

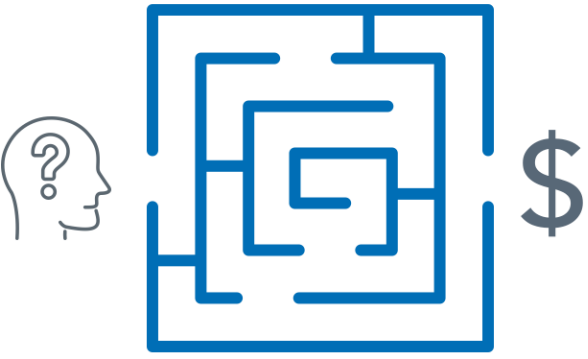
COMMERCIAL REAL ESTATE

U.S. MARKET | Perspective for Investors

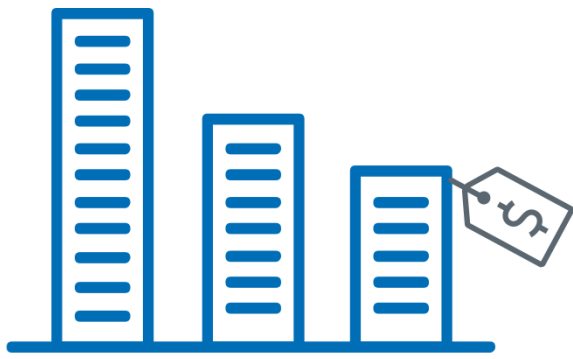
H1 2023



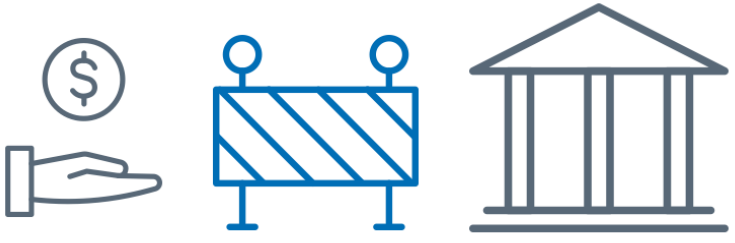
THE VIEW FROM HERE

Uninvested equity commitments remain near record levels, with investors seeking yield through opportunistic and value-add strategies



Pricing continues to soften as market adjusts to elevated cost of debt – *when it can be found* – and lower transaction volumes



Extremely tight underwriting standards evidence that lending capacity will be constrained into 2024

OFFICE
 YTD Volume
\$24.7 B
 YoY Change
-58%
 Cap Rate
7.1%

INDUSTRIAL
 YTD Volume
\$42.5B
 YoY Change
-47%
 Cap Rate
5.6%

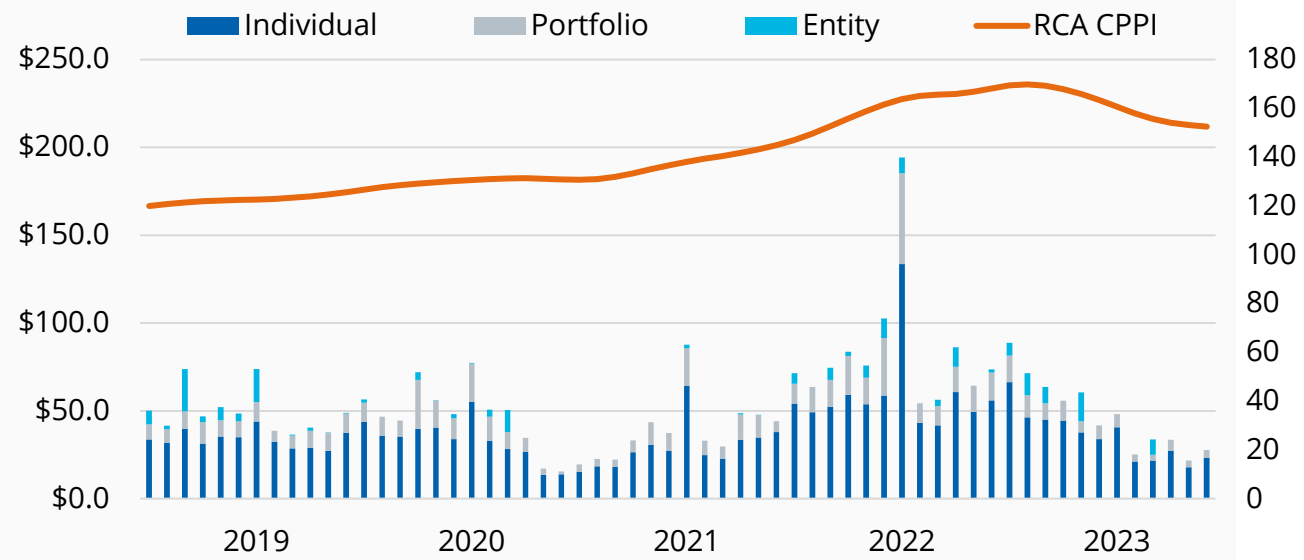
RETAIL
 YTD Volume
\$27.4 B
 YoY Change
-66%
 Cap Rate
6.8%

MULTIFAMILY
 YTD Volume
\$55.6 B
 YoY Change
-72%
 Cap Rate
5.3%

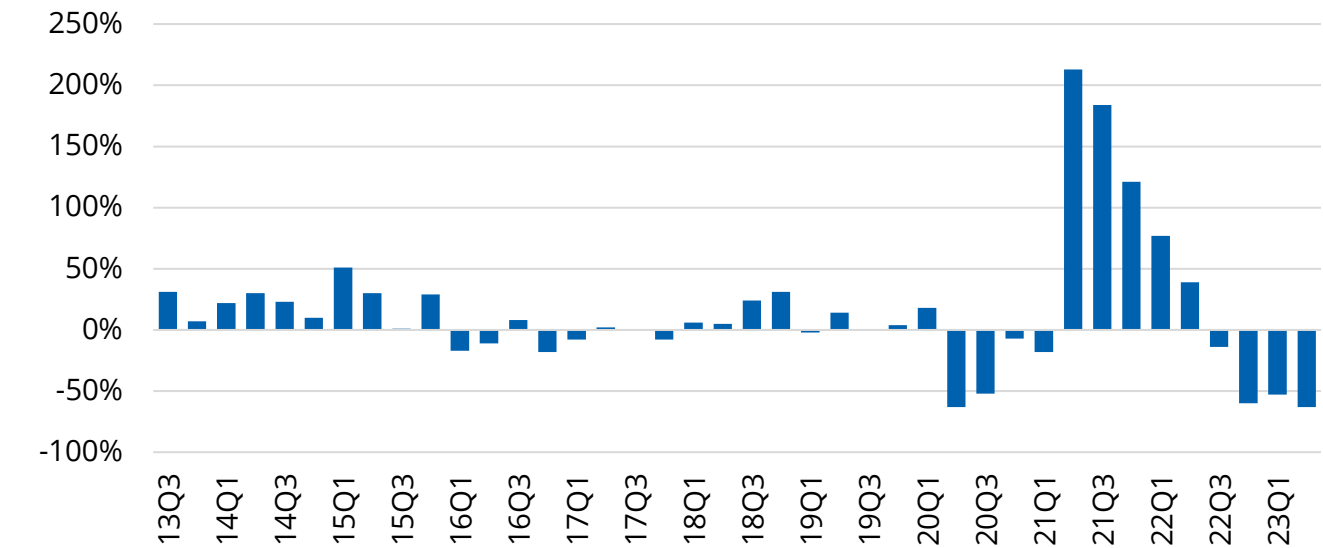
Source: Real Capital Analytics, Senior Loan Officer Opinion Survey

HISTORICAL

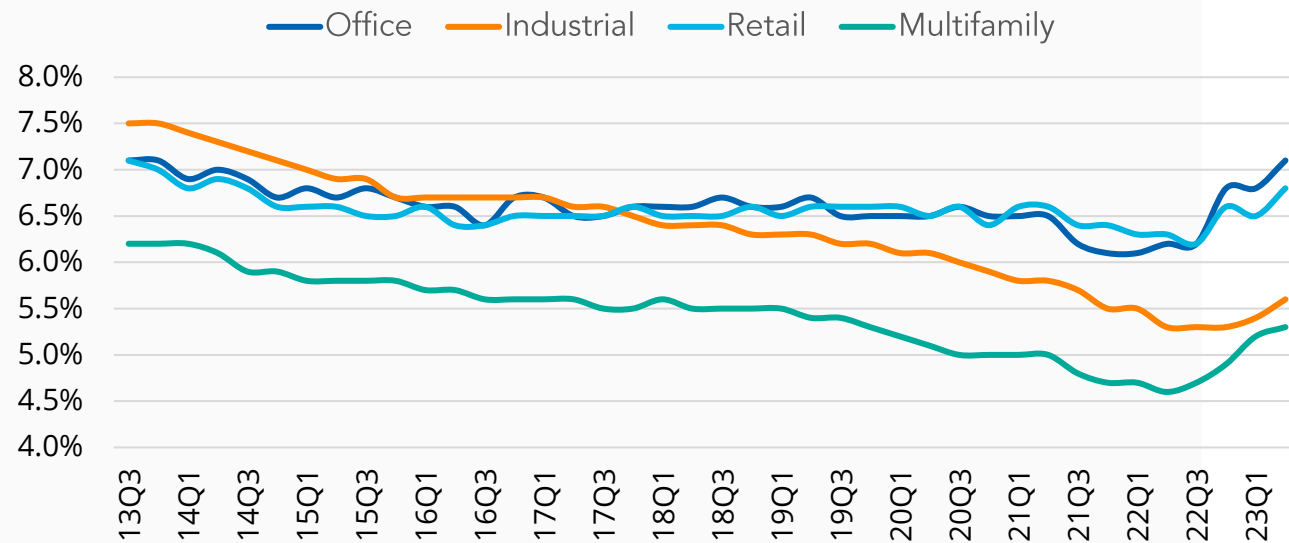
TRANSACTION VOLUME (BILLIONS) AND RCA CPPI



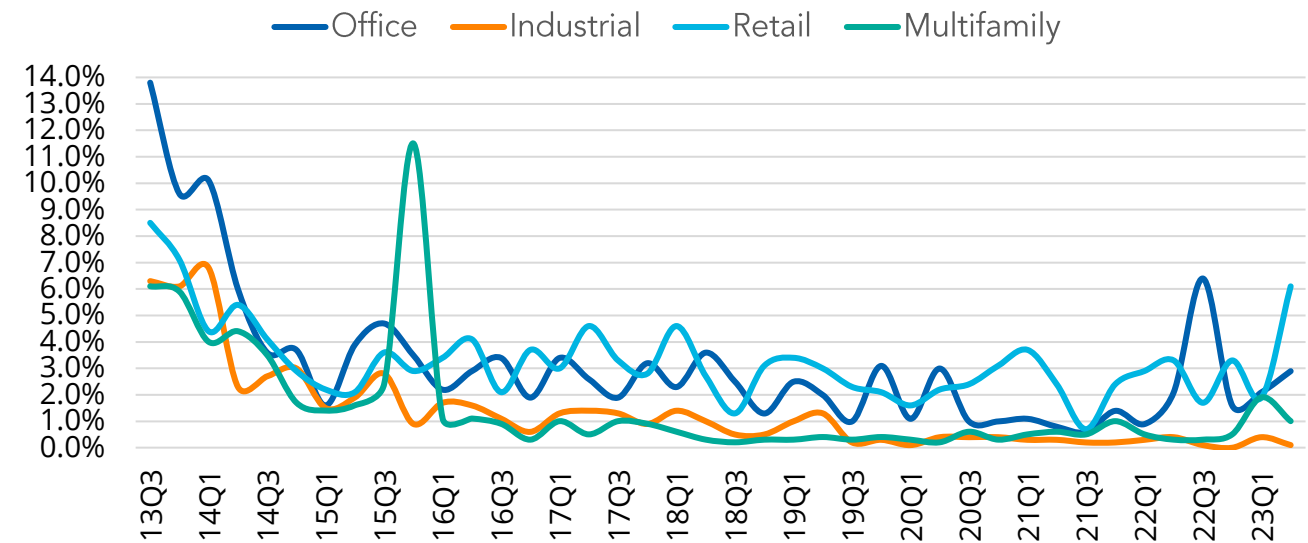
VOLUME YOY CHANGE



CAP RATES



DISTRESSED SALES



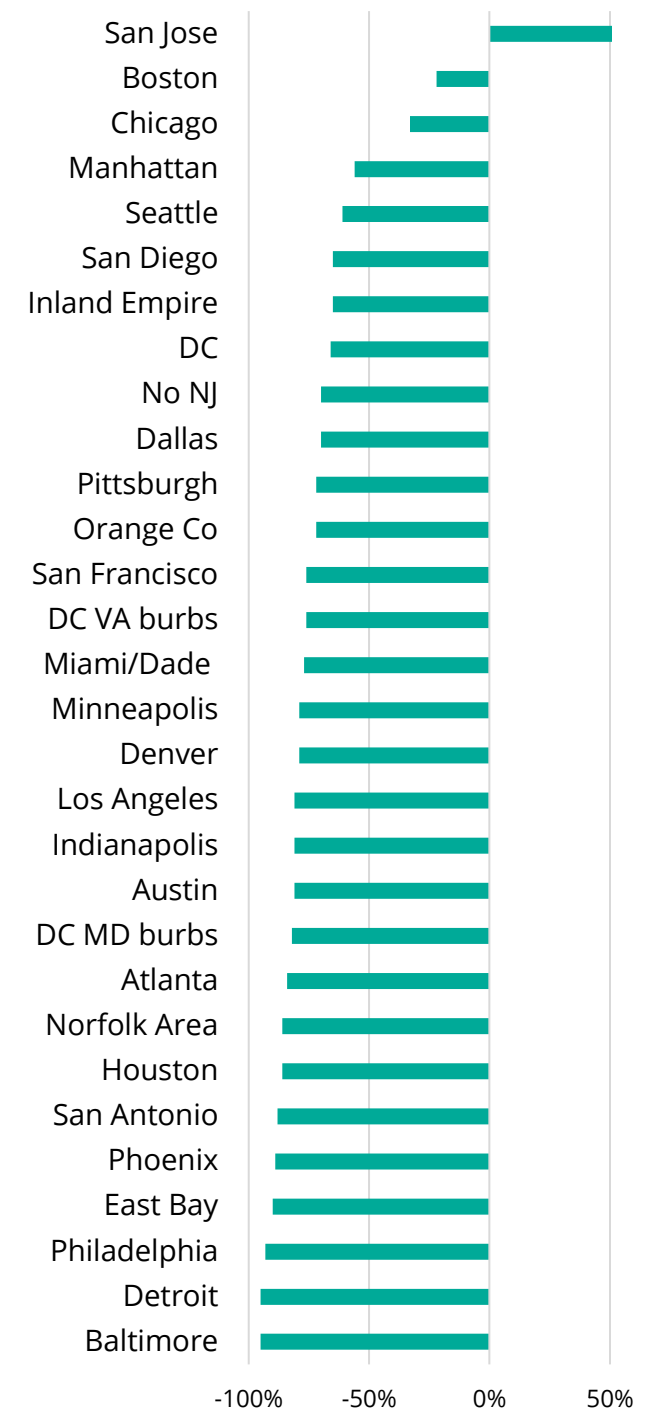
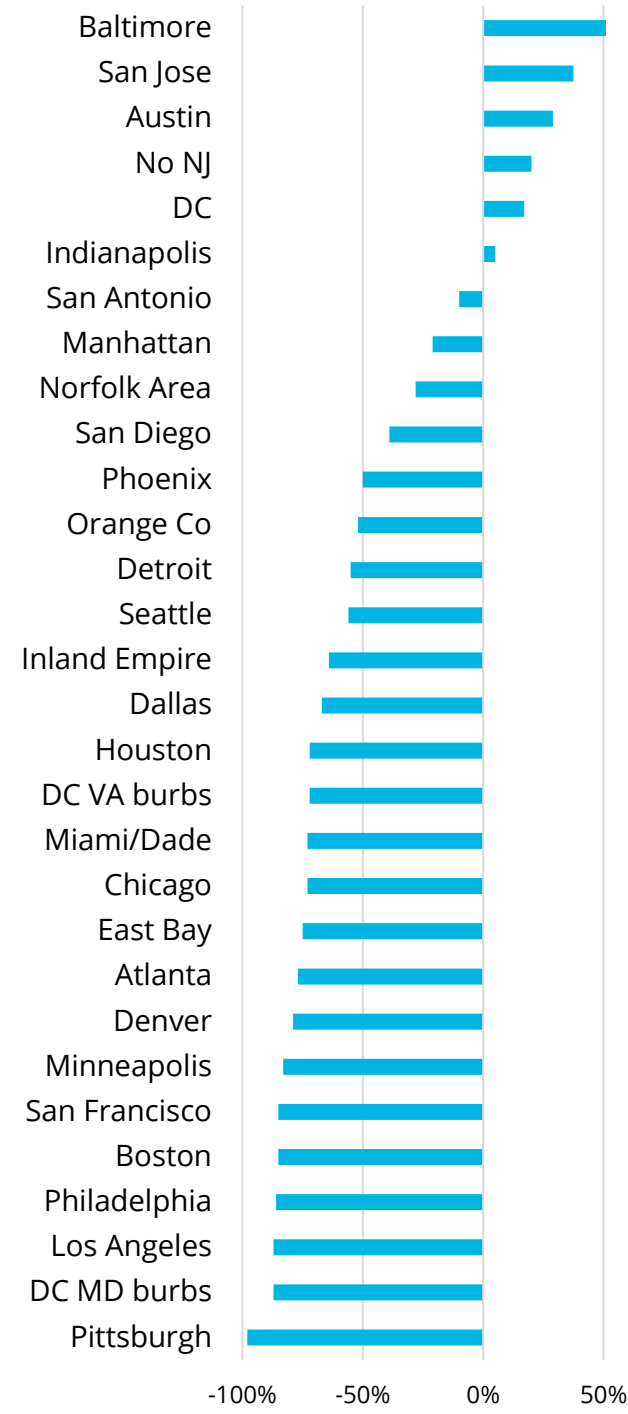
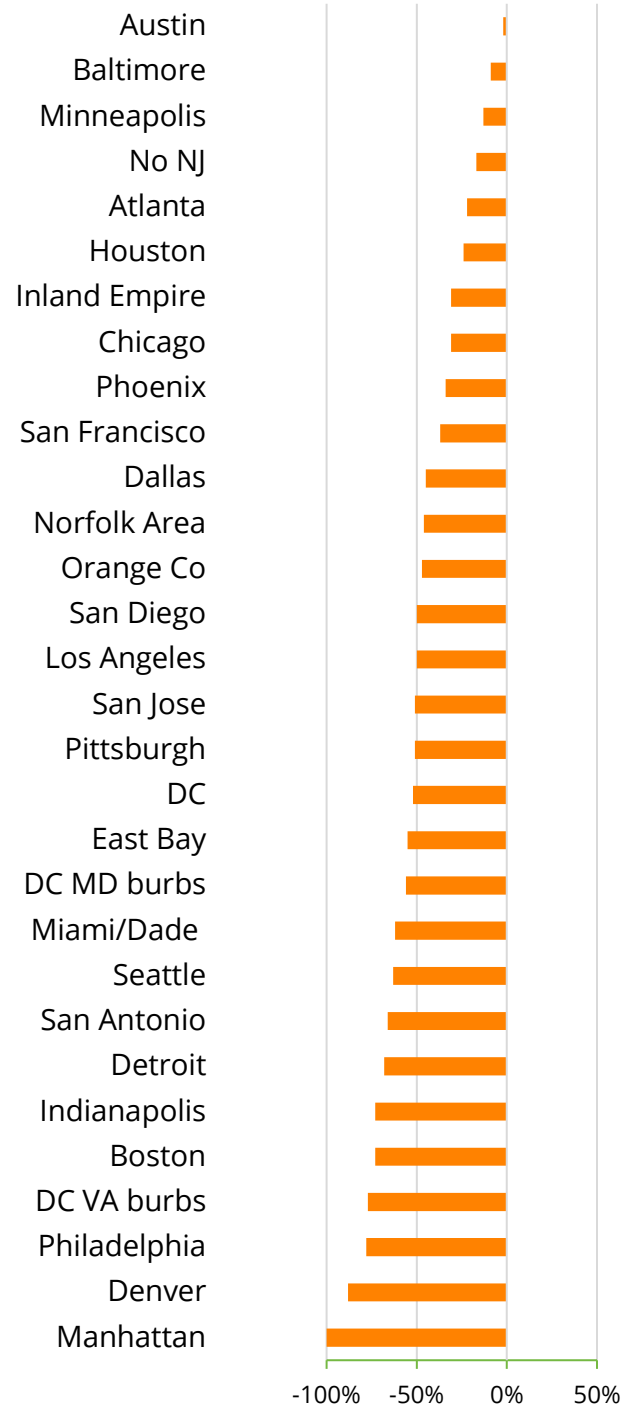
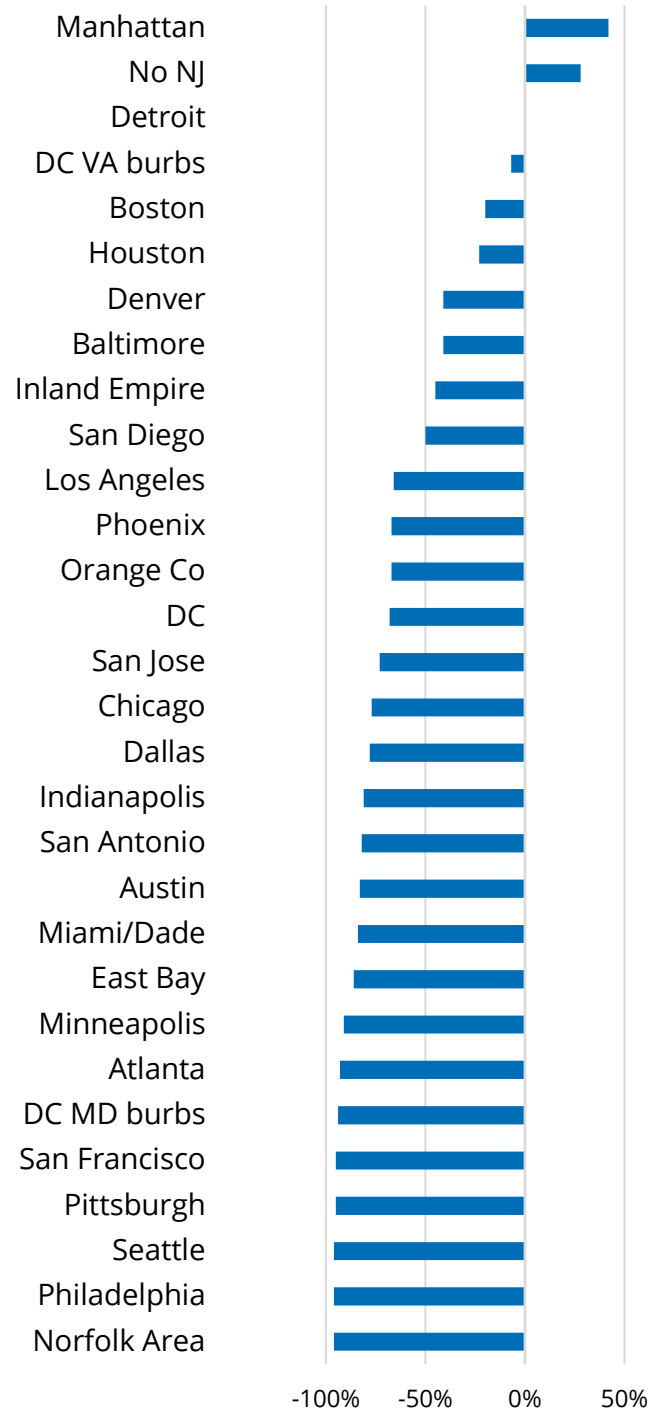
MOST ACTIVE INVESTMENT MARKETS BY VOLUME

Y-O-Y OFFICE

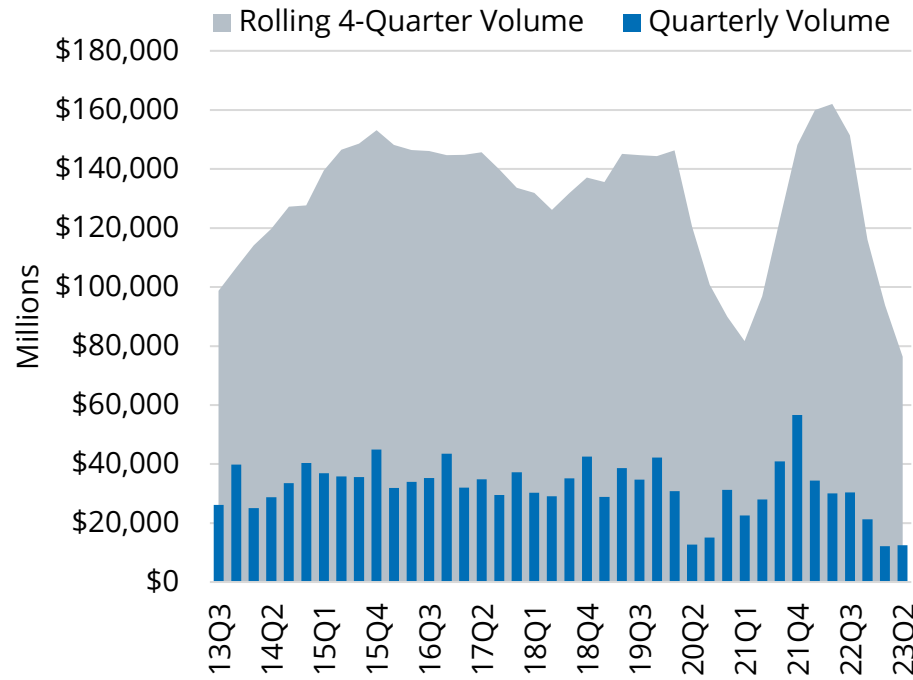
Y-O-Y INDUSTRIAL

Y-O-Y RETAIL

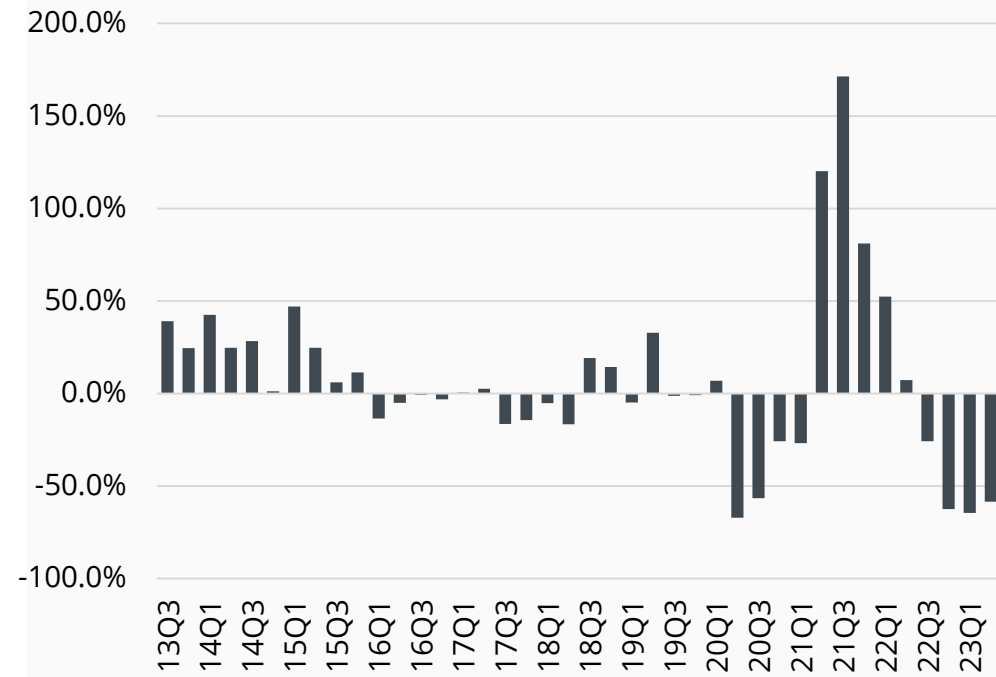
Y-O-Y MULTIFAMILY



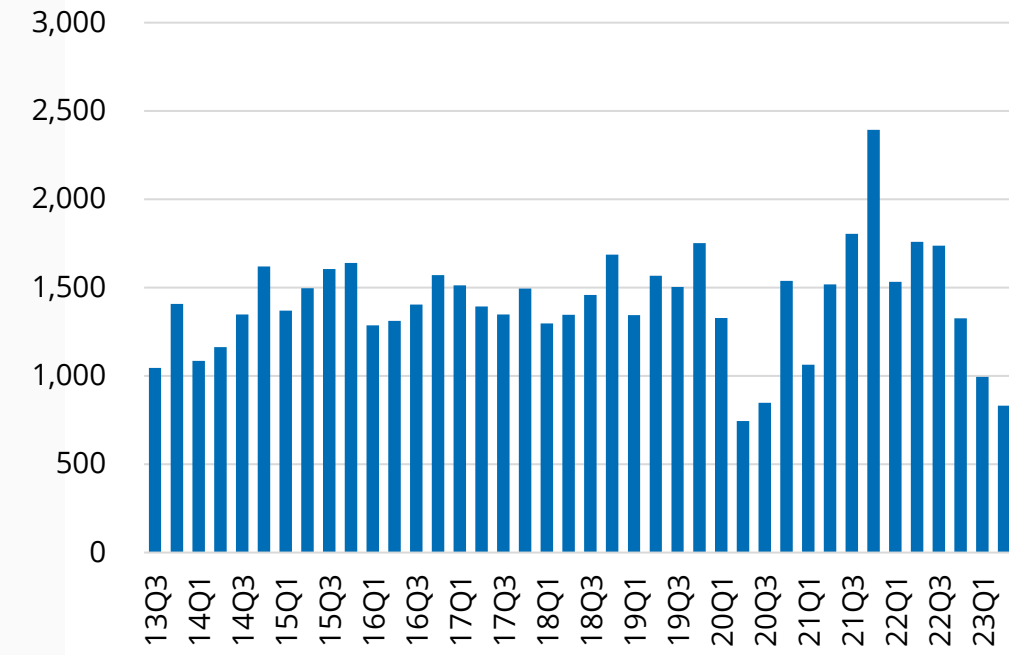
SALES VOLUME



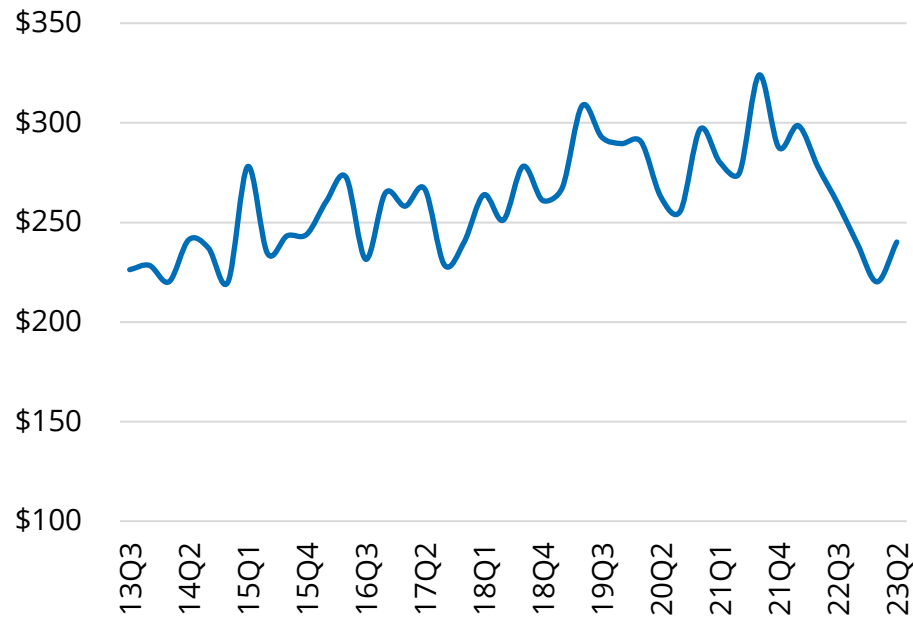
YEAR-OVER-YEAR VOLUME CHANGE



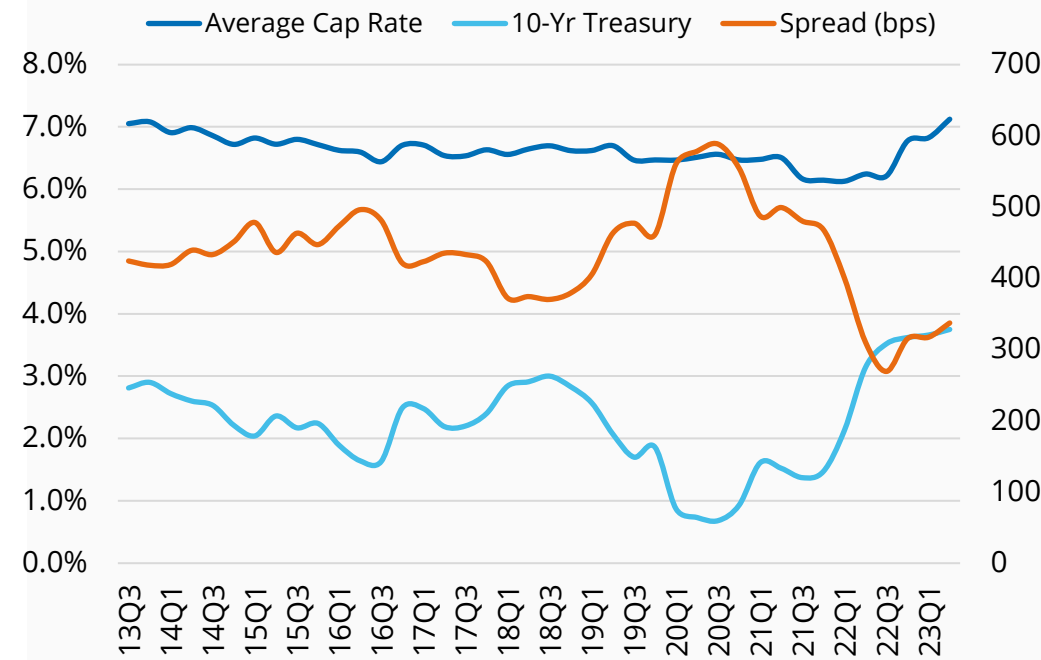
NUMBER OF PROPERTIES



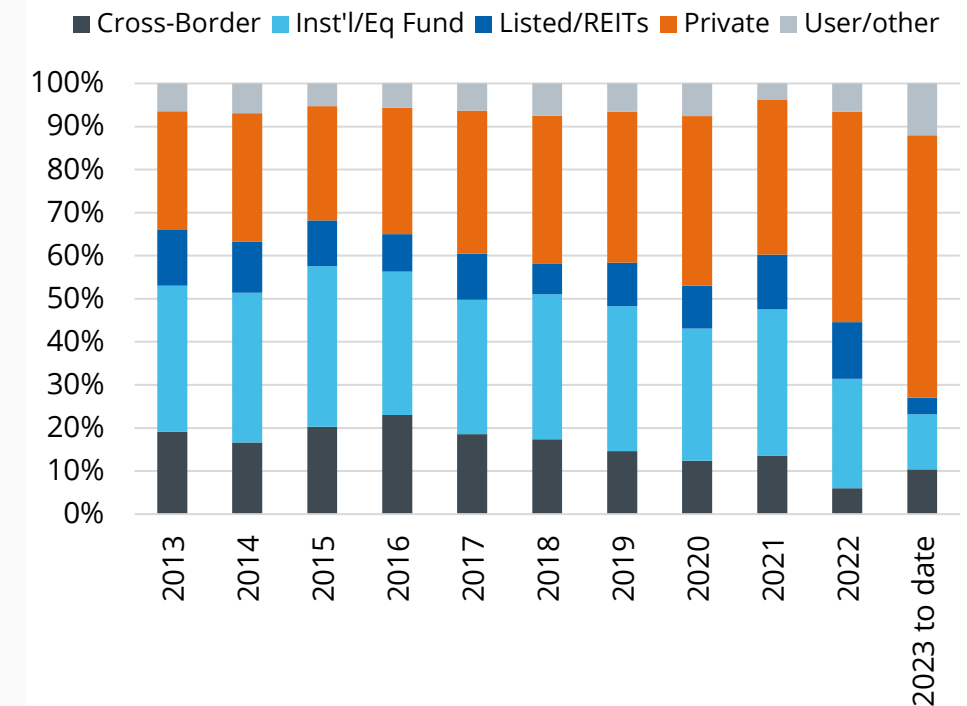
PRICE PER SQUARE FOOT



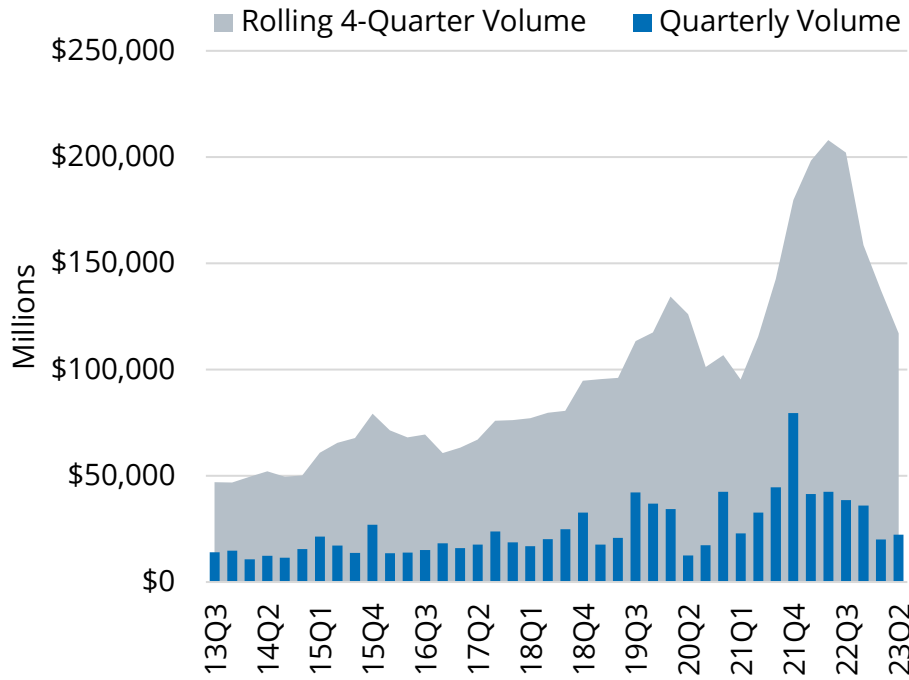
YIELD (CAP RATE)



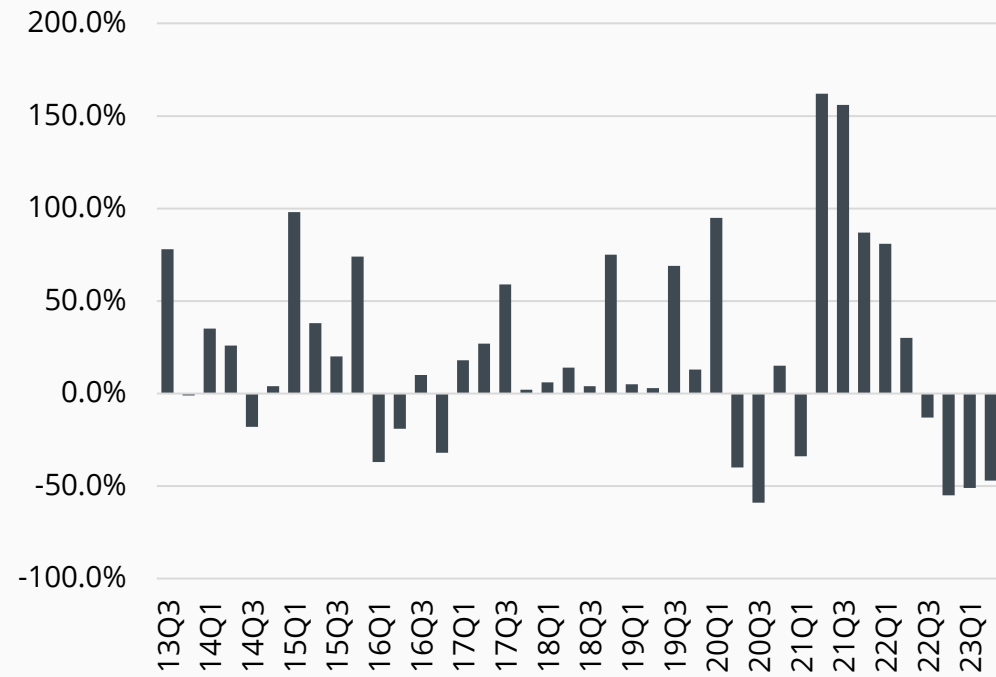
BUYER COMPOSITION



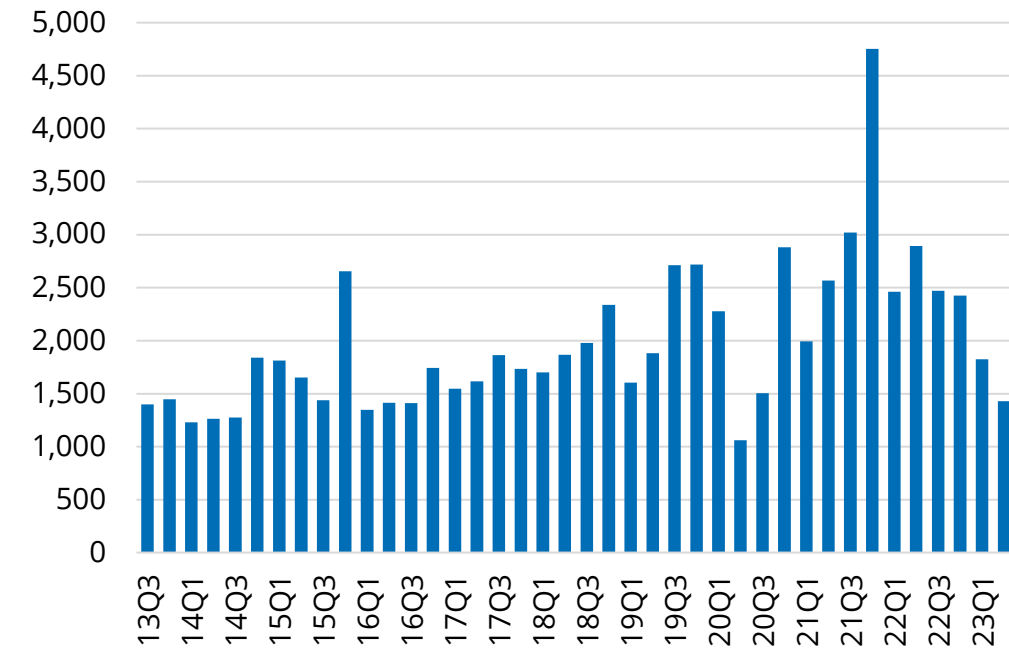
SALES VOLUME



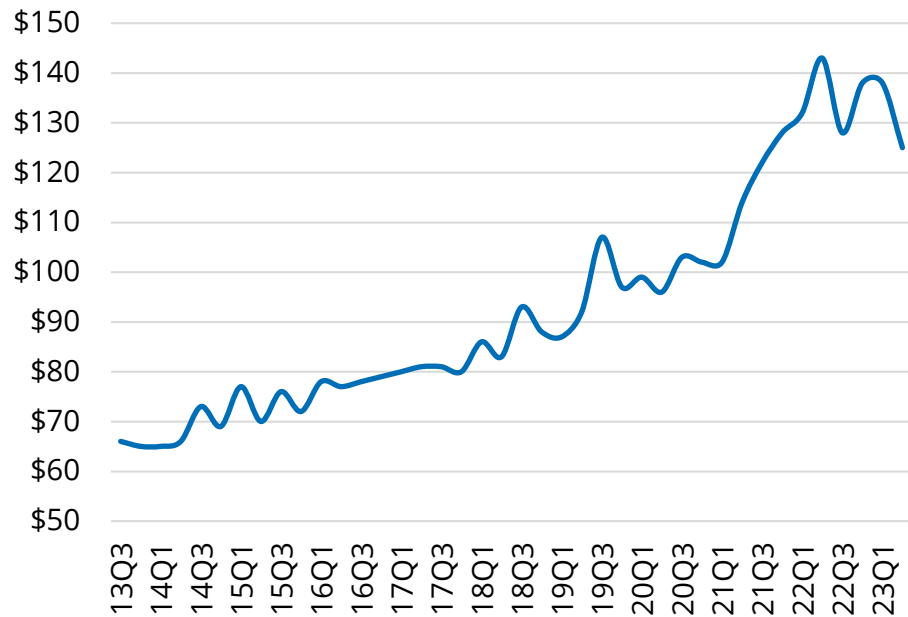
YEAR-OVER-YEAR VOLUME CHANGE



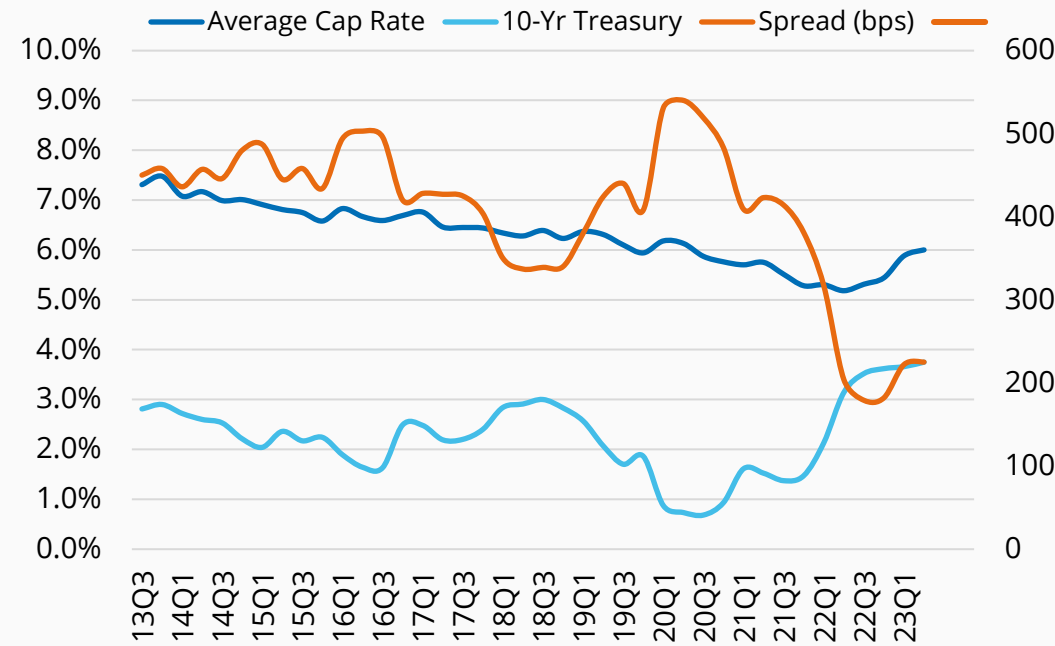
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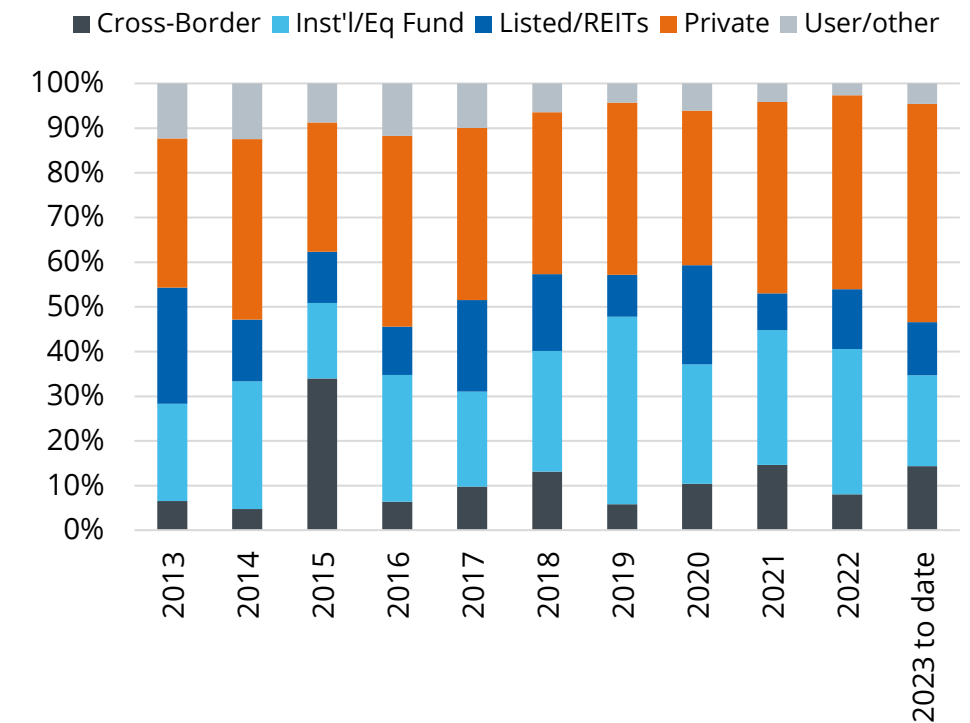
PRICE PER SQUARE FOOT



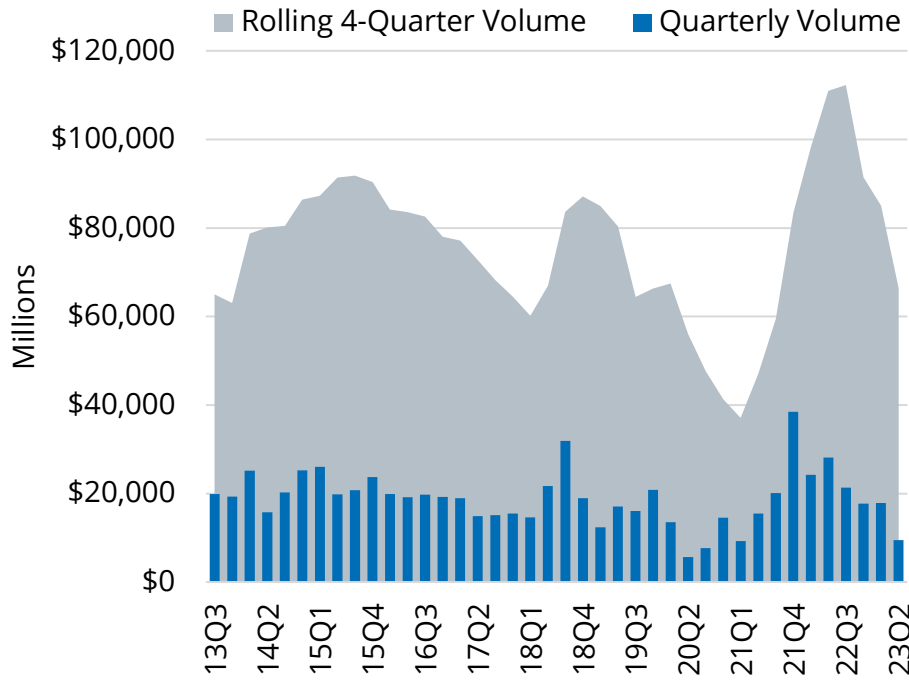
YIELD (CAP RATE)



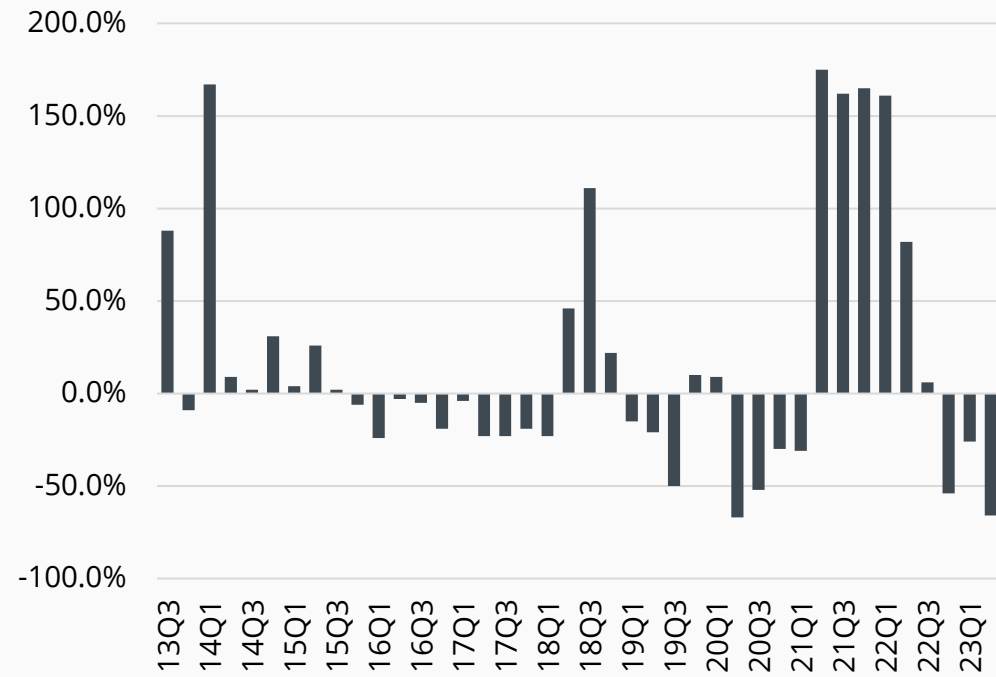
BUYER COMPOSITION



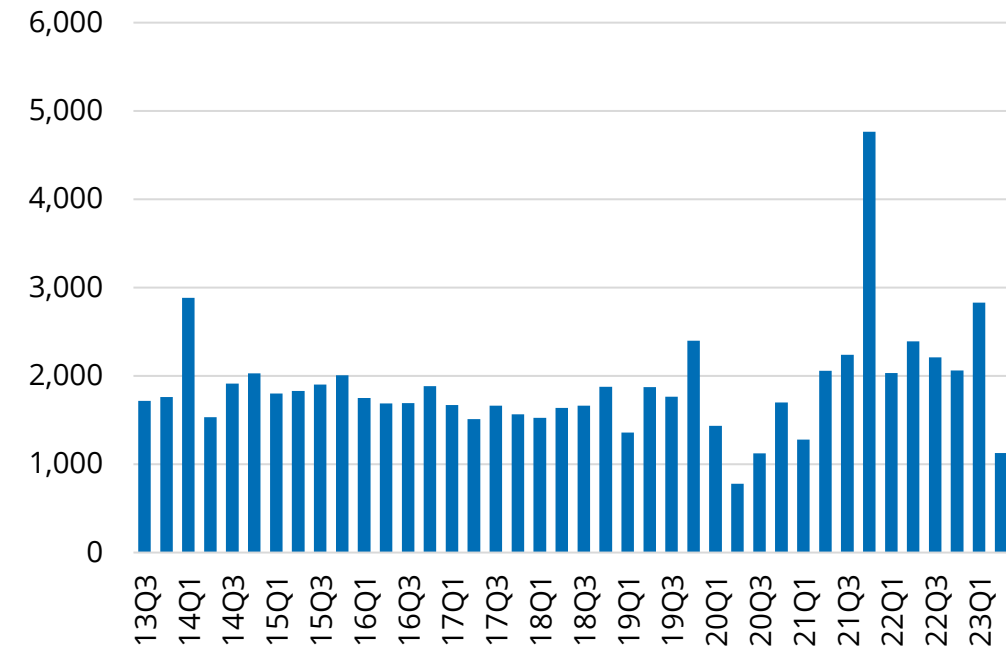
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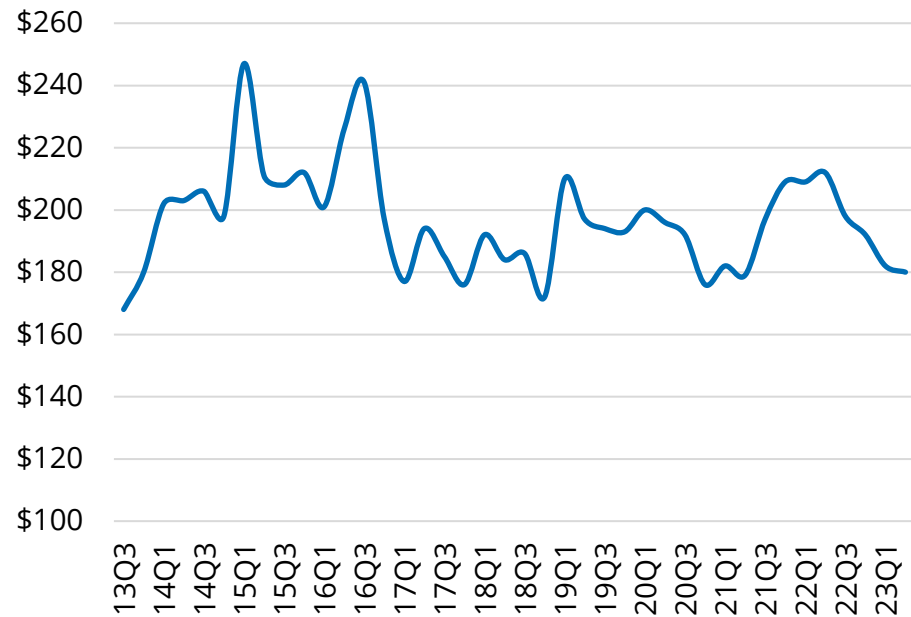
YEAR-OVER-YEAR VOLUME CHANGE



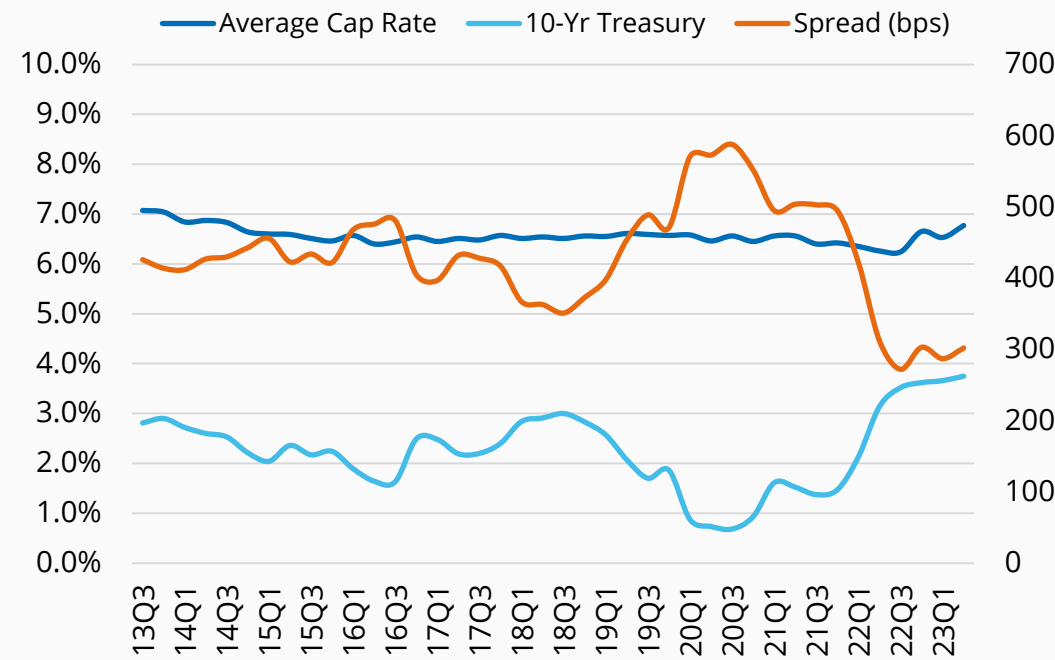
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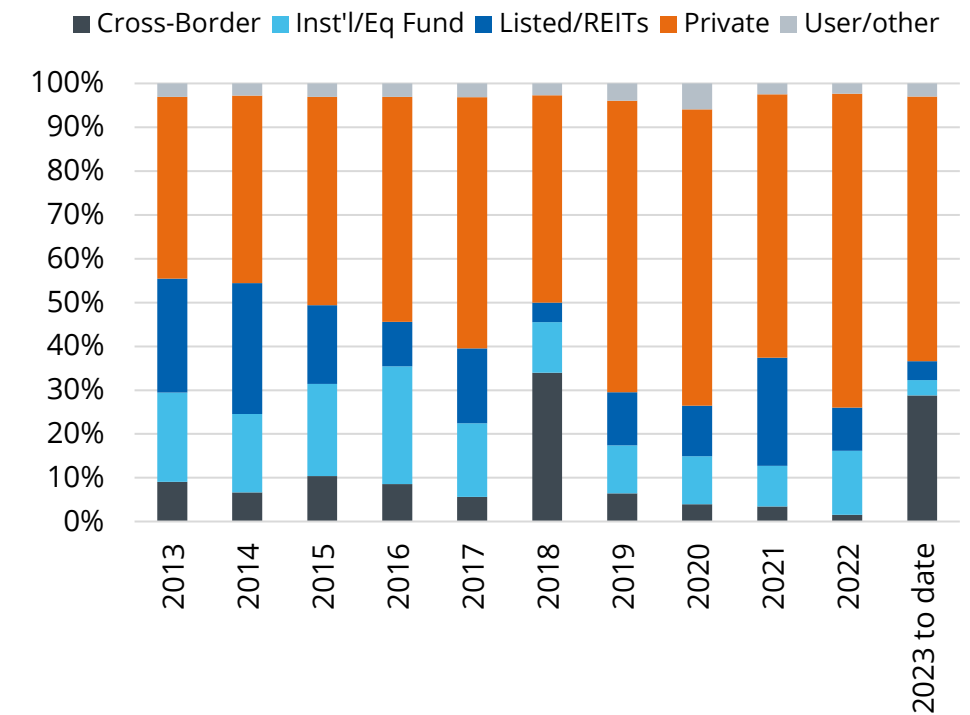
PRICE PER SQUARE FOOT



YIELD (CAP RATE)



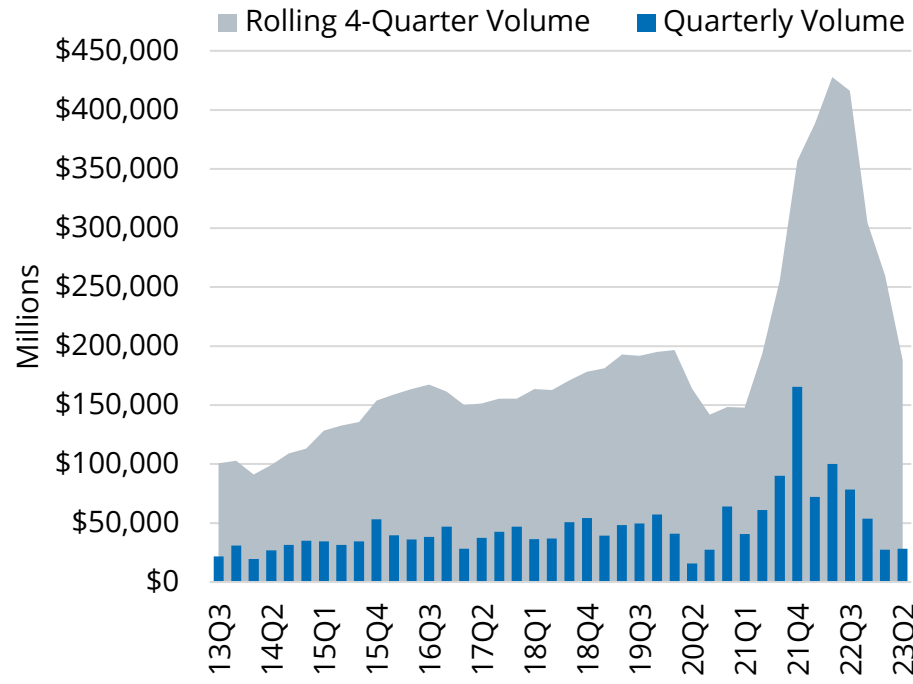
BUYER COMPOSITION



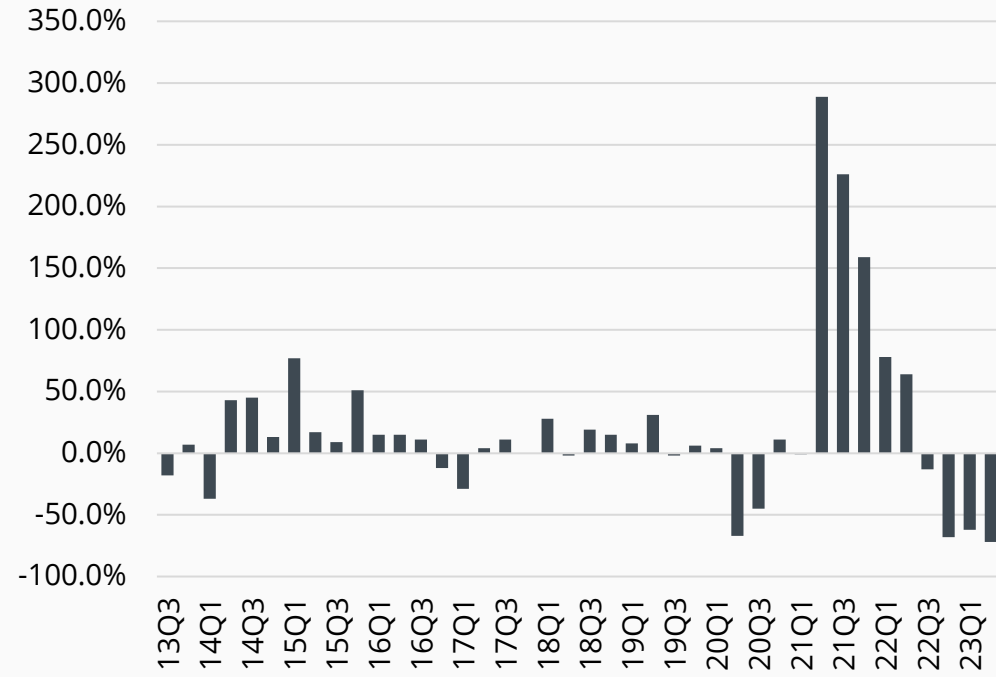
Source: Real Capital Analytics

2023 to date

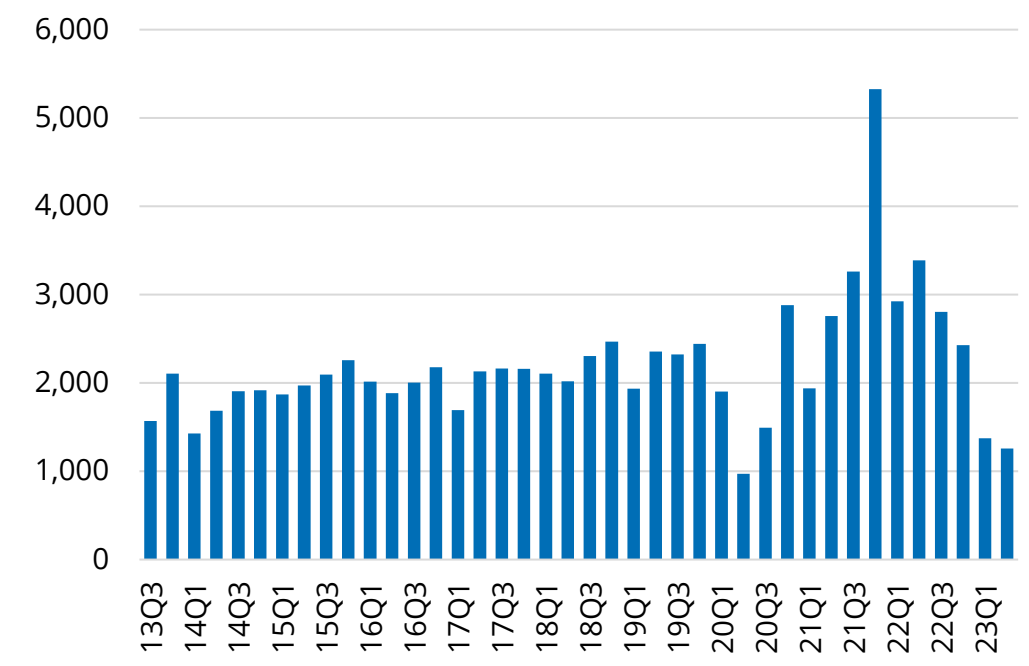
SALES VOLUME



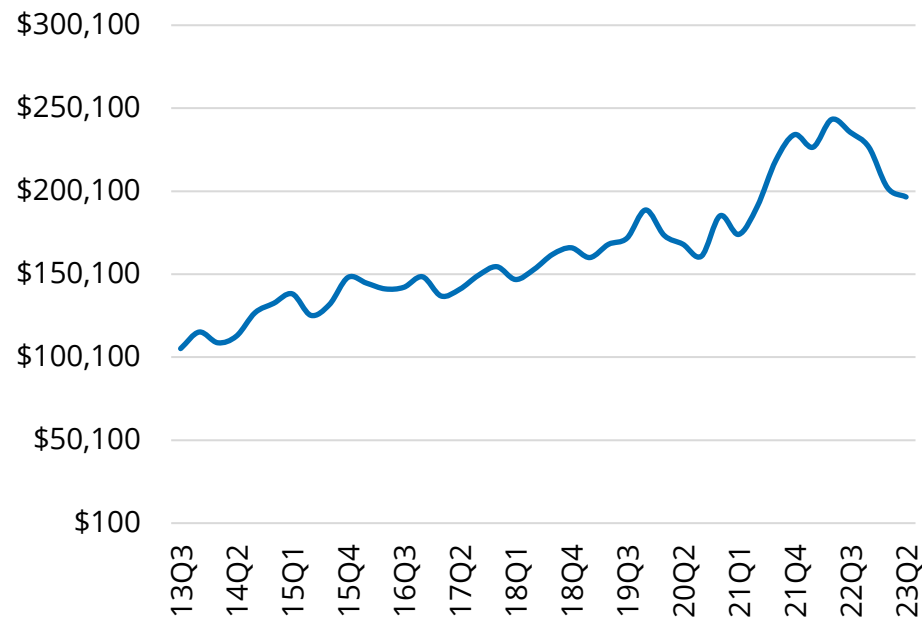
YEAR-OVER-YEAR VOLUME CHANGE



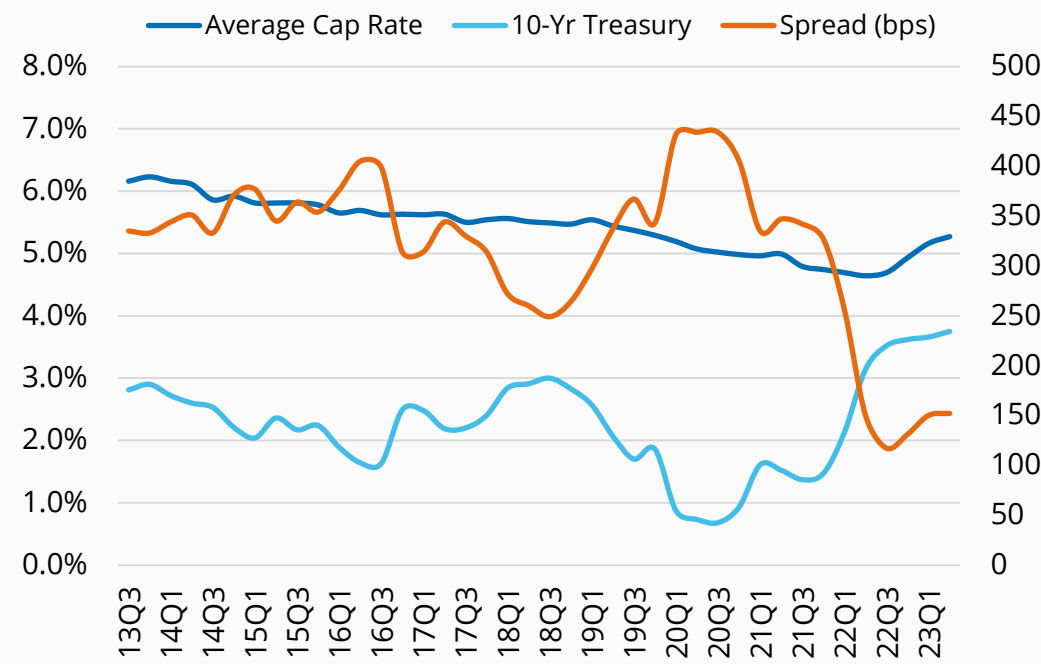
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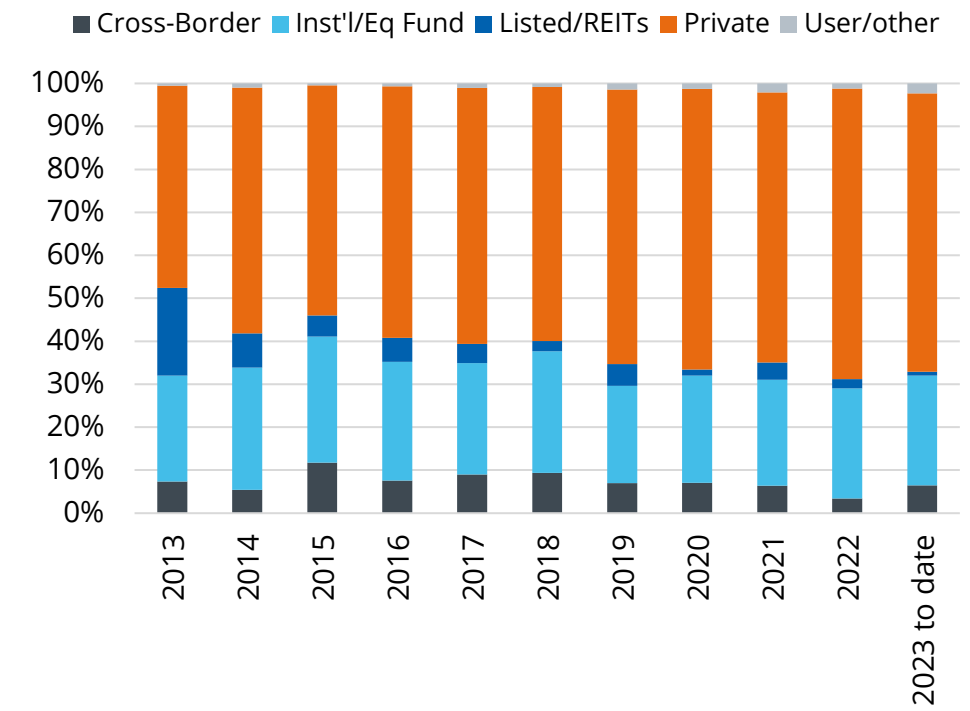
PRICE PER UNIT

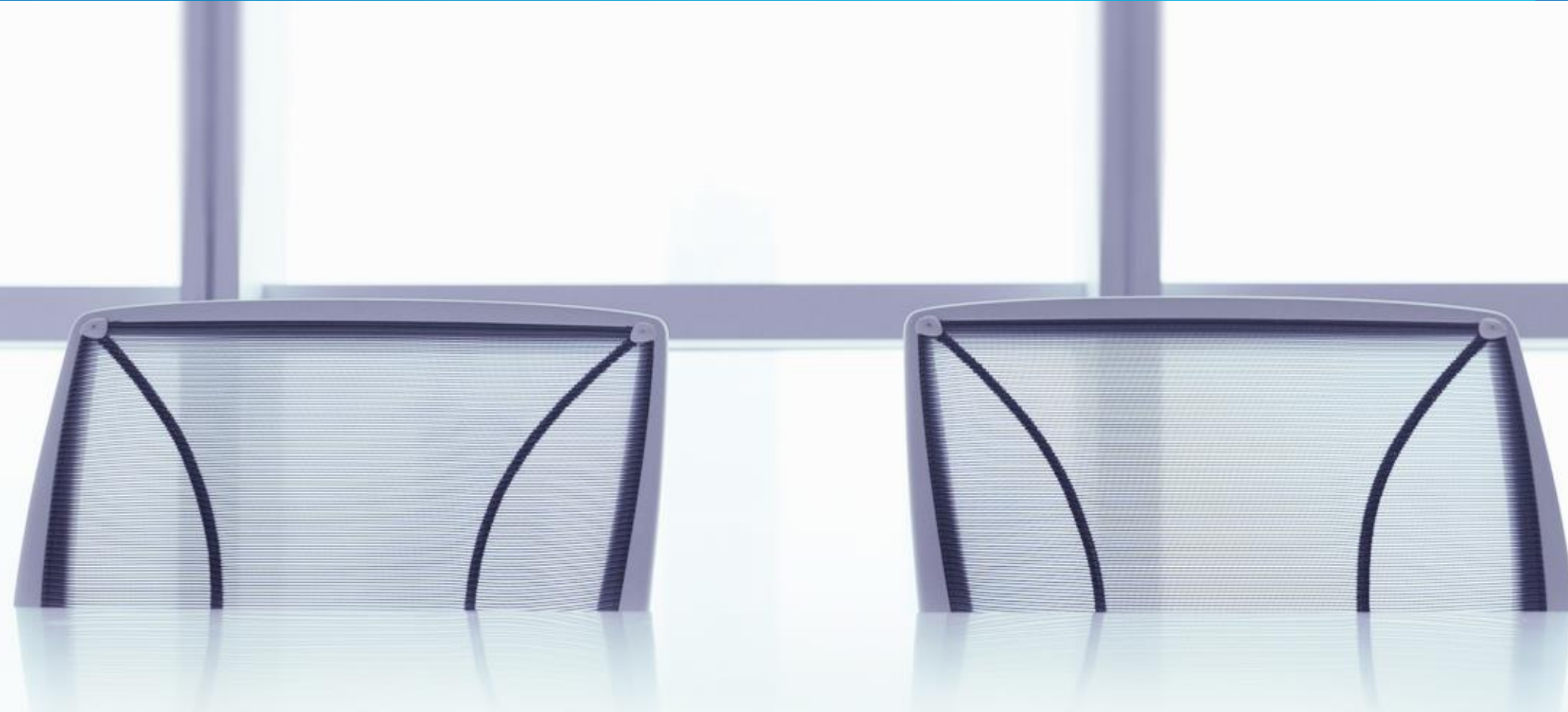


YIELD (CAP RATE)



BUYER COMPOSITION





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RESEARCH METHODOLOGY

The information and analysis in this report is based on a compilation of commercial real estate investing and transactions data from Real Capital Analytics (RCA) on select property types within the United States.