

CMBS Delinquencies Continue to Decline

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Carlton Fields Executive Director – Financial Services, Brian Olasov, was quoted in the *MBA Newslink* article, “CMBS Delinquencies Continue to Decline,” discussing the second consecutive month of decline in the commercial mortgage-backed securities (CMBS) delinquency rate.

With loan delinquencies falling and resolutions totaling \$630 million, it is expected that the CMBS rate will continue to decrease, ending the year between 2.25 percent and 2.75 percent.

Olasov said that the delinquency data display continuing trends including winding down CMBS 1.0, aged defaults in REO status awaiting liquidation and a slowly growing CMBS universe as paydowns and resolutions are outpaced by new issuance.

"A new, emerging trend is that the much cleaner loans of CMBS 2.0 are beginning to show cracks as a small chunk of newer production hits inevitable difficulties. Maintaining less than one-third of one percentage point in delinquent loans is unnatural through the credit cycle," Olasov stated.

However, Olasov also noted that conditions do remain favorable thanks to low interest rates, job creation, and limited new supply.

[Read the article.](#)

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