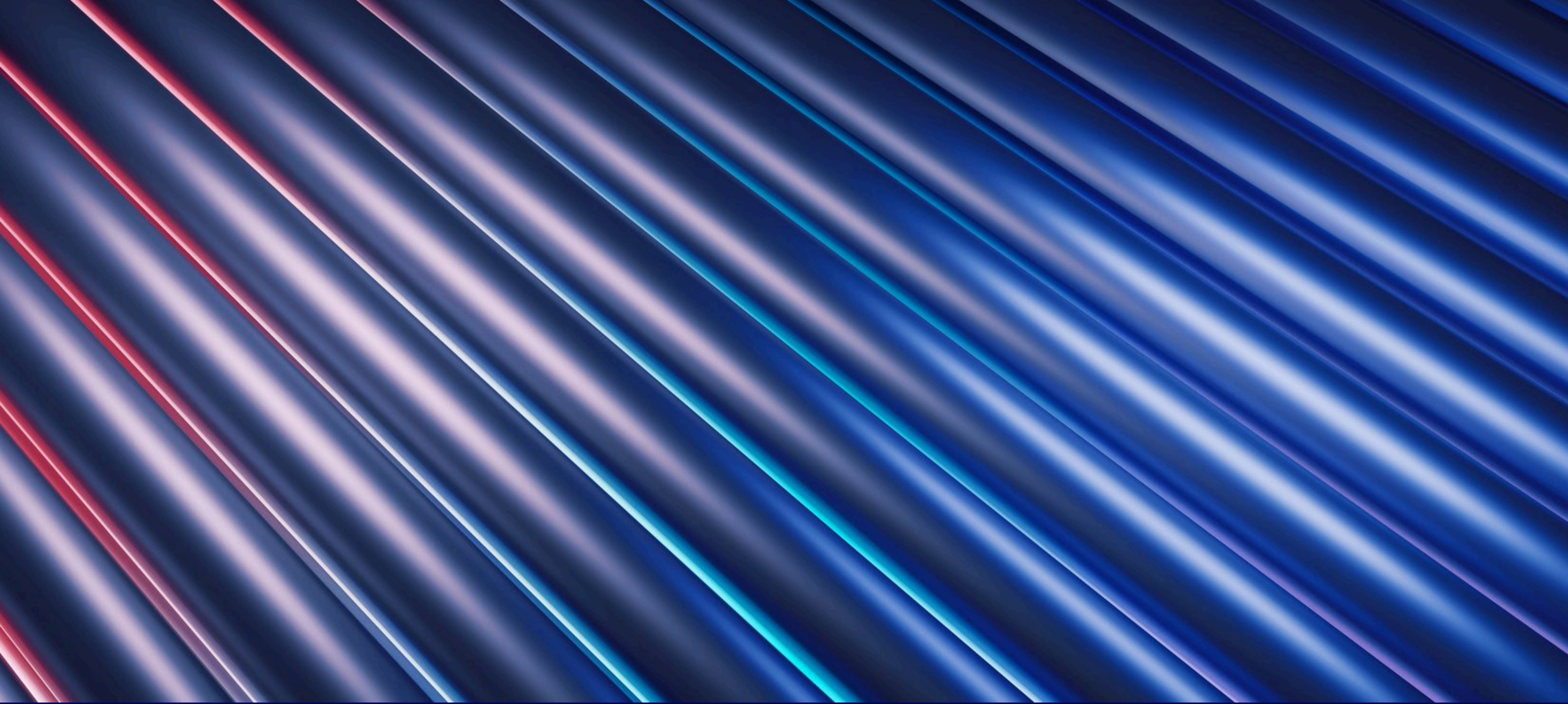


COLLIERS | STRUCTURED FINANCE ADVISORY GROUP

Capital Markets *Live*

CRE Interest Rate & Market Index Trends

August 31, 2026

STRUCTURED FINANCE ADVISORY GROUP

Capital Markets *Live*

August 31, 2026

Contents

CRE Interest Rate & Market Index Trends — current guidance by product type and execution, and the index trends behind it, as of August 31, 2026.

In This Issue

10-YEAR TREASURY

4.76%

+6 bps w/w · the fixed-rate index

BIGGEST MOVE ELSEWHERE

+10 bps

5-Yr UST, to 4.50%

TIGHTEST 10-YR QUOTE

6.10% – 6.25%

Multifamily · Life Companies · 50%-55%

FED FUNDS TARGET · SEP 16

68%

probability of a +25 bps move at the next meeting

WEEK IN REVIEW · AUGUST 31, 2026

Treasuries sold off across the curve on the week, with the move concentrated at the front — the 1-year added 10 bps against 2 bps at the long end. Credit moved too: investment-grade spreads were flat and CRE credit spreads moved on multifamily, industrial, office and retail in the CRE week to 8/28/2026, so all-in coupons moved 4 bps on a mix of index and credit.

10-YR UST	5-YR UST	1-MO TERM SOFR	FED FUNDS (EFF.)	SINGLE-A CORPORATES	BBB CORPORATES
4.76%	4.50%	3.68%	3.63%	5.30%	5.62%
▲ +6 bps w/w	▲ +10 bps w/w	▲ +1 bp w/w	– unchanged w/w	▲ +5 bps w/w	▲ +5 bps w/w

Federal Reserve

Chair Warsh used his first Jackson Hole to close the door on easing. The market went in looking for a signal that policy was turning; instead he called the two per cent PCE target firm and fixed, said underlying inflation has not meaningfully improved with twelve-month PCE at 3.7%, and pointed to an economy resilient enough to absorb a tightening. Futures repriced hard: the effective rate is still **3.63%**, but September carries **68.1%** on a 25 bps increase and nothing in the strip prices a cut this year.

Warsh closes the door on cuts

Treasury & the Curve

Every fixed-rate quote on the guidance page is struck over two points. The 5-year sits at **4.50%** (+10 bps w/w) and the 10-year at **4.76%** (+6 bps w/w). That leaves **26 bps** between them, **four basis points** less than a week ago — terming out from five years to ten got cheaper in index terms, before any change in credit spread. The ladder is upward-sloping throughout, so nothing in the curve itself prices a near-term cut. Floating still starts **82 bps** inside the 5-year point, with 1-month Term SOFR at **3.68%** — a gap that widened nine basis points on the week.

5s10s +26 bps · 4 bps flatter w/w

Credit & Capital Markets

BBB corporates ended at **5.62%**, **five basis points** wider on the week, with Single-A at **5.30%**. The **32 bps** Single-A/BBB gap remains in line with a year ago, which is the cleanest public read that credit appetite is intact. Floating-rate benchmarks were mixed: 1-month Term SOFR rose one basis point to **3.68%** while the overnight rate was unchanged at **3.65%**.

BBB 5.62% · 5 bps wider

CRE Lending Activity

Life company spreads moved on multifamily (1 bp tighter), industrial (1 bp tighter), office (1 bp tighter) and retail (2 bps tighter). On a 10-year, 65% basis life companies quote **165-180** bps for multifamily, **170-185** bps for industrial, **180-195** bps for retail and **250-265** bps for office. That leaves office **85 bps** wide of multifamily. Multifamily agency execution prices roughly **62 bps** inside the conventional bid at **90-130** bps.

Spreads tighter on 4 of 4 products

WHAT IT MEANS FOR BORROWERS

For a borrower pricing a 10-year fixed execution, coupons are **4 bps** lower than they were a week earlier, at **6.60%** on a 65% basis in the week to 8/28/2026 on a mix of index and credit. Rate-lock timing matters more than lender selection at this point in the cycle, and the forward curve prices the 10-year **10 bps** higher a year out — the cost of waiting is already in the price.

MULTIFAMILY
10-YR / 55% LTV SPREAD OVER 10-YR UST
135 – 150 bps
Life Companies · 6.10% – 6.25% all-in · tightest

INDUSTRIAL
10-YR / 55% LTV SPREAD OVER 10-YR UST
140 – 155 bps
Life Companies · 6.15% – 6.30% all-in

RETAIL
10-YR / 55% LTV SPREAD OVER 10-YR UST
150 – 165 bps
Life Companies · 6.25% – 6.40% all-in

OFFICE
10-YR / 55% LTV SPREAD OVER 10-YR UST
220 – 235 bps
Life Companies · 6.95% – 7.10% all-in

MULTIFAMILY

Fixed Rate

AGENCY

Term	LTV	Spread (bps)	Interest Rates
5-YR	50%-55%	95-125	5.45% - 5.75%
5-YR	60%-65%	105-145	5.55% - 5.95%
5-YR	70%-80%	140-180	5.90% - 6.30%
10-YR	50%-55%	80-110	5.55% - 5.85%
10-YR	60%-65%	90-130	5.65% - 6.05%
10-YR	70%-80%	110-150	5.85% - 6.25%

LIFE COMPANIES

Term	LTV	Spread (bps)	Interest Rates
5-YR	50%-55%	130-145	5.80% - 5.95%
5-YR	60%-65%	145-160	5.95% - 6.10%
10-YR	50%-55%	135-150	6.10% - 6.25%
10-YR	60%-65%	165-180	6.40% - 6.55%

CMBS

Term	LTV	Spread (bps)	Interest Rates
5-YR	50%-55%	185-200	6.35% - 6.50%
5-YR	60%-65%	200-215	6.50% - 6.65%
10-YR	50%-55%	160-175	6.35% - 6.50%
10-YR	60%-65%	175-190	6.50% - 6.65%

10-YR / 65% LTV SPREAD OVER 10-YR UST
90–130 bps
Agency · 5.65% - 6.05% all-in

INDUSTRIAL

Fixed Rate

LIFE COMPANIES

Term	LTV	Spread (bps)	Interest Rates
5-YR	50%-55%	135-150	5.85% - 6.00%
5-YR	60%-65%	150-165	6.00% - 6.15%
10-YR	50%-55%	140-155	6.15% - 6.30%
10-YR	60%-65%	170-185	6.45% - 6.60%

CMBS

Term	LTV	Spread (bps)	Interest Rates
5-YR	50%-55%	190-205	6.40% - 6.55%
5-YR	60%-65%	205-220	6.55% - 6.70%
10-YR	50%-55%	165-180	6.40% - 6.55%
10-YR	60%-65%	180-195	6.55% - 6.70%

10-YR / 65% LTV SPREAD OVER 10-YR UST
170–185 bps
Life Companies · 6.45% - 6.60% all-in

RETAIL

Fixed Rate

LIFE COMPANIES

Term	LTV	Spread (bps)	Interest Rates
5-YR	50%-55%	150-165	6.00% - 6.15%
5-YR	60%-65%	165-195	6.15% - 6.45%
10-YR	50%-55%	150-165	6.25% - 6.40%
10-YR	60%-65%	180-195	6.55% - 6.70%

CMBS

Term	LTV	Spread (bps)	Interest Rates
5-YR	50%-55%	200-215	6.50% - 6.65%
5-YR	60%-65%	215-230	6.65% - 6.80%
10-YR	50%-55%	170-185	6.45% - 6.60%
10-YR	60%-65%	185-200	6.60% - 6.75%

10-YR / 65% LTV SPREAD OVER 10-YR UST
180–195 bps
Life Companies · 6.55% - 6.70% all-in

OFFICE

Fixed Rate

LIFE COMPANIES

Term	LTV	Spread (bps)	Interest Rates
5-YR	50%-55%	220-235	6.70% - 6.85%
5-YR	60%-65%	235-265	6.85% - 7.15%
10-YR	50%-55%	220-235	6.95% - 7.10%
10-YR	60%-65%	250-265	7.25% - 7.40%

CMBS

Term	LTV	Spread (bps)	Interest Rates
5-YR	50%-55%	235-250	6.85% - 7.00%
5-YR	60%-65%	250-265	7.00% - 7.15%
10-YR	50%-55%	205-220	6.80% - 6.95%
10-YR	60%-65%	220-235	6.95% - 7.10%

10-YR / 65% LTV SPREAD OVER 10-YR UST
250–265 bps
Life Companies · 7.25% - 7.40% all-in

Spreads are quoted over the like-term index — 5-Yr UST **4.50%** · 10-Yr UST **4.75%** | floating over 1-Mo Term SOFR **3.68%**

BRIDGE FINANCING

BANK

Term	LTV	Spread (bps)	Rate (Floating)
3-5 YR	50%-55%	210-240	5.78% - 6.08%
3-5 YR	60%-65%	240-270	6.08% - 6.38%

DEBT FUND

Term	LTV	Spread (bps)	Rate (Floating)
3-5 YR	60%-65%	250-280	6.18% - 6.48%
3-5 YR	70%-75%	280-310	6.48% - 6.78%

Note

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

Multifamily

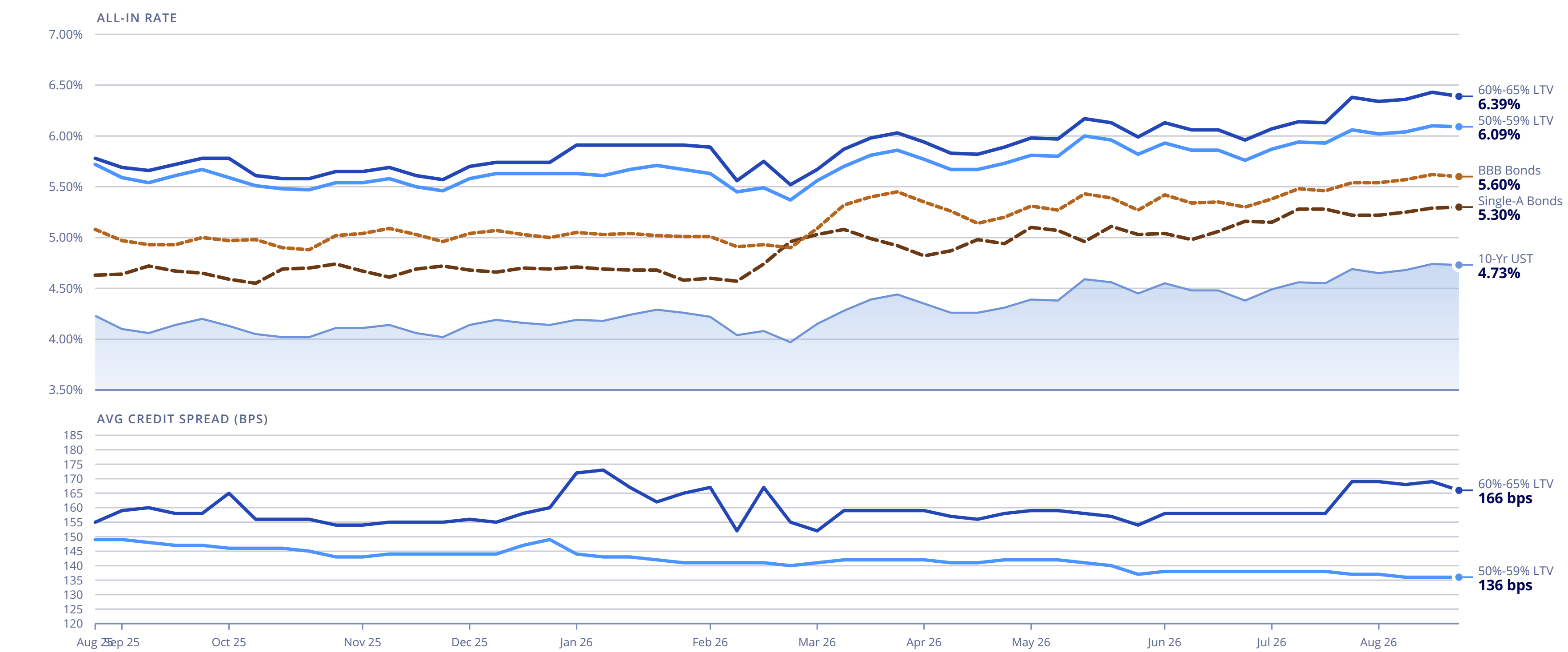
ALL-IN RATE TRENDS

CLOSED TRANSACTIONS — WEEK OF	50%-59% LTV — AVG CREDIT SPREAD	60%-65% LTV — AVG CREDIT SPREAD
8/28/2026	136 bps	166 bps
index pages are one week forward	– unchanged w/w	▼ -3 bps w/w

All-In Interest Rates

HISTORICAL · 10-YEAR FIXED-RATE BALANCE SHEET EXECUTIONS · WEEKLY TO 8/28/2026

10-Yr UST · 60%-65% LTV · 50%-59% LTV · BBB Bonds · Single-A Bonds



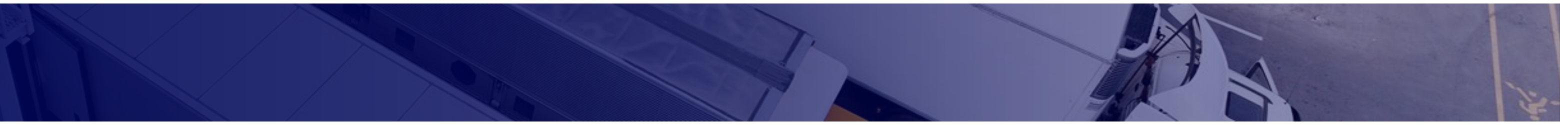
WHAT THIS SHOWS On the week the 60%-65% band **moved -4 bps**, standing at **6.39%**. Across the 52 weeks charted it **moved +61 bps** while that band's credit spread **moved +11 bps** — so the all-in move is mostly index, not credit. The leverage premium between the two bands stands at **30 bps**. Every figure in the strip above is week over week on this series. The CRE series is published one week behind the index pages; this page is as of the date shown.

(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 RATE TRENDS



CLOSED TRANSACTIONS — WEEK OF

8/28/2026

index pages are one week forward

50%-59% LTV — AVG CREDIT SPREAD

141 bps

– unchanged w/w

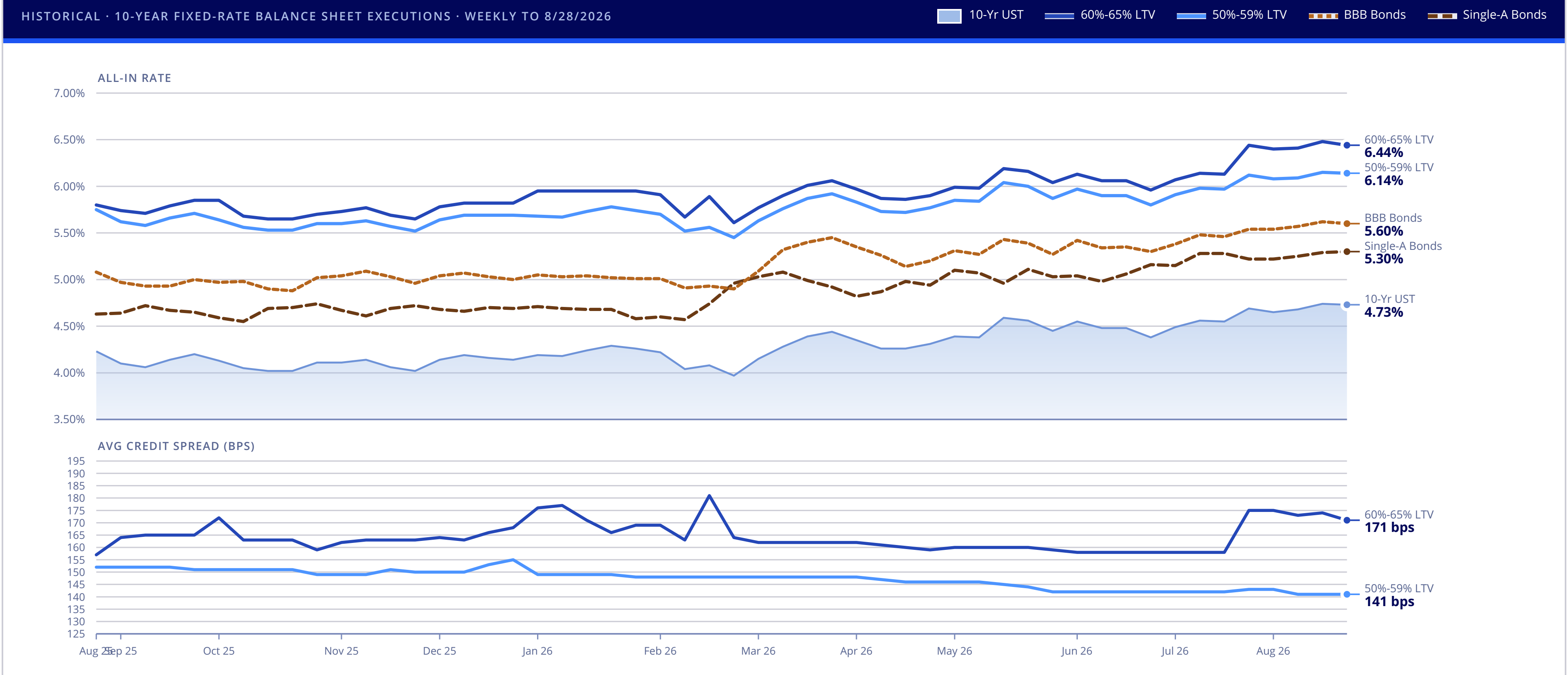
60%-65% LTV — AVG CREDIT SPREAD

171 bps

▼ -3 bps w/w

All-In Interest Rates

HISTORICAL · 10-YEAR FIXED-RATE BALANCE SHEET EXECUTIONS · WEEKLY TO 8/28/2026



WHAT THIS SHOWS On the week the 60%-65% band **moved -4 bps**, standing at **6.44%**. Across the 52 weeks charted it **moved +64 bps** while that band's credit spread **moved +14 bps** — so the all-in move is mostly index, not credit. The leverage premium between the two bands stands at **30 bps**. Every figure in the strip above is week over week on this series. The CRE series is published one week behind the index pages; this page is as of the date shown.

(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.

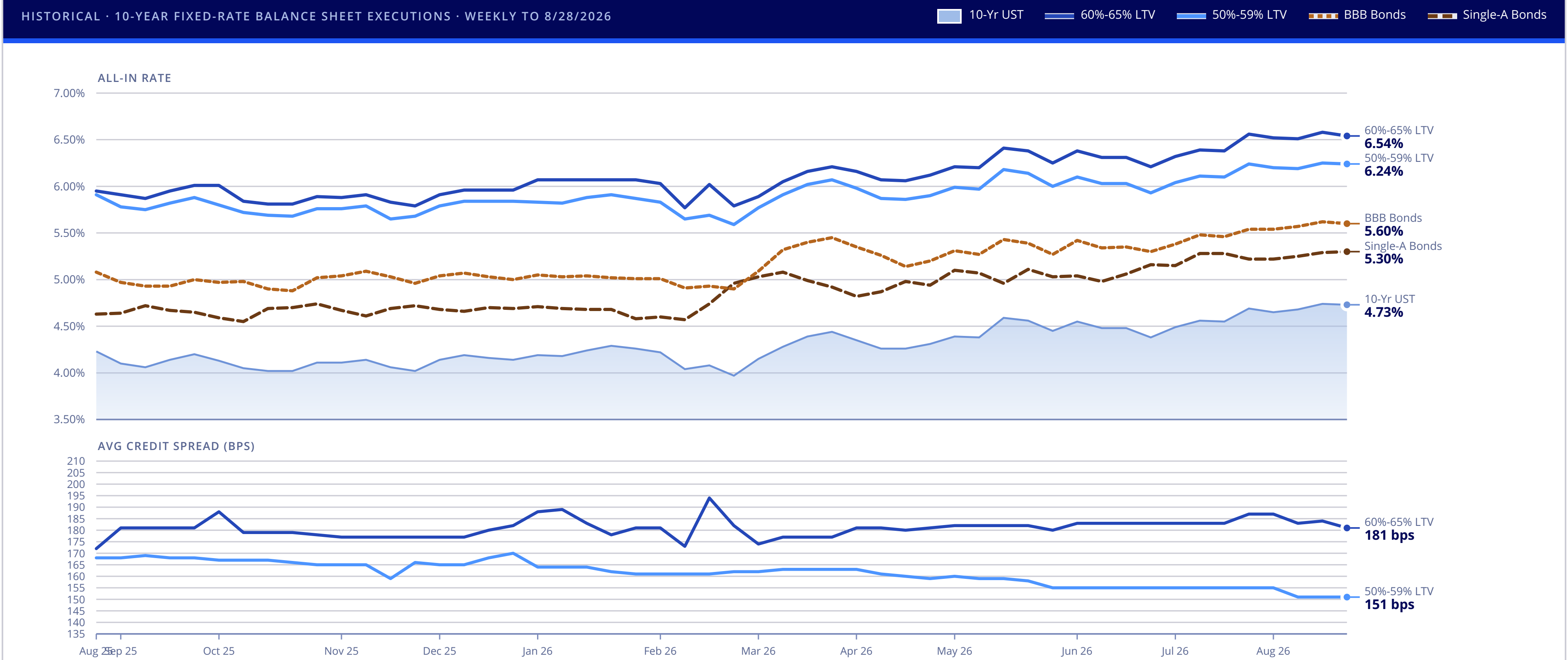
Retail

ALL-IN RATE TRENDS

CLOSED TRANSACTIONS — WEEK OF	50%-59% LTV — AVG CREDIT SPREAD	60%-65% LTV — AVG CREDIT SPREAD
8/28/2026	151 bps	181 bps
index pages are one week forward	– unchanged w/w	▼ -3 bps w/w

All-In Interest Rates

HISTORICAL · 10-YEAR FIXED-RATE BALANCE SHEET EXECUTIONS · WEEKLY TO 8/28/2026



WHAT THIS SHOWS On the week the 60%-65% band **moved -4 bps**, standing at **6.54%**. Across the 52 weeks charted it **moved +59 bps** while that band's credit spread **moved +9 bps** — so the all-in move is mostly index, not credit. The leverage premium between the two bands stands at **30 bps**. Every figure in the strip above is week over week on this series. The CRE series is published one week behind the index pages; this page is as of the date shown.

(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 RATE TRENDS

CLOSED TRANSACTIONS — WEEK OF	50%-59% LTV — AVG CREDIT SPREAD	60%-65% LTV — AVG CREDIT SPREAD
8/28/2026	201 bps	231 bps
index pages are one week forward	– unchanged w/w	▼ -3 bps w/w

All-In Interest Rates

HISTORICAL · 10-YEAR FIXED-RATE BALANCE SHEET EXECUTIONS · WEEKLY TO 8/28/2026

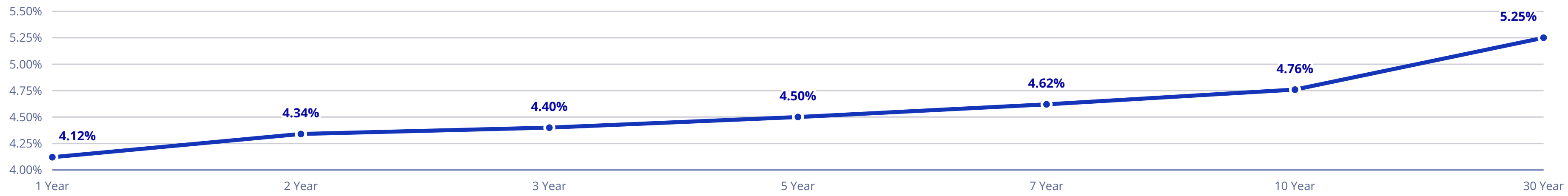
WHAT THIS SHOWS On the week the 60%-65% band **moved -4 bps**, standing at **7.04%**. Across the 52 weeks charted it **moved +71 bps** while that band's credit spread **moved +21 bps** — so the all-in move is mostly index, not credit. The leverage premium between the two bands stands at **30 bps**. Every figure in the strip above is week over week on this series. The CRE series is published one week behind the index pages; this page is as of the date shown.

(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 Curve

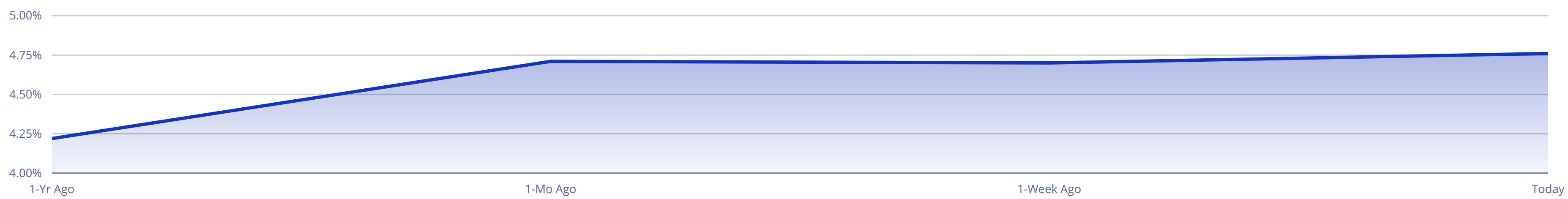
AS OF 8/31/2026



WHAT THE SHAPE SHOWS The curve spans **+113 bps** from 1 Year to 30 Year, with 2s10s at **+42 bps**. It is **upward-sloping throughout** — no segment inverts, so the market is not pricing near-term cuts. For CRE the decision sits between the 5- and 10-year points, **4.50%** and **4.76%** — **+26 bps** of extra index cost to term out by five more years, before any change in credit spread. At that gap the ten-year is cheap insurance against refinancing risk; the spread column on the guidance page is what sits on top of these two points. Floating still starts inside fixed — 1-month Term SOFR at **3.68%** is **82 bps** below the 5-year point, which is the arithmetic pushing borrowers toward floating structures and toward the cap costs on the hedging page. The 5s30s segment is **+75 bps**.

10-Year UST Yield Trend

AUG 2025 - AUG 2026



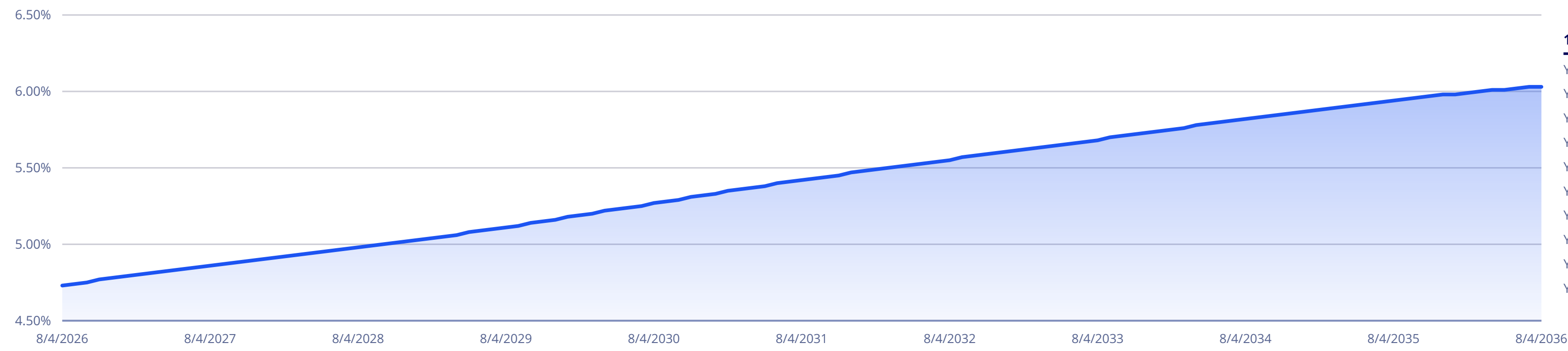
	1-YR AGO	1-MO AGO	1-WEEK AGO	TODAY
1 Year	3.84%	4.03%	4.02%	**4.12%**
2 Year	3.61%	4.27%	4.23%	**4.34%**
5 Year	3.69%	4.42%	4.40%	**4.50%**
7 Year	3.92%	4.56%	4.54%	**4.62%**
10 Year	4.22%	4.71%	4.70%	**4.76%**
30 Year	4.91%	5.25%	5.23%	**5.25%**

WHAT THE TREND SHOWS **5 of 6** tenors are higher than a month ago. The move is concentrated at the **short end**: the 30 Year is **+0 bps** on the month against **+9 bps** at the 1 Year, a **9 bps** flattening. A curve that moves from the front is repricing the policy path, so the Fed page is where the explanation sits. Against a year ago the 1 Year has moved most on the month (**+9 bps**), and the 30 Year is **+34 bps** higher than it was. On the week the whole curve moved in the same direction, the 2 Year most at **+11 bps**. The 49 bps step from the 10-year to the 30-year is the part of the curve that carries no CRE pricing but sets the tone for it. Every fixed-rate quote on the guidance page is struck over one of these points, so the table above is the input to that page rather than a commentary on it.

10-Year UST Forward Curve

AUG 2026 - AUG 2036

10-YR UST · TODAY
4.76%



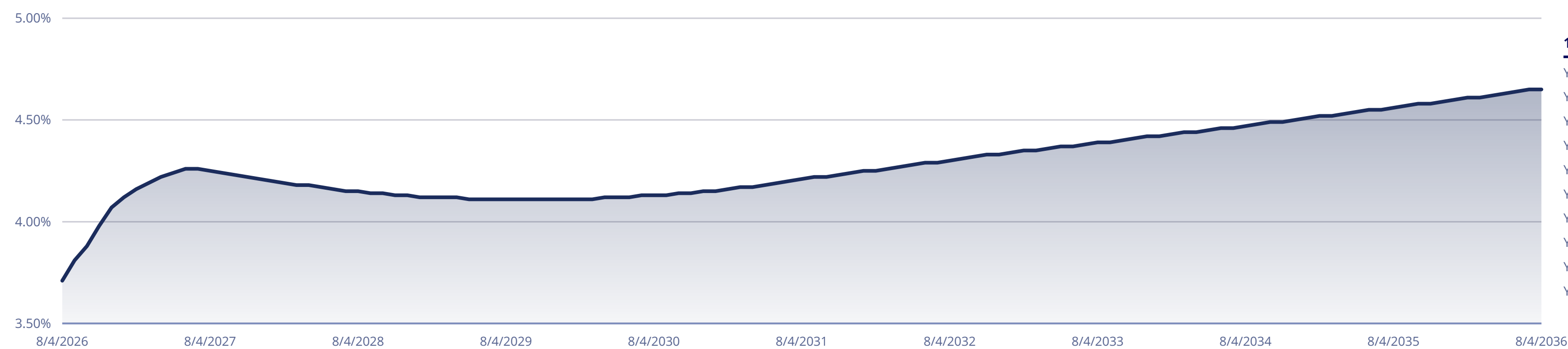
10-Yr UST	
YE 2026	**4.77%**
YE 2027	**4.89%**
YE 2028	**5.01%**
YE 2029	**5.15%**
YE 2030	**5.31%**
YE 2031	**5.45%**
YE 2032	**5.59%**
YE 2033	**5.72%**
YE 2034	**5.85%**
YE 2035	**5.97%**

FORWARD, NOT FORECAST **What this is.** Not a forecast — the set of levels a borrower can lock or hedge to *today*, backed out of where the market is willing to trade. If the curve slopes up, the cost of waiting is already priced in and a forward rate lock buys nothing for free. **What it shows.** The 10-year forward runs from **4.73%** at the front to **6.03%** a decade out, a **+130 bps** path, with its low of **4.73%** at **Sep-26**. The front sits **3 bps** below spot at **4.76%**. Half way out, around **Sep-31**, it prices **5.42%**, so the path is close to even between the two halves of the horizon. The practical read is the year-end column at the right: those are the index levels a forward-starting lock is struck against, before any credit spread.

1-Month Term SOFR Forward Curve

AUG 2026 - AUG 2036

1-MO TERM SOFR · TODAY
3.68%



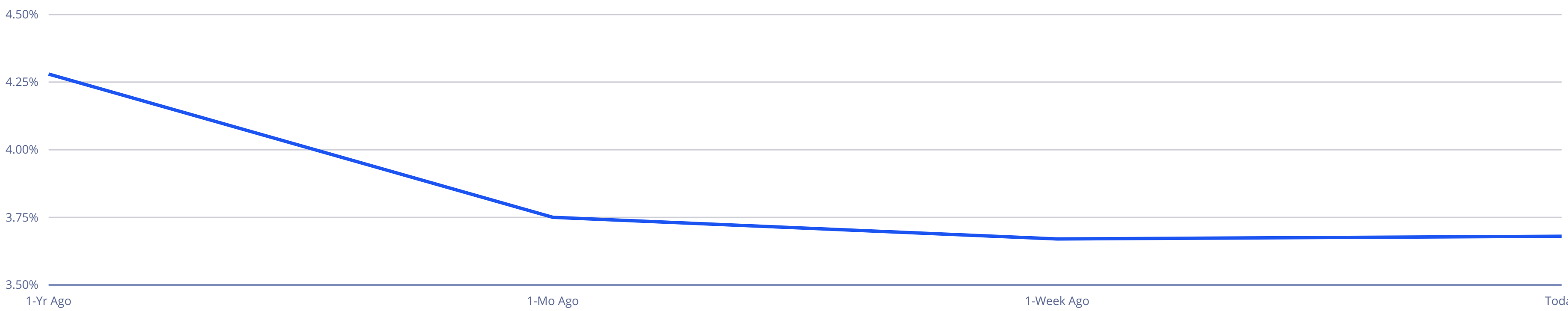
1-Mo Term SOFR	
YE 2026	**3.98%**
YE 2027	**4.22%**
YE 2028	**4.13%**
YE 2029	**4.11%**
YE 2030	**4.14%**
YE 2031	**4.23%**
YE 2032	**4.33%**
YE 2033	**4.41%**
YE 2034	**4.49%**
YE 2035	**4.58%**

WHAT THE FLOATING STRIP PRICES **What this is.** The floating index strip — where 1-month Term SOFR is priced to reset in each future month. It is the schedule a floating-rate loan is expected to accrue on, and the curve a cap or swap is struck against. **What it shows.** The strip runs from **3.71%** to **4.65%**, bottoming at **3.71%** around **Sep-26** — the market's priced trough for this easing cycle, and the reason cap costs are cheapest at the tenors that straddle it. Spot Term SOFR fixes at **3.68%**, so the front of the curve is **3 bps** above today. Ten years out the strip sits **138 bps** below the 10-year UST forward. A borrower choosing floating is betting the realised path falls below this line; the lender has already been paid for the line as drawn.

1-Month Term SOFR Trend

AUG 2025 - AUG 2026

1-MO TERM SOFR · TODAY
3.68%



	1-YR AGO	1-MO AGO	1-WEEK AGO	TODAY
1-month Term SOFR	4.28%	3.75%	3.67%	**3.68%**

THE FLOATING INDEX **What this is.** 1-month Term SOFR is the forward-looking version of the secured overnight rate — a rate fixed today for the month ahead, so it embeds whatever cuts or hikes the market expects to arrive inside that month. It fixes at **3.68%**. **What it shows.** On the week it moved **+1 bp**, and **-7 bps** on the month. A year ago it fixed at **4.28%**, so **-60 bps** of the easing cycle has already passed through to floating borrowers. It sits **5 bps** above the **3.63%** Fed funds effective rate; that gap is expectation rather than credit, and the Fed section is where it gets explained. Every floating CRE quote on the guidance page is struck over this rate, so it sets the starting coupon — and the swap curve beneath is what it costs to trade it for a fixed one.

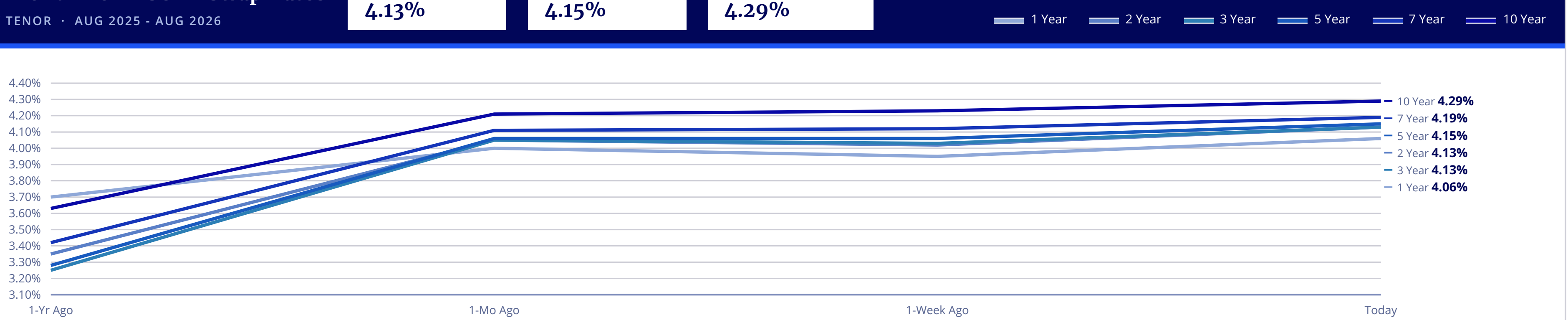
1-Month Term SOFR Swap Rates

BY TENOR · AUG 2025 - AUG 2026

3-YR SWAP · TODAY
4.13%

5-YR SWAP · TODAY
4.15%

10-YR SWAP · TODAY
4.29%

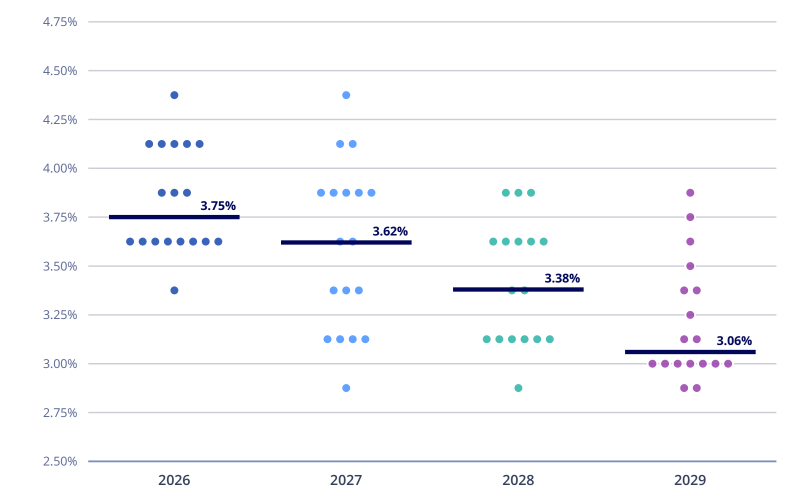


WHAT FIXING COSTS **What this is.** The fixed rate a borrower pays to swap floating Term SOFR into a fixed coupon for that many years — one line per tenor, plotted across the same vintage ladder as the chart above, so what has repriced and what has not sit side by side. **What it shows.** Today's curve runs **4.06%** at 1 Year to **4.29%** at 10 Year, **+23 bps** across the tenors, and it is cheapest to fix at **1 Year** at **4.06%**. Against 1-yr ago the ladder has not moved as one: 3 Year is **+88 bps** while 1 Year is **+36 bps** — a **52 bps** steepening of the swap ladder over that window. An upward-sloping swap curve charges more the further out you fix, so terming out is a real premium rather than free insurance. Against 1-mo ago the whole curve is **+8 bps** on average, most at 5 Year (**+9 bps**). Against 1-yr ago the whole curve is **+72 bps** on average, most at 3 Year (**+88 bps**).

FOMC Rate Projections

ONE DOT PER PARTICIPANT · JUN 17, 2026

Median projection



	1-YR AGO	1-MO AGO	1-WEEK AGO	TODAY
Fed Funds Effective Rate	4.33%	3.63%	3.63%	**3.63%**

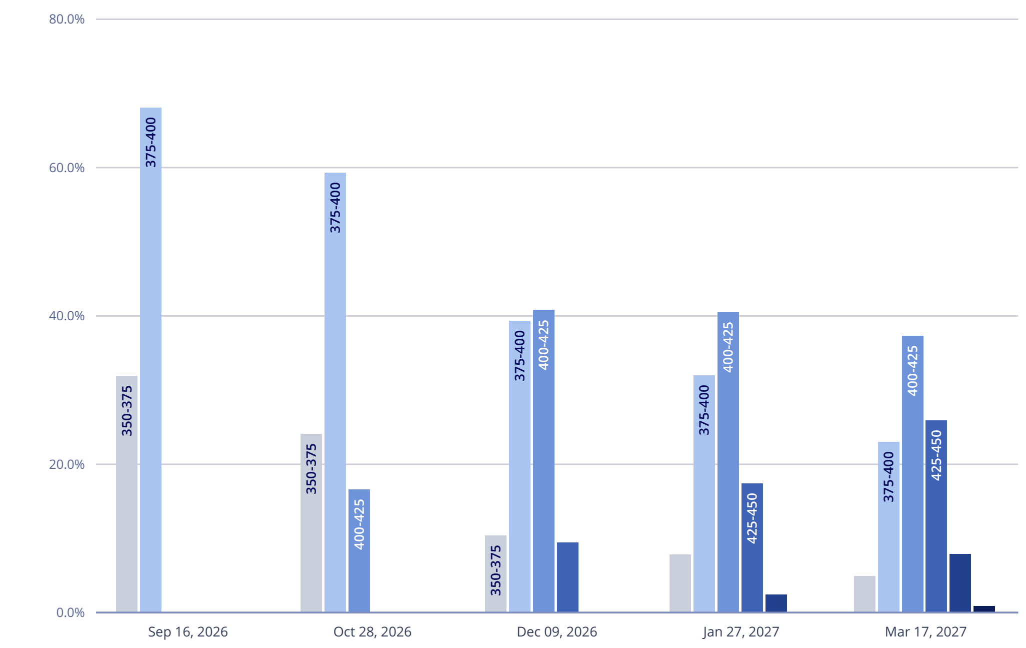
READING THE DOT PLOT **What this is.** Every dot is one FOMC participant's view of where the policy rate should sit at the end of that year — 18 of them in 2026 — published quarterly in the Committee's Summary of Economic Projections. The rule across each column is the median. It is a snapshot of opinion on Jun 17, 2026, not a forecast and not a commitment: participants are saying where they think rates *ought* to be, and the next release moves the dots. **What it shows.** The median runs from **3.75%** at the end of 2026 to **3.06%** by 2029 — **69 bps** of easing projected over three years. Agreement is thinnest on **2027**, where the dots span **2.88%–4.38%**, a **150 bps** range — the Committee is more united on direction than on destination, and the spread of dots is the honest measure of that. The tightest column is 2026 at 100 bps.

Fed Funds Target Rate Probabilities

AS OF 8/31/2026

SEP 16 · 68% PRICED
+25 bps

Current target 350-375



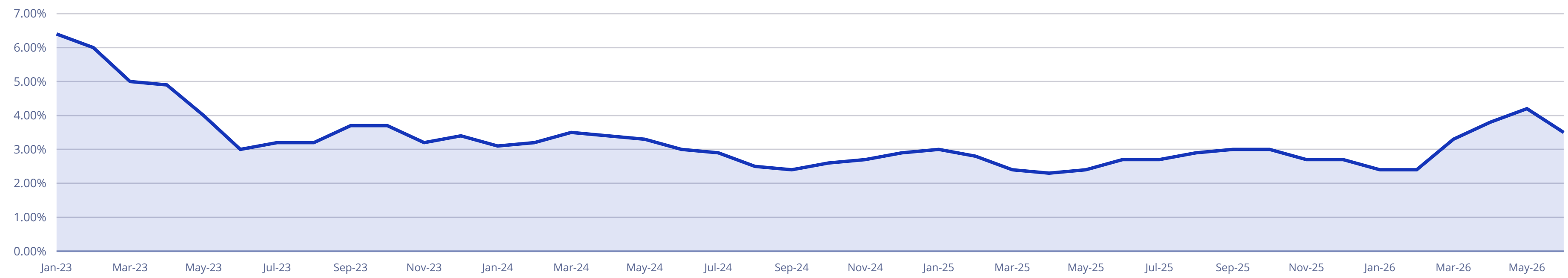
WHAT THE MARKET IS PRICING The effective rate is **3.63%**, inside the **350-375** target band. At the Sep 16 meeting the market puts **68%** on **a +25 bps move** in the target, which prices **an increase** — a probability-weighted midpoint of **3.80%**, 17 bps from where the rate sits today. The path runs higher from there: by Mar 17 2027 the weighted midpoint is **4.15%**, **52 bps** from today and about **2.1** quarter-point moves. The distribution also widens with the horizon — 2 bands carry a price at the first meeting against 6 at the last — so the market is more confident about direction than about destination. That last figure sits **53 bps above** the Committee's own 2027 median of **3.62%** from the Jun 17, 2026 projections — the market and the dots do not agree, and the dots are the older number. For a borrower, that is the curve a floating-rate coupon reprices along, and it is what a cap is struck against.

	SEP 16, 2026	OCT 28, 2026	DEC 09, 2026	JAN 27, 2027	MAR 17, 2027
350-375 CURRENT TARGET	31.9%	24.1%	10.4%	7.8%	4.9%
375-400	**68.1%**	**59.3%**	39.3%	32.0%	23.0%
400-425		16.6%	**40.8%**	**40.5%**	**37.3%**
425-450			9.4%	17.4%	25.9%
450-475				2.4%	7.9%
475-500					0.9%
Implied target midpoint	**3.80%**	**3.86%**	**4.00%**	**4.06%**	**4.15%**

US Inflation Rate

CPI-U, YEAR OVER YEAR · JAN 2023 - JUN 2026

CPI Y/Y · JUN-26
3.50%



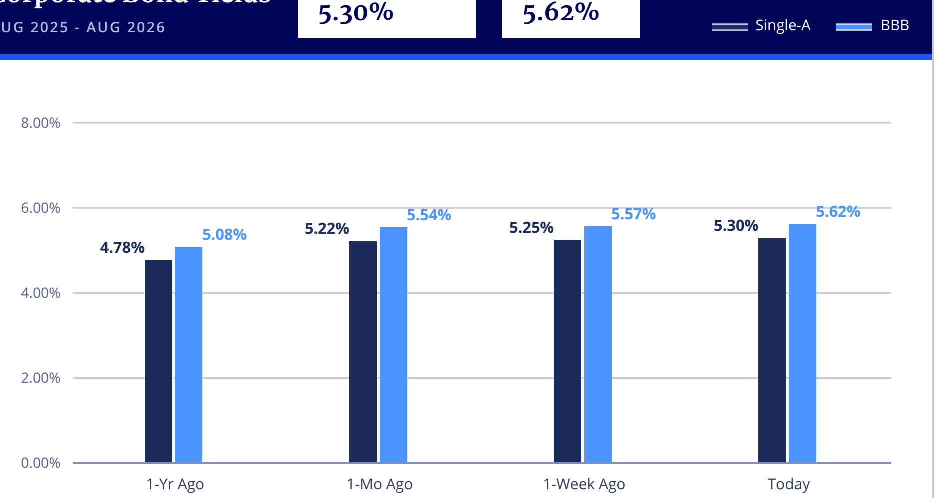
INFLATION AND THE TARGET CPI is running at **3.50%** year over year as of Jun-26, against **2.70%** a year earlier and a peak of **6.40%** in Jan-23. Over the last six months it has risen **0.80 pts**. The Fed's target is 2%, so the print sits **1.50 pts** above it — and that gap, more than growth or employment, is what governs how fast the dots on the previous page can come down. Inflation reaches CRE pricing twice: through the policy path, which sets the front of the curve, and through term premium, which sets the back. A ten-year fixed loan is priced off the back.

Corporate Bond Yields

AUG 2025 - AUG 2026

SINGLE-A · TODAY
5.30%

BBB · TODAY
5.62%



WHAT CREDIT IS SAYING Single-A yields **5.30%** and BBB **5.62%** — a credit gap of **32 bps**. On the week that gap held, with BBB itself **+5 bps**. A year ago the gap was **30 bps**. This is the cleanest public read on credit appetite. When BBB widens against Single-A, lenders are being paid more to take risk, and the CRE credit spreads on the product pages follow within weeks. A gap that holds while Treasuries move tells you the all-in rate story is an index story, not a credit one.

SOFR Cap Cost Estimates — bps of Notional · priced on $25,000,000

STRIKE	1 YEAR	2 YEAR	3 YEAR	4 YEAR	5 YEAR
1.00%	309	615	904	1,181	1,452
1.50%	259	519	764	1,000	1,232
2.00%	210	424	627	821	1,015
2.50%	161	330	492	648	807
3.00%	114	240	364	485	611
3.50%	68	156	247	337	435
4.00%	31	87	152	222	297
4.50%	16	50	96	143	199
5.00%	10	31	64	99	142
5.50%	7	21	46	71	105
6.00%	6	16	34	54	80

READING THE CAP TABLE A cap is an insurance premium paid up front, quoted here in basis points of notional so it scales to any loan size. Cost falls as the strike rises and climbs with tenor: a 1.00% strike runs **309 bps** for 1 year against **1,452 bps** for 5 year — on the $25,000,000 notional these were priced against, that is **$772,000** and **$3,630,000**. Pricing comes off the forward SOFR strip, not off today's fixing — which is why a cap looks expensive precisely when the market has already priced the cuts a borrower is hoping for. Indicative only.

Colliers

CONTENTS

Optimize COMMERCIAL REAL ESTATE INVESTMENTS

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 $23B 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.

$23B+
In Transactions
Nationwide

VISIT TEAM SITE →

For additional information, please contact:

Jeremy Thornton, CRE
Executive Vice President
Jeremy.Thornton@colliers.com
+1 310 200 7676

VIEW BIO →

Pim Carlton
Senior Team Business Manager
Pim.Carlton@colliers.com
+1 971 350 9795

SOURCES UST constant maturities — U.S. Treasury daily yield curve / Federal Reserve H.15 · SOFR and Term SOFR — Federal Reserve Bank of New York / CME Term SOFR · Fed Funds effective rate and target probabilities — Federal Reserve H.15 / CME FedWatch · Corporate bond yields — ICE BofA AAA and BBB US Corporate indices · US inflation — Bureau of Labor Statistics, CPI-U year over year · Product-type rate guidance and all-in trends — Colliers Structured Finance Advisory Group