



CMBS Delinquency Rate Falls for Seventh Straight Month – All Major Property Types Improve

The Trepp CMBS delinquency rate continued to retreat during the first month of the new year, though there are indications that the improvement could be showing signs of a reversal.

After two huge jumps in May and June, the rate has now declined for seven consecutive months. The Trepp CMBS Delinquency Rate in January was 7.58%, a decline of 23 basis points from the December number. The percentage of loans in the 30-day delinquent bucket is 0.74% – down 10 basis points for the month.

In terms of loans in grace period, 3.07% of loans by balance missed the January payment but were less than 30 days delinquent. That was up from 2.77% in December.

Some other overall statistics:

The percentage of loans with the special servicer dipped from 9.81% in December to 9.72% in January. According to January servicer data, 24.5% of all lodging loans were in special servicing, up from 24.1% in December. In addition, 17.0% of retail loans are with the special servicer, down from 17.2% last month.

The percentage of loans on servicer watchlist climbed to 22.3% in January from 21.4% last month.

(Our numbers above reflect percentages that assume defeased loans are still part of the denominator).

The Overall Numbers

- The overall US CMBS delinquency rate dropped 23 basis points in January to 7.58%. (The all-time high on this basis was 10.34% registered in July 2012.)
- The percentage of A/B loans (i.e. loans in grace period or beyond grace period) was 3.07% in January.
- Year over year, the overall US CMBS delinquency rate was up 544 basis points.
- The percentage of loans that are seriously delinquent (60+ days delinquent, in foreclosure, REO, or non-performing

CHART 1: DELINQUENCY STATUS

Current	92.38
30 Days Delinquent	0.74
60 Days Delinquent	0.42
90 Days Delinquent	3.14
Performing Matured Balloon	0.03 ¹
Non-Performing Matured Balloon	0.96
Foreclosure	1.31
REO	1.01

¹Loans that are past their maturity date but still current on interest are considered current.

Source: Trepp

CHART 2: DELINQUENCY RATE BY PROPERTYTYPE (% 30 DAYS +)

	JAN-21	DEC-20	NOV-20	3 MO.	6 MO.	12 MO.
Industrial	0.87	1.14	1.10	1.53	1.57	1.57
Lodging	19.19	19.80	19.66	19.43	24.30	1.49
Multifamily	2.35	2.75	3.11	2.95	3.29	2.02
Office	2.14	2.18	2.27	2.49	2.66	1.87
Retail	12.68	12.94	14.21	14.33	18.07	3.76

Source: Trepp

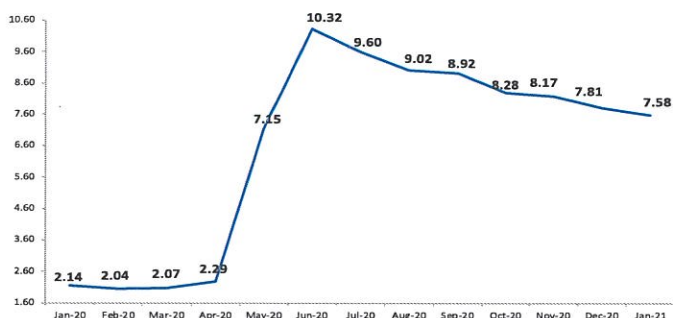
balloons) is now 6.84%, down 13 basis points for the month.

- If defeased loans were taken out of the equation, the overall 30-day delinquency rate would be 7.96%, down 28 basis points from December.
- One year ago, the US CMBS delinquency rate was 2.14%.
- Six months ago, the US CMBS delinquency rate was 9.60%.

The CMBS 2.0+ Numbers

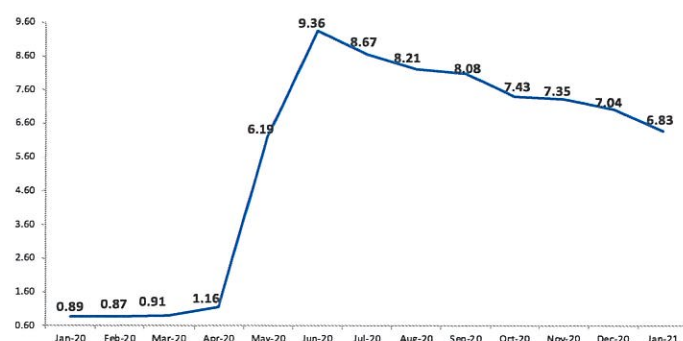
- The CMBS 2.0+ delinquency rate fell 21 basis points to 6.83% in January. The rate is up 594 basis points year over year.

GRAPH 1: PERCENTAGE OF CMBS MARKED AS 30+ DAYS DELINQUENT



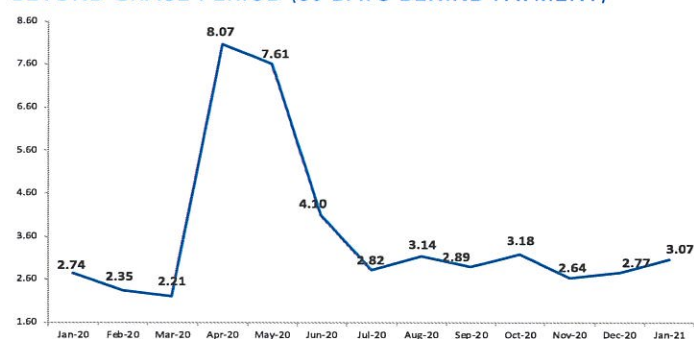
Source: Trepp

GRAPH 2: THE CMBS 2.0+ DELINQUENCY RATE



Source: Trepp

GRAPH 3: PERCENTAGE OF CMBS IN GRACE PERIOD OF BEYOND GRACE PERIOD (30 DAYS BEHIND PAYMENT)



Source: Trepp

- The percentage of CMBS 2.0+ loans that are seriously delinquent is now 6.09%, which is down nine basis points from December.
- If defeased loans were taken out of the equation, the overall CMBS 2.0+ delinquency rate would be 7.17%, down 25 basis points for the month.

Overall Property Type Analysis (CMBS 1.0 and 2.0+)

- The industrial delinquency rate declined 27 basis points to 0.87%.
- The lodging delinquency rate tumbled 61 basis points to 19.19%.
- The multifamily delinquency rate dropped 40 basis points to 2.35%.
- The office delinquency rate dipped four basis points to 2.14%.
- The retail delinquency rate fell 26 basis points to 12.68%.

Property Type Analysis CMBS 2.0+

- Industrial delinquency rate: 0.26% (down 28 basis points month over month)
- Lodging delinquency rate: 18.99% (down 61 basis points)
- Multifamily delinquency rate: 2.44% (down 40 basis points)
- Office delinquency rate: 1.15% (down one basis point)
- Retail delinquency rate: 10.92% (down 28 basis points)

For more information about Trepp's commercial real estate data, contact info@trepp.com.
For inquiries about the data analysis conducted in this research, contact press@trepp.com or 212-754-1010.

About Trepp

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