

Market Update

CRE Interest Rates & Market Index Trends

July 23, 2024

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Structured Finance Advisory Group

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Capital Markets *Live*

Colliers Structured Finance Advisory Group is a leading global capital markets platform specializing in debt and equity placement and advisory services for commercial real estate investments nationwide. Leveraging over \$20B in transactional experience, unmatched technical expertise, long-standing industry relationships and proprietary technology, we deliver outlier capital markets solutions to optimize real estate investment opportunities across all asset classes.

July 23, 2024

MULTIFAMILY

Fixed Rate

INSURANCE & BANK

Term	LTV	Interest Rates
5-YR	50%-55%	5.59% - 5.89%
5-YR	60%-65%	5.89% - 6.19%
10-YR	50%-55%	5.67% - 5.97%
10-YR	60%-65%	5.97% - 6.27%

CMBS

Term	LTV	Interest Rates
5-YR	50%-55%	6.17% - 6.47%
5-YR	60%-65%	6.47% - 6.77%
10-YR	50%-55%	5.97% - 6.27%
10-YR	60%-65%	6.27% - 6.57%

AGENCY

Term	LTV	Interest Rates
5-YR	50%-55%	5.62% - 6.02%
5-YR	60%-65%	5.82% - 6.22%
5-YR	70%-80%	6.36% - 6.76%
10-YR	50%-55%	5.53% - 5.93%
10-YR	60%-65%	5.73% - 6.13%
10-YR	70%-80%	5.93% - 6.33%

INDUSTRIAL

Fixed Rate

INSURANCE & BANK

Term	LTV	Interest Rates
5-YR	50%-55%	5.59% - 5.89%
5-YR	60%-65%	5.89% - 6.19%
10-YR	50%-55%	5.67% - 5.97%
10-YR	60%-65%	5.97% - 6.27%

CMBS

Term	LTV	Interest Rates
5-YR	50%-55%	6.17% - 6.47%
5-YR	60%-65%	6.47% - 6.77%
10-YR	50%-55%	5.97% - 6.27%
10-YR	60%-65%	6.27% - 6.57%

BRIDGE FINANCING

BANK

Term	LTV	Rate (Floating)
3-5 YR	50%-55%	8.36% - 8.86%
3-5 YR	60%-65%	8.86% - 9.36%

OFFICE

Fixed Rate

INSURANCE & BANK

Term	LTV	Interest Rates
5-YR	50%-55%	6.54% - 6.84%
5-YR	60%-65%	6.84% - 7.14%
10-YR	50%-55%	6.62% - 6.92%
10-YR	60%-65%	6.92% - 7.22%

CMBS

Term	LTV	Interest Rates
5-YR	50%-55%	7.12% - 7.42%
5-YR	60%-65%	7.42% - 7.72%
10-YR	50%-55%	6.92% - 7.22%
10-YR	60%-65%	7.22% - 7.52%

DEBT FUND

Term	LTV	Rate (Floating)
3-5 YR	60%-65%	8.61% - 9.11%
3-5 YR	70%-75%	9.11% - 9.61%

RETAIL

Fixed Rate

INSURANCE & BANK

Term	LTV	Interest Rates
5-YR	50%-55%	5.79% - 6.09%
5-YR	60%-65%	6.09% - 6.39%
10-YR	50%-55%	5.87% - 6.17%
10-YR	60%-65%	6.17% - 6.47%

CMBS

Term	LTV	Interest Rates
5-YR	50%-55%	6.37% - 6.67%
5-YR	60%-65%	6.67% - 6.97%
10-YR	50%-55%	6.17% - 6.47%
10-YR	60%-65%	6.47% - 6.77%

Note

The interest rates noted herein are based on current market averages and can vary widely based on specific property profiles and geographic markets.

[Learn More](#)

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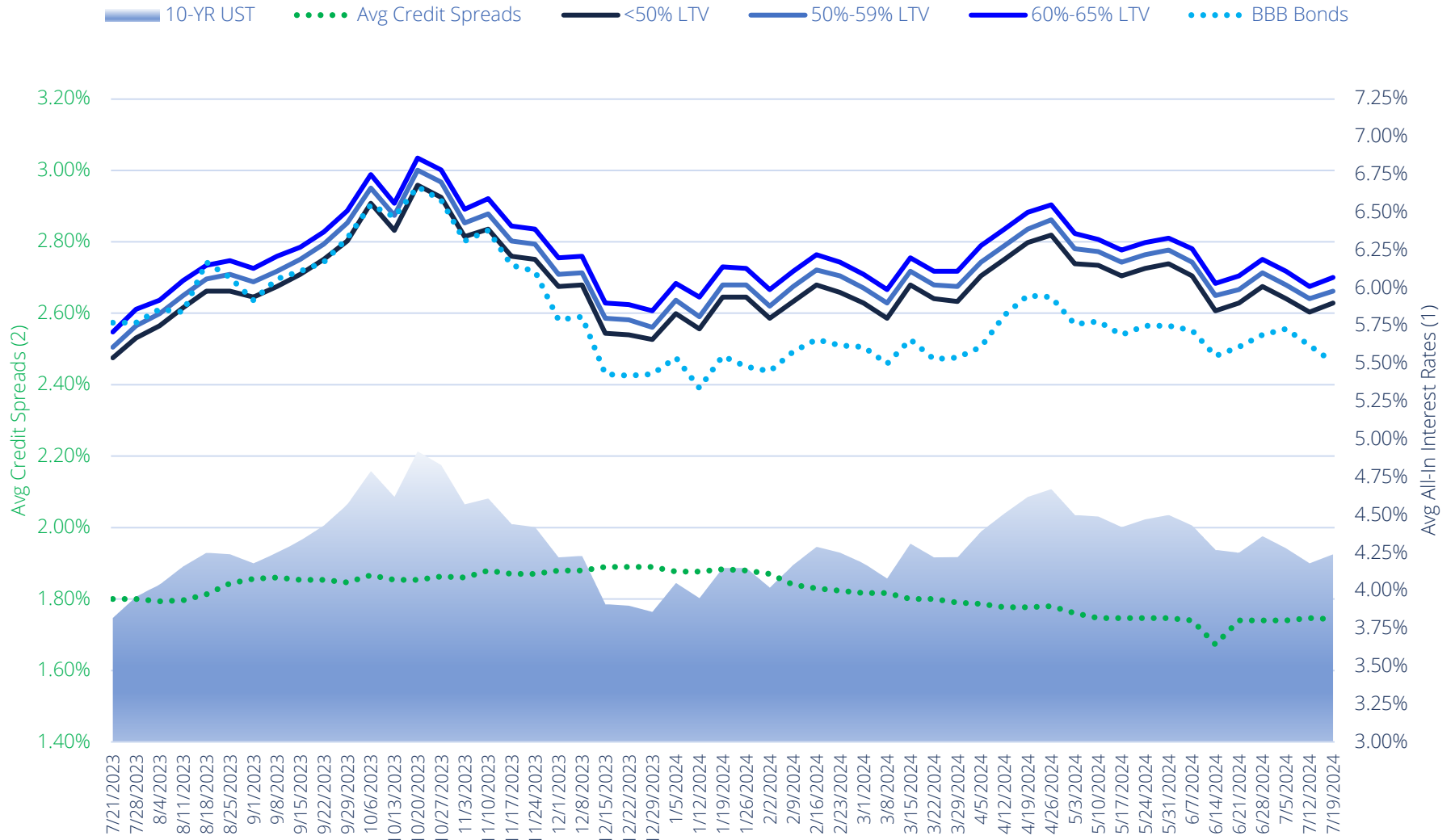
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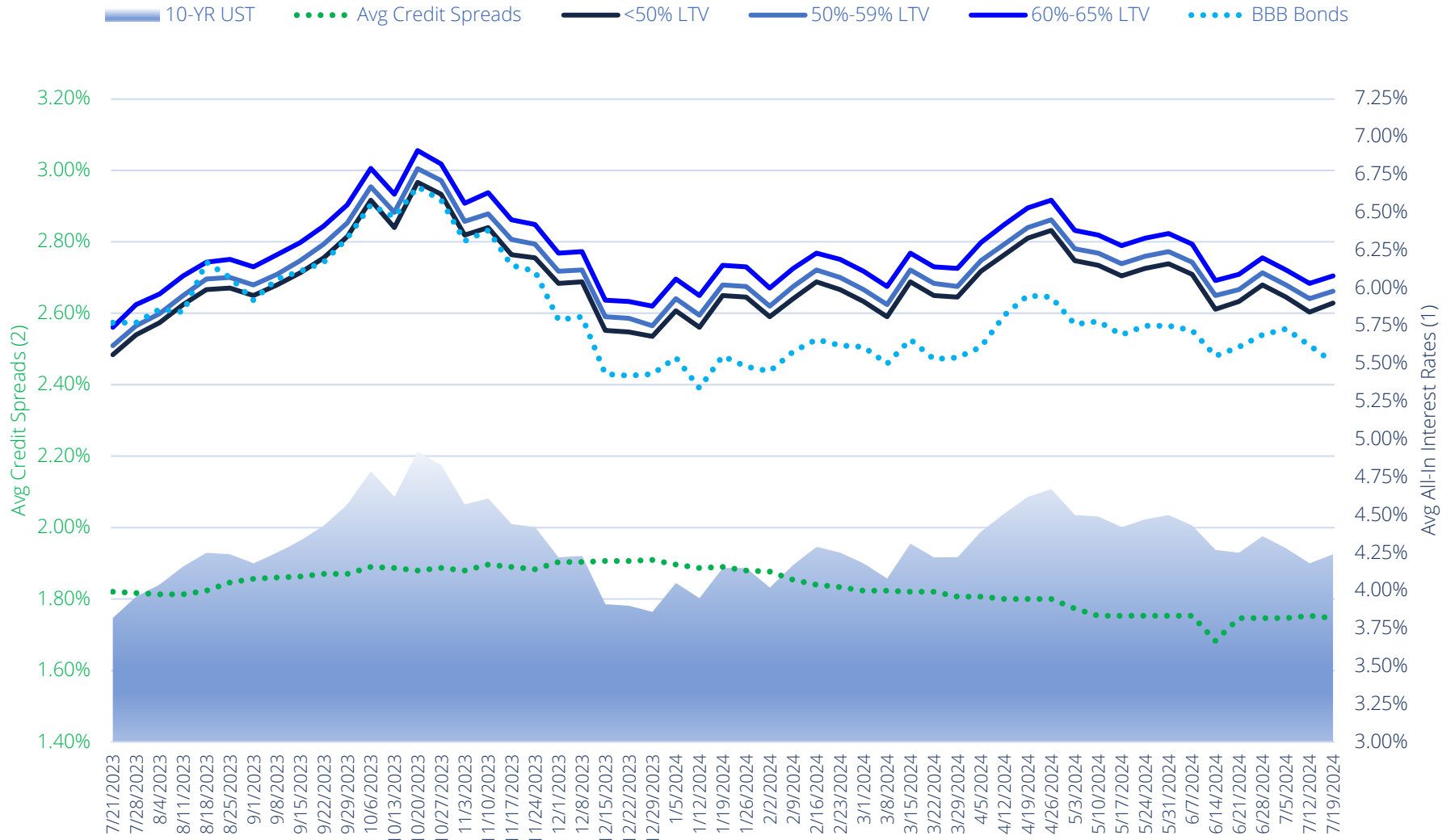
Multifamily | All-in Interest Rates (Jul 2023 - Jul 2024)



(1) All-in interest rates are based on 10-day trailing averages of reported 10-year fixed rate balance sheet loans aggregated by product type. Adjustments to the reported rates are likely necessary for the purpose of marking debt to market to account for loan and property specifics.

(2) "Avg Credit Spreads" reflect the average of all referenced leverage scenarios.

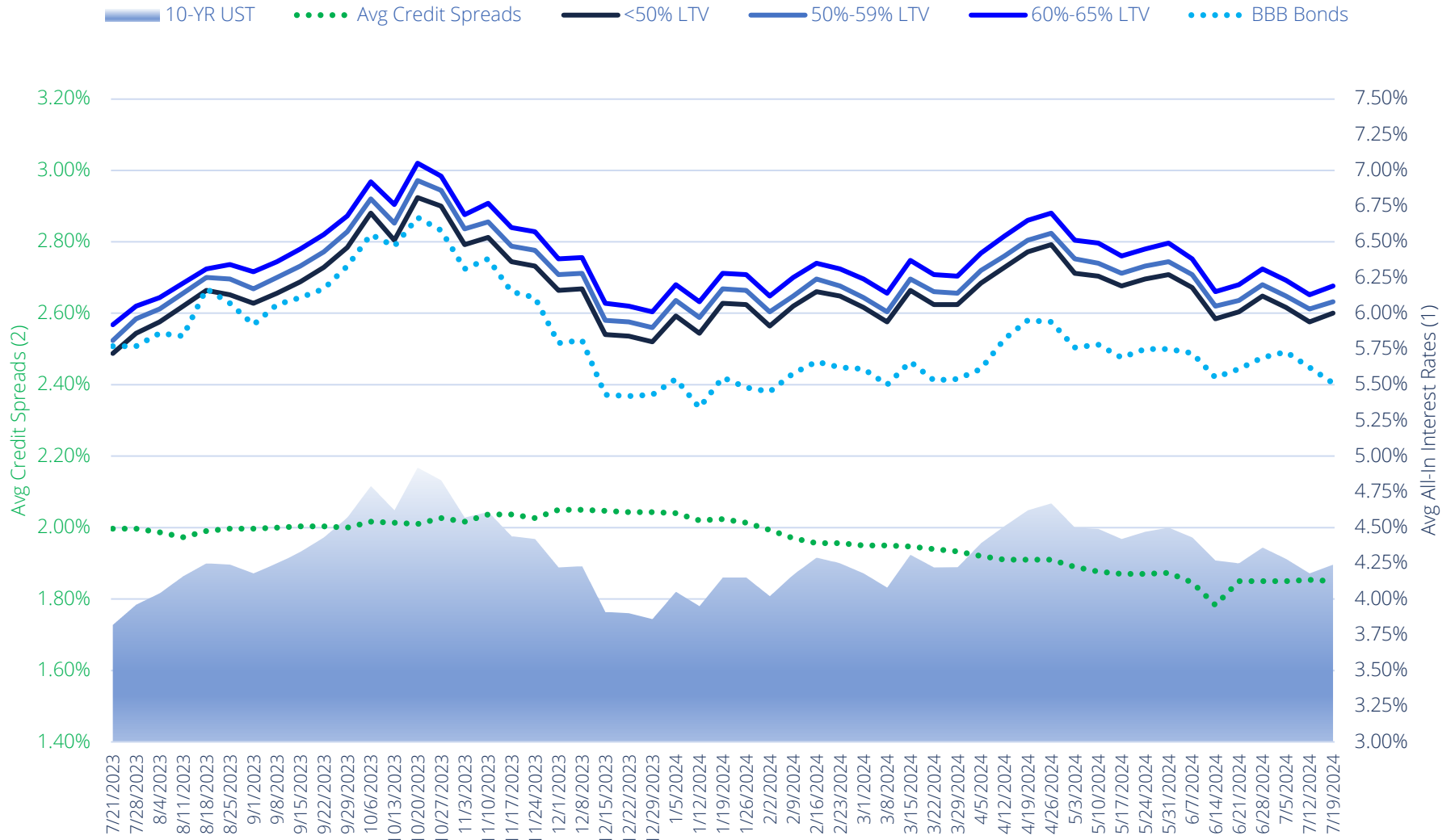
Industrial | All-in Interest Rates (Jul 2023 - Jul 2024)



(1) All-in interest rates are based on 10-day trailing averages of reported 10-year fixed rate balance sheet loans aggregated by product type. Adjustments to the reported rates are likely necessary for the purpose of marking debt to market to account for loan and property specifics.

(2) "Avg Credit Spreads" reflect the average of all referenced leverage scenarios.

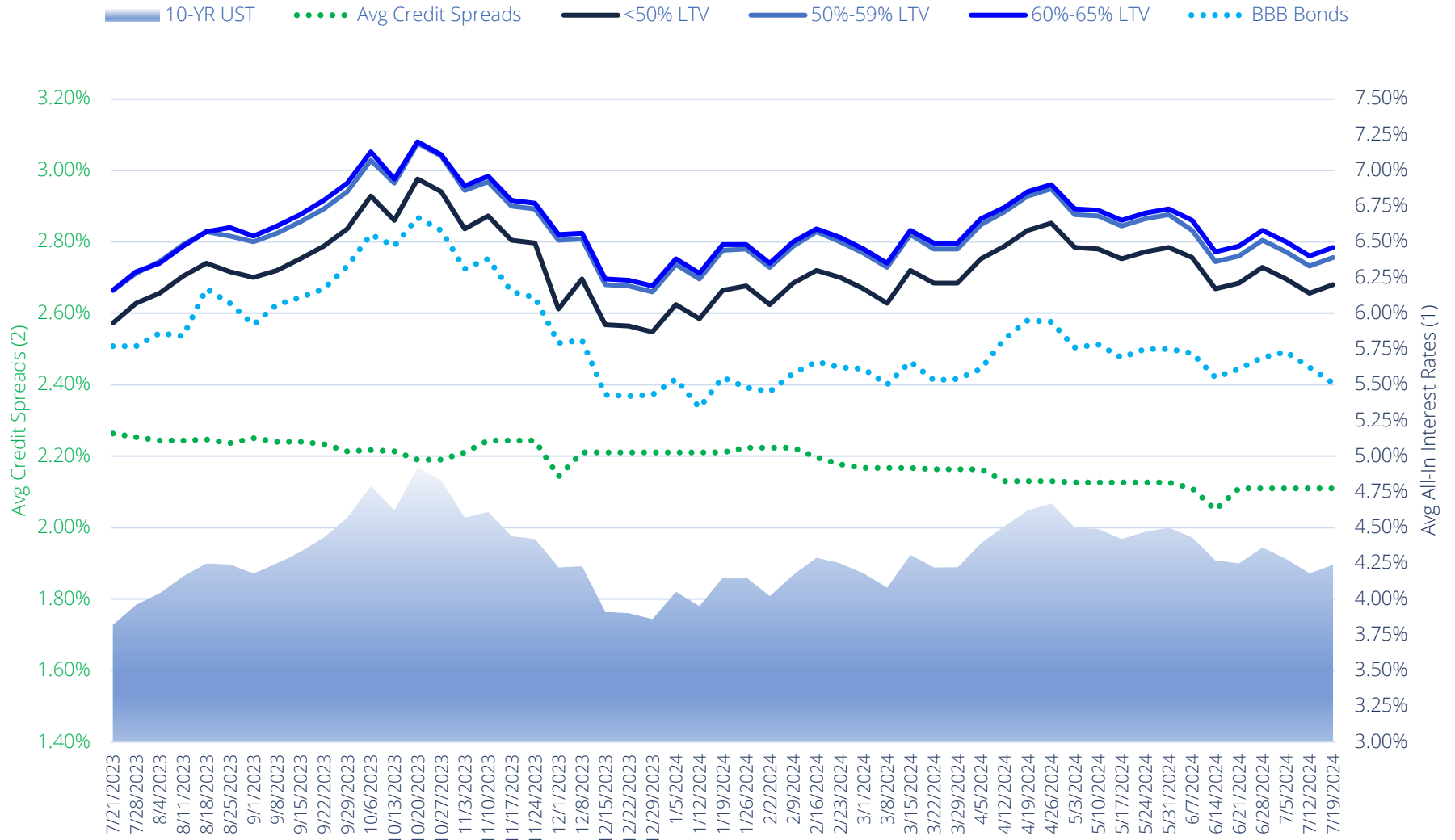
Retail | All-in Interest Rates (Jul 2023 - Jul 2024)



(1) All-in interest rates are based on 10-day trailing averages of reported 10-year fixed rate balance sheet loans aggregated by product type. Adjustments to the reported rates are likely necessary for the purpose of marking debt to market to account for loan and property specifics.

(2) "Avg Credit Spreads" reflect the average of all referenced leverage scenarios.

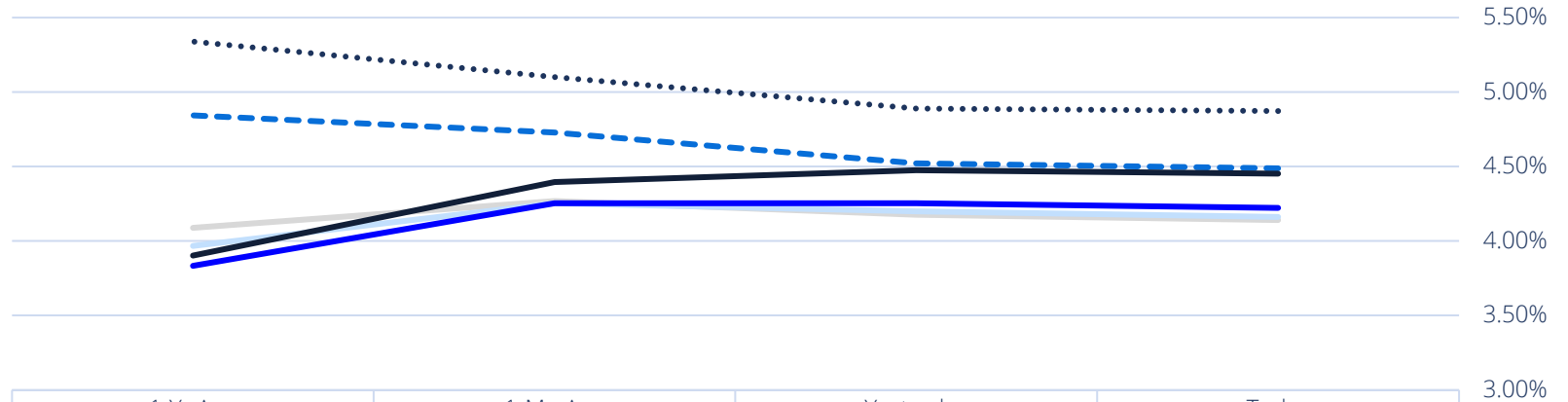
Office | All-in Interest Rates (Jul 2023 - Jul 2024)



(1) All-in interest rates are based on 10-day trailing averages of reported 10-year fixed rate balance sheet loans aggregated by product type. Adjustments to the reported rates are likely necessary for the purpose of marking debt to market to account for loan and property specifics.

(2) "Avg Credit Spreads" reflect the average of all referenced leverage scenarios.

UST Yield Trend (Jul 2023 - Jul 2024)

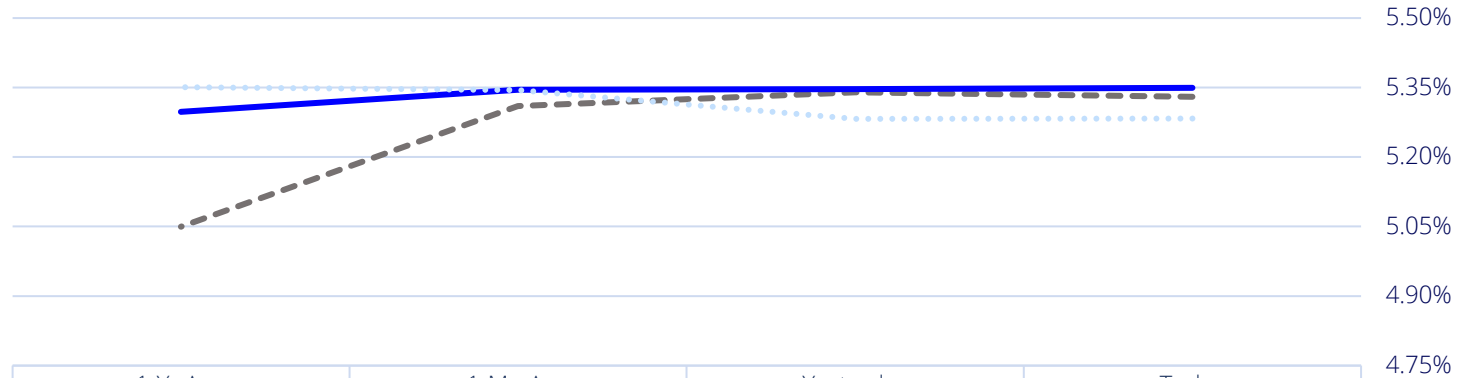


	1-Yr Ago	1-Mo Ago	Yesterday	Today
..... 1 Year	5.34%	5.10%	4.89%	4.87%
- - - - 2 Year	4.85%	4.73%	4.52%	4.49%
— 5 Year	4.09%	4.27%	4.18%	4.14%
— 7 Year	3.97%	4.25%	4.20%	4.16%
— 10 Year	3.83%	4.25%	4.26%	4.22%
— 30 Year	3.90%	4.40%	4.48%	4.45%

UST Yield Curve (as of 7/23/2024)



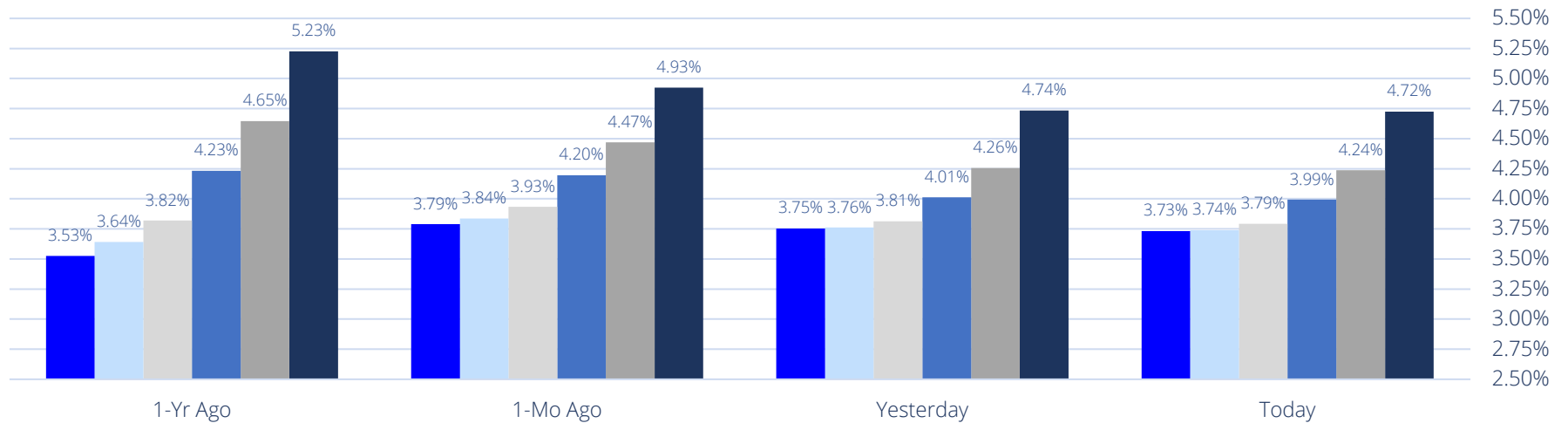
SOFR Trend (Jul 2023 - Jul 2024)



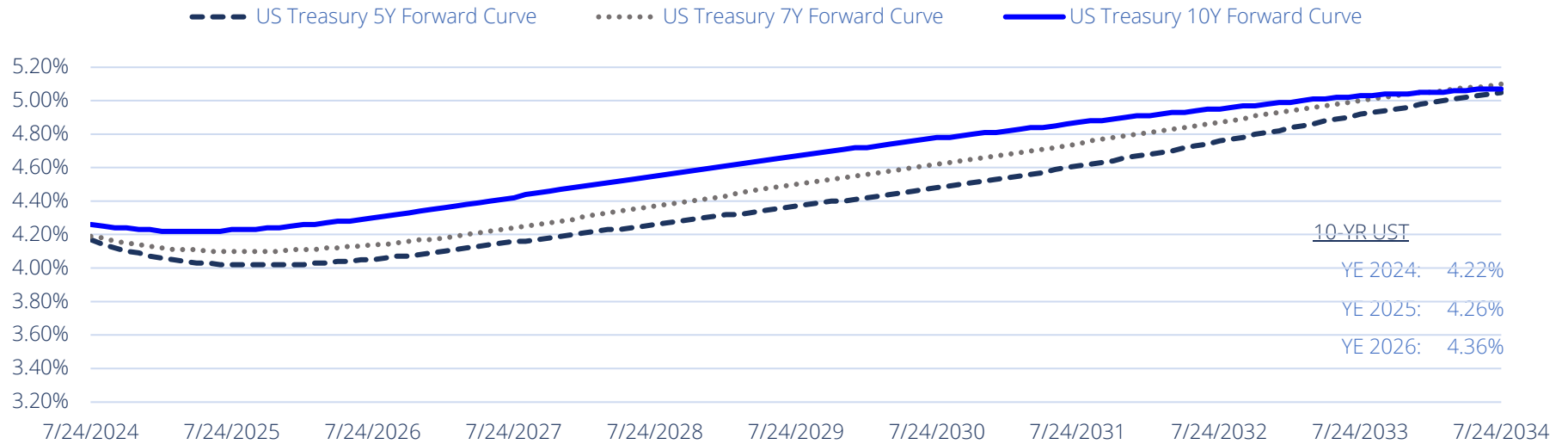
	1-Yr Ago	1-Mo Ago	Yesterday	Today
--- SOFR	5.05%	5.31%	5.34%	5.33%
— 1-month Term SOFR	5.30%	5.35%	5.35%	5.35%
... 3-month Term SOFR	5.35%	5.34%	5.28%	5.28%

1-Month Term SOFR Swaps Trend (Jul 2023 - Jul 2024)

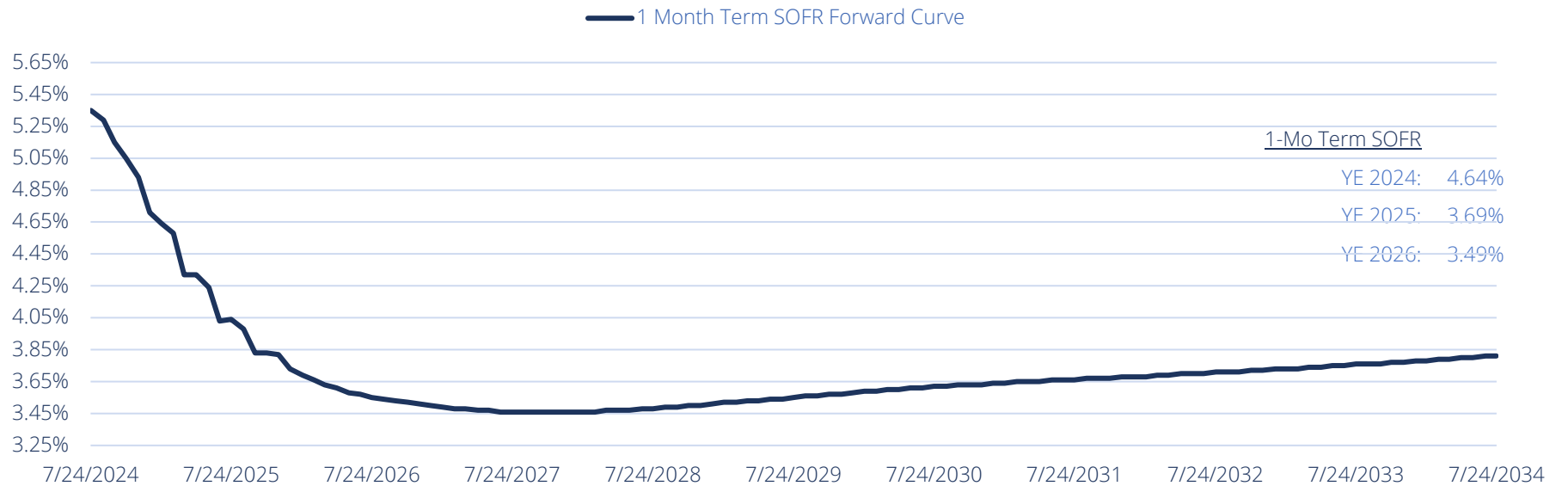
■ 1 Year ■ 2 Year ■ 3 Year ■ 5 Year ■ 7 Year ■ 10 Year



UST Forward Curve (Jul 2024 - Jul 2034)



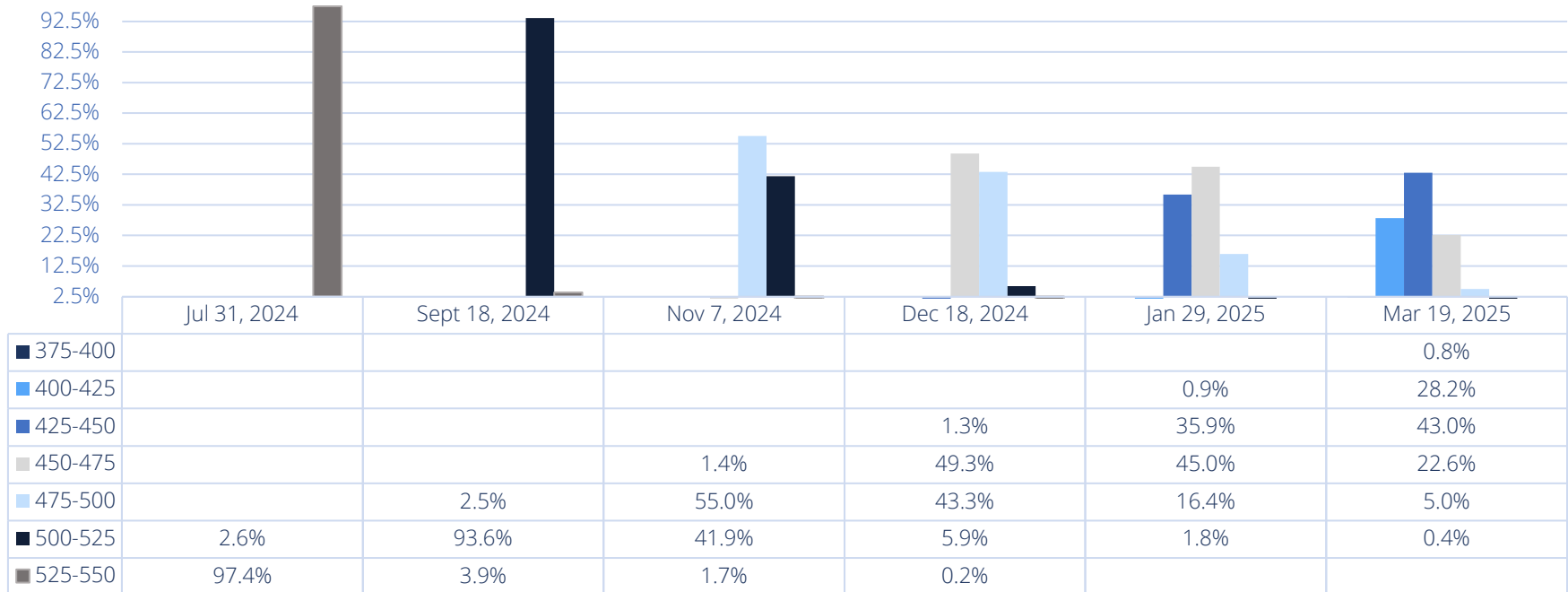
1-Month Term SOFR Forward Curve (Jul 2024 - Jul 2034)



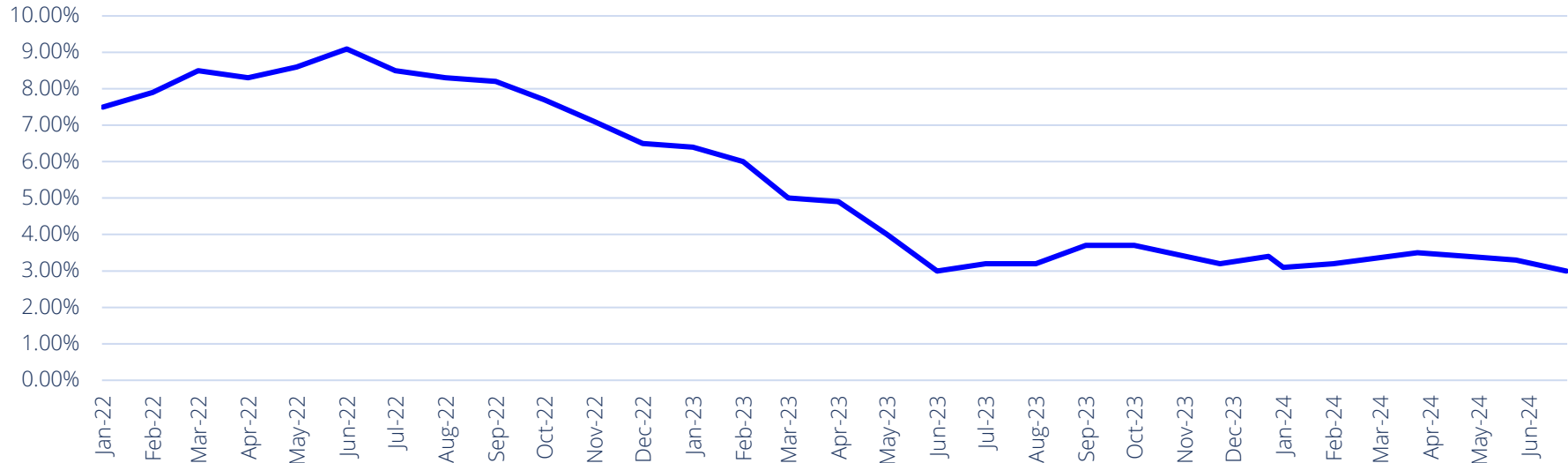
Fed Funds Rate Trend (Jul 2023 - Jul 2024)



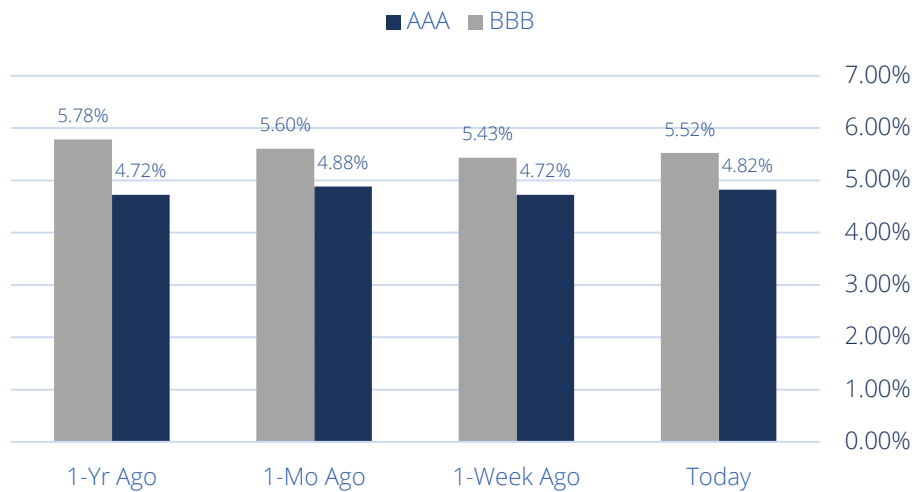
Fed Funds Target Rate Probabilities (as of 7/23/2024)



US Inflation Rate (Jan 2022 - Jun 2024)



Corporate Bond Yields (Jul 2024 - Jul 2023)



SOFR Cap Cost Estimates

Notional \$25,000,000

Strike	1 Year	2 Year	3 Year	4 Year
1.00%	\$943,000	\$1,606,000	\$2,196,000	\$2,769,000
1.50%	\$821,000	\$1,371,000	\$1,859,000	\$2,336,000
2.00%	\$699,000	\$1,141,000	\$1,533,000	\$1,921,000
2.50%	\$579,000	\$917,000	\$1,223,000	\$1,534,000
3.00%	\$461,000	\$706,000	\$937,000	\$1,181,000
3.50%	\$347,000	\$511,000	\$681,000	\$872,000
4.00%	\$240,000	\$340,000	\$464,000	\$612,000
4.50%	\$129,000	\$197,000	\$298,000	\$395,000
5.00%	\$50,000	\$86,000	\$147,000	\$235,000
5.50%	\$22,000	\$43,000	\$87,000	\$155,000



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