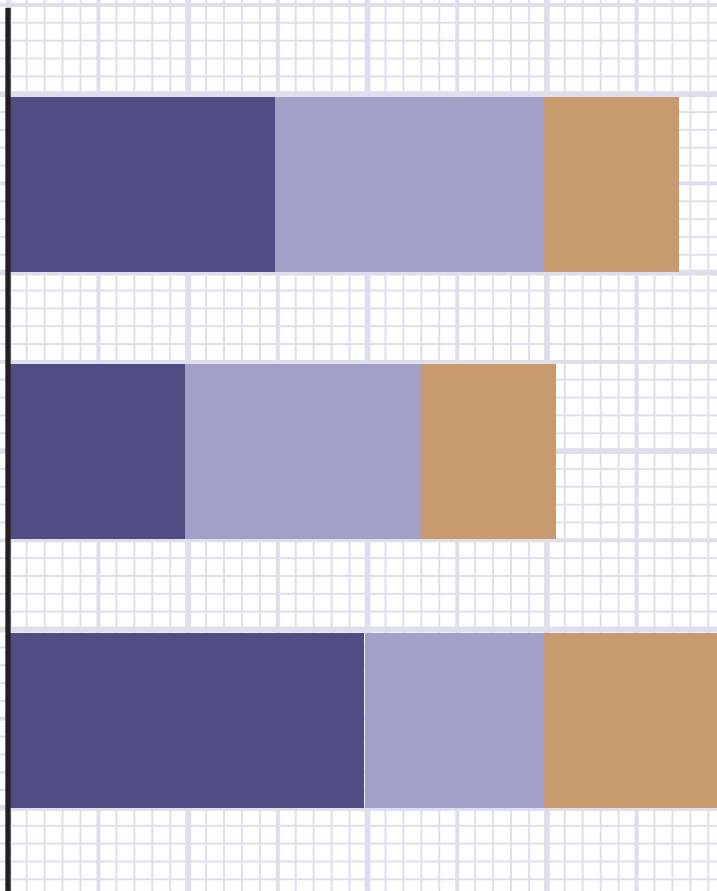


MBA MULTIFAMILY

# Q3 2009

## QUARTERLY SURVEY OF COMMERCIAL/MULTIFAMILY MORTGAGE BANKERS ORIGINATIONS



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# QUARTERLY SURVEY OF COMMERCIAL/MULTIFAMILY MORTGAGE BANKERS ORIGINATIONS



# Production

## Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations Third Quarter 2009

Third quarter 2009 commercial and multifamily mortgage loan originations were 12 percent lower than during the second quarter of 2009, and 54 percent lower than during the same period last year, according to the Mortgage Bankers Association's (MBA) Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations.

"Tight credit conditions coupled with scant demand for new loans meant that commercial and multifamily mortgage originations remained low in the third quarter," said Jamie Woodwell, MBA's Vice President of Commercial Real Estate Research. "A pull-back by Fannie Mae and Freddie Mac in their multifamily activity outweighed increases in commercial/multifamily lending by life insurance companies and commercial banks, leading the overall index lower on a quarter-over-quarter basis. Every investor group and property type saw year-over-year declines in origination volume".

### THIRD QUARTER 2009 54 PERCENT LOWER THAN THIRD QUARTER 2008

The 54 percent overall decrease in commercial/multifamily lending activity during the third quarter was driven by decreases in originations for all property

types. When compared to the third quarter of 2008, the decrease included a 62 percent decrease in loans for retail properties, a 59 percent decrease in loans for health care properties, a 58 percent decrease in loans for industrial properties, a 56 percent decrease in loans for office properties, a 46 percent decrease in hotel property loans, and a 40 percent decrease in multifamily property loans.

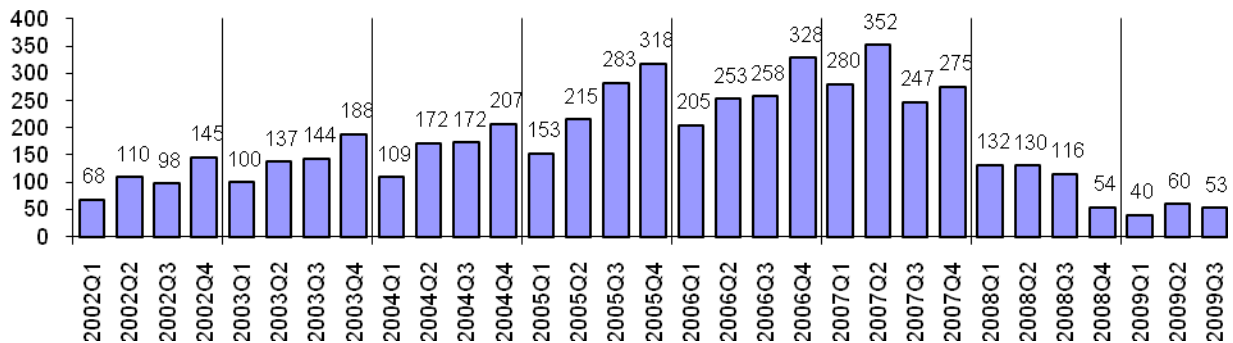
Among investor types, loans for conduits for CMBS saw a decrease of 90 percent compared to last year's third quarter. There was also a 58 percent decrease in loans for life insurance companies, a 52 percent decrease in loans for commercial bank portfolios, and the dollar volume of loans for Government Sponsored Enterprises (or GSEs – Fannie Mae and Freddie Mac) saw a decrease of 31 percent.

### THIRD QUARTER 2009 12 PERCENT LOWER THAN SECOND QUARTER 2009

Third quarter 2009 mortgage originations were 12 percent lower than originations in the second quarter. Among investor types, loans for conduits for CMBS saw a decrease in loan volume of 50 percent compared to the second quarter, loans for GSEs' saw a decrease in loan volume of 24 percent compared to second quarter 2009,

## Commercial/Multifamily Mortgage Bankers Originations Index

2001 quarterly average = 100



commercial bank portfolios increased by 27 percent during the same time span, and originations for life insurance companies increased 17 percent from the second quarter to third quarter 2009.

Compared to the second quarter of 2009, third quarter originations for office properties saw a 65 percent increase. There was a 49 percent increase for industrial properties, a 32 percent decrease for hotel properties, an 18 percent decrease for health care properties, a 17 percent decrease for multifamily properties, and a 14 percent decrease for retail properties.

To view the report, please visit the following Web link:

<http://www.mortgagebankers.org/files/Research/CommercialOriginations/3Q09CMFOri-nationsSurvey.pdf>

Detailed statistics on the size and scope of the commercial/multifamily origination market are available from these MBA commercial/multifamily research reports.

- Commercial Real Estate/Multifamily Finance: Annual Origination Volume Summation, 2008
- Commercial Real Estate/Multifamily Finance Firms: Annual Origination Volumes, 2008

**Commercial/Multifamily Mortgage Bankers Originations Index**  
**By Investor Group**

	Origination Volume Index (2001 Avg Qtr = 100)				Percent Change, Q3-to-Q3	Average Loan Size (\$millions)			
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4
<b>TOTAL</b>									
2004	109	172	172	207	20%	\$ 8.1	\$ 8.5	\$ 9.4	\$ 9.9
2005	153	215	283	318	64%	\$ 10.1	\$ 11.2	\$ 13.1	\$ 12.3
2006	205	253	258	328	-9%	\$ 11.2	\$ 11.1	\$ 13.6	\$ 13.7
2007	280	352	247	275	-4%	\$ 13.8	\$ 15.6	\$ 13.3	\$ 16.0
2008	132	130	116	54	-53%	\$ 12.3	\$ 12.3	\$ 10.8	\$ 9.0
2009	40	60	53		-54%	\$ 8.4	\$ 11.8	\$ 9.9	
<b>Conduits</b>									
2004	140	186	183	259	3%	\$ 14.8	\$ 12.7	\$ 11.9	\$ 13.5
2005	209	355	445	395	144%	\$ 15.1	\$ 14.8	\$ 16.0	\$ 13.4
2006	283	343	287	519	-36%	\$ 13.6	\$ 15.3	\$ 15.3	\$ 21.1
2007	456	606	206	357	-28%	\$ 18.4	\$ 18.4	\$ 14.0	\$ 52.9
2008	19	9	15	6	-93%	\$ 16.0	\$ 16.5	\$ 40.4	\$ 30.9
2009	1	4	2		-90%	\$ 5.5	\$ 20.4	\$ 18.2	
<b>Commercial Banks</b>									
2004	152	229	337	350	86%	\$ 4.1	\$ 4.0	\$ 6.5	\$ 6.7
2005	242	420	447	596	33%	\$ 6.5	\$ 12.3	\$ 13.9	\$ 13.8
2006	397	457	543	552	22%	\$ 10.3	\$ 8.6	\$ 15.9	\$ 12.1
2007	316	408	445	521	-18%	\$ 10.0	\$ 15.7	\$ 13.3	\$ 14.0
2008	228	289	129	74	-71%	\$ 11.2	\$ 17.6	\$ 6.0	\$ 8.9
2009	47	49	62		-52%	\$ 6.1	\$ 6.1	\$ 6.4	
<b>Life Insurance Companies</b>									
2004	106	170	184	188	24%	\$ 8.7	\$ 9.6	\$ 11.8	\$ 9.0
2005	138	174	225	274	22%	\$ 8.7	\$ 8.7	\$ 10.1	\$ 8.8
2006	140	206	199	191	-11%	\$ 8.7	\$ 9.0	\$ 10.6	\$ 9.1
2007	158	175	222	163	11%	\$ 9.9	\$ 9.6	\$ 13.0	\$ 9.7
2008	119	128	163	44	-27%	\$ 10.1	\$ 10.7	\$ 13.9	\$ 7.8
2009	41	59	69		-58%	\$ 13.4	\$ 12.5	\$ 12.4	
<b>Fannie Mae/Freddie Mac</b>									
2004	48	124	98	133	3%	\$ 8.1	\$ 10.5	\$ 11.7	\$ 11.7
2005	72	89	109	143	12%	\$ 11.0	\$ 9.0	\$ 10.3	\$ 12.8
2006	94	99	113	138	3%	\$ 12.9	\$ 10.2	\$ 12.4	\$ 11.6
2007	114	112	181	194	61%	\$ 9.8	\$ 10.2	\$ 14.3	\$ 10.9
2008	185	186	208	164	15%	\$ 11.7	\$ 10.1	\$ 13.3	\$ 12.0
2009	136	189	143		-31%	\$ 11.4	\$ 16.8	\$ 14.8	

**Commercial/Multifamily Mortgage Bankers Originations Index**  
By Property Type

	Origination Volume Index (2001 Avg Qtr = 100)				Percent Change, Q3-to-Q3	Average Loan Size (\$millions)			
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4
<b>Multifamily</b>									
2004	71	134	133	157	16%	\$ 7.0	\$ 8.4	\$ 9.9	\$ 10.0
2005	116	153	193	234	45%	\$ 10.7	\$ 11.1	\$ 12.3	\$ 13.3
2006	143	166	155	238	-19%	\$ 11.6	\$ 11.4	\$ 12.3	\$ 14.2
2007	180	195	176	220	14%	\$ 11.8	\$ 12.5	\$ 11.8	\$ 15.0
2008	132	113	123	83	-30%	\$ 12.6	\$ 11.0	\$ 12.1	\$ 11.4
2009	51	89	74		-40%	\$ 9.5	\$ 15.3	\$ 12.9	
<b>Office</b>									
2004	121	180	194	210	24%	\$ 12.2	\$ 12.4	\$ 13.9	\$ 13.1
2005	158	226	299	346	54%	\$ 13.3	\$ 15.5	\$ 17.4	\$ 17.5
2006	198	255	277	375	-7%	\$ 15.4	\$ 14.0	\$ 18.4	\$ 19.6
2007	321	302	191	100	-31%	\$ 24.0	\$ 21.1	\$ 17.4	\$ 12.0
2008	79	105	76	28	-61%	\$ 15.7	\$ 19.0	\$ 15.6	\$ 10.8
2009	27	20	33		-56%	\$ 9.6	\$ 10.8	\$ 14.9	
<b>Retail</b>									
2004	191	253	255	274	29%	\$ 8.7	\$ 8.0	\$ 8.7	\$ 8.3
2005	198	321	339	445	33%	\$ 7.9	\$ 8.9	\$ 9.5	\$ 9.2
2006	307	343	327	423	-3%	\$ 9.3	\$ 8.6	\$ 10.1	\$ 11.6
2007	384	459	264	264	-20%	\$ 11.8	\$ 12.1	\$ 10.4	\$ 9.1
2008	181	169	185	47	-30%	\$ 15.8	\$ 13.5	\$ 15.5	\$ 7.5
2009	43	83	71		-62%	\$ 11.0	\$ 16.7	\$ 10.8	
<b>Industrial</b>									
2004	128	172	181	202	10%	\$ 5.9	\$ 5.4	\$ 6.6	\$ 6.5
2005	166	230	325	380	80%	\$ 6.7	\$ 8.3	\$ 9.6	\$ 8.6
2006	222	308	270	392	-17%	\$ 8.3	\$ 8.7	\$ 9.8	\$ 10.1
2007	254	286	249	196	-8%	\$ 10.5	\$ 10.2	\$ 10.2	\$ 9.4
2008	161	124	151	48	-39%	\$ 11.6	\$ 9.4	\$ 9.1	\$ 8.8
2009	80	43	64		-58%	\$ 18.4	\$ 7.2	\$ 8.9	
<b>Hotel</b>									
2004	107	178	175	266	97%	\$ 17.3	\$ 21.6	\$ 19.0	\$ 20.0
2005	210	515	1,107	563	532%	\$ 13.6	\$ 31.6	\$ 52.0	\$ 21.9
2006	558	681	990	676	-11%	\$ 24.8	\$ 28.7	\$ 42.5	\$ 24.6
2007	762	2,931	815	3,035	-18%	\$ 31.6	\$ 55.8	\$ 33.8	\$ 199.5
2008	308	371	107	36	-87%	\$ 40.0	\$ 38.5	\$ 23.1	\$ 22.5
2009	36	84	57		-46%	\$ 67.5	\$ 29.0	\$ 35.3	
<b>Health Care</b>									
2004	135	171	215	371	15%	\$ 7.3	\$ 5.7	\$ 8.8	\$ 9.8
2005	129	192	559	559	160%	\$ 7.8	\$ 7.6	\$ 14.1	\$ 12.5
2006	287	532	434	523	-22%	\$ 12.6	\$ 10.7	\$ 9.7	\$ 10.2
2007	471	458	1,081	540	149%	\$ 8.4	\$ 11.7	\$ 14.6	\$ 10.7
2008	400	758	442	288	-59%	\$ 7.8	\$ 8.5	\$ 6.5	\$ 6.8
2009	82	224	183		-59%	\$ 3.7	\$ 4.7	\$ 5.9	





# Purchase ground-breaking, comprehensive mortgage origination information.

**2008 Commercial/Multifamily Annual Origination Volumes Rankings**

All Firms (member \$250/ nonmember \$350)

**2008 Commercial/Multifamily Annual Origination Volume Summation**

Member \$75/ nonmember \$100

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