

## Rates & Market Updates

June 11, 2018

INDEX	RATE	INDEX	AVG.	INDEX	RATE	INDEX	RATE
5-Year U.S. Treasury	2.804%	DOW	25,293	1-Month LIBOR	2.046%	5-Year SWAP	2.949%
10-Year U.S. Treasury	2.966%	S&P 500	2,782	3-Month LIBOR	2.326%	7-Year SWAP	2.985%
30-Year U.S. Treasury	3.107%	NASDAQ	7,651	Prime Rate	4.750%	10-Year SWAP	3.031%

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TERM	INSURANCE RATE	FANNIE MAE RATE	FREDDIE MAC RATE	BBTREF RATE	HUD 223(a)(7)	HUD 223(f)	HUD 221(d)(4)
5-Year Fixed	4.10% - 4.35%	4.89% - 5.45%	4.48% - 4.96%	4.55% +/-	CALL	CALL	CALL
7-Year Fixed	4.30% - 4.60%	4.76% - 5.32%	4.29% - 4.77%	4.75% +/-	CALL	CALL	CALL
10-Year Fixed	4.35% - 4.80%	4.82% - 5.42%	4.32% - 4.78%	4.95% +/-	CALL	CALL	CALL
15/20-Year Fixed	4.50% - 5.00%	4.98% - 5.59%	CALL	CALL	CALL	CALL	CALL
35/40-Year Fixed	N/A	N/A	N/A	N/A	CALL	CALL	CALL

Indicative Rates | Data Sources: Fannie Mae, Freddie Mac, BB&T Real Estate Funding Stabilized Fixed Rate, FHA/HUD; as of 6-11-18.

### The Week Ahead

## Industry News

- Jobs Report: Unemployment Rate Hits 18-Year Low At 3.8 Percent
- Walmart's Future May Include In-Store Drone Assistants And Smart Shopping Carts
- Past Fed Hike, Tariff Impacts Lurk In Data
- Dead Cat, Live Cat, Breaking The G-7 Table
- Trump Drops G7 Communique Endorsement
- Trade Tensions Risk Undermining The G7
- EA Embraces Subscription Model
- Industrial Has Room To Run With Rents And Lending Support
- Value Added And Gross Exports To The U.S.
- Moody's Covenant Quality Indicator Is Rising, Indicating More Laxity
- U.S. High-Grade Issuers Capitalized
- Tide Is Turning: Eaton Vance Sees The Credit Cycle Turning And Volatility Rising

### TIDE IS TURNING

EATON VANCE SEES THE CREDIT CYCLE TURNING AND VOLATILITY RISING

--BLOOMBERG BARCLAYS U.S. TREASURY INDEX

—BLOOMBERG BARCLAYS GLOBAL HIGH YIELD TOTAL RETURN INDEX



SOURCE: BLOOMBERG

- Dramatic Narrowing Of Trade Deficit
- Investors Still Prefer Selling Over Buying In Overall CRE Market
- REITs Have 'Only Started To Scratch The Surface'
- REO Volume On Rise For U.S. CMBS 2.0
- Adaption Equals Opportunity
- 'Silver Tsunami' Of Aging Seniors To Change Approach To Healthcare Housing

- Grandbridge Goes Green Again
- Grandbridge Secures \$35.8M Refinancing Through Freddie Mac For Student Housing Property In Philadelphia
- Grandbridge: Philadelphia Student Housing Obtains \$35.8M Refi
- Related Unveils New Retail Concept
- U.S. Mall Owners Look To Apartments And Hotels
- May Apartment Rents Up, Growth Rate Down
- Why The Biggest Markets For Office Growth Aren't What You Think
- More Investors Favor Cash Amid Uncertainty

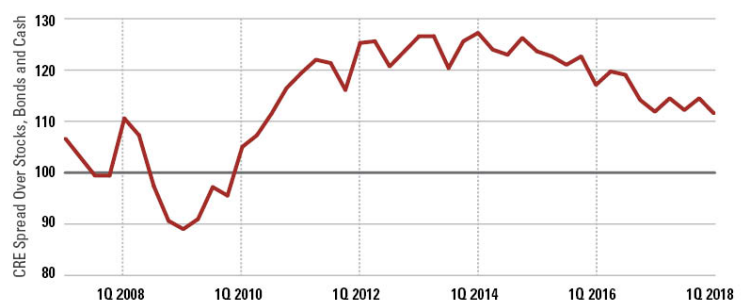
### SITUS RERC RATINGS OF INVESTMENT ALTERNATIVES

	1Q 2018	4Q 2017	3Q 2017	2Q 2017	1Q 2017	4Q 2016
Stocks	4.6	5.3	4.4	4.6	4.6	5.5
Bonds	3.4	3.3	3.6	3.7	3.7	3.8
Cash	5.7	4.4	4.5	4.7	4.9	5.3
CRE	5.6	5.8	5.4	5.8	5.6	6.3

Ratings are based on a scale of 1 to 10, with 10 being excellent.

Source Situs RERC, 1Q 2018.

### SITUS RERC CRE ATTRACTIVENESS INDEX<sup>1</sup>



<sup>1</sup>The Situs RERC Attractiveness Index shows CRE investors' changing preferences for CRE over the traditional asset classes. The baseline of 100 indicates that investors feel that traditional assets and cash, on average, are as attractive as CRE.  
Source Situs RERC, 1Q 2018.



Pricing for a specific real estate project will depend on many factors, including asset quality, LTV, property cash flow, loan size, sponsorship and loan structure. The included rate table is based on current market conditions and is subject to change. Loans are subject to credit approval. Equal Housing Lender.