



CMBS Delinquency Rate Heads Lower Once Again

The Trepp CMBS Delinquency rate resumed its decline in April after a rare (and tiny) uptick in March. The April reading declined six basis points to 2.82%, hitting a new post-financial crisis low in the process.

The reading is down 154 basis points year over year. The delinquency rate started to fall after the June 2017 report when CMBS delinquencies clocked in at 5.75%. Since then, the rate has fallen in 19 of the last 22 months. Year to date, the rate is down 29 basis points.

The all-time high of 10.34% was reached in July 2012.

The Overall Numbers

- The overall US CMBS delinquency rate decreased six basis points to 2.82% in April.
- The percentage of loans that are seriously delinquent (60+ days delinquent, in foreclosure, REO, or non-performing balloons) is now 2.69%, down 10 basis points for the month.
- If defeased loans were taken out of the equation, the overall 30-day delinquency rate would be 2.96%, down five basis points from March.
- One year ago, the US CMBS delinquency rate was 4.36%.
- Six months ago, the US CMBS delinquency rate was 3.42%.

CHART 1: DELINQUENCY STATUS

Current	97.12
30 Days Delinquent	0.09
60 Days Delinquent	0.03
90 Days Delinquent	0.14
Performing Matured Balloon	0.01
Non-Performing Matured Balloon	0.29
Foreclosure	0.49
REO	1.84

Source: Trepp

CHART 2: DELINQUENCY RATE BY PROPERTYTYPE (% 30 DAYS +)

	APR-19	MAR-19	FEB-19	3 MO.	6 MO.	1 YR.
Industrial	2.10	2.02	2.17	2.05	2.81	4.53
Lodging	1.55	1.60	1.49	1.53	1.98	2.98
Multifamily	1.99	2.01	2.31	1.97	1.88	2.26
Office	3.11	3.07	3.13	3.47	3.93	5.57
Retail	4.62	4.90	4.77	4.92	5.39	5.97

Source: Trepp

The CMBS 2.0+ Numbers

- The CMBS 2.0+ delinquency rate climbed five basis points to 0.70% in April.
- The percentage of 2.0+ loans that are seriously delinquent is now 0.56%, which is up one basis point month over month.
- If defeased loans were taken out of the equation, the overall 30-day delinquency rate would be 0.74%, up seven basis points for the month.

The CMBS 1.0 Numbers

- The CMBS 1.0 delinquency rate was 46.46% in April, a decrease of one basis point in April.
- The percentage of 1.0 debt that is seriously delinquent is also 46.46%, as there are no legacy loans currently that are exactly 30 days delinquent. The number is up four basis points from March.
- If defeased loans were taken out of the equation, the overall 30-day delinquency rate for CMBS 1.0 would be 51.38%, a month-over-month increase of six basis points.

Overall Property Type Analysis (CMBS 1.0 and 2.0):

- The industrial delinquency rate rose eight basis points to 2.10%.
- The lodging delinquency reading dropped five basis points to 1.55%. Lodging remains the best performing major property type.

- The multifamily delinquency rate dipped two basis points to 1.99%.
- The office delinquency rate moved up four basis points to 3.11%.
- The retail delinquency rate declined 28 basis points to 4.62%. Retail remains the worst performing major property type.

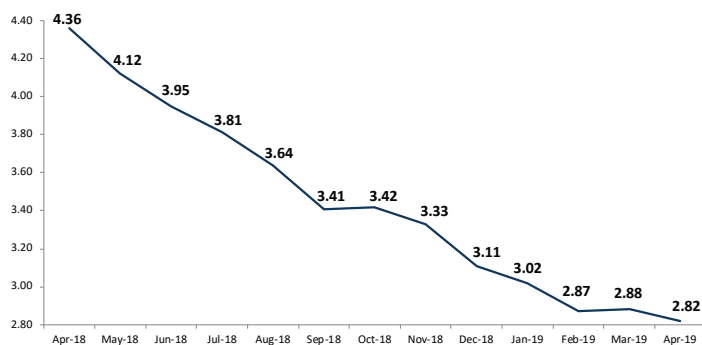
Property Type Analysis CMBS 2.0+:

- Industrial delinquency rate: 0.26% (up nine basis points month over month)
- Lodging delinquency rate: 0.72% (down three basis points)
- Multifamily delinquency rate: 1.48% (up six basis points)
- Office delinquency rate: 0.49% (up 13 basis points)
- Retail delinquency rate: 0.95% (up three basis points)

Property Type Analysis CMBS 1.0:

- Industrial delinquency rate: 43.80% (up 20 basis points month over month)

GRAPH 1: PERCENTAGE OF CMBS 30+ DAYS DELINQUENT



Source: Trepp

- Lodging delinquency rate: 46.57% (up 85 basis points)
- Multifamily delinquency rate: 26.14% (down 251 basis points)
- Office delinquency rate: 41.46% (up 156 basis points)
- Retail delinquency rate: 61.65% (down 135 basis points)

CHART 3: FIVE LARGEST NEWLY DELINQUENT CMBS LOANS

LOAN NAME	BALANCE (\$)	PROPTYPE	CITY	STATE	DELINQUENCY STATUS	CMBS DEAL
Aegon Center - A Note	82,000,000.00	OF	Louisville	KY	Non-Performing Beyond Maturity	GCCFC 2004-GG1
Three WestLake Park	79,784,031.44	OF	Houston	TX	30 Days Delinquent	GSMS 2014-GC20
Regent Portfolio	69,143,059.43	MU	Various	VR	30 Days Delinquent	WFCM 2016-C34
Harborplace	66,895,577.16	RT	Baltimore	MD	30 Days Delinquent	UBSBB 2013-C5
Aspen Heights - Statesboro	49,175,793.66	MF	Statesboro	GA	30 Days Delinquent	MSBAM 2014-C17

Source: Trepp

For more information about Trepp's commercial real estate data, contact info@trepp.com.
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About Trepp

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