May 2016



Irepp

CMBS Research

US CMBS Delinquency Report: Delinquency Rate Inches Higher in May

The Trepp CMBS Delinquency Rate inched up again in May. It was the third straight month that the rate has crept higher following two large decreases in January and February. The delinquency rate for US commercial real estate loans in CMBS is now 4.35%, an increase of 12 basis points from April. The rate is 105 basis points lower than the year-ago level and 82 basis points lower since the beginning of the year. The all-time high was 10.34% in July 2012.

The Numbers:

•The overall US CMBS delinquency rate increased 12 basis points to 4.35%.

•The percentage of loans seriously delinquent (60+ days delinquent, in foreclosure, REO, or nonperforming balloons) is now 4.24%, up 11 basis points for the month.

•If defeased loans were taken out of the equation, the overall 30-day delinquency rate would be 4.58%, up 13 basis points for the month.

Historical Perspective:

• One year ago, the US CMBS delinquency rate was 5.40%.

• Six months ago, the US CMBS delinquency rate was 5.13%.

• One year ago, the rate of loans seriously delinquent was 5.23%.

• Six months ago, the rate of loans seriously delinquent was 5.02%.

Delinquency Status							
Current	95.58%						
30 Days Delinquent	0.11%						
60 Days Delinquent	0.06%						
90 Days Delinquent	0.20%						
Performing Matured Balloon ¹	0.07%						
Non-Performing Matured Balloon	0.50%						
Foreclosure	1.15%						
REO	2.33%						

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

Property Type Analysis:

•The industrial delinquency rate fell 23 basis points to 5.72%.

•The lodging delinquency rate moved up nine basis points to 2.96%.

•The multifamily delinquency rate inched up four basis points to 2.36%. Apartment loans are the best performing major property type.

•The office delinquency rate jumped 21 basis points to 5.51%.

•The retail delinquency rate increased 16 basis points to 5.36%.

Trepp®

CMBS Research

Delinquency Rate by Property Type									
	May 16	Apr 16	Mar 16	3 Mo.	6 Mo.	1 Yr.			
Industrial	5.72	5.95	5.91	5.86	5.99	7.50			
Lodging	2.96	2.87	2.76	2.60	2.75	3.80			
Multifamily	2.36	2.32	2.34	2.37	8.15	8.62			
Office	5.51	5.30	5.23	4.98	5.73	5.93			
Retail	5.36	5.20	5.33	5.47	5.64	5.43			



Top 5 Newly Delinquent Loans									
Property Name	Current Balance	Prop Type	City	State	New DQ Status	Deal			
Westfield Chesterfield	\$140,000,000	RT	Chesterfield	МО	Foreclosure	LBUBS 2006-C6			
Greenway Portfolio	\$112,000,000	OF	Middleton	WI	Non-Performing Beyond Maturity	JPMCC 2006-CB15			
HRO Hotel Portfolio	\$109,823,446	LO	Various	VR	Non-Performing Beyond Maturity	MSC 2007-XLFA			
Skyline Portfolio - A Note	\$105,000,000	OF	Falls Church	VA	30 Days	GECMC 2007-C1			
Skyline Portfolio - A Note	\$105,000,000	OF	Falls Church	VA	30 Days	JPMCC 2007-LDPX			

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

About Trepp

Trepp, LLC, founded in 1979, is the leading provider of information, analytics and technology to the CMBS, commercial real estate and banking markets. Trepp provides primary and secondary market participants with the web-based tools and insight they need to increase their operational efficiencies, information transparency and investment performance. From its offices in New York, San Francisco and London, Trepp serves its clients with products and services to support trading, research, risk management, surveillance and portfolio management. Trepp is wholly-owned by DMGI, the information publishing division of the Daily Mail and General Trust (DMGT).

April 2016