

TRI **NEWS UPDATE** Distressed Property Services

TRI Commercial is uniquely positioned to assist Lenders, Loan Servicers and Receivership Companies. Our in-depth knowledge in this market is supported by professionals with decades of experience in maximizing the value of properties. We cover the entire Bay Area through our six strategically located offices. Our complete lines of brokerage services cover office properties, industrial sites, retail, medical use, multi-family and investment sales. We are highly qualified and motivated to assist you.

JUNE • 2021

Are Dark Clouds on the Horizon?

The shutdowns in 2020 resulted in an immediate spike in CMBS loan delinquency rates in May and June of 2020. Lodging and retail led the way with 24% and 18% respectively. The last 10 months have shown a steady decline in delinquency rates. Much of it can be attributed to the Government spending \$4 Trillion dollars supporting the economy and supporting businesses through PPP Loan and SBA Disaster loans. The disposed loan losses for smaller assets of less than \$5,000,000 have been lower at 59.7% versus the losses of assets of \$25,000,000+ which were at 75%. Florida had the lowest loss severity at 57.64%, while Ohio came in at 80%. California ranked at 63.55%. As the sources of support through Government subsidies run low, we expect an increase in delinquencies and defaults in many sectors. How can you be better prepared?

Contact us for more information about our Distressed Properties services.

MUST-READ ARTICLES:

An Update on the Distressed CRE Market: CMBS Loan Losses

by Maximillian Nelson, Trepp

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