



## US CMBS Delinquency Report: US CMBS Delinquency Rate Driven Down by Resolutions

Thanks to the resolution of the \$3 billion Stuyvesant Town/Peter Cooper Village loan, the Trepp CMBS Delinquency Rate underwent a massive improvement. The delinquency rate for US commercial real estate loans in CMBS fell 82 basis points in January and is now 4.35%. The rate is 131 basis points lower than the year-ago level of 5.66%.

In January, CMBS loans that were previously delinquent but paid off with a loss or at par totaled a whopping \$5.8 billion, with \$3 billion of that coming from StuyTown. Removing these previously distressed assets from the numerator of the delinquency calculation helped move the rate down by 113 basis points. A little over \$300 million in loans were cured last month, which helped push delinquencies lower by another six basis points. About \$1.7 billion in loans became newly delinquent, which put 34 basis points of upward pressure on the delinquency rate.

### The Numbers:

- The overall US CMBS delinquency rate improved 82 basis points to 4.35%.
- The percentage of loans seriously delinquent (60+ days delinquent, in foreclosure, REO, or non-performing balloons) is now 4.16%, 84 basis points lower for the month.
- If defeased loans were taken out of the equation, the overall 30-day delinquency rate would be 4.57%—down 88 basis points.
- There are currently \$23.5 billion in delinquent

loans. This number excludes loans past their balloon date but current on interest payments.

### Historical Perspective:

- One year ago, the US CMBS delinquency rate was 5.67%.
- Six months ago, the US CMBS delinquency rate was 5.42%.
- One year ago, the rate of loans seriously delinquent was 5.47%.

Delinquency Status	
Current	95.47%
30 Days Delinquent	0.19%
60 Days Delinquent	0.12%
90 Days Delinquent	0.19%
Performing Matured Balloon <sup>1</sup>	0.19%
Non-Performing Matured Balloon	0.56%
Foreclosure	1.11%
REO	2.18%

- Six months ago, the rate of loans seriously delinquent was 5.22%.

<sup>1</sup> Loans that are past their maturity date but still current on interest are considered current.

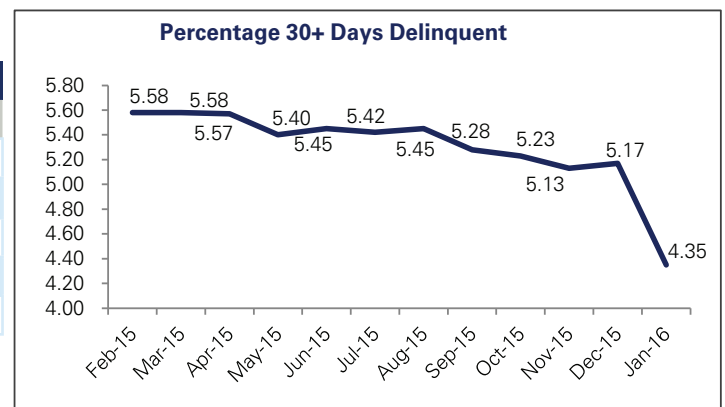
### Property Type Analysis:

- The industrial delinquency rate increased 23 basis points to 5.96%.

- The lodging delinquency rate was unchanged at 2.82%. Lodging is no longer the top performing property type among major sectors.
- The multifamily delinquency rate plunged 597 basis points to 2.31%. Apartment loans are now the best performing major property type.

- The office delinquency rate fell 55 basis points to 5.24%.
- The retail delinquency rate dipped 14 basis points to 5.62%.

Delinquency Rate by Property Type						
	Jan 16	Dec 15	Nov 15	3 Mo.	6 Mo.	1 Yr.
Industrial	5.96	5.73	5.99	6.28	7.41	7.20
Lodging	2.82	2.82	2.75	3.17	3.70	4.40
Multifamily	2.31	8.28	8.15	8.18	8.76	8.81
Office	5.24	5.79	5.73	5.70	5.93	6.18
Retail	5.62	5.76	5.64	5.72	5.51	5.60



Top 5 Newly Delinquent Loans						
Property Name	Current Balance	Prop Type	City	State	New DQ Status	Deal
Two Gateway	\$125,517,735	OF	Newark	NJ	30 Days	CD 2006-CD3
Stamford Marriott	\$62,620,134	LO	Stamford	CT	Foreclosure	JPMCC 2007-C1
Chesapeake Square	\$62,489,153	RT	Chesapeake	VA	30 Days	JPMCC 2004-LN2
50 Danbury Road	\$61,153,096	OF	Wilton	CT	30 Days	LBCMT 2007-C3
DHL Center	\$55,850,000	IN	Breinigsville	PA	Foreclosure	LBUBS 2006-C1

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## 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).