



MBA's **COMMERCIAL REAL ESTATE FINANCE/
MULTIFAMILY HOUSING** Convention & Expo
FEBRUARY 1-4, 2010, LAS VEGAS

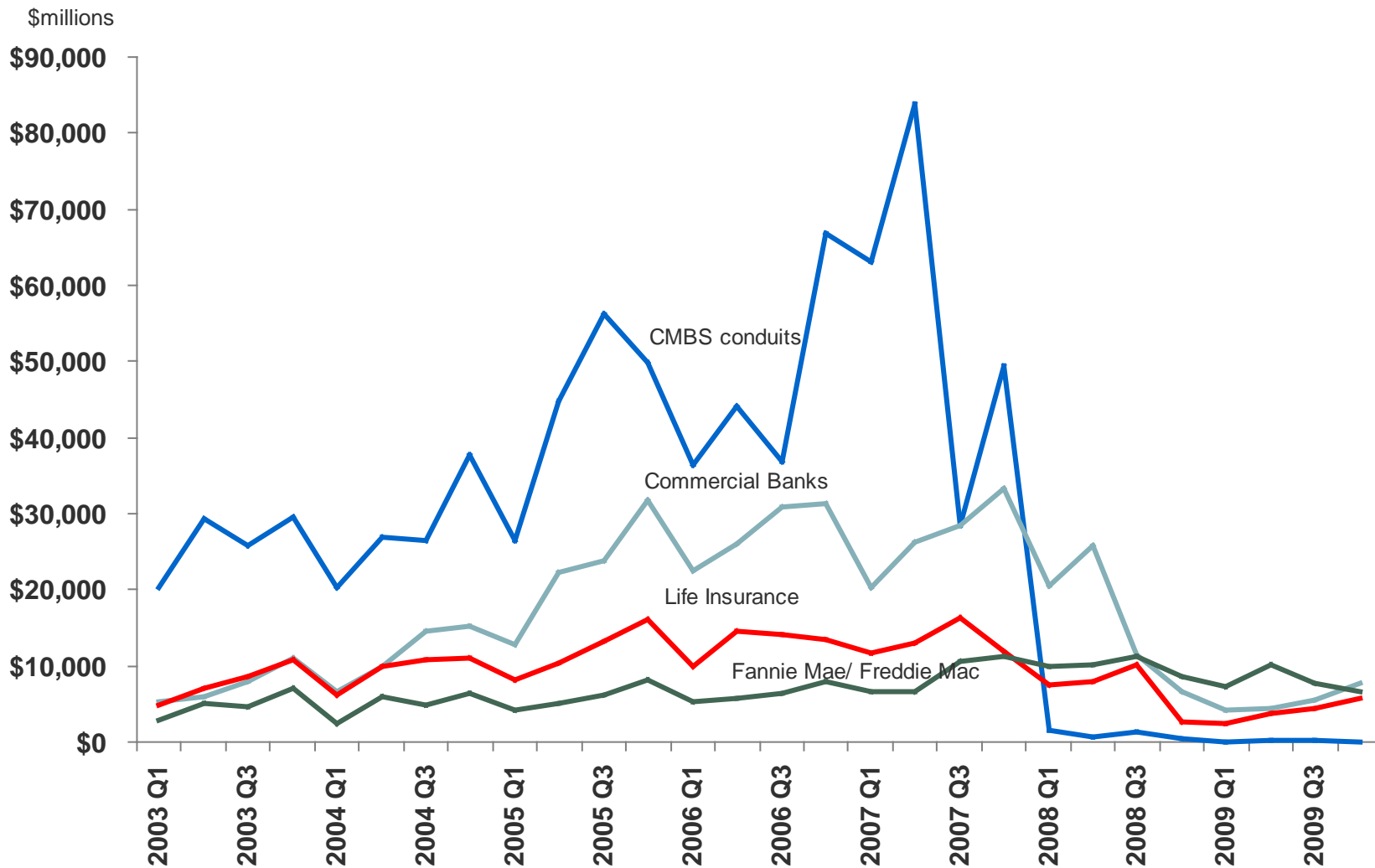
Portfolio Lenders

February 2010

CMBS originations have essentially disappeared; life company and bank originations have fallen; and Fannie Mae and Freddie Mac have picked up



Estimated Quarterly Commercial/Multifamily Mortgage Bankers' Originations, by Investor Group

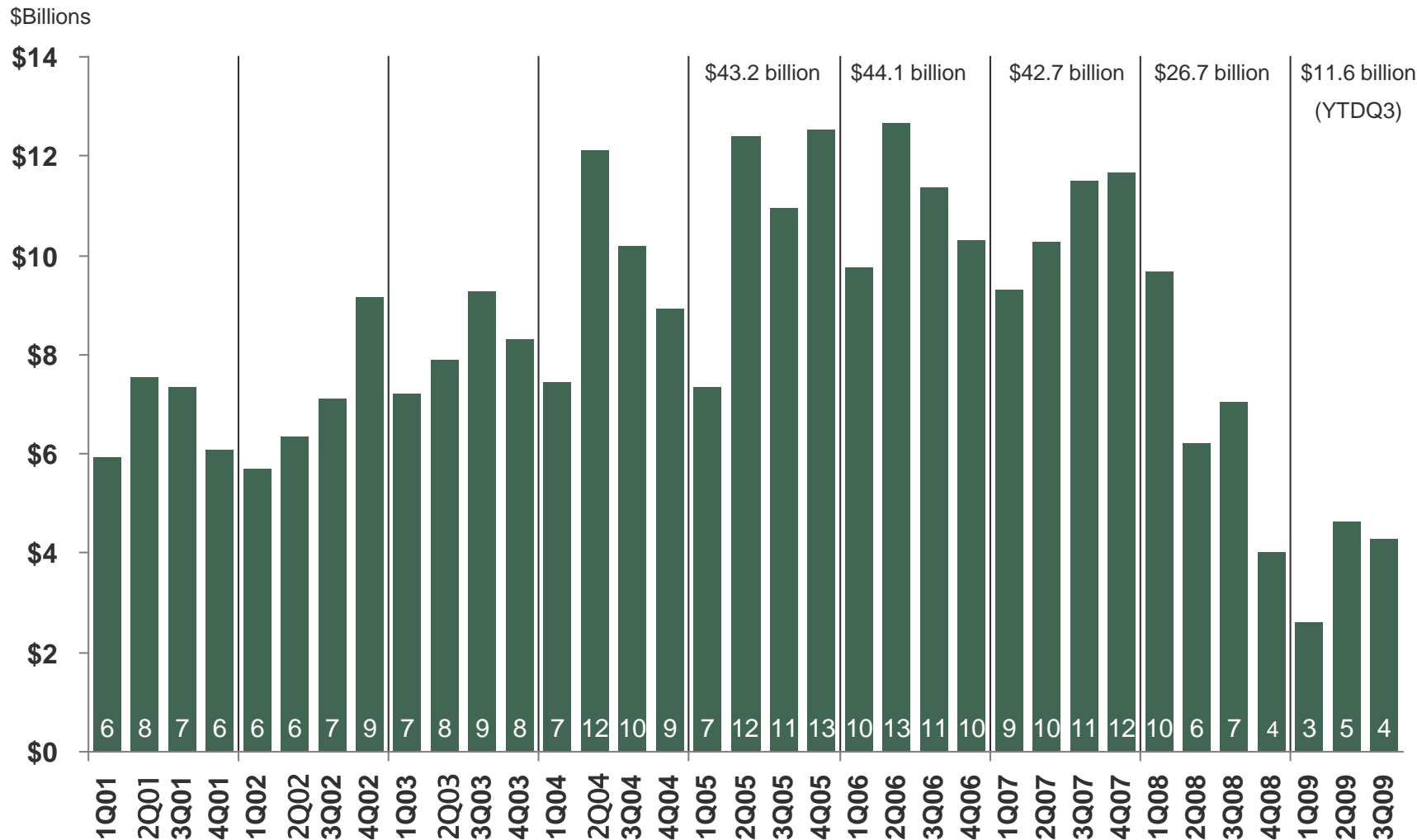


Source: Mortgage Bankers Association

Life company commitments are at low levels in the face of low demand, little portfolio run-off and economic and other constraints



Commercial/Multifamily Mortgage Commitments by Life Companies

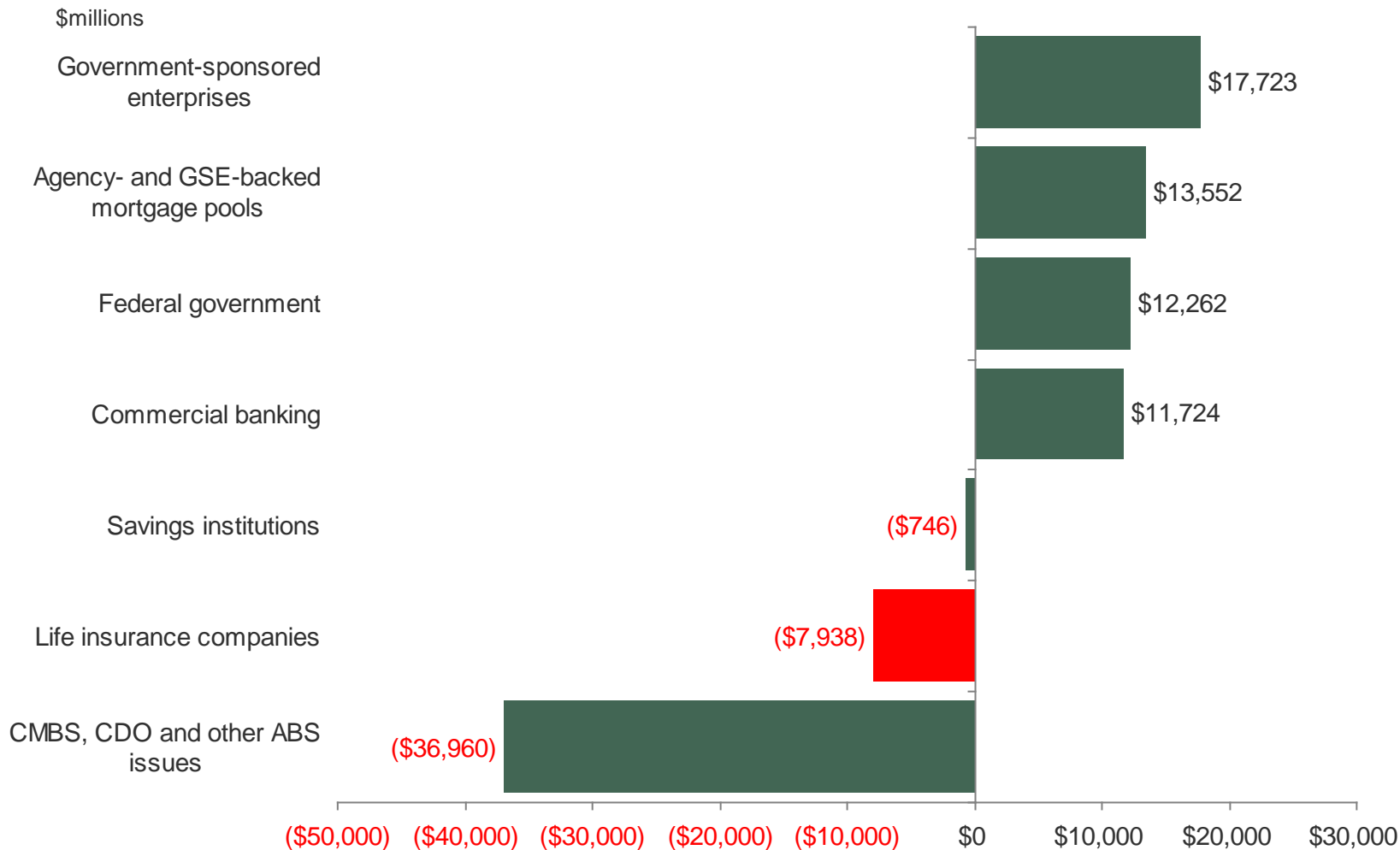


Source: ACLI

CMBS and life companies decreased their holdings of commercial/multifamily mortgages over the last year; Overall mortgage debt outstanding is flat



Net Change in Commercial/Multifamily Mortgage Debt Outstanding, by Investor Group, Q3 2008 to Q3 2009

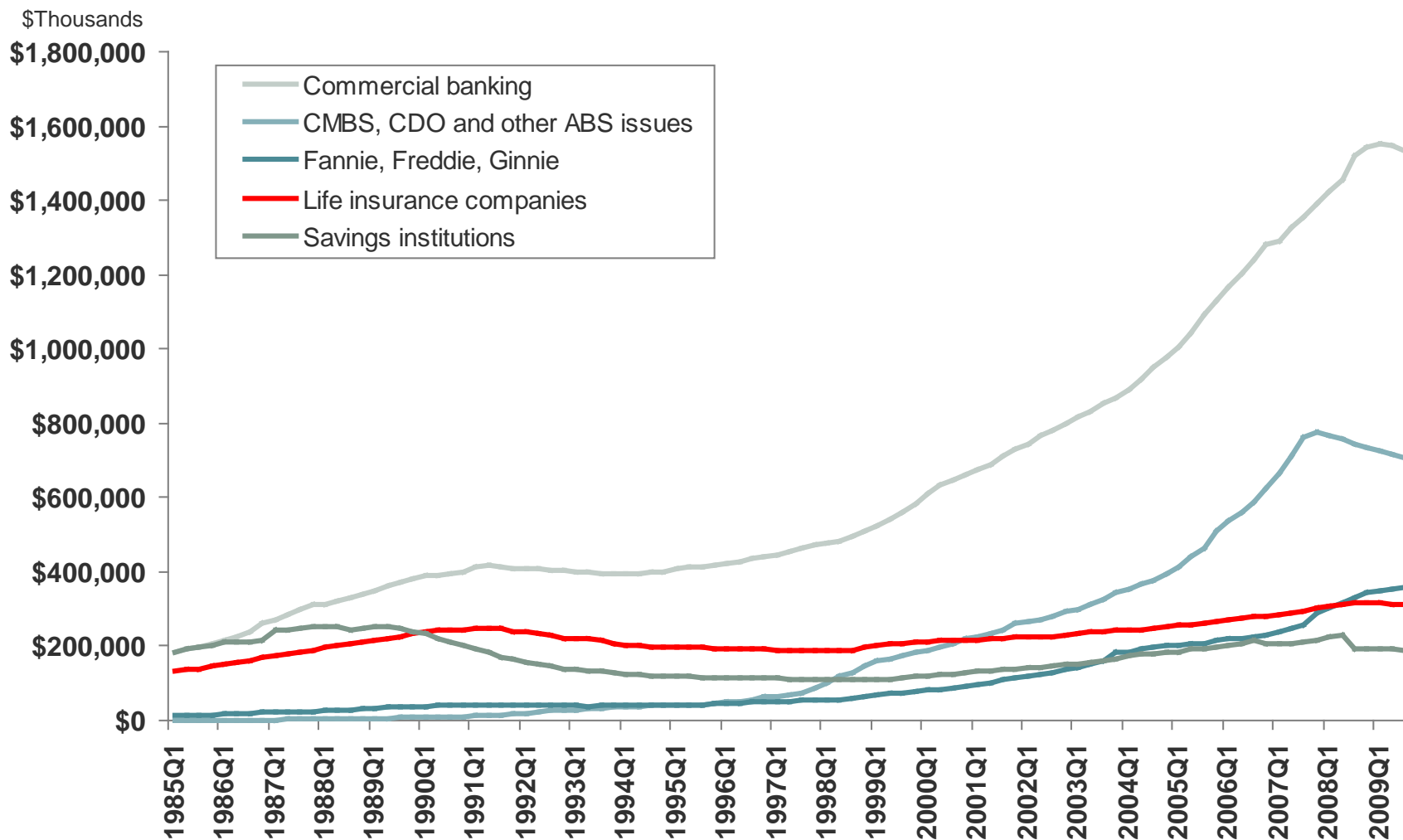


Source: Federal Reserve Board

Life companies have a seen a relatively stable (absolute) level of investment in commercial and multifamily mortgages



Commercial/Multifamily Mortgage Debt Outstanding

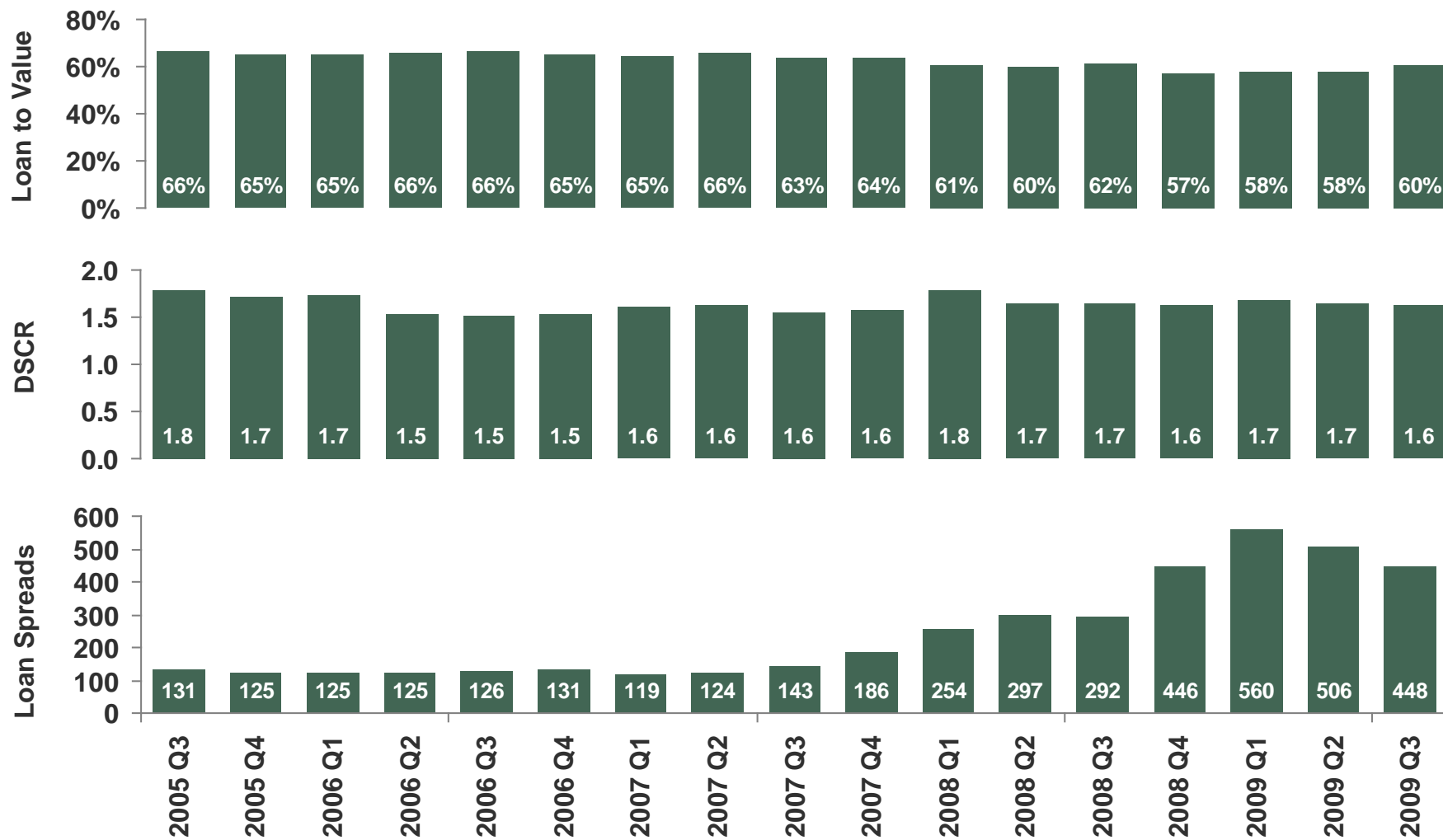


Source: Federal Reserve Board

Life company terms and spreads are showing signs of the end of the recession and capital crunch



Life Company Fixed Rate Commercial/Multifamily Mortgage Commitments



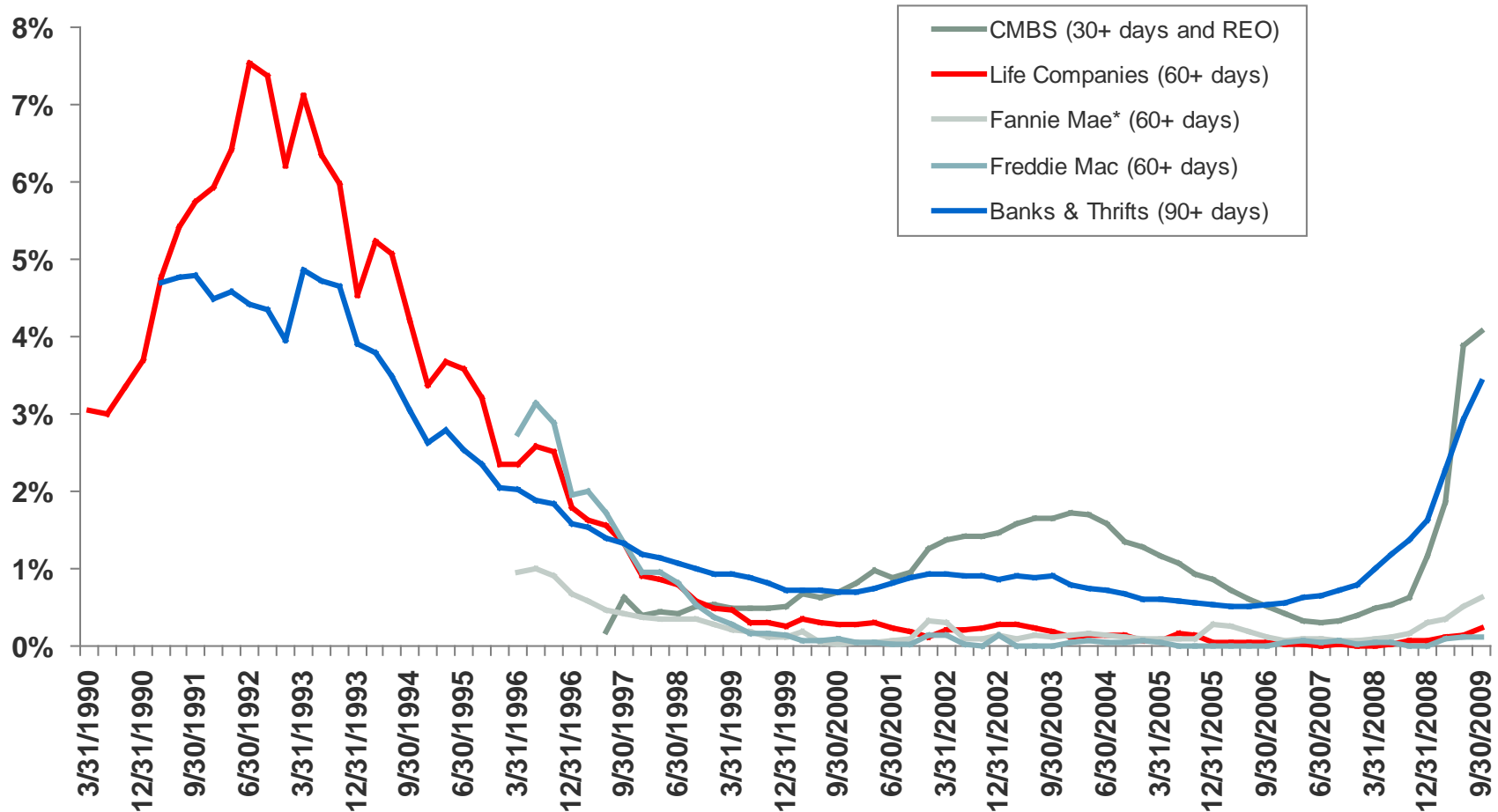
Source: ACLI

Delinquency rates have been rising for commercial mortgages, particularly among CMBS and bank loans; Life Company delinquencies are still well below those of late-1980s/early-1990s



Commercial/Multifamily Mortgage Delinquency Rates Among Major Investor Groups and Single-family Delinquency Rate

NOTE: Delinquency rates shown are NOT comparable between investor groups. These rates show how performance of loans for each investor groups has varied over time, but cannot be used to compare one investor group to another.

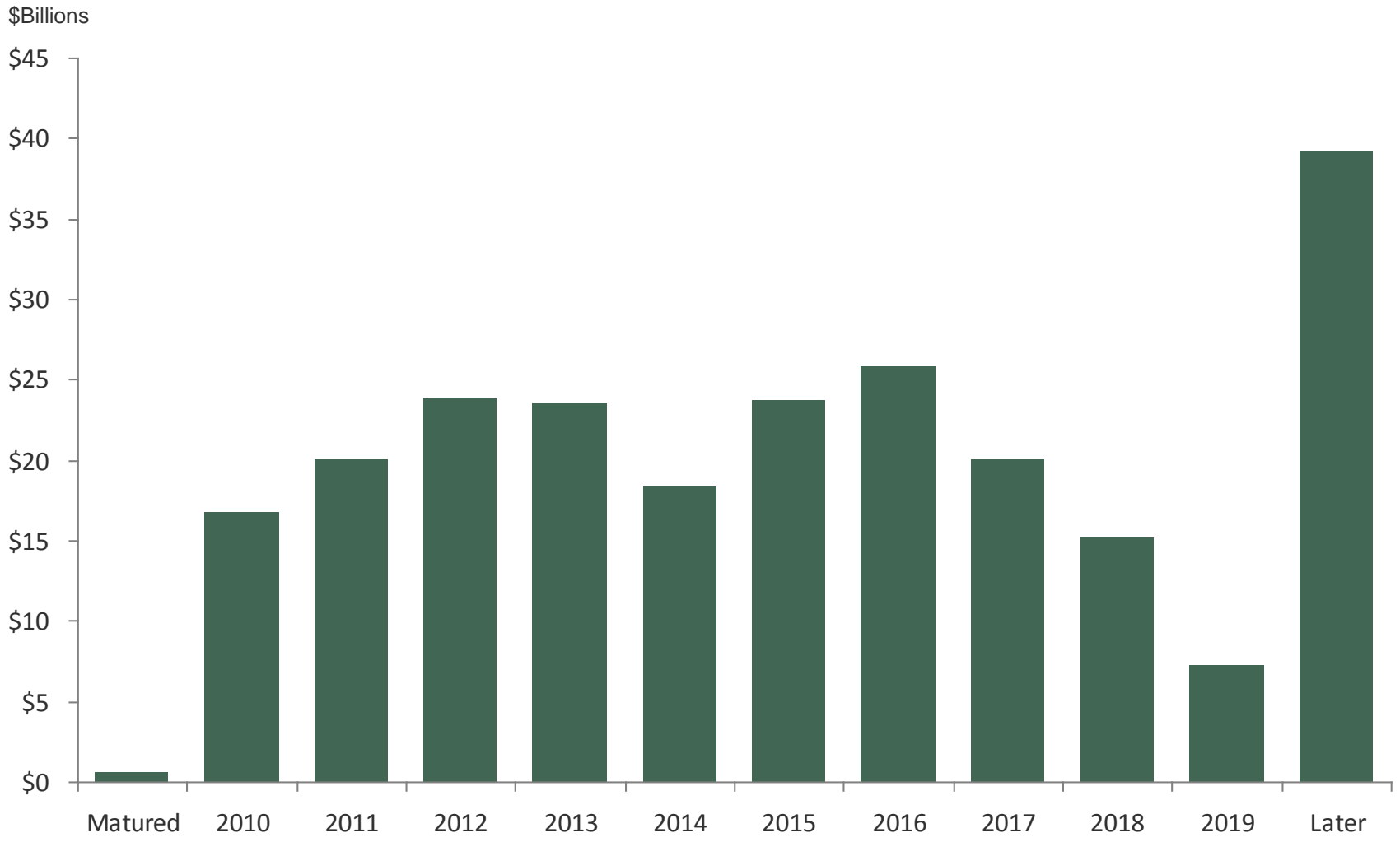


Sources: Mortgage Bankers Association Wachovia Capital Markets, LLC and Intex Solutions, Inc., American Council of Life Insurers, Fannie Mae, Freddie Mac, OFHEO and Federal Deposit Insurance Corporation. Data are available for life companies and FDIC-insured banks and thrifts since 1990 and 1991, Fannie Mae and Freddie Mac since 1996 and CMBS since 1997. December figures are not available from Fannie Mae for the years 2000 to 2004. Figures for November are used instead.

Life company maturities are more balanced than many other investor groups, but still see higher volumes in the out years



Life Insurance Companies UPB of Outstanding Commercial/ Multifamily Mortgages, by Year of Maturity, as of Dec. 31, 2009



Source: MBA



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