Commercial and multifamily mortgage loan originations increased 59 percent in the third quarter of 2024 compared to a year ago, and increased 44 percent from the second quarter of 2024, according to the Mortgage Bankers Association's (MBA) Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations.

10/22/2024

Commercial and Multifamily Mortgage Delinquency Rates Increased in the Third Quarter of 2024

Delinquency rates for mortgages backed by commercial properties increased slightly during the third quarter of 2024. This is according to the Mortgage Bankers Association's (MBA) latest commercial real estate finance (CREF) Loan Performance Survey.

9/19/2024

Commercial and Multifamily Mortgage Debt Outstanding Increased Modestly in the Second Quarter of 2024

The level of commercial/multifamily mortgage debt outstanding increased by $31.4 billion (0.7 percent) in the second quarter of 2024, according to the Mortgage Bankers Association's (MBA) latest Commercial/Multifamily Mortgage Debt Outstanding quarterly report.

9/10/2024

Commercial Mortgage Delinquency Rates Increased in the Second Quarter of 2024

Commercial mortgage delinquencies increased in the second quarter of 2024, according to the Mortgage Bankers Association's (MBA) latest Commercial Delinquency Report.

8/29/2024

MBA Forecast: Commercial/Multifamily Borrowing and Lending to Increase 26 Percent to $539 Billion in 2024

Total commercial and multifamily mortgage borrowing and lending is expected to finish the year at $539 billion in 2024, which is a 26 percent increase from 2023's total of $429 billion. This is according to an updated baseline forecast released today by the Mortgage Bankers Association (MBA).

8/20/2024

Commercial/Multifamily Borrowing Increased 3 Percent in the Second Quarter of 2024

Commercial and multifamily mortgage loan originations increased 3 percent in the second quarter of 2024 compared to a year ago, and increased 27 percent from the first quarter of 2024, according to the Mortgage Bankers Association's (MBA) Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations.

8/15/2024

Multifamily Lending Declined 49 Percent to $246 Billion in 2023

In 2023, 2,520 different multifamily lenders provided a total of $246.2 billion in new mortgages for apartment buildings with five or more units, according to the Mortgage Bankers Association's (MBA) annual report of the multifamily lending market.

7/25/2024

Delinquency Rates for Commercial Property Loans Declined Slightly in the Second Quarter of 2024

Delinquency rates for mortgages backed by commercial properties declined slightly during the second quarter of 2024. This is according to the Mortgage Bankers Association's (MBA) latest commercial real estate finance (CREF) Loan Performance Survey.

6/18/2024

Commercial and Multifamily Mortgage Debt Outstanding Increased in First-Quarter 2024

The level of commercial/multifamily mortgage debt outstanding increased by $40.1 billion (0.9 percent) in the first quarter of 2024, according to the Mortgage Bankers Association's (MBA) latest Commercial/Multifamily Mortgage Debt Outstanding quarterly report.

6/4/2024

Commercial Mortgage Delinquency Rates Increased in the First Quarter of 2024

Commercial mortgage delinquencies increased in the first quarter of 2024, according to the Mortgage Bankers Association's (MBA) latest Commercial Delinquency Report.

5/9/2024

Commercial/Multifamily Borrowing Unchanged in the First Quarter of 2024

Commercial and multifamily mortgage loan originations were essentially unchanged in the first quarter of 2024 compared to a year ago, and decreased 23 percent from the fourth quarter of 2023, according to the Mortgage Bankers Association's (MBA) Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations.

4/23/2024

Total Commercial Real Estate Borrowing and Lending Declined 47 Percent in 2023

Total commercial real estate (CRE) mortgage borrowing and lending is estimated to have totaled $429 billion in 2023, a 47 percent decrease from the $816 billion in 2022, and a 52 percent decrease from the record $891 billion in 2021. This is according to the Mortgage Bankers Association's (MBA) 2023 Commercial Real Estate/Multifamily Finance Annual Origination Volume Summation.

4/18/2024

Delinquency Rates for Commercial Properties Flat in First Quarter of 2024

Delinquency rates overall for mortgages backed by commercial properties were unchanged during the first quarter of 2024, but loans backed by office properties continued to see a rise in delinquencies. This is according to the Mortgage Bankers Association's (MBA) latest commercial real estate finance (CREF) Loan Performance Survey.

3/28/2024

MBA Releases 2023 Rankings of Commercial/Multifamily Mortgage Firms' Origination Volumes

MBA's report, Commercial Real Estate/Multifamily Finance Firms - Annual Origination Volumes, is the only one of its kind to present a comprehensive set of listings of 129 different commercial/multifamily mortgage originators, their 2023 volumes, and the different roles they play. The report presents origination volumes in more than 140 categories, including by role, by investor group, by property type, by financing structure type, and by the location of the originating office.

3/14/2024

Commercial and Multifamily Mortgage Debt Outstanding Increased in Fourth-Quarter 2023

The level of commercial and multifamily mortgage debt outstanding at the end of 2023 was $130 billion (2.8 percent) higher than at the end of 2022, according to the Mortgage Bankers Association's (MBA) latest Commercial/Multifamily Mortgage Debt Outstanding quarterly report.

2/12/2024

MBA Releases 2023 Year-End Commercial/Multifamily Servicer Rankings

The Mortgage Bankers Association (MBA) today released its year-end ranking of commercial and multifamily mortgage servicers' volumes as of December 31, 2023, at its 2024 Commercial/Multifamily Finance Convention and Expo.

2/12/2024

20 Percent of Commercial and Multifamily Mortgage Balances Mature in 2024

Twenty percent ($929 billion) of the $4.7 trillion of outstanding commercial mortgages held by lenders and investors will mature in 2024, a 28 percent increase from the $729 billion that matured in 2023, according to the Mortgage Bankers Association's 2023 Commercial Real Estate Survey of Loan Maturity Volumes, released today at the 2024 Commercial/Multifamily Finance Convention and Expo.

2/12/2024

Commercial/Multifamily Borrowing Down 25% in the Fourth Quarter of 2023

Commercial and multifamily mortgage loan originations were 25 percent lower in the fourth quarter of 2023 compared to a year earlier, and increased 13 percent from the third quarter of 2023, according to the Mortgage Bankers Association's (MBA) Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations, released today at MBA's 2024 Commercial/Multifamily Finance Convention and Expo .

1/23/2024

CREF Forecast: Commercial/Multifamily Borrowing and Lending Expected to Increase 29 Percent to $576 Billion in 2024

Total commercial and multifamily mortgage borrowing and lending is expected to rise to $576 billion in 2024, which is a 29 percent increase from 2023's estimated total of $444 billion. This is according to an updated baseline forecast released today by the Mortgage Bankers Association (MBA).

1/16/2024

Delinquency Rates for Commercial Properties Increased in Fourth-Quarter 2023

Delinquency rates for mortgages backed by commercial properties increased during the fourth quarter of 2023, according to the Mortgage Bankers Association's (MBA) latest commercial real estate finance (CREF) Loan Performance Survey.

1/9/2024

MBA CREF Outlook Survey: Markets Expected to Become Less Unsettled as 2024 Progresses

Commercial and multifamily mortgage originators continue to experience an unsettled market for borrowing and lending but anticipate those conditions will stabilize over the course of 2024. That is according to the Mortgage Bankers Association's (MBA) 2024 Commercial Real Estate Finance (CREF) Outlook Survey, which polled the leaders of the top commercial and multifamily mortgage finance firms for their outlook for the year ahead.

12/14/2023

Commercial and Multifamily Mortgage Debt Outstanding Increased by $37 Billion in Third-Quarter 2023

The level of commercial/multifamily mortgage debt outstanding increased by $37.1 billion (0.8 percent) in the third quarter of 2023, according to the Mortgage Bankers Association's (MBA) latest Commercial/Multifamily Mortgage Debt Outstanding quarterly report.

12/5/2023

Commercial Mortgage Delinquency Rates Increased in Third-Quarter 2023

Commercial mortgage delinquencies increased in the third quarter of 2023, according to the Mortgage Bankers Association's (MBA) latest Commercial Delinquency Report.

11/7/2023

Commercial/Multifamily Borrowing Down 49% in Third-Quarter 2023

Commercial and multifamily mortgage loan originations were 49 percent lower in the third quarter of 2023 compared to a year ago, and decreased 7 percent from the second quarter of 2023, according to the Mortgage Bankers Association's (MBA) Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations.

10/20/2023

Commercial and Multifamily Mortgage Delinquency Rates Increased Slightly in Third-Quarter 2023

Delinquency rates for mortgages backed by commercial and multifamily properties increased during the third quarter of 2023, according to the Mortgage Bankers Association's (MBA) latest commercial real estate finance (CREF) Loan Performance Survey.

10/19/2023

MBA Forecast: Commercial/Multifamily Lending Expected to Fall 46 Percent to $442 Billion in 2023

Total commercial and multifamily mortgage borrowing and lending is expected to fall to $442 billion this year, which is a 46 percent decline from 2022's total of $816 billion. This is according to an updated baseline forecast released today by the Mortgage Bankers Association (MBA).

9/19/2023

Commercial and Multifamily Mortgage Debt Outstanding Increased by $37.7 Billion in Second-Quarter 2023

The level of commercial/multifamily mortgage debt outstanding increased by $37.7 billion (0.8 percent) in the second quarter of 2023, according to the Mortgage Bankers Association's (MBA) latest Commercial/Multifamily Mortgage Debt Outstanding quarterly report.

9/12/2023

Commercial and Multifamily Mortgage Delinquency Rates Increased in Second-Quarter 2023

Commercial and multifamily mortgage delinquencies increased in the second quarter of 2023, according to the Mortgage Bankers Association's (MBA) latest Commercial/Multifamily Delinquency Report.

8/15/2023

Commercial/Multifamily Borrowing Declines 53 Percent Year-Over-Year in the Second Quarter 2023

Commercial and multifamily mortgage loan originations were 53 percent lower in the second quarter of 2023 compared to a year ago, and increased 23 percent from the first quarter of 2023, according to the Mortgage Bankers Association's (MBA) Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations.

8/3/2023

MBA Forecast: Higher Rates, Uncertainty to Slow Commercial/Multifamily Lending in 2023

Total commercial and multifamily mortgage borrowing and lending is expected to fall to $504 billion this year, which is a 38 percent decline from 2022's total of $816 billion. This is according to an updated baseline forecast released today by the Mortgage Bankers Association (MBA).

8/1/2023

Multifamily Lending Declined 1 Percent to $480 Billion in 2022

In 2022, 2,242 different multifamily lenders provided a total of $480.1 billion in new mortgages for apartment buildings with five or more units, according to the Mortgage Bankers Association's (MBA) annual report of the multifamily lending market.

7/18/2023

Commercial and Multifamily Mortgage Delinquency Rates Increased Slightly in Second-Quarter 2023

Delinquency rates for mortgages backed by commercial and multifamily properties increased slightly during the second quarter of 2023, according to the Mortgage Bankers Association's (MBA) latest commercial real estate finance (CREF) Loan Performance Survey.

6/1/2023

Commercial and Multifamily Mortgage Delinquency Rates Increased in the First Quarter of 2023

Commercial and multifamily mortgage delinquencies increased in the first quarter of 2023, according to the Mortgage Bankers Association's (MBA) latest Commercial/Multifamily Delinquency Report.

5/11/2023

MBA Forecast: Commercial/Multifamily Lending to Fall 20 Percent in 2023

Total commercial and multifamily mortgage borrowing and lending is expected to fall to $654 billion this year, which is a 20 percent decline from $816 billion in 2022. This is according to an updated baseline forecast released today by the Mortgage Bankers Association (MBA) at its 2023 Commercial/Multifamily Finance Servicing & Technology Conference in Chicago.

5/9/2023

Commercial/Multifamily Borrowing Declines 56 Percent in First-Quarter 2023

Commercial and multifamily mortgage loan originations were 56 percent lower in the first quarter of 2023 compared to a year ago, and decreased 42 percent from the fourth quarter of 2022, according to the Mortgage Bankers Association's (MBA) Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations.

4/18/2023

Commercial and Multifamily Mortgage Delinquency Rates Increased Slightly Through the First Quarter of 2023

Delinquency rates for mortgages backed by commercial and multifamily properties increased slightly through the first quarter of 2023, according to the Mortgage Bankers Association's (MBA) latest commercial real estate finance (CREF) Loan Performance Survey.

4/13/2023

Total Commercial and Multifamily Lending Declined 8 Percent in 2022

Total commercial real estate mortgage borrowing and lending equaled $816 billion in 2022, which is an 8 percent decrease from the record $891 billion in 2021 and a 33 percent increase from $614 billion in 2020.This is according to the Mortgage Bankers Association's (MBA) 2022 Commercial Real Estate/Multifamily Finance Annual Origination Volume Summation.

3/22/2023

MBA Releases 2022 Rankings of Commercial/Multifamily Mortgage Firms' Origination Volumes

According to a set of commercial/multifamily real estate finance league tables prepared by the Mortgage Bankers Association (MBA), the following firms were the top commercial/multifamily mortgage originators in 2022:

3/21/2023

Commercial and Multifamily Mortgage Debt Outstanding Increased By $324 Billion in Fourth-Quarter 2022

The level of commercial/multifamily mortgage debt outstanding at the end of 2022 was $324 billion (7.7 percent) higher than at the end of 2021, according to the Mortgage Bankers Association's (MBA) latest Commercial/Multifamily Mortgage Debt Outstanding quarterly report.

3/7/2023

Commercial and Multifamily Mortgage Delinquency Rates Remain Low in Fourth Quarter 2022

Commercial and multifamily mortgage delinquencies remained low in the fourth quarter of 2022, according to the Mortgage Bankers Association's (MBA) latest Commercial/Multifamily Delinquency Report.

2/13/2023

Total Commercial and Multifamily Borrowing and Lending Expected to Fall to $684 Billion in 2023

Total commercial and multifamily mortgage borrowing and lending is expected to fall to $684 billion this year, which is a 15 percent decline from an expected 2022 total of $804 billion. This is according to an updated baseline forecast released here today by the Mortgage Bankers Association (MBA) at the 2023 Commercial/Multifamily Finance Convention and Expo.

2/13/2023

MBA Releases 2022 Year-End Commercial/Multifamily Servicer Rankings

The Mortgage Bankers Association (MBA) today released its year-end ranking of commercial and multifamily mortgage servicers' volumes as of December 31, 2022. At the top of the list of firms is PNC Real Estate/Midland Loan Services, with $732 billion in master and primary servicing, followed by Wells Fargo Bank, N.A., ($722 billion), KeyBank National Association ($451 billion), Berkadia Commercial Mortgage LLC ($393 billion), and CBRE Loan Services ($380 billion).

2/13/2023

Commercial/Multifamily Borrowing Down 54% in the Fourth Quarter of 2022

Commercial and multifamily mortgage loan originations were 54 percent lower in the fourth quarter of 2022 compared to a year ago and decreased 23 percent from the third quarter of 2021. This is according to the Mortgage Bankers Association's (MBA) Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations, which was released today at the 2023 Commercial/Multifamily Finance Convention and Expo.

2/13/2023

Commercial and Multifamily Mortgage Maturity Volumes Increase 33 Percent in 2023

$331.2 billion of the $2.8 trillion (12 percent) of outstanding commercial and multifamily mortgages held by non-bank lenders and investors will mature in 2023, which is a 33 percent increase from the $249 billion that matured in 2022. This is according to the Mortgage Bankers Association's (MBA) 2022 Commercial Real Estate/Multifamily Survey of Loan Maturity Volumes, released today at the 2023 Commercial/Multifamily Finance Convention and Expo.

1/17/2023

Commercial and Multifamily Mortgage Delinquency Rates Increased Slightly Through the Fourth Quarter of 2022

Delinquency rates for mortgages backed by commercial and multifamily properties increased slightly through the fourth quarter of 2022, according to the Mortgage Bankers Association's (MBA) latest CREF Loan Performance Survey.

1/5/2023

Total Commercial and Multifamily Borrowing and Lending Expected to Fall to $700 Billion in 2023

Total commercial and multifamily mortgage borrowing and lending is expected to fall to $700 billion this year, which is a 5 percent decline from an expected 2022 total of $740 billion. This is according to an updated baseline forecast released today by the Mortgage Bankers Association (MBA).

1/5/2023

MBA CREF Outlook Survey: Unsettled Markets Dissipating in 2023

Commercial and multifamily mortgage originators are experiencing an unsettled market for borrowing and lending but anticipate those conditions will slowly stabilize over the course of 2023. That is according to the Mortgage Bankers Association's (MBA) 2023 Commercial Real Estate Finance (CREF) Outlook Survey, which polled the leaders of the top commercial and multifamily mortgage finance firms for their outlook for the year ahead.

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