

Market Update

INTEREST RATE & INDEX TRENDS

November 14, 2023

CONTENTS

Current Interest Rates by Product Type

Multifamily Interest Rate Trends

Industrial Interest Rate Trends

Retail Interest Rate Trends

Office Interest Rate Trends

Index Trends

Corporate Bond Yields

US Inflation Trends

UST Forward Curve

SOFR Forward Curve

SOFR Cap Cost Estimates



DEBT & EQUITY

www.realcapitalx.com

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.

November 14, 2023

MULTIFAMILY

Fixed Rate

INSURANCE & BANK

Term	LTV	Interest Rates
5-YR	50%-55%	6.05% - 6.35%
5-YR	60%-65%	6.45% - 6.75%
10-YR	50%-55%	6.05% - 6.55%
10-YR	60%-65%	6.45% - 6.95%

CMBS

Term	LTV	Interest Rates
5-YR	50%-55%	6.95% - 7.45%
5-YR	60%-65%	7.15% - 7.65%
10-YR	50%-55%	6.75% - 7.25%
10-YR	60%-65%	6.95% - 7.45%

AGENCY

Term	LTV	Interest Rates
5-YR	50%-55%	6.33% - 6.83%
5-YR	60%-65%	6.53% - 7.03%
5-YR	70%-80%	7.07% - 7.57%
10-YR	50%-55%	6.15% - 6.65%
10-YR	60%-65%	6.35% - 6.85%
10-YR	70%-80%	6.55% - 7.05%

INDUSTRIAL

Fixed Rate

INSURANCE & BANK

Term	LTV	Interest Rates
5-YR	50%-55%	6.05% - 6.55%
5-YR	60%-65%	6.45% - 6.95%
10-YR	50%-55%	6.05% - 6.55%
10-YR	60%-65%	6.45% - 6.95%

CMBS

Term	LTV	Interest Rates
5-YR	50%-55%	6.95% - 7.45%
5-YR	60%-65%	7.15% - 7.65%
10-YR	50%-55%	6.75% - 7.25%
10-YR	60%-65%	6.95% - 7.45%

BRIDGE FINANCING

BANK

Term	LTV	Rate (Floating)
3-5 YR	50%-55%	8.35% - 8.85%
3-5 YR	60%-65%	8.85% - 9.35%

OFFICE

Fixed Rate

INSURANCE & BANK

Term	LTV	Interest Rates
5-YR	50%-55%	7.05% - 7.55%
5-YR	60%-65%	7.45% - 7.95%
10-YR	50%-55%	7.05% - 7.55%
10-YR	60%-65%	7.45% - 7.95%

CMBS

Term	LTV	Interest Rates
5-YR	50%-55%	7.75% - 8.25%
5-YR	60%-65%	7.95% - 8.45%
10-YR	50%-55%	7.55% - 8.05%
10-YR	60%-65%	7.75% - 8.25%

DEBT FUND

Term	LTV	Rate (Floating)
3-5 YR	60%-65%	8.85% - 9.35%
3-5 YR	70%-75%	9.85% - 10.35%

RETAIL

Fixed Rate

INSURANCE & BANK

Term	LTV	Interest Rates
5-YR	50%-55%	6.2% - 6.7%
5-YR	60%-65%	6.7% - 7.2%
10-YR	50%-55%	6.2% - 6.7%
10-YR	60%-65%	6.7% - 7.2%

CMBS

Term	LTV	Interest Rates
5-YR	50%-55%	7.05% - 7.55%
5-YR	60%-65%	7.3% - 7.8%
10-YR	50%-55%	6.85% - 7.35%
10-YR	60%-65%	7.1% - 7.6%

Note

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

COLLIERS | DEBT & EQUITY

[Learn More](#)

JEREMY THORNTON, CRE

Executive Vice President

+1 310 200 7676

Jeremy.Thornton@colliers.com

NICOLE SAYERS

Senior Vice President

+1 916 844 5450

Nicole.Sayers@colliers.com

ANDREW GIBSON

Senior Vice President

+1 415 288 7802

Andrew.Gibson@colliers.com

TIM MCENERY

Senior Vice President

+1 415 596 6669

Tim.McEnery@colliers.com

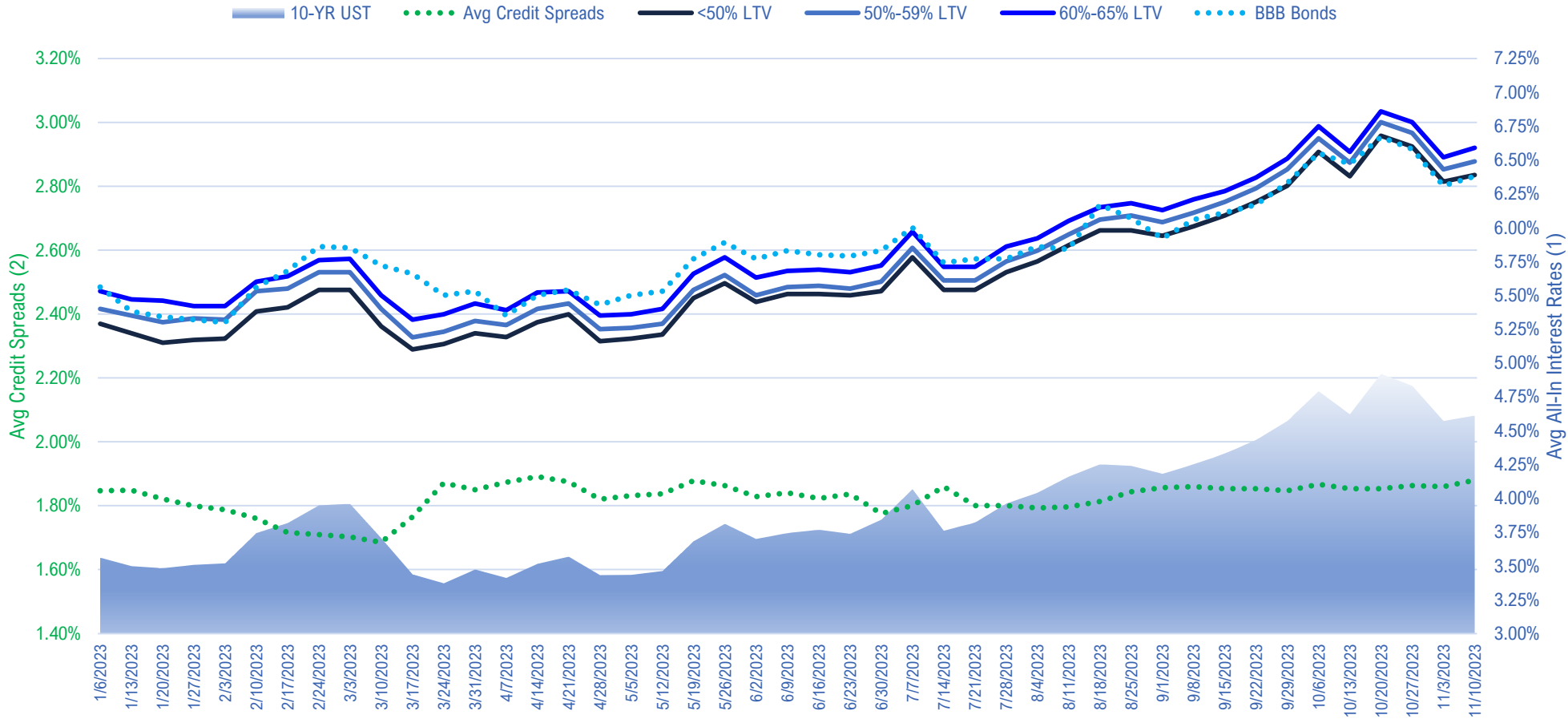
LAUREN SMYLE

Associate Vice President

+1 858 224 9001

Lauren.Smyle@colliers.com

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.

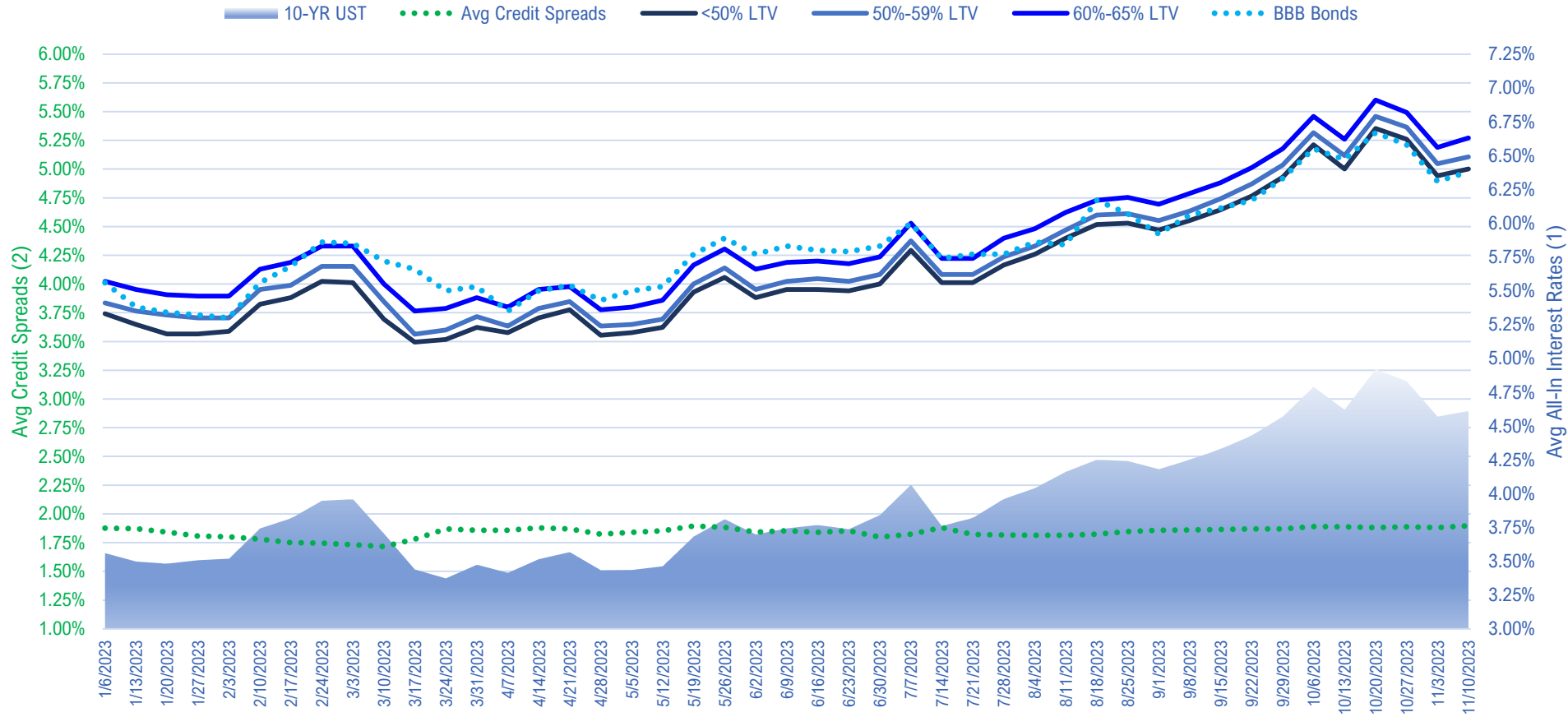
(2) "Avg Credit Spreads" reflect the average of all referenced leverage scenarios.

Capital Markets *Live*

Interest Rate Trends



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.

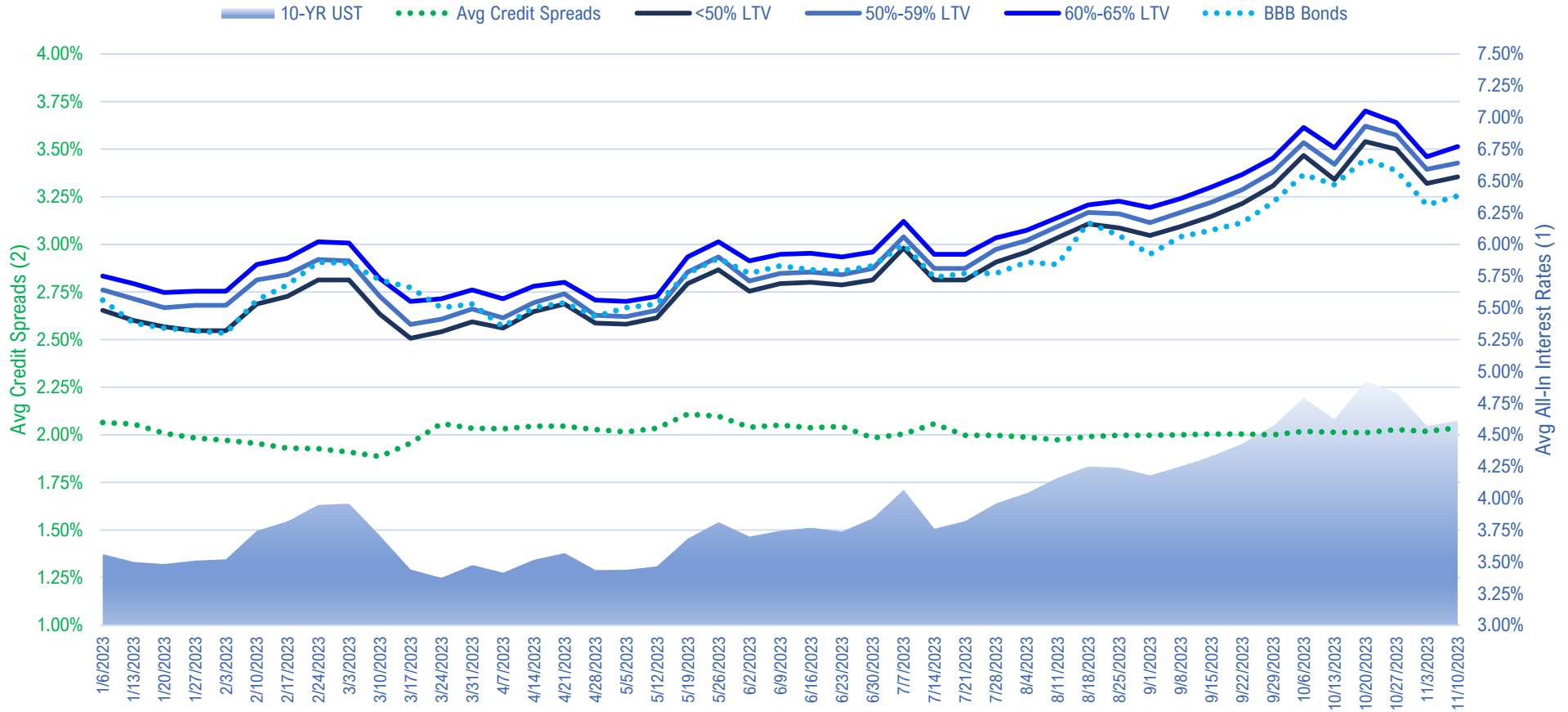
(2) "Avg Credit Spreads" reflect the average of all referenced leverage scenarios.

Capital Markets *Live*

Interest Rate Trends



Retail | All-in Interest Rates (1) 2023

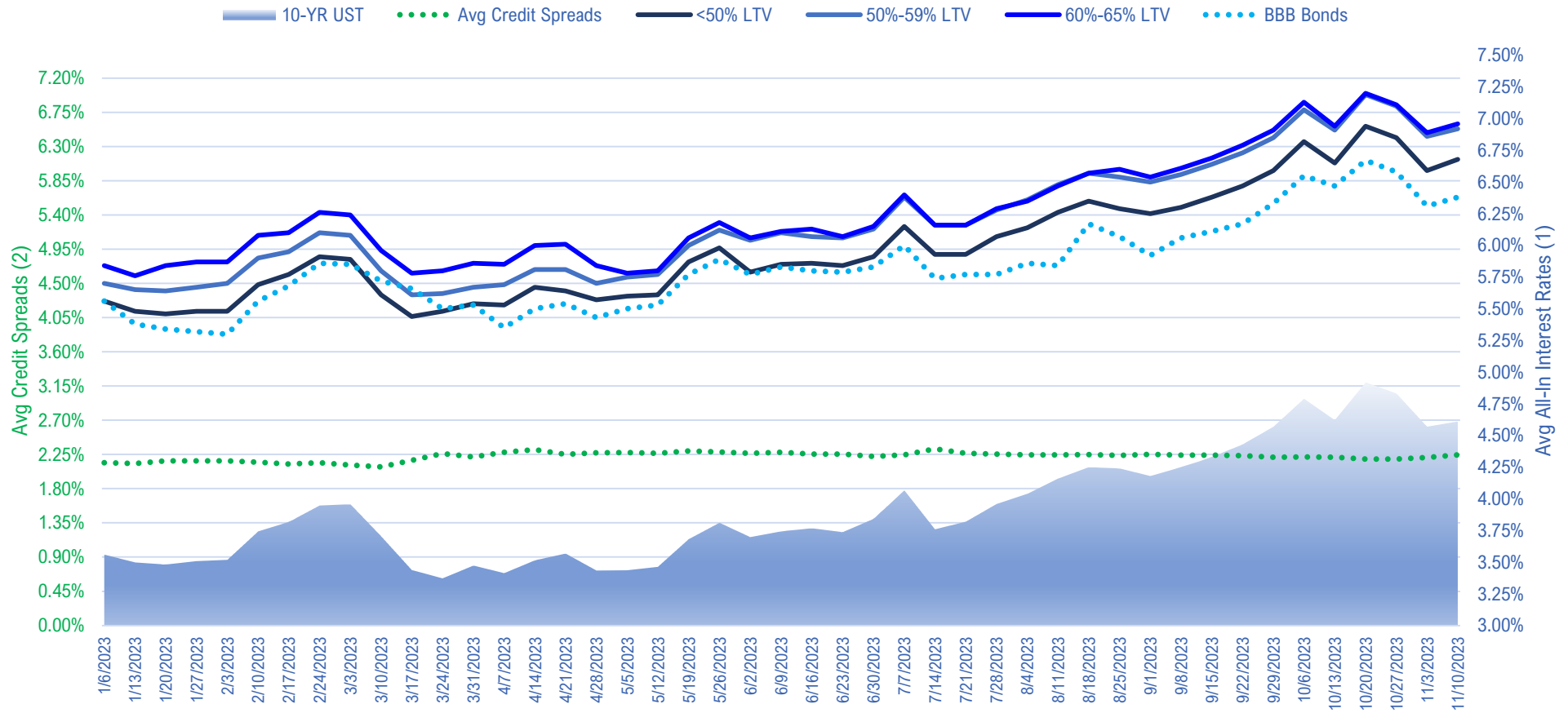


(1) All-in interest rates are based on 10-day trailing averages of reported 10-year fixed rate balance sheet loans aggregated by product type. Adjustments to the reported rates are likely necessary for the purpose of marking debt to market to account for loan and property specifics.

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



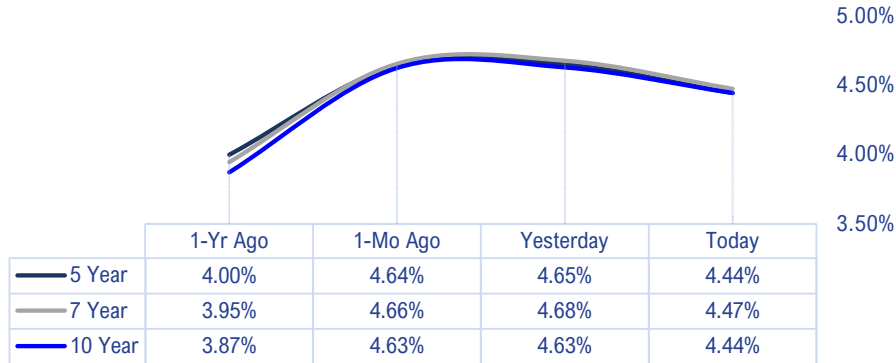
Office | All-in Interest Rates (1) 2023



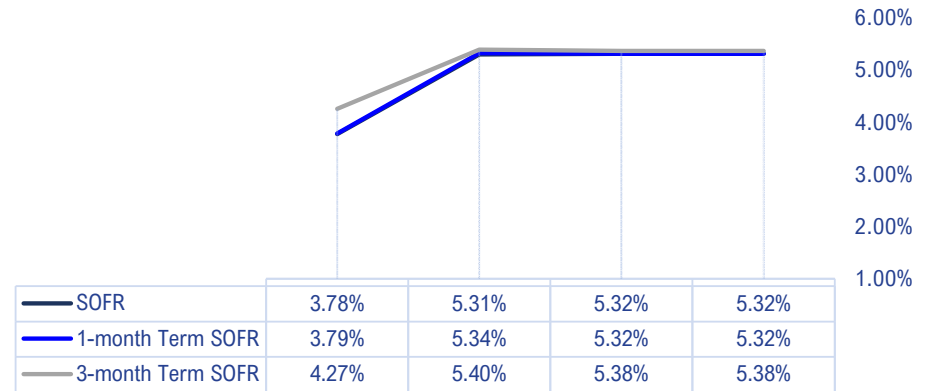
(1) All-in interest rates are based on 10-day trailing averages of reported 10-year fixed rate balance sheet loans aggregated by product type. Adjustments to the reported rates are likely necessary for the purpose of marking debt to market to account for loan and property specifics.

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

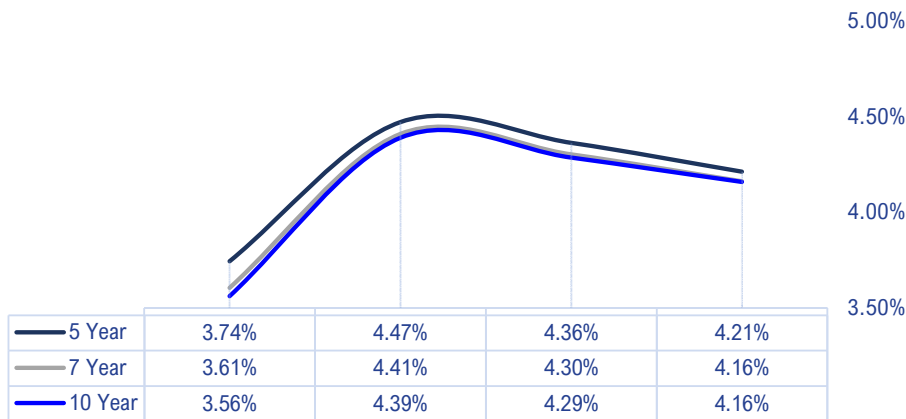
US Treasury Bonds



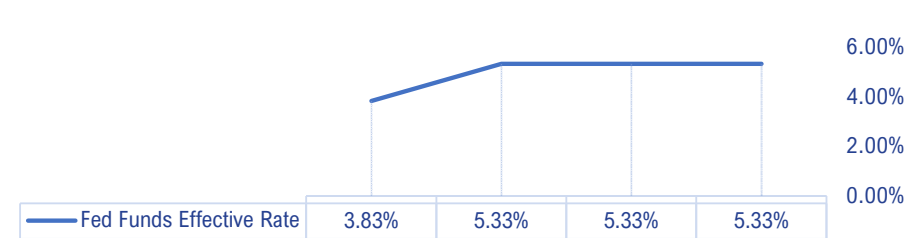
SOFR



SOFR Swap Rates (annual/annual)



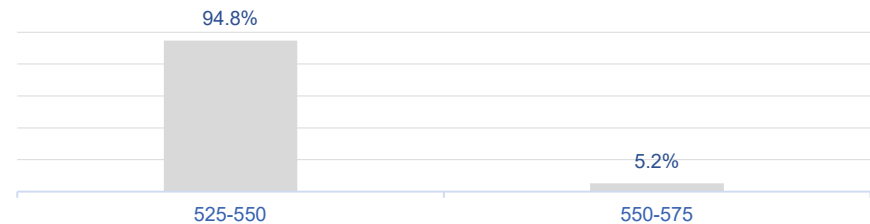
Fed Funds Rate



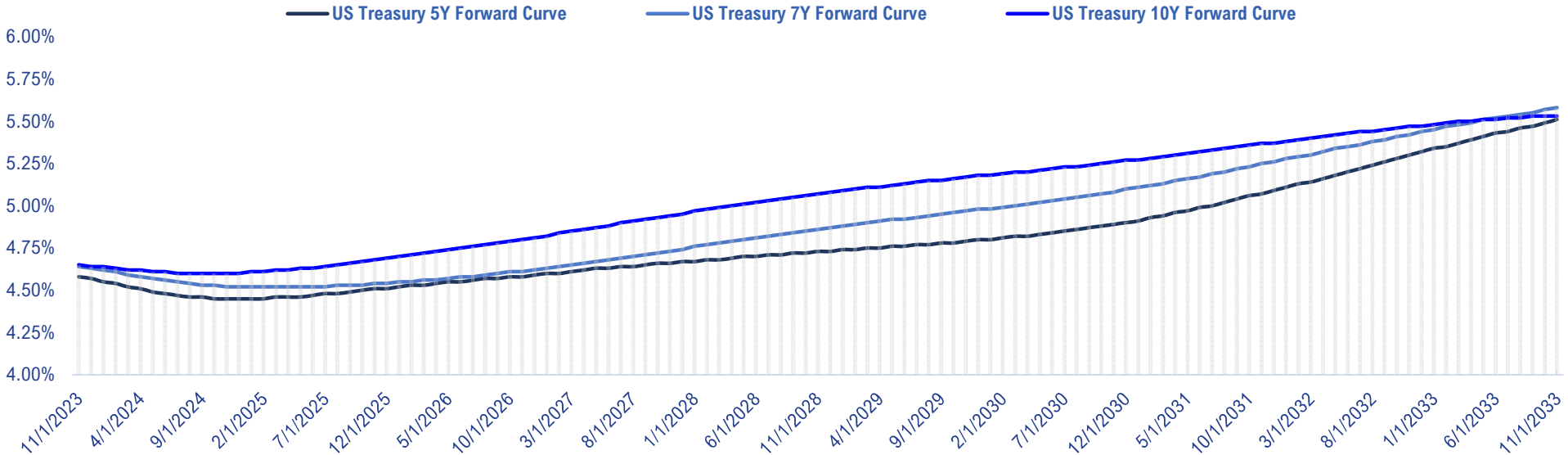
FOMC Meeting - 12/13/2023

Target Rate Probabilities

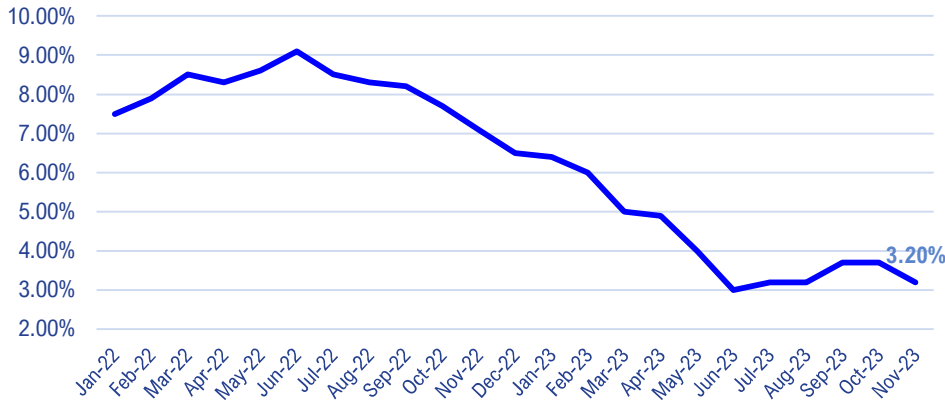
Current target rate is 525-550



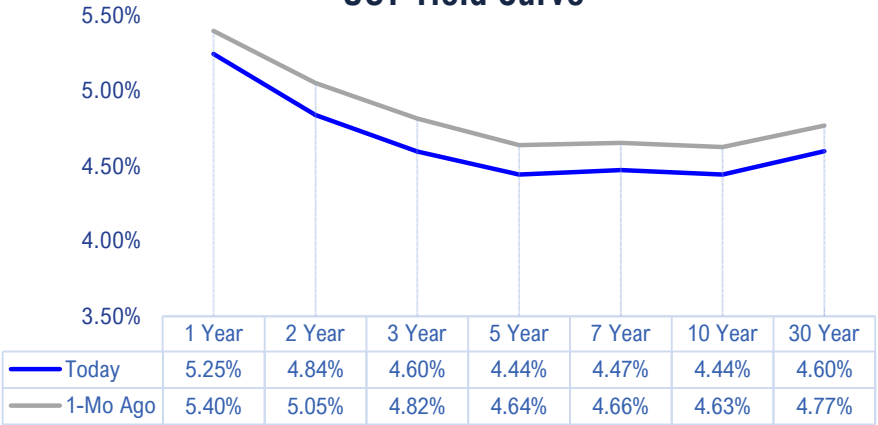
UST Forward Curve



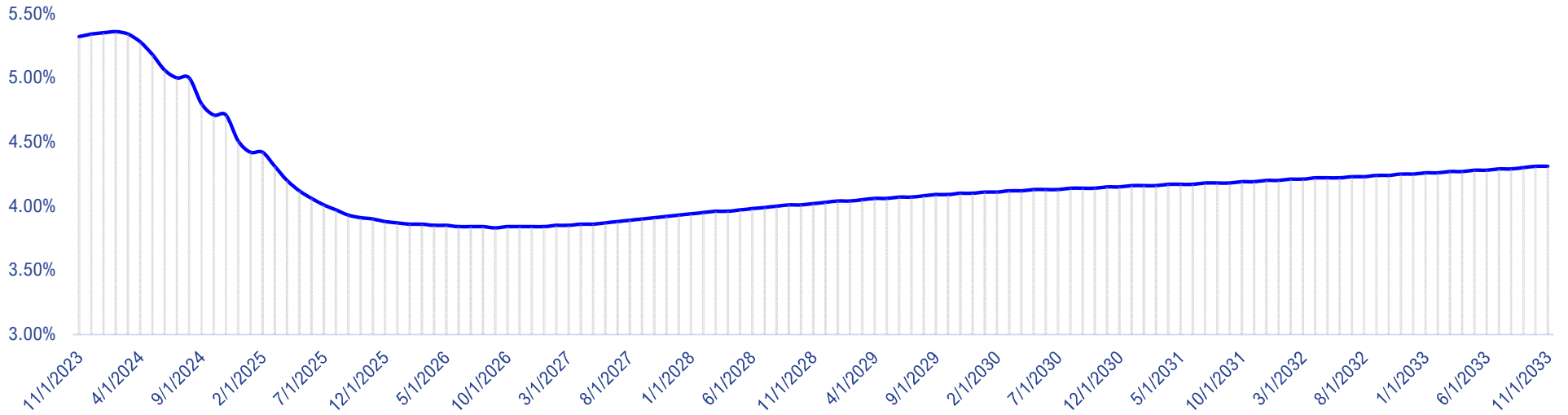
US Inflation Rates



UST Yield Curve



SOFR Forward Curve

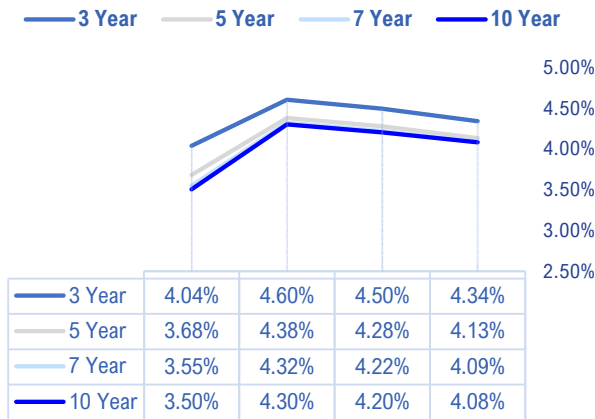


SOFR Cap Cost Estimate

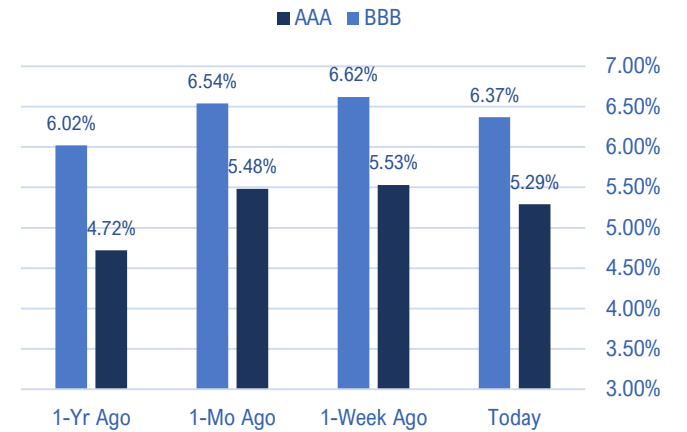
Notional Amount: \$25,000,000

STRIKE	2-YR	3-YR	4-YR	5-YR
1.00%	\$1,853,000	\$2,547,000	\$3,207,000	\$3,862,000
1.50%	\$1,622,000	\$2,215,000	\$2,781,000	\$3,345,000
2.00%	\$1,394,000	\$1,892,000	\$2,370,000	\$2,847,000
2.50%	\$1,171,000	\$1,582,000	\$1,977,000	\$2,377,000
3.00%	\$956,000	\$1,287,000	\$1,610,000	\$1,939,000
3.50%	\$751,000	\$1,013,000	\$1,273,000	\$1,542,000
4.00%	\$560,000	\$765,000	\$972,000	\$1,190,000
4.50%	\$379,000	\$515,000	\$676,000	\$856,000
5.00%	\$212,000	\$314,000	\$445,000	\$603,000

SOFR Swaps



Corporate Bonds





DEBT & EQUITY
www.realcapitalx.com



\$20B+
In Transactions

Jeremy Thornton, CRE

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

Nicole Sayers

Senior Vice President
Nicole.Sayers@colliers.com
+1 916 844 5450

Andrew Gibson

Senior Vice President
Andrew.Gibson@colliers.com
+1 719 330 0377

Tim McEnery

Senior Vice President
Tim.McEnery@colliers.com
+1 415 596 6669

Lauren Smyle

Associate Vice President
Lauren.Smyle@colliers.com
+1 858 224 9001