

# Market Update

## INTEREST RATE & INDEX TRENDS

September 5, 2023

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**DEBT & EQUITY**

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# Capital Markets *Live*



## Interest Rates by Product Type

Colliers Debt & Equity 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.

September 5, 2023

### MULTIFAMILY

#### Fixed Rate

#### INSURANCE & BANK

Term	LTV	Interest Rates
5-YR	50%-55%	6.04% - 6.34%
5-YR	60%-65%	6.19% - 6.49%
10-YR	50%-55%	5.93% - 6.23%
10-YR	60%-65%	6.08% - 6.38%

#### CMBS

Term	LTV	Interest Rates
5-YR	50%-55%	6.18% - 6.48%
5-YR	60%-65%	6.38% - 6.68%
10-YR	50%-55%	6.13% - 6.43%
10-YR	60%-65%	6.33% - 6.63%

#### AGENCY

Term	LTV	Interest Rates
5-YR	50%-55%	5.84% - 6.34%
5-YR	60%-65%	6.04% - 6.54%
5-YR	70%-80%	6.58% - 7.08%
10-YR	50%-55%	5.53% - 6.03%
10-YR	60%-65%	5.73% - 6.23%
10-YR	70%-80%	5.93% - 6.43%

### INDUSTRIAL

#### Fixed Rate

#### INSURANCE & BANK

Term	LTV	Interest Rates
5-YR	50%-55%	6.04% - 6.34%
5-YR	60%-65%	6.14% - 6.44%
10-YR	50%-55%	5.93% - 6.23%
10-YR	60%-65%	6.03% - 6.33%

#### CMBS

Term	LTV	Interest Rates
5-YR	50%-55%	6.13% - 6.43%
5-YR	60%-65%	6.28% - 6.58%
10-YR	50%-55%	6.08% - 6.38%
10-YR	60%-65%	6.23% - 6.53%

### BRIDGE FINANCING

#### BANK

Term	LTV	Rate (Floating)
3-5 YR	50%-55%	8.19% - 8.49%
3-5 YR	60%-65%	8.69% - 8.99%

### OFFICE

#### Fixed Rate

#### INSURANCE & BANK

Term	LTV	Interest Rates
5-YR	50%-55%	6.54% - 6.84%
5-YR	60%-65%	6.64% - 6.94%
10-YR	50%-55%	6.43% - 6.73%
10-YR	60%-65%	6.53% - 6.83%

#### CMBS

Term	LTV	Interest Rates
5-YR	50%-55%	6.58% - 6.88%
5-YR	60%-65%	6.73% - 7.03%
10-YR	50%-55%	6.53% - 6.83%
10-YR	60%-65%	6.68% - 6.98%

#### DEBT FUND

Term	LTV	Rate (Floating)
3-5 YR	60%-65%	9.69% - 9.99%
3-5 YR	70%-75%	10.69% - 10.99%

### RETAIL

#### Fixed Rate

#### INSURANCE & BANK

Term	LTV	Interest Rates
5-YR	50%-55%	6.24% - 6.54%
5-YR	60%-65%	6.34% - 6.64%
10-YR	50%-55%	6.13% - 6.43%
10-YR	60%-65%	6.23% - 6.53%

#### CMBS

Term	LTV	Interest Rates
5-YR	50%-55%	6.23% - 6.53%
5-YR	60%-65%	6.38% - 6.68%
10-YR	50%-55%	6.18% - 6.48%
10-YR	60%-65%	6.33% - 6.63%

#### Note

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

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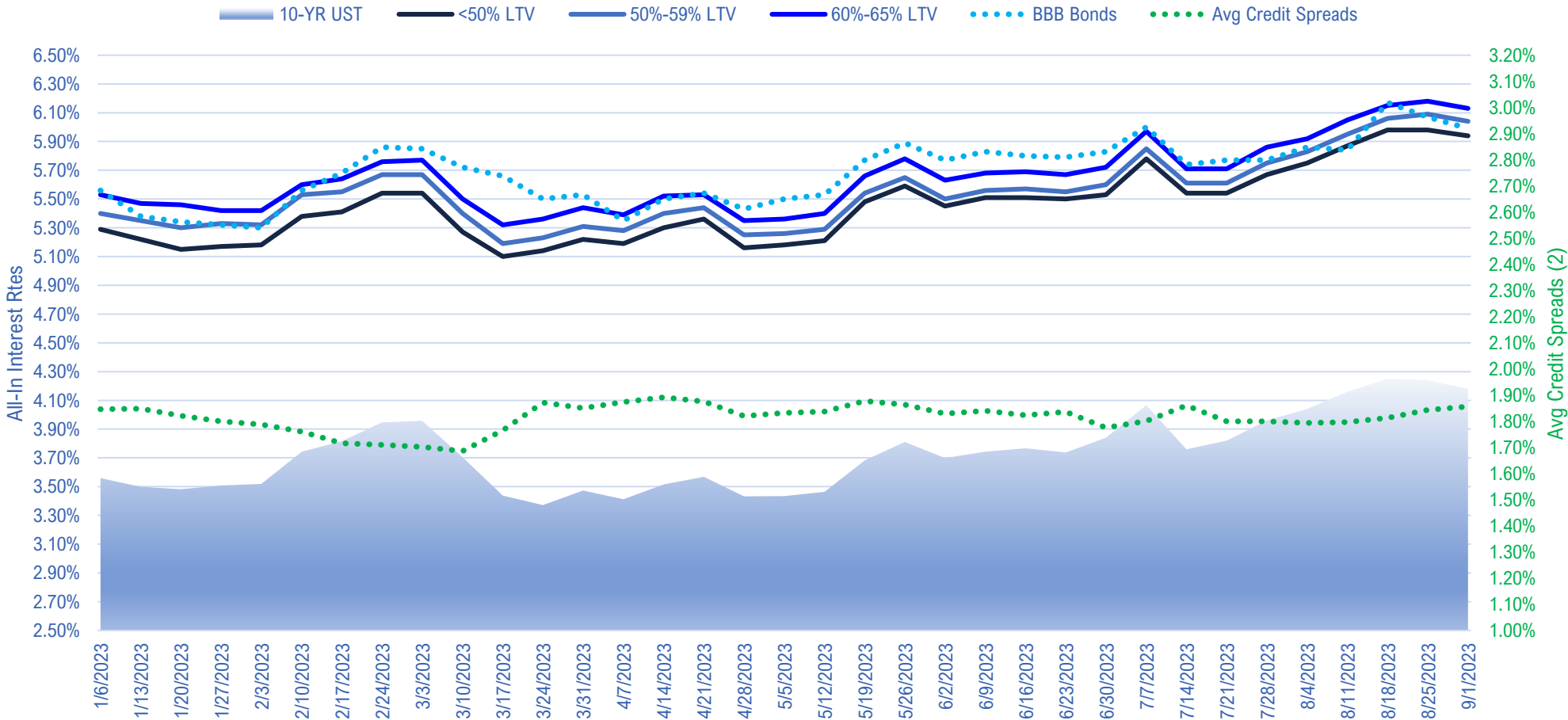
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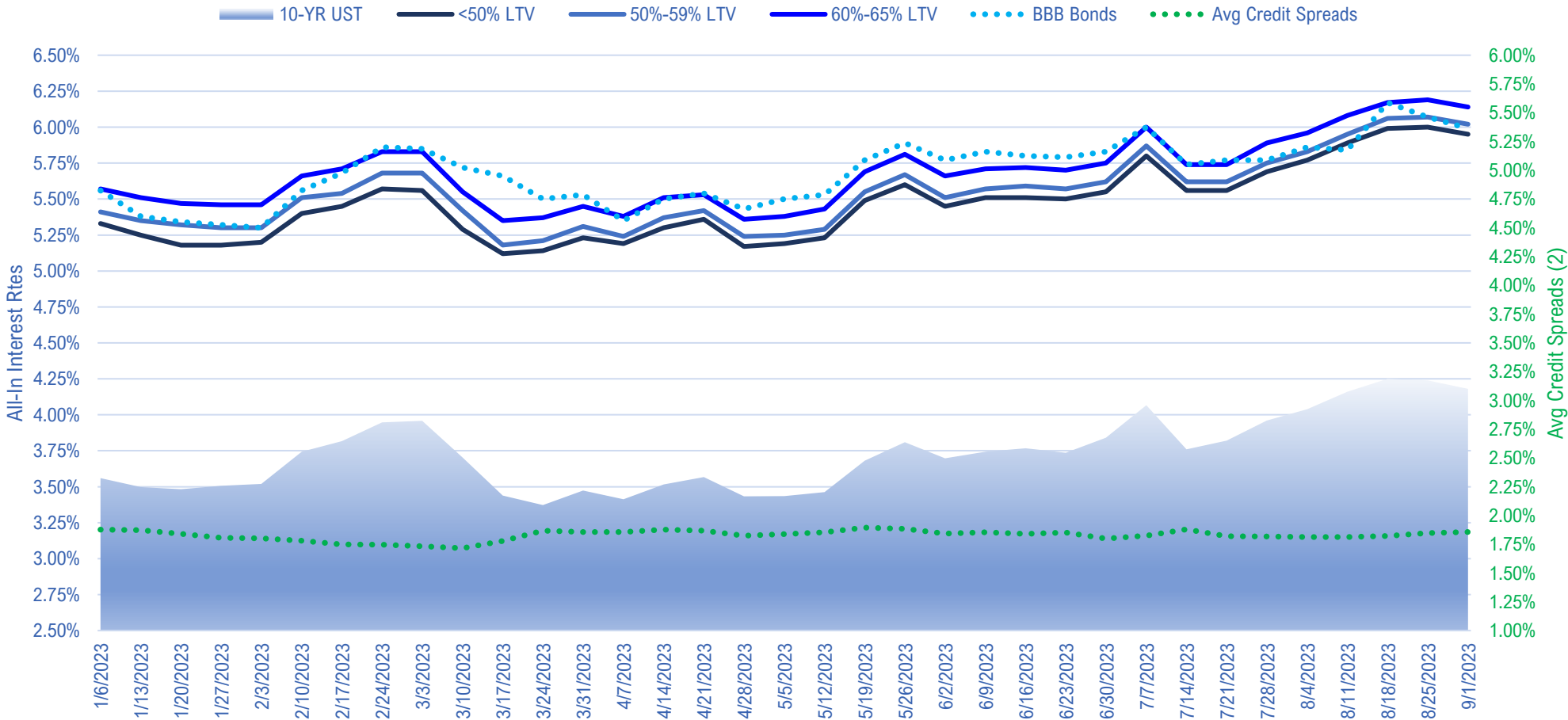
## Multifamily | All-in Interest Rates (1) 2023



(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.

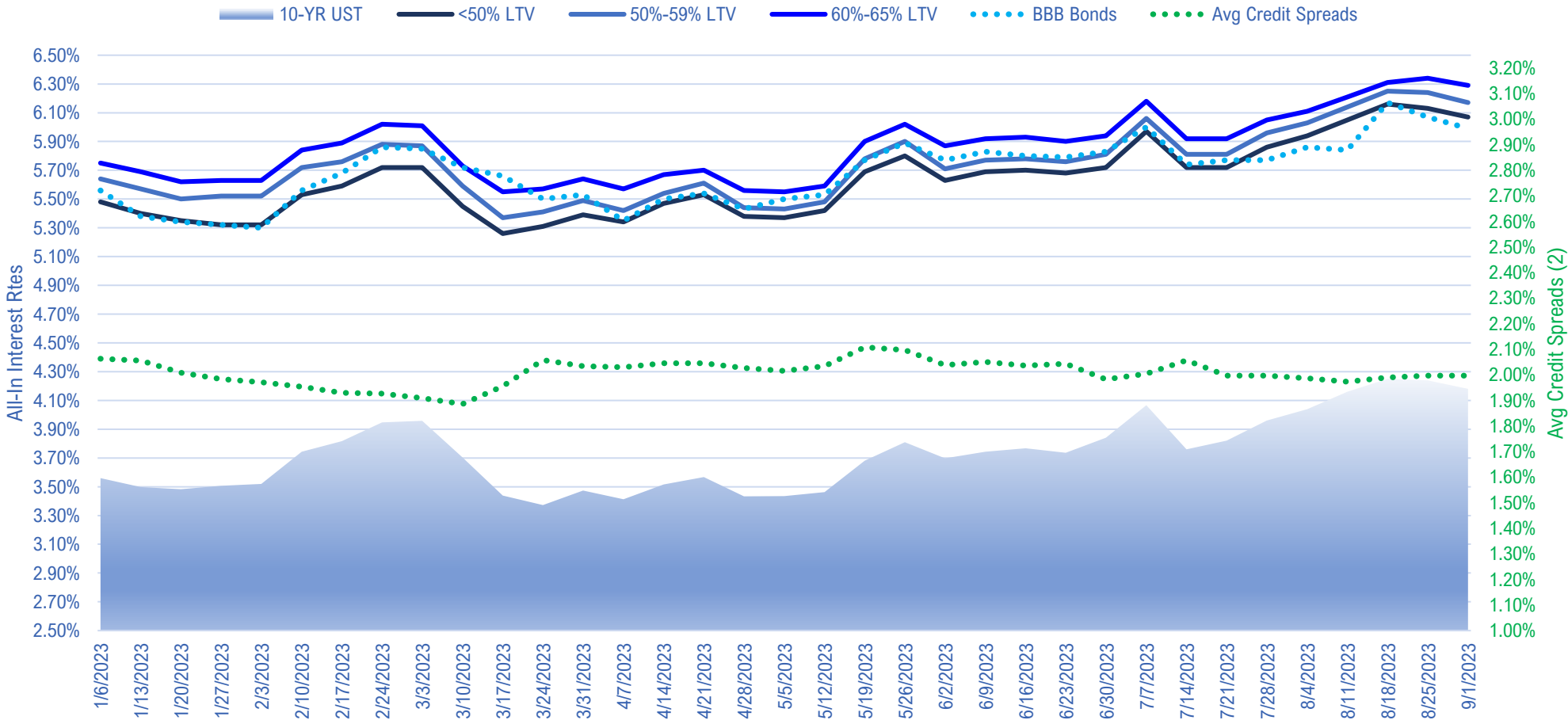
## Industrial | All-in Interest Rates (1) 2023



(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.

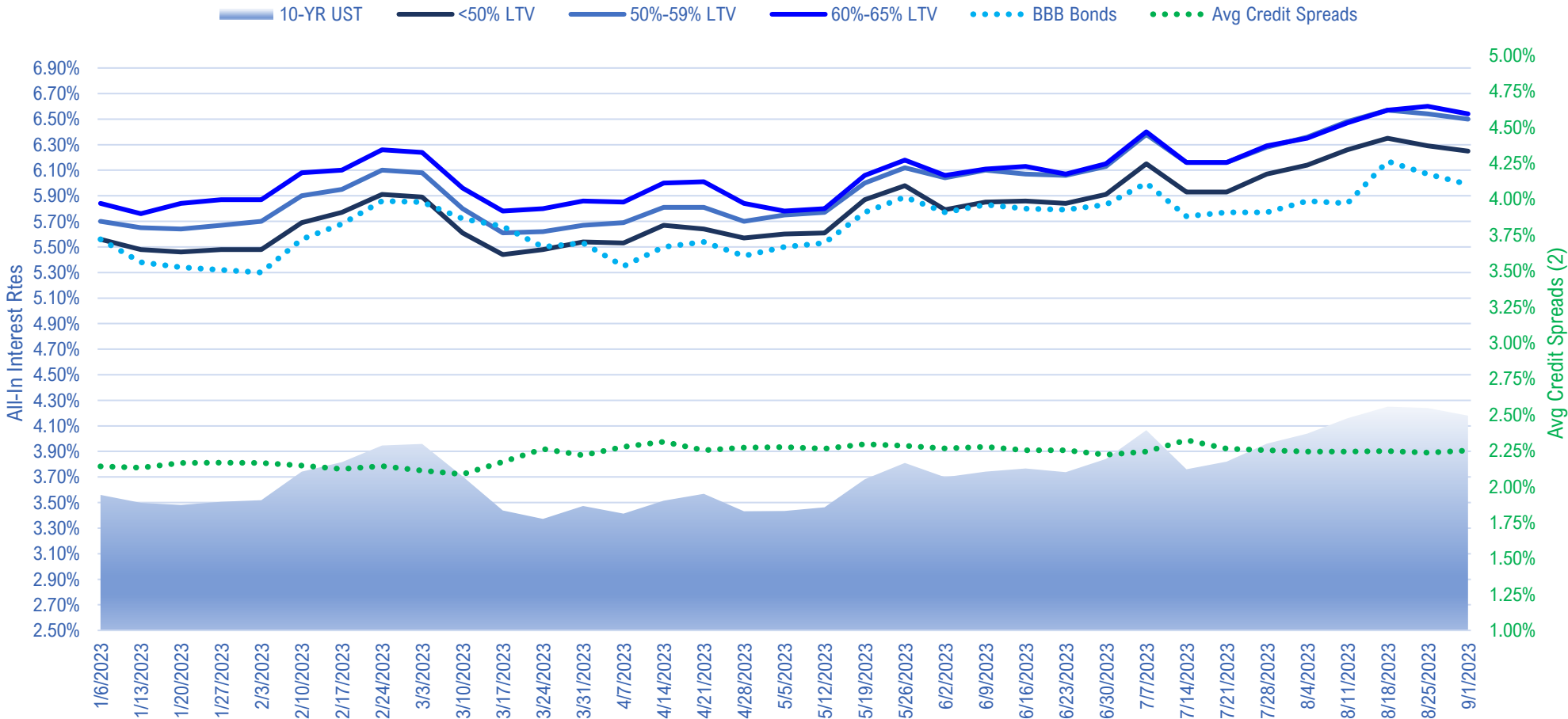
## Retail | All-in Interest Rates (1) 2023



(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.

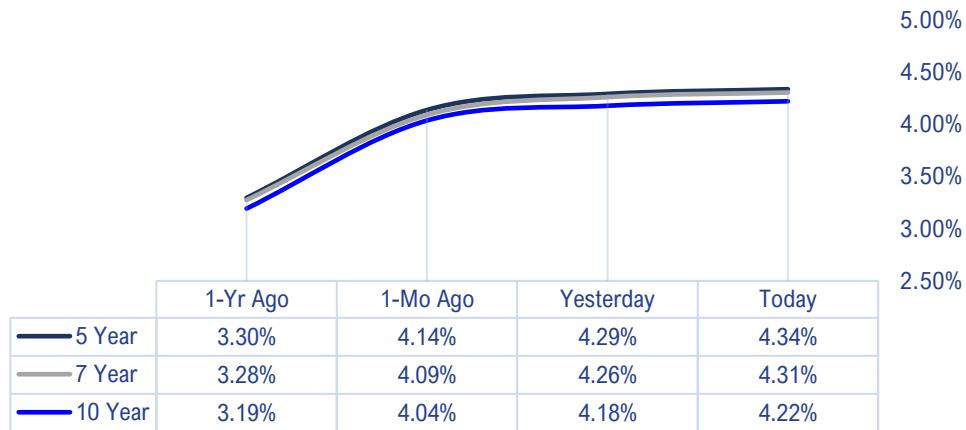
## Office | All-in Interest Rates (1) 2023



(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.

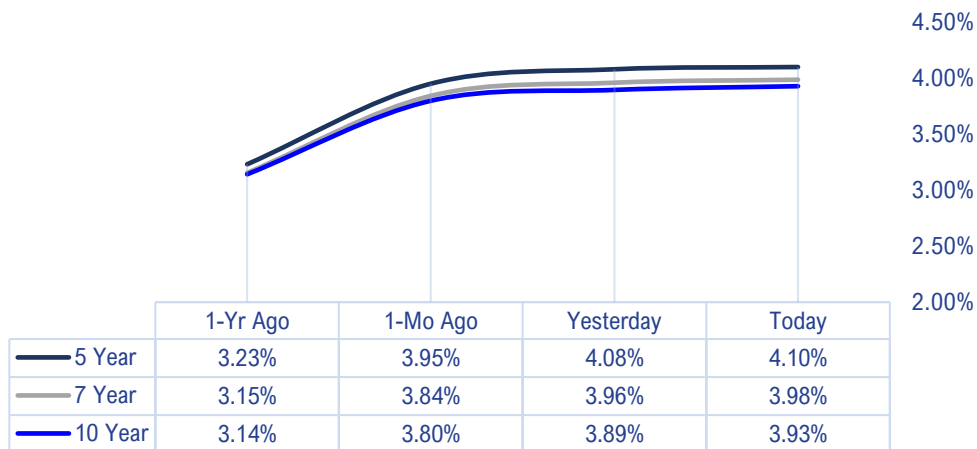
## US Treasury Bonds



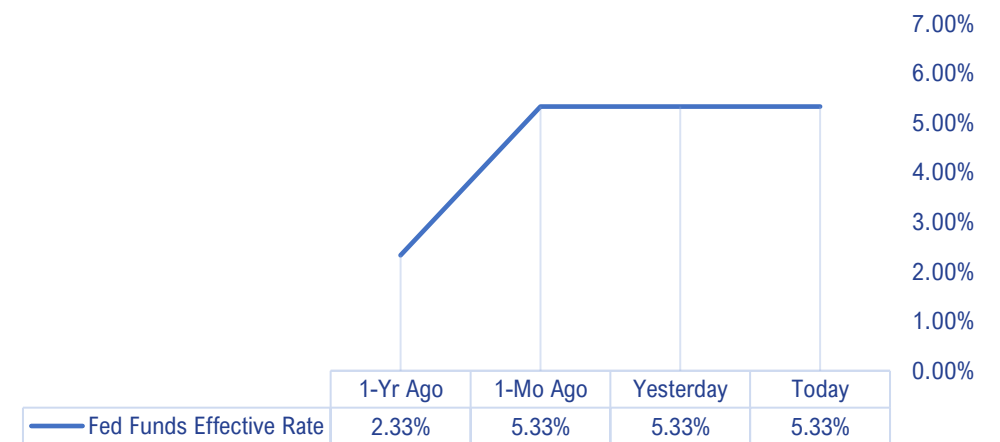
## SOFR



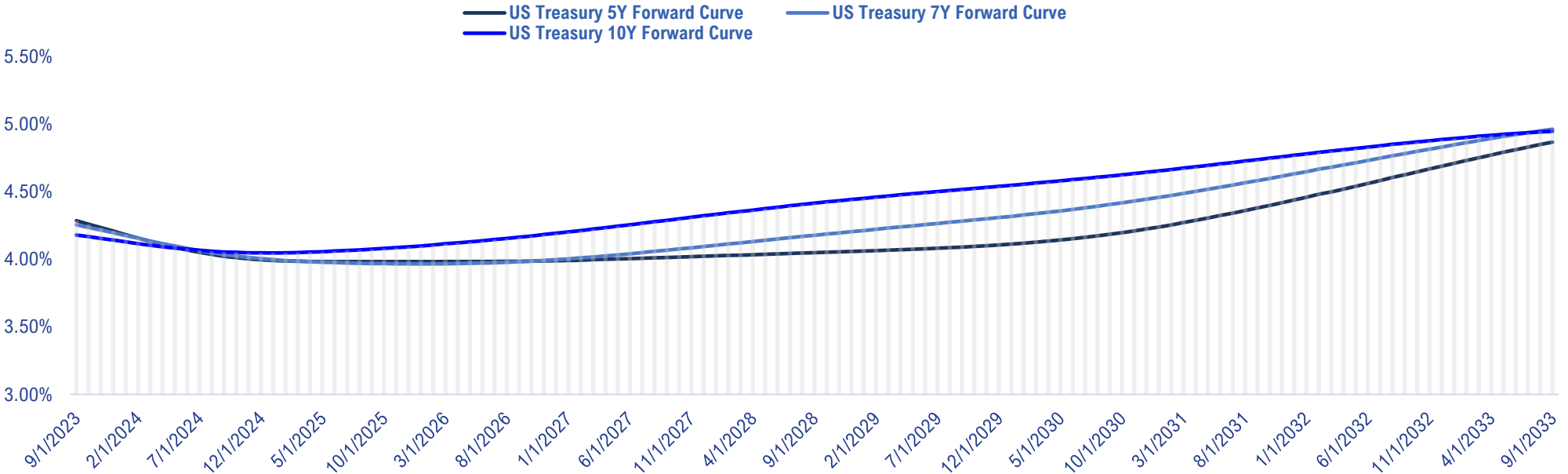
## SOFR Swap Rates (annual/annual)



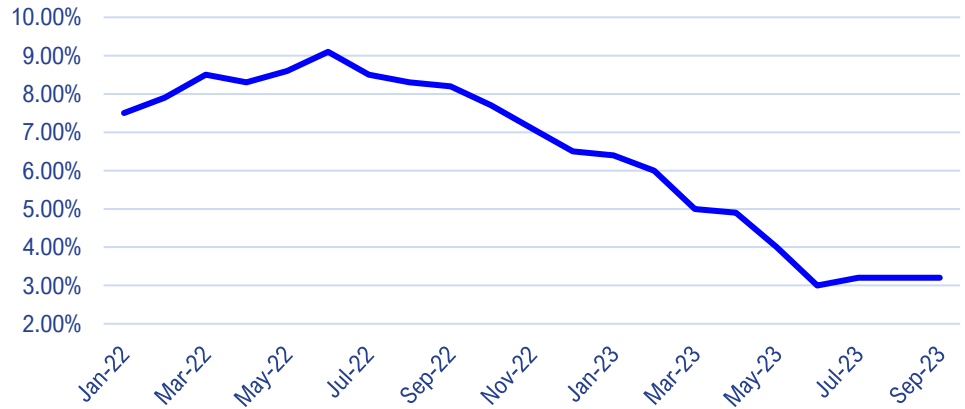
## Fed Funds Rate



## UST Forward Curve



## US Inflation Rates

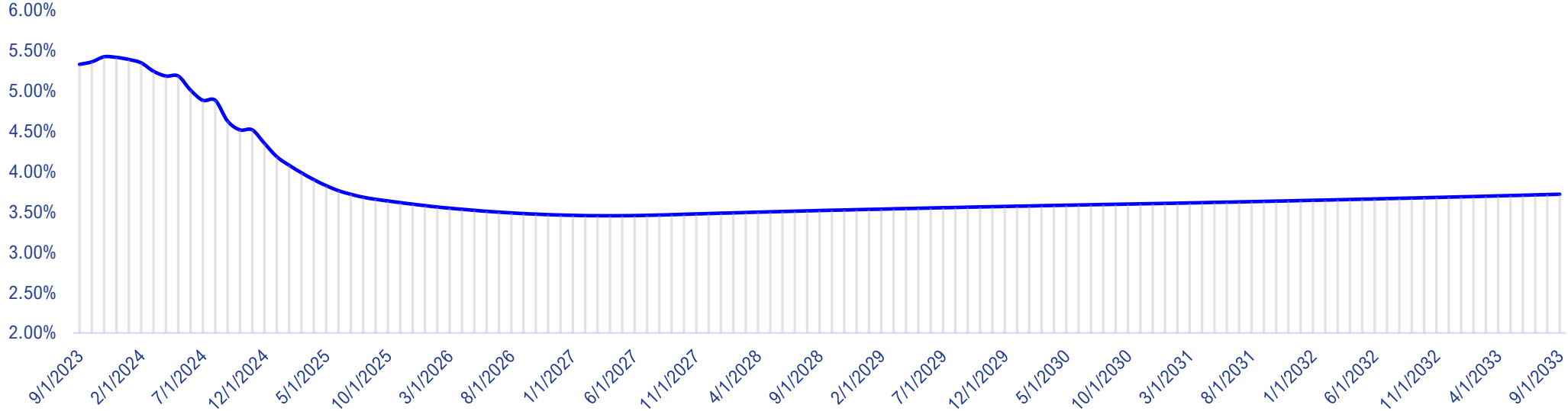


## UST Yield Curve





## SOFR Forward Curve



## SOFR Cap Cost Estimate

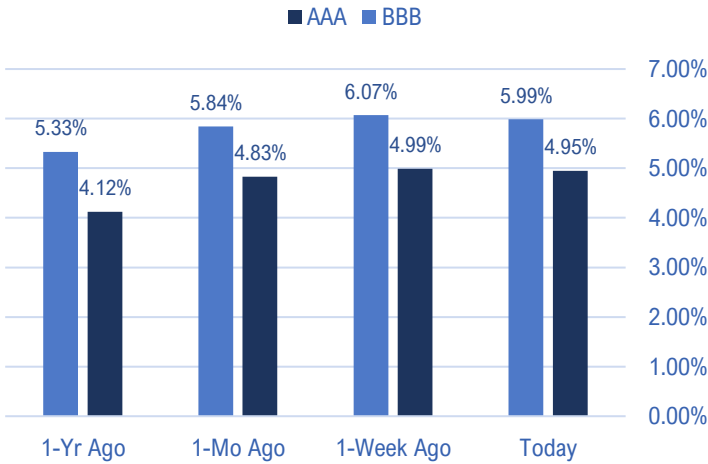
Notional Amount: \$25,000,000

STRIKE F 2-YR	3-YR	4-YR	5-YR
1.00%	\$1,816,000	\$2,428,000	\$2,997,000
1.50%	\$1,586,000	\$2,101,000	\$3,057,000
2.00%	\$1,360,000	\$1,785,000	\$2,574,000
2.50%	\$1,141,000	\$1,485,000	\$2,126,000
3.00%	\$932,000	\$1,205,000	\$1,719,000
3.50%	\$735,000	\$949,000	\$1,358,000
4.00%	\$554,000	\$721,000	\$1,045,000
4.50%	\$368,000	\$478,000	\$749,000
5.00%	\$193,000	\$295,000	\$530,000

## SOFR Swaps



## Corporate Bonds





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