

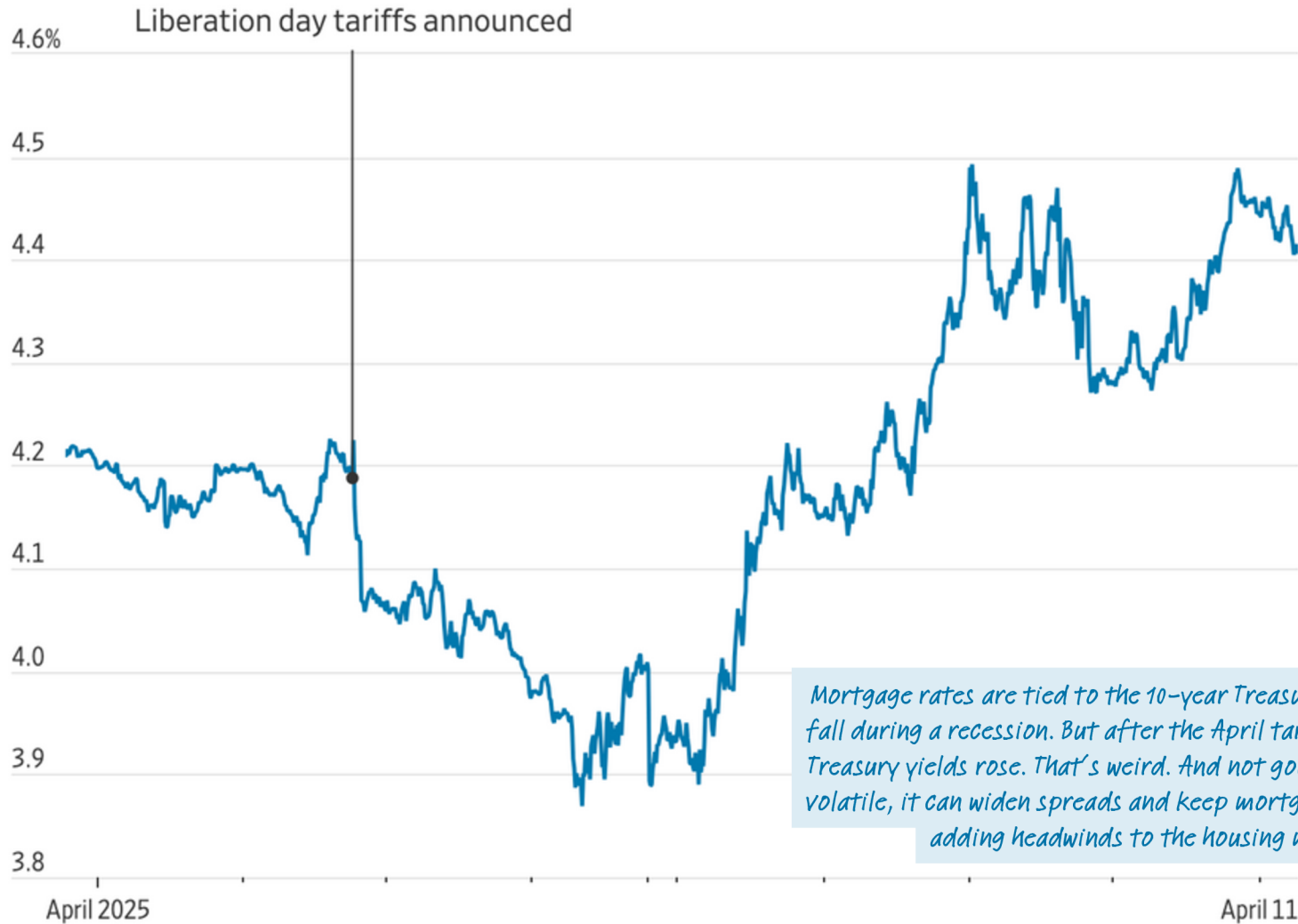


CRE
ANALYST

*These 4 cracks could
spill into CRE markets*

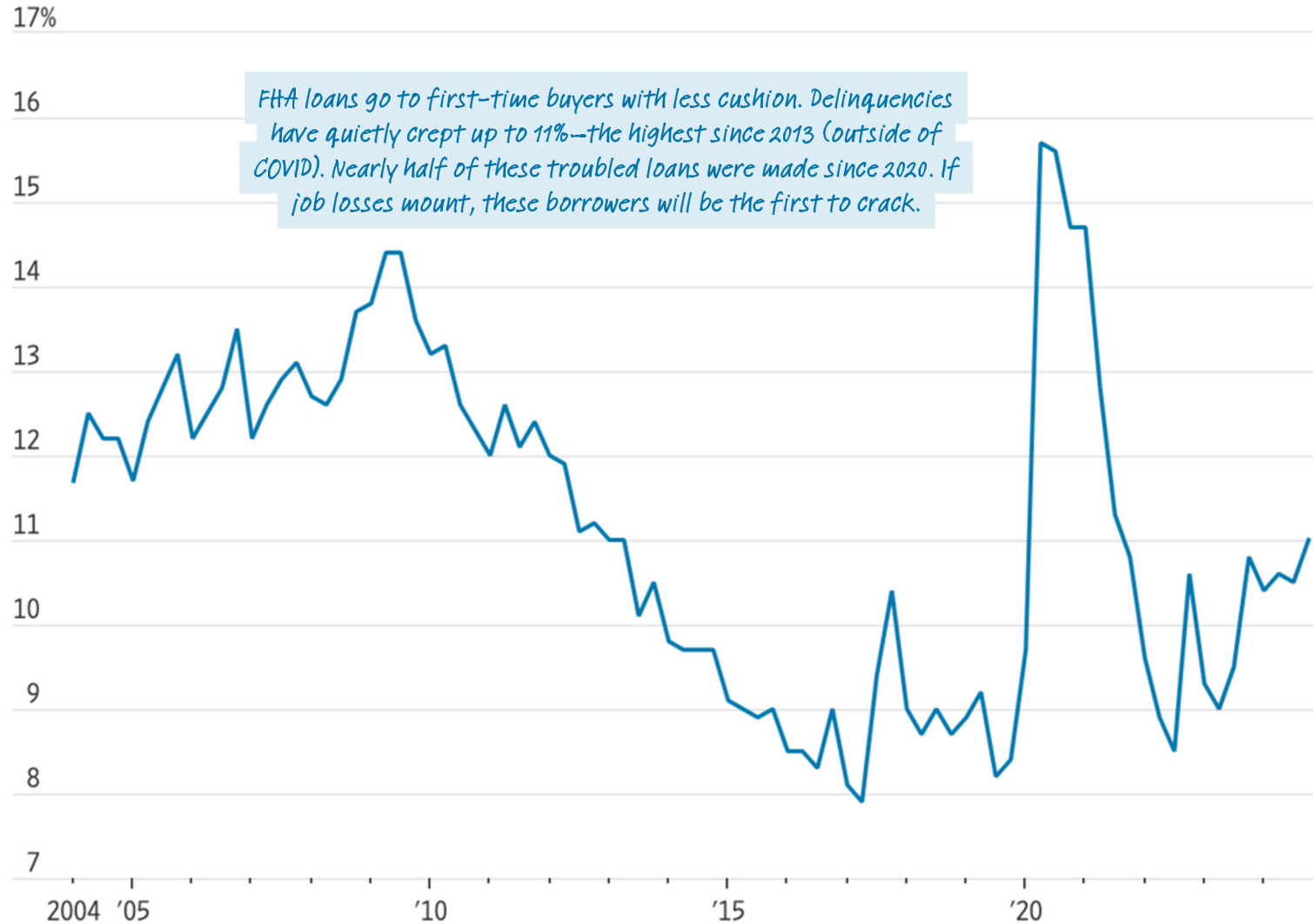


U.S. 10 Year Treasury Note





FHA mortgage delinquency rate



FHA loans go to first-time buyers with less cushion. Delinquencies have quietly crept up to 11%—the highest since 2013 (outside of COVID). Nearly half of these troubled loans were made since 2020. If job losses mount, these borrowers will be the first to crack.

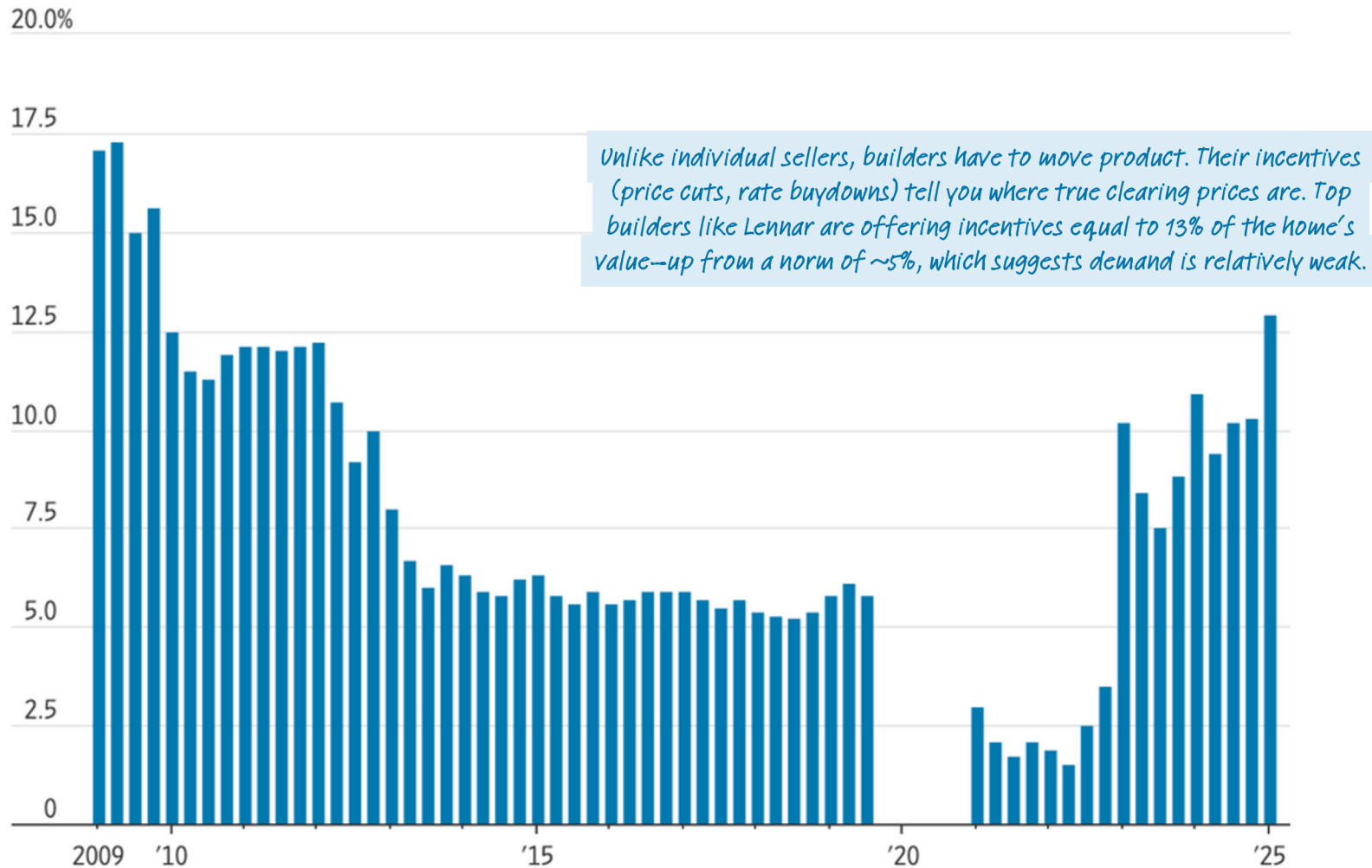


Discount/premium to net asset value





Sales incentives on newly built homes as a percentage of revenue for Lennar*



*no data available Q4 2019 through Q4 2020 due to covid pandemic

Source: John Burns Research and Consulting