



Title: MBA: Strong Fourth Quarter Drives 2010 Commercial/Multifamily Mortgage Bankers Originations 36 Percent Above 2009 Levels

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San Diego, CA (February 7, 2011) - Mortgage bankers originated \$110 billion of commercial and multifamily mortgages during 2010 – an increase of 36 percent from 2009, according to preliminary estimates based on the Mortgage Bankers Association’s (MBA) Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations.

Life insurance companies were a leading source of lending in 2010, with origination volumes 155 percent higher than 2009 levels. Fannie Mae, Freddie Mac and FHA/Ginnie Mae also saw strong volumes, with increases in production for FHA/Ginnie Mae offsetting a decline in production for Fannie Mae/Freddie Mac. Originations for commercial banks saw a year-over-year decline, while originations for CMBS conduits increased more than 10-fold.

“Commercial and multifamily mortgage originations jumped 63 percent in the fourth quarter, pulling the annual total for 2010 up to a preliminary estimate of \$110 billion,” said Jamie Woodwell, MBA’s Vice President of Commercial Real Estate Research. “Life companies and FHA led the increase in dollar volumes, but a large percentage increase in originations for CMBS is likely the most symbolic change from last year.”

FOURTH QUARTER 2010 EIGHTY-EIGHT PERCENT HIGHER THAN FOURTH QUARTER 2009

The 88 percent overall increase in commercial/multifamily lending activity between the fourth quarter of 2009 and the fourth quarter of 2010 was driven by increases in originations for office and hotel properties. When compared to the fourth quarter of 2009, the increase included a 170 percent increase in loans for office properties, a 169 percent increase in loans for hotel properties, a 98 percent increase in loans for industrial properties, a 94 percent increase in loans for retail properties, an 81 percent increase in multifamily property loans, and a 4 percent increase in health care property loans.

Among investor types, loans for conduits for CMBS saw a 60-fold increase compared to last year’s fourth quarter. There was also a 170 percent increase in loans for life insurance companies, a 65 percent increase for Government Sponsored Enterprises (or GSEs – Fannie Mae and Freddie Mac), and loans originated for commercial bank portfolios saw a decrease of 25 percent.

FOURTH QUARTER 2010 SIXTY-THREE PERCENT HIGHER THAN THIRD QUARTER 2010

Fourth quarter 2010 mortgage originations were 63 percent higher than originations in the third quarter of

2010. Origination volumes typically grow over the course of the year, and changes between the third and fourth quarters are likely driven at least in part by seasonal factors. Among investor types, loans for conduits for CMBS saw an increase in loan volume of 298 percent compared to the third quarter, originations for commercial bank portfolios increased 102 percent from the third quarter to the fourth quarter of 2010, loans for GSEs saw an increase in loan volume of 68 percent, and loans for life insurance companies increased by 42 percent during the same time span.

Compared to the third quarter, fourth quarter originations for hotel properties saw a 333 percent increase. There was a 204 percent increase for health care properties, a 119 percent increase for retail properties, a 76 percent increase for office properties, a 38 percent increase for multifamily properties, and a 3 percent increase for industrial properties.

To view the report, please click [here](#).

MBA will release detailed figures on 2010 commercial/multifamily origination volumes at the end of March in its Annual Origination Summation report.

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The Mortgage Bankers Association (MBA) is the national association representing the real estate finance industry, an industry that employs more than 280,000 people in virtually every community in the country. Headquartered in Washington, D.C., the association works to ensure the continued strength of the nation's residential and commercial real estate markets; to expand homeownership and extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of over 2,200 companies includes all elements of real estate finance: mortgage companies, mortgage brokers, commercial banks, thrifts, Wall Street conduits, life insurance companies and others in the mortgage lending field. For additional information, visit MBA's Web site: www.mortgagebankers.org.

[Mortgage Bankers Association of America](http://www.mortgagebankers.org)

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