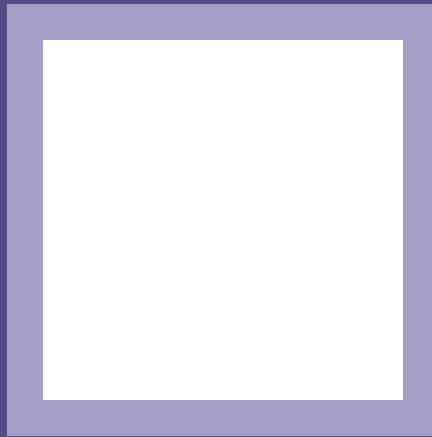
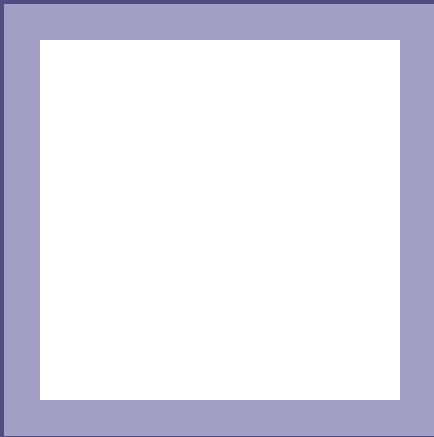
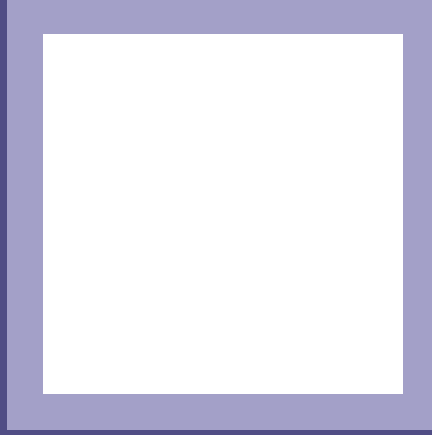
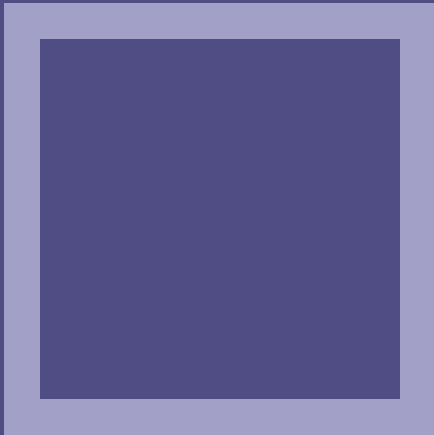


Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations



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Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations

Production

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Second Quarter 2007

Commercial and multifamily mortgage bankers' loan originations were once again strong in the second quarter, according to the Mortgage Bankers Association's (MBA) *Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations*. Up from the first quarter, second quarter originations were 40 percent higher than compared to the same period last year. The increase was seen across most property types and investor groups.

Increases in total commercial/multifamily mortgage originations were led by increases in commercial mortgage-backed security (CMBS) conduit loans and loans financing hotel properties. The strong second quarter included heavy volume driven by real estate investment trust (REIT) privatizations and continues a trend of second-quarter-over-second-quarter increases going back to the beginning of MBA's survey in 2001.

"A number of large deals helped boost commercial/multifamily origination volumes in the second quarter," said Jamie Woodwell, MBA's Senior Director of Commercial/Multifamily research. "As a result, the quarter saw significant growth in commercial mortgage-backed securities (CMBS) and hotel loans. Overall, second quarter commercial/multifamily originations remained strong despite the initial phases of a general re-pricing of risk in the commercial/multifamily and other capital markets."

Absent the spate of large hotel deals, overall originations would have increased approximately 27 percent and conduit originations by 42 percent between the 2nd quarter of 2006 and the second quarter of 2007.

SECOND QUARTER 2007 FORTY PERCENT HIGHER THAN SECOND QUARTER 2006

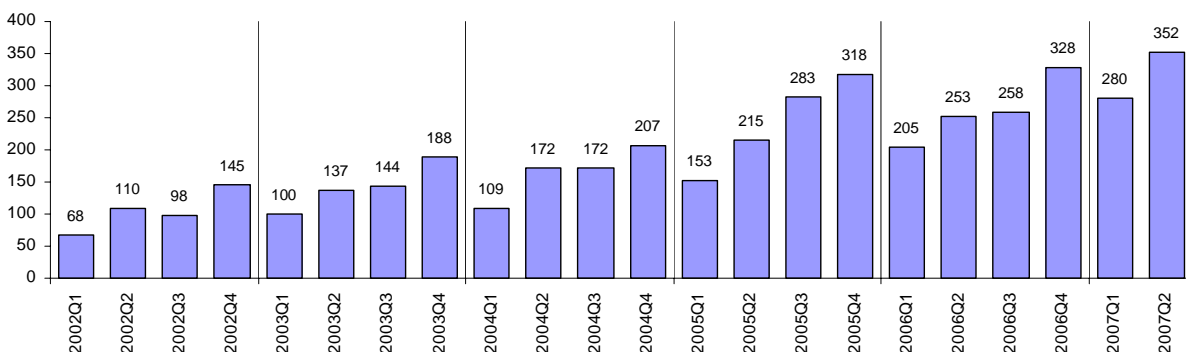
The increase in commercial/multifamily lending activity during the second quarter was driven by increases in originations for most property types. When compared to the second quarter of 2006, the overall increase included a 330 percent increase in loans for hotel properties, a 34 percent increase in loans for retail properties, a 19 percent increase in loans for office properties, a 18 percent increase in loans for multifamily properties, as well as a 14 percent decrease in loans for health care properties and a 7 percent decrease in loans for industrial properties.

Among investor types, conduits for CMBS saw an increase compared to last year of 77 percent, a 14 percent increase for Government Sponsored Enterprises (or GSEs – Fannie Mae and Freddie Mac), as well as a 11 percent decrease for commercial bank companies, and a 15 percent decrease in loans for life insurance companies.

SECOND QUARTER 2007 26 PERCENT HIGHER THAN FIRST QUARTER 2007

Commercial/Multifamily Mortgage Bankers Originations Index

2001 quarterly average = 100



Second quarter 2007 mortgage bankers originations were 26 percent higher than originations in the first quarter of 2007. Compared to the first quarter numbers show increases in all property types except office and health care.

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, 2006
- Commercial Real Estate/Multifamily Finance Firms: Annual Origination Volumes, 2006
- MBA Annual Report on Multifamily Lending, 2006

These and other reports are available at <http://store.mortgagebankers.org> or through <http://www.mortgagebankers.org>.

Commercial/Multifamily Mortgage Bankers Originations Index
By Investor Group

	Origination Volume Index (2001 Avg Qtr = 100)				Percent Change, Q2-to-Q2	Average Loan Size			
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4
TOTAL									
2002	68	110	98	145		\$ 7.5	\$ 9.0	\$ 9.1	\$ 9.4
2003	100	137	144	188	25%	\$ 8.4	\$ 8.7	\$ 8.7	\$ 8.8
2004	109	172	172	207	26%	\$ 8.1	\$ 8.5	\$ 9.4	\$ 9.9
2005	153	215	283	318	25%	\$ 10.1	\$ 11.2	\$ 13.1	\$ 12.3
2006	205	253	258	328	17%	\$ 11.2	\$ 11.1	\$ 13.6	\$ 13.7
2007	280	352			40%	\$ 13.8	\$ 15.6		
Conduits									
2002	69	139	131	162		\$ 11.6	\$ 16.5	\$ 13.9	\$ 12.2
2003	140	202	178	204	45%	\$ 14.9	\$ 15.8	\$ 14.4	\$ 12.0
2004	140	186	183	259	-8%	\$ 14.8	\$ 12.7	\$ 11.9	\$ 13.5
2005	209	355	445	395	91%	\$ 15.1	\$ 14.8	\$ 16.0	\$ 13.4
2006	283	343	287	519	-3%	\$ 13.6	\$ 15.3	\$ 15.3	\$ 21.1
2007	456	606			77%	\$ 18.4	\$ 18.4		
Commercial Banks									
2002	79	120	110	140		\$ 5.0	\$ 6.1	\$ 6.3	\$ 7.2
2003	121	138	182	252	15%	\$ 5.5	\$ 4.3	\$ 5.3	\$ 5.3
2004	152	229	337	350	66%	\$ 4.1	\$ 4.0	\$ 6.5	\$ 6.7
2005	242	420	447	596	83%	\$ 6.5	\$ 12.3	\$ 13.9	\$ 13.8
2006	397	457	543	552	9%	\$ 10.3	\$ 8.6	\$ 15.9	\$ 12.1
2007	316	408			-11%	\$ 10.0	\$ 15.7		
Life Insurance Companies									
2002	74	105	91	168		\$ 8.3	\$ 8.5	\$ 8.4	\$ 9.4
2003	82	122	149	185	17%	\$ 6.8	\$ 8.1	\$ 8.2	\$ 9.8
2004	106	170	184	188	39%	\$ 8.7	\$ 9.6	\$ 11.8	\$ 9.0
2005	138	174	225	274	3%	\$ 8.7	\$ 8.7	\$ 10.1	\$ 8.8
2006	140	206	199	191	18%	\$ 8.7	\$ 9.0	\$ 10.6	\$ 9.1
2007	158	175			-15%	\$ 9.9	\$ 9.6		
Fannie Mae/Freddie Mac									
2002	100	79	69	115		\$ 7.7	\$ 7.8	\$ 9.9	\$ 8.6
2003	58	102	96	148	30%	\$ 7.4	\$ 9.3	\$ 8.7	\$ 9.3
2004	48	124	98	133	21%	\$ 8.1	\$ 10.5	\$ 11.7	\$ 11.7
2005	72	89	109	143	-29%	\$ 11.0	\$ 9.0	\$ 10.3	\$ 12.8
2006	94	99	113	138	11%	\$ 12.9	\$ 10.2	\$ 12.4	\$ 11.6
2007	114	112			14%	\$ 9.8	\$ 9.6		

Commercial/Multifamily Mortgage Bankers Originations Index
By Property Type

	Origination Volume Index (2001 Avg Qtr = 100)				Percent Change, Q2-to-Q2	Average Loan Size			
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4
Multifamily									
2002	67	116	89	142		\$ 8.2	\$ 10.2	\$ 9.7	\$ 9.9
2003	78	138	115	150	19%	\$ 7.8	\$ 10.1	\$ 8.5	\$ 8.2
2004	71	134	133	157	-2%	\$ 7.0	\$ 8.4	\$ 9.9	\$ 10.0
2005	116	153	193	234	14%	\$ 10.7	\$ 11.1	\$ 12.3	\$ 13.3
2006	143	166	155	238	9%	\$ 11.6	\$ 11.4	\$ 12.3	\$ 14.2
2007	180	195			18%	\$ 11.8	\$ 12.5		
Office									
2002	61	91	94	129		\$ 10.2	\$ 11.5	\$ 12.2	\$ 14.6
2003	88	120	156	187	32%	\$ 11.1	\$ 11.0	\$ 13.9	\$ 12.3
2004	121	180	194	210	50%	\$ 12.2	\$ 12.4	\$ 13.9	\$ 13.1
2005	158	226	299	346	26%	\$ 13.3	\$ 15.5	\$ 17.4	\$ 17.5
2006	198	255	277	375	13%	\$ 15.4	\$ 14.0	\$ 18.4	\$ 19.6
2007	321	302			19%	\$ 24.0	\$ 21.1		
Retail									
2002	73	121	124	184		\$ 6.3	\$ 8.2	\$ 8.7	\$ 8.0
2003	153	169	197	268	39%	\$ 8.5	\$ 7.7	\$ 7.7	\$ 9.2
2004	191	253	255	274	50%	\$ 8.7	\$ 8.0	\$ 8.7	\$ 8.3
2005	198	321	339	445	27%	\$ 7.9	\$ 8.9	\$ 9.5	\$ 9.2
2006	307	343	327	423	7%	\$ 9.3	\$ 8.6	\$ 10.1	\$ 11.6
2007	384	459			34%	\$ 11.8	\$ 12.1		
Industrial									
2002	87	108	101	182		\$ 6.4	\$ 5.8	\$ 5.6	\$ 7.2
2003	81	114	164	192	5%	\$ 5.2	\$ 4.9	\$ 5.9	\$ 6.3
2004	128	172	181	202	51%	\$ 5.9	\$ 5.4	\$ 6.6	\$ 6.5
2005	166	230	325	380	34%	\$ 6.7	\$ 8.3	\$ 9.6	\$ 8.6
2006	222	308	270	392	34%	\$ 8.3	\$ 8.7	\$ 9.8	\$ 10.1
2007	254	286			-7%	\$ 10.5	\$ 10.2		
Hotel									
2002	16	75	76	85		\$ 8.2	\$ 25.0	\$ 12.3	\$ 12.9
2003	213	101	89	172	34%	\$ 42.5	\$ 20.1	\$ 18.5	\$ 18.3
2004	107	178	175	266	76%	\$ 17.3	\$ 21.6	\$ 19.0	\$ 20.0
2005	210	515	1,107	563	189%	\$ 13.6	\$ 31.6	\$ 52.0	\$ 21.9
2006	558	681	990	676	32%	\$ 24.8	\$ 28.7	\$ 42.5	\$ 24.6
2007	762	2,931			330%	\$ 31.6	\$ 55.8		
Health Care									
2002	125	119	195	263		\$ 8.0	\$ 3.6	\$ 8.6	\$ 8.7
2003	169	351	186	339	195%	\$ 6.8	\$ 9.1	\$ 9.0	\$ 7.2
2004	135	171	215	371	-51%	\$ 7.3	\$ 5.7	\$ 8.8	\$ 9.8
2005	129	192	559	559	13%	\$ 7.8	\$ 7.6	\$ 14.1	\$ 12.5
2006	287	532	434	523	177%	\$ 12.6	\$ 10.7	\$ 9.7	\$ 10.2
2007	471	458			-14%	\$ 8.4	\$ 11.7		



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