



GILIBERTO-LEVY

# MONITOR

Commercial Mortgage Performance Index<sup>SM</sup>

2Q 2021 RESULTS AND ANALYSIS

The **Gilberto-Levy Monitor** reports quarterly results of the **Gilberto-Levy Commercial Mortgage Performance Index<sup>SM</sup>** and provides comprehensive in-depth market analysis and commentary on key aspects of the commercial mortgage industry. A subscription to the **Gilberto-Levy Monitor** includes access to the **Gilberto-Levy Analyzer**—a custom query tool enabling analysis of total return on a long-term historical basis.

## Update from the G-L 2

The Gilberto-Levy High-Yield Real Estate Debt Index (the G-L 2) offers investors a performance benchmark for mezzanine debt, preferred equity, and A/B note structures, among others. The G-L 2 is fully consistent with other mark-to-market indexes, including other commercial real estate investment performance indexes. For the 12 months ended 03/31/21, the G-L 2 notched a return of 6.38%, which is 218 basis points lower than the 8.56% return tallied since its inception at the beginning of 2010. By contrast, the G-L 1 (our first mortgage, fixed-rate index covered in this Monitor) showed a return of 6.01% - 37 basis points lower - for the 12 months ended 03/31/21. Of equal interest, investment-grade CMBS, as measured by Bloomberg Barclays indices, showed a total return of 4.85% for the same 12 months, with slightly more volatility than the G-L 2.

To learn more about the G-L 2 or join the Founders Group, please contact **John Levy at 804-500-9025 or [jlevy@jblevyco.com](mailto:jlevy@jblevyco.com)**.

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## MARKET OVERVIEW

### SECOND QUARTER 2021 SUMMARY

		As of 6/30/2021
<b>Total Return:</b> (in %)	Total (all sectors)	2.45
	Office	2.18
	Multi-family	2.56
	Retail	2.38
	Industrial	2.35
<b>Spreads:</b>	Office	187
	Multi-family	169
	Retail	193
	Industrial	157
<b>Index Statistics:</b>	Capitalization (\$ billion)	287.40
	Duration (years)	5.25
	Coupon (%)	4.02
	Maturity (years)	7.25
	Book LTV (%)	50.01

Spreads are averages for new ten-year loans at 60%–65% loan-to-value ratio. Source: Gilberto-Levy

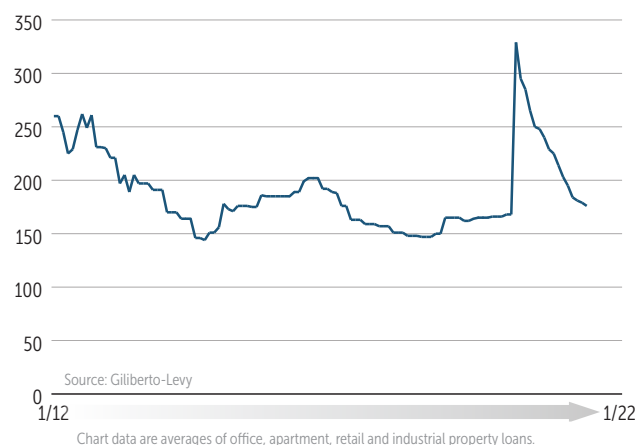
**The Gilberto-Levy Commercial Mortgage Performance Index (G-L 1) generated 2.45% total return for 2Q 2021.<sup>1</sup>** Total return consisted of 0.97% income return and 1.47% capital value return, which includes price changes and other factors. (The sum of the components may not equal the total due to rounding.) Declining Treasury yields produced most of the capital value return. Modest reductions in commercial mortgage credit spreads enhanced the capital value increase. **Spreads declined about 8 basis points (bp)** for major sectors (see Chart 1). This was muted compared with the 25 to 30 bp drops that occurred in the prior two quarters. **Spreads have now retraced all but about 10 bp of the surge that occurred in the wake of the onset of the COVID pandemic.**

<sup>1</sup> The Index's components are fixed-rate commercial mortgage loans held on balance sheets of institutions such as life insurance companies and pension funds. Index returns are a market-value-weighted blend of office, apartment, retail, industrial, lodging, mixed-use and other miscellaneous property types. Index performance tracks senior loans only; it does not include construction loans, mezzanine and other subordinate instruments and bridge loans made by such institutions.

# MONITOR

## Chart 1: Spreads over Treasuries for Ten-year Commercial Mortgages

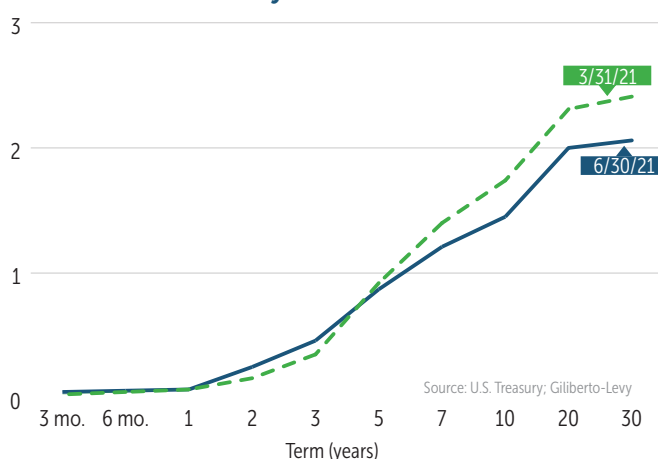
In basis points, reflecting 30/360 day count convention



Coincidentally, the benchmark ten-year Treasury yield was 1.45% on June 30, 2021, not much different from 1.51% on January 31, 2020. To be sure, there was considerable volatility in both Treasury yields and mortgage spreads over the period.

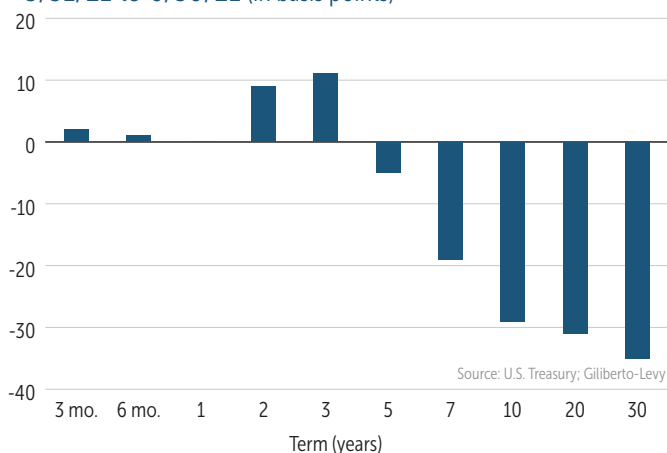
Treasury yield changes in 2Q 2021 were mixed (see Charts 2 and 3). Notes and bonds with five years and longer remaining terms experienced yield declines.

## Chart 2: US Treasury Yields 3/31/21 and 6/30/21 (in %)



## Chart 3: Changes in US Treasury Yields

3/31/21 to 6/30/21 (in basis points)



## PRICING TRENDS: 2Q 2021

### Table 1: Key Rates (in %)

	3/31/2021	6/30/2021	change
20-year Treasury Yield	2.31	2.00	-0.31
20-year Mortgage Spread	1.84	1.76	-0.08
20-year Mortgage Yield	4.15	3.76	-0.39
10-year Treasury Yield	1.74	1.45	-0.29
10-year Mortgage Spread	1.84	1.76	-0.08
10-year Mortgage Yield	3.58	3.21	-0.37
7-year Treasury Yield	1.40	1.21	-0.19
7-year Mortgage Spread	1.84	1.76	-0.08
7-year Mortgage Yield	3.24	2.97	-0.27
5-year Treasury Yield	0.92	0.87	-0.05
5-year Mortgage Spread	2.09	1.76	-0.33
5-year Mortgage Yield	3.01	2.63	-0.38

Source: U.S. Treasury; Giliberto-Levy

- As Charts 2 and 3 and Table 1 show, Treasury yield declines were larger at longer maturities. The five-year key rate spread change also reflects elimination of the 25-bp term premium that was observed in 1Q 2021.
- Apartment loans for less than \$5 million continued to carry a 25-bp size premium. Other major sectors did not show size premiums. However, mixed-use and miscellaneous other had 20-bp premiums.



- No hotel/lodging loans have been reported to date in 2021. Lending activity in 2020 was, not surprisingly, down 85% from 2019.

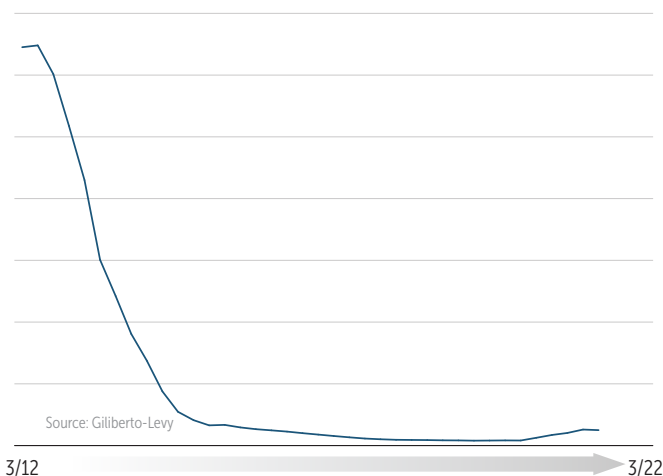
- The National Council of Real Estate Investment Fiduciaries (NCREIF) Property Index produced a nearly 3% price increase for the quarter, with all major sectors other than retail posting positive changes. Continuing last quarter's pattern, industrial assets led the pack, this time with a stunning 8% increase. Apartments and offices also were in the black at 3% and 1% gains, respectively. Retail prices were flat. These changes reflect a combination of property sales and appraisals.

## CREDIT EFFECTS

**Trailing four-quarter credit effects held steady at 5 bp** (see Chart 4). This reflects ongoing, albeit perhaps moderating, stress in office and retail. Annualized quarterly credit effects also were unchanged at 6 bp.

### Chart 4: Commercial Mortgage Credit Effects, 1Q 2012 to 2Q 2021

Rolling four-quarter effect as a percentage of book value, in basis points



## RELATIVE PERFORMANCE

Declining medium and long-term Treasury yields generated positive total returns for most fixed-income investments in 2Q 2021 (see Table 2). Note that intermediate-term Treasury issues had the lowest returns. Credit sectors, including both G-L 1 and CMBS, did better.

**Table 2: Total Return as of June 30, 2021**

Index	Total Return (%)		Duration	
	2Q 2021	YTD	Last 4Q	as of 6/30/21
Commercial Mortgages*	2.45	1.20	4.16	5.22
Duration-adjusted Baa Bond	2.16	-0.43	4.21	5.22
CMBS: Investment Grade	1.92	-0.22	2.94	5.13
CMBS 2.0	1.88	0.30	4.87	4.61
TSY Int. Term	0.62	-1.14	-1.18	4.03
TSY 5-7 yr. Term	1.42	-2.20	-2.26	5.96
Credit Int. Term	1.56	-0.54	2.25	4.48
A Int. Term	1.51	-0.76	1.28	4.45
Baa Int. Term	1.89	-0.33	4.02	4.76
High-yield Int. Term	2.46	3.53	14.63	3.28
Ba Int. Term	2.37	2.50	11.46	3.73

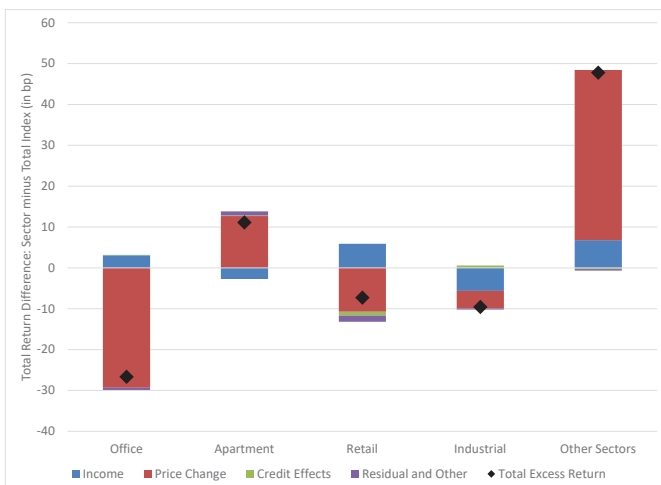
\*Giliberto-Levy Total Index includes office, retail, multifamily, industrial, and other. Source: Bloomberg, Barclays; Giliberto-Levy

Investment-grade CMBS posted 1.92% total return. G-L 1's higher return mainly reflected (1) a 20-bp higher income return for the quarter and (2) slightly longer duration, which produced higher capital value increases from Treasury yield movements for G-L 1 compared with CMBS.

Property sector relative (to the overall index) performance variation is largely explained by differences in duration and income yields (see Chart 5). Duration is a driver of price performance. With commercial mortgage yields falling on average, sectors with longer (than index average) duration generally outperformed. Not surprisingly, retail's underperformance was further affected by credit effects that were the most severe within the major sectors.

## Chart 5: Sector Performance Attribution 2Q 2021

Sector performance minus Total Index performance, in basis points.



Source: Giliberto-Levy

## LENDING ACTIVITY

Observations are based on data received at the time we prepared this report. These statistics are subject to change as we receive additional information about lending activity. *Please note that these revisions do not alter posted G-L 1 returns.*

**Table 3: G-L 1 Lending Activity Summary**

Index	Most Recent Period 2Q 2021	Prior Period 1Q 2021	Year Ago Comp. Period 2Q 2020
Loan Volume (\$billions)	8.0	6.0	4.0
Weighted Average:			
LTV	59.7%	59.9%	62.5%
DSCR	2.24	2.38	2.29
Coupon Rate	3.12%	3.03%	3.27%
Spread (basis points)	159	168	257
Term to Maturity (years)	10.3	11.0	10.6
Loan Size (\$ millions)	27.9	20.0	25.4

Spread is reported with respect to comparable maturity U.S. Treasury yield.

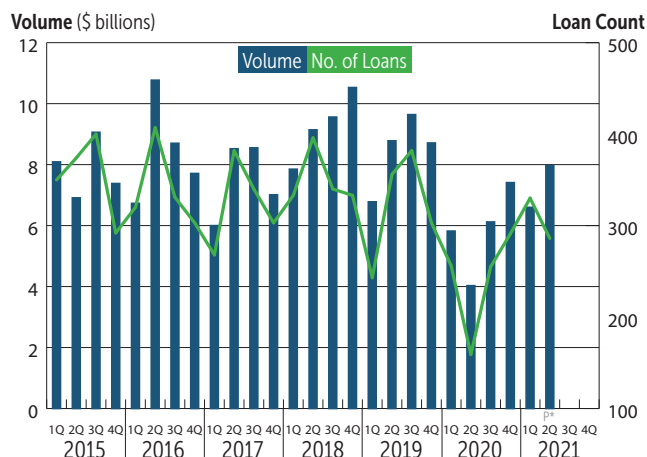
Source: Giliberto-Levy

• **As anticipated, 2Q volume increased over 1Q, which typically is the slowest quarter for new loan activity.** Reported-to-date 2Q 2021 is 10% below 2Q 2019 (see Chart 6), but we think it is quite possible that upon revision, actual volume will match or exceed

2019. (The average revision due to late reporting was 17% over the 2016 to 2020 period.)

## Chart 6: Index-eligible Loan Production

1Q 2015 to 4Q 2021



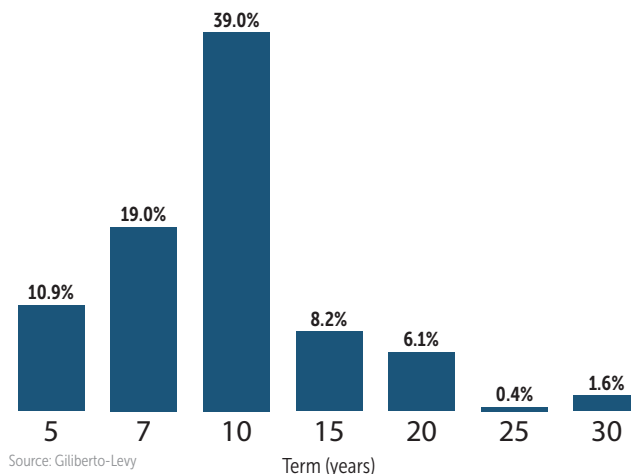
Source: Giliberto-Levy

\*P indicates preliminary and subject to revision

• **The ten-year segment's market share by volume was 39%**, down slightly from 43% in 1Q 2021 (see Chart 7). Loan terms reported in the chart tallied 85% of total activity. Of the remainder, about two-thirds were loans longer than 10 years, but with terms other than those shown in the chart.

## Chart 7: Distribution of Lending Activity

Distribution by Term to Maturity, 2Q 2021



Source: Giliberto-Levy



- **New loan production was 29% full-term interest-only loans, 64% loans with partial amortization, and 8% fully amortizing loans.** Partially amortizing loans often include an interest-only period up front: about half these loans, by volume, had at least some period of interest-only. (The sum of the components may not equal the total due to rounding.)

**Loans added to the G-L 1 totaled almost \$10 billion** (see Table 4 for details). These were loans originated in March through May 2021. June 2021 loans, which are included in the production number cited above and depicted in Chart 6, will be added to the Index for 3Q 2021.

**Table 4: Index Additions**  
Second Quarter 2021

	Amount (\$)	No. of Loans	Weighted-Average				
			Coupon (bp)	Spread	DSCR	LTV (%)	Term (years)
Office	1,754,850,000	35	3.17%	157	2.61	56.8	10.6
Apartment	5,198,673,000	186	3.14%	158	2.08	61.2	10.6
Retail	774,205,000	43	3.36%	177	2.39	57.5	10.2
Industrial	1,665,966,000	78	2.92%	154	2.41	59.2	9.2
Other	415,085,000	13	3.09%	140	2.39	58.9	12.7
<b>Total</b>	<b>9,808,779,000</b>	<b>355</b>	<b>3.12%</b>	<b>158</b>	<b>2.27</b>	<b>59.7</b>	<b>10.4</b>

Source: Giliberto-Levy

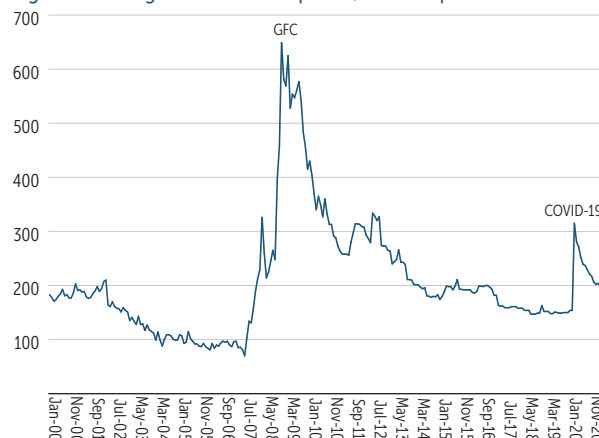
Please note that spreads reported in Table 4 are weighted averages of loans made during periods prior to June 2021. These averages do not represent quarter-end pricing parameters. Pricing spreads are reported in the summary table at the top of this report for standardized ten-year loans at 60% to 65% LTVs. These standardized spreads also appear in Table 1. Standardized spreads are generated from new loan originations and form the baseline for marking to market all loans in the Index.

## COMMERCIAL MORTGAGE PERSPECTIVE

It appears COVID-19 and its effects will influence personal health and economic conditions for some time to come. In some ways, this is reminiscent of the global financial crisis (GFC) of 2007 to 2009 (roughly) and its lingering consequences. Policy responses to COVID were quicker and more potent than they were during the GFC, with the latter having devastated markets before policymakers geared up. As a result, disruption and stress in financial markets in the wake of COVID's onset appeared to be somewhat milder. For example, the average credit spread, or risk premium, used to mark G-L 1 loans to

market rose much less in 2021 than it did in 2008 (see Chart 8).

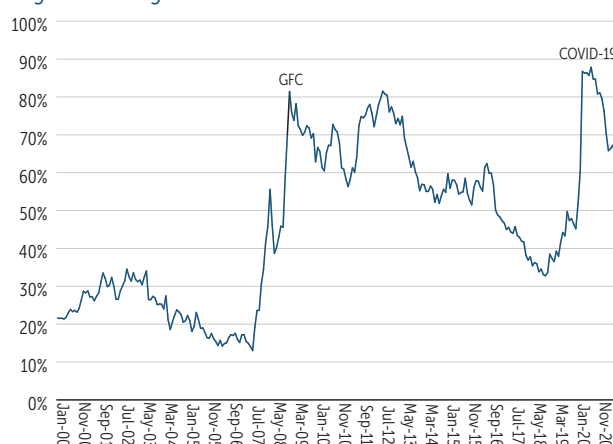
**Chart 8: G-L 1 Mark-to-Market Credit Spreads**  
Weighted-average month-end spread, in basis points



Source: Giliberto-Levy

However, U.S. Treasury yields were lower when COVID began to spread than when the GFC started. Consequently, G-L 1 yields (to maturity), which are discount rates used to mark loans to market, were lower in 2020 and 2021 than they were during the GFC, even after the Fed engineered low rates in response to that crisis. This prompted us to consider a different view of the credit spread: what percentage of G-L 1 yield to maturity does the credit spread constitute? Chart 9 presents this recast measure.

**Chart 9: G-L 1 Mark-to-Market Credit Spread as a Percentage of Yield to Maturity**  
Weighted-average at month end



Source: Giliberto-Levy

By this measure, COVID's onset led to a higher relative risk premium than the GFC, with nearly 90% of the total mark-to-market yield to maturity coming from the risk component. In contrast, this measure peaked at about 80% in the GFC.

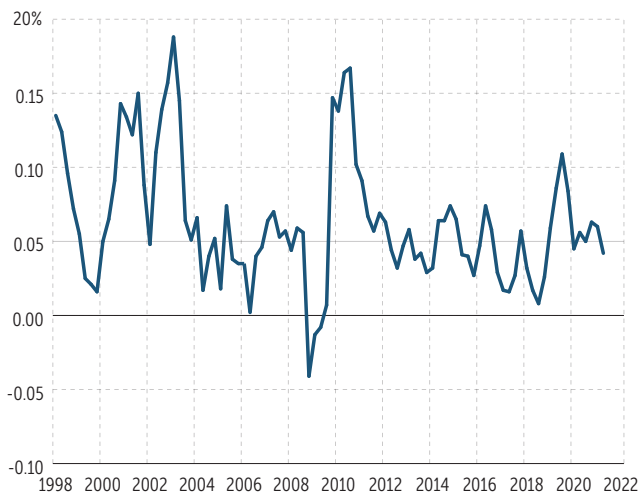
We commented earlier that commercial mortgage spreads have retraced most of the increase that occurred in early 2020, with about 10 bp remaining. That statement was based on spreads for newly originated ten-year loans. The June 2021 weighted-average spread used to generate Charts 8 and 9 was about 20 bp above its level in February 2020. The 10-bp difference was mostly due to the presence of term premiums in the 38% of the index that has fewer than five years remaining to maturity.

It is possible that whole-loan spreads will revert to early 2020 levels over the coming months, assuming lending volume is sustained. Providing some support for this hypothesis, the option-adjusted spread on the Bloomberg Barclays CMBS index was 15 bp lower on June 30, 2021 than at the end of February 2020.

As always, we welcome your comments and questions.

August 2021

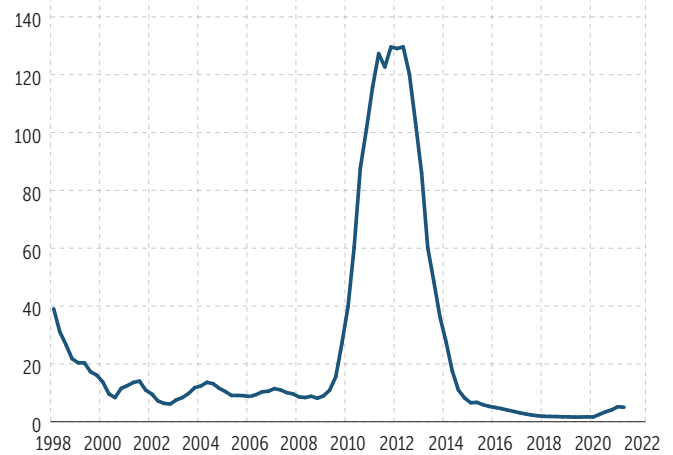
**Chart 10: Commercial Mortgage Performance**  
Rolling four-quarter total return for Total Index



Source: Giliberto-Levy

**Chart 11: Commercial Mortgage Credit Effects**

Rolling four-quarter total effects as a percentage of book value (in basis Points)



Source: Giliberto-Levy



## SUPPORTING TABLES AND CHARTS

**Table A: Performance by Property Sector - For the quarter ended June 30, 2021**

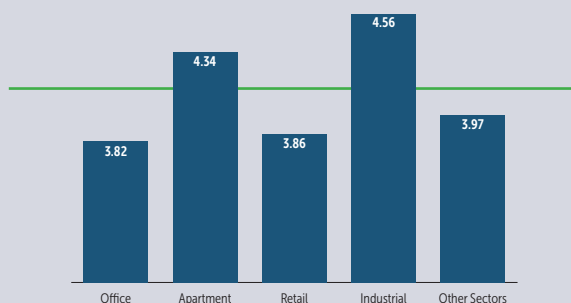
Sector	Returns (%)					Credit Losses (book value; bp)				
	Last 3 months				YTD	Last 12	Index	Last 3	YTD	Last 12
	Income	Price	Other	Total	Total	Months		Months		Months
Office	1.01	1.22	-0.04	2.18	1.07	3.82	2429.29	1	3	7
Apartment	0.95	1.64	-0.03	2.56	1.14	4.34	3167.50	1	2	4
Retail	1.03	1.40	-0.05	2.38	1.16	3.86	2887.18	2	5	8
Industrial	0.92	1.48	-0.04	2.35	1.44	4.56	2855.18	1	1	3
Other Sectors	1.04	1.93	-0.04	2.93	1.47	3.97	N/A	2	4	7
<b>Total</b>	<b>0.97</b>	<b>1.51</b>	<b>-0.04</b>	<b>2.45</b>	<b>1.20</b>	<b>4.16</b>	<b>2658.81</b>	<b>1</b>	<b>3</b>	<b>5</b>
Aggregate	0.97	1.48	-0.04	2.41	1.18	4.17	4302.90	1	3	5

Aggregate excludes Other Sectors (hotel/motel, mixed-use and miscellaneous)

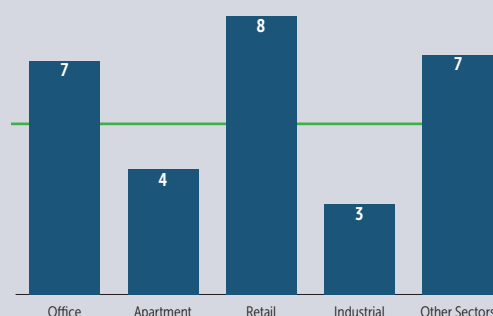
Other Return is paydown return and compounding

Index bases: Aggregate Dec. 1971 = 100; Total and major sectors Dec. 1977 = 100 bp Basis Points  
bp Basis Points

**Total Return by Sector Last 12 months (%)**



**Credit Effect by Sector Last 12 months (bp)**



### APPENDIX (Following pages) Supporting Tables and Charts 2Q 2021

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D. G-L Coupon Rate.....	10
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G. G-L Vintage Cohort.....	13

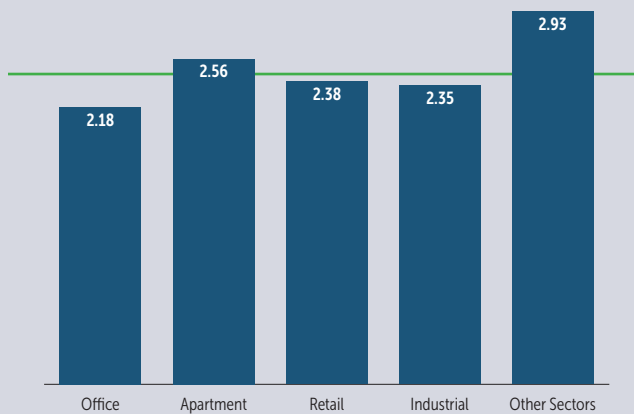


**Table B: Giliberto-Levy Index Performance by Property Sector - For the quarter ended June 30, 2021**

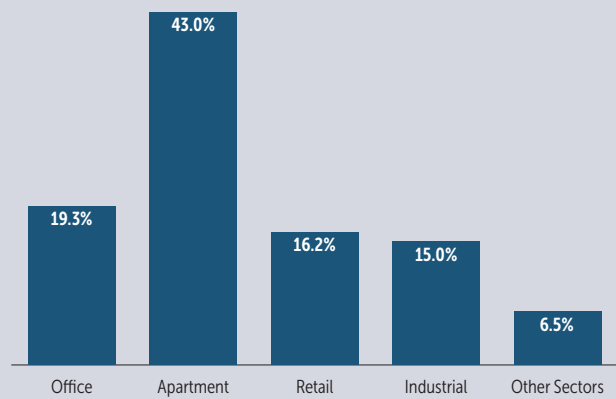
Sector	Returns (%)				Statistics		Averages			Pct. of Portfolio	No. of Cohorts
	Income	Price	Other	Total	Adj. Duration	Coupon	Maturity	Price	Yield		
Office	1.01	1.22	-0.04	2.18	4.64	4.15	6.48	105.1	2.62	19.3%	2,349
Apartment	0.95	1.64	-0.03	2.56	5.68	3.91	7.68	105.2	2.68	43.0%	5,847
Retail	1.03	1.40	-0.05	2.38	4.75	4.27	6.72	105.0	2.81	16.2%	3,666
Industrial	0.92	1.48	-0.04	2.35	5.14	3.81	6.99	105.6	2.35	15.0%	2,787
Other Sectors	1.04	1.93	-0.04	2.93	5.68	4.18	8.67	103.1	3.35	6.5%	1,186
<b>Total</b>	<b>0.97</b>	<b>1.51</b>	<b>-0.04</b>	<b>2.45</b>	<b>5.25</b>	<b>4.02</b>	<b>7.25</b>	<b>105.1</b>	<b>2.68</b>	<b>100.0%</b>	<b>15,835</b>
Aggregate	0.97	1.48	-0.04	2.41	5.22	4.00	7.16	105.2	2.64	93.5%	14,649

Aggregate excludes Other Sectors (hotel/motel, mixed-use and miscellaneous)  
bp - Basis Points

**Total Return by Sector For the quarter (%)**



**Portfolio Composition by Sector**







**Table C: Giliberto-Levy Index Performance by Book LTV - For the quarter ended June 30, 2021**

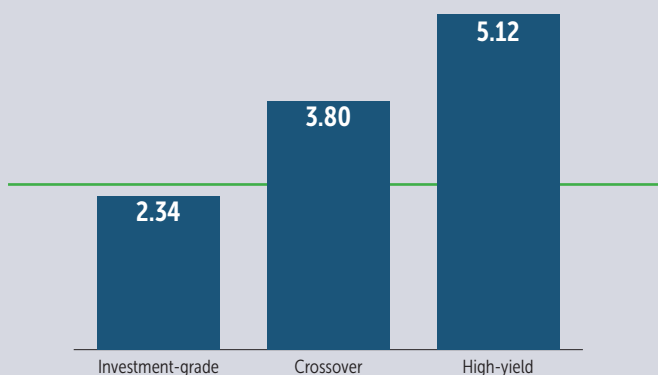
Credit Quality Using Book Value	Returns (%)				Statistics		Averages			Pct. of Portfolio	No. of Cohorts
	Income	Price	Other	Total	Adj. Duration	Coupon	Maturity	Price	Yield		
Investment-grade	0.97	1.41	-0.04	2.34	5.16	4.02	7.15	105.3	2.63	93.2%	14,949
Crossover	0.99	2.83	-0.02	3.80	6.46	3.96	8.71	102.9	3.34	6.7%	870
High-yield	1.14	3.99	-0.02	5.12	5.03	4.25	6.59	95.3	4.88	0.1%	16
<b>Total</b>	<b>0.97</b>	<b>1.51</b>	<b>-0.04</b>	<b>2.45</b>	<b>5.25</b>	<b>4.02</b>	<b>7.25</b>	<b>105.1</b>	<b>2.68</b>	<b>100.0%</b>	<b>15,835</b>

**Credit Quality Definition**

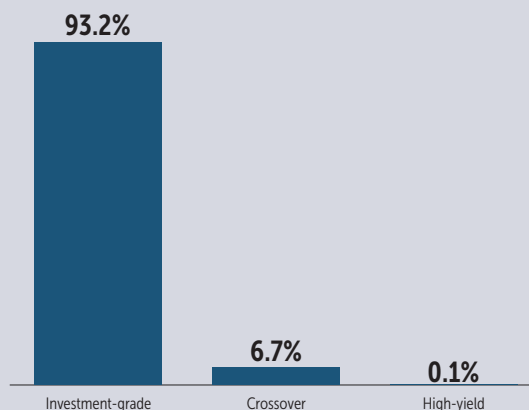
	Book LTV	
	Minimum	Maximum
Investment-grade	NA	70.0%
Crossover	70.1%	85.0%
High-yield	85.1%	NA

Please note that all G-L 1 loans are senior loans. "Crossover" loans are those with LTVs above 70% and below 85%. They are not subordinate positions that "attach" at 70% LTV and go up to 85% of the capital stack.

**Total Return by Credit Quality For the quarter (%)**



**Portfolio Composition by Credit Quality**

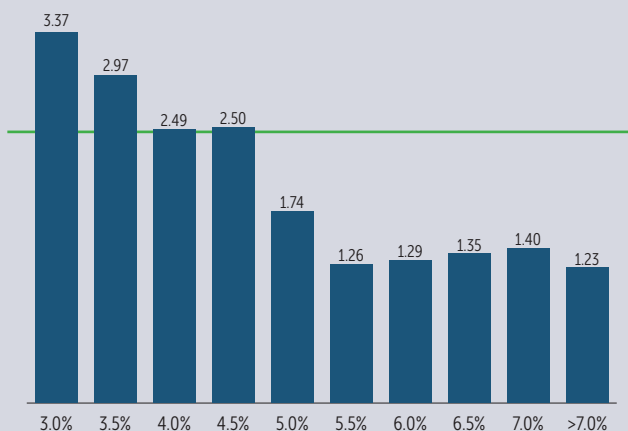




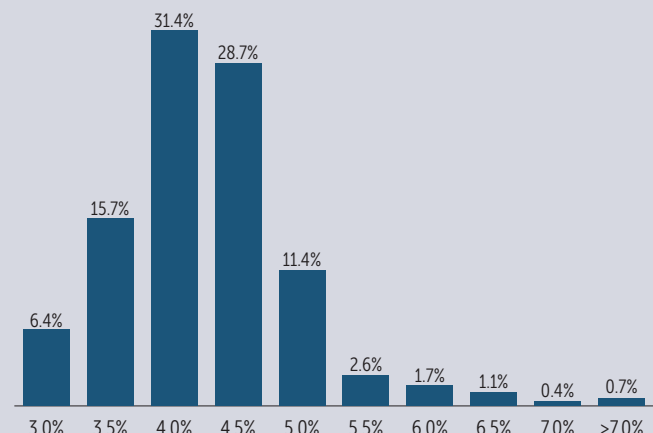
**Table D: Giliberto-Levy Performance by Coupon Rate - For the quarter ended June 30, 2021**

Credit Quality Using Book Value	Returns (%)				Statistics		Averages			Pct. of Portfolio	No. of Cohorts
	Income	Price	Other	Total	Adj. Duration	Coupon	Maturity	Price	Yield		
0.0% to 3.0%	0.72	2.65	-0.01	3.37	6.76	2.75	8.67	98.8	2.83	6.4%	680
3.0% to 3.5%	0.83	2.16	-0.02	2.97	5.93	3.29	7.83	102.0	2.73	15.7%	1,778
3.5% to 4.0%	0.92	1.59	-0.03	2.49	4.82	3.79	6.36	104.7	2.61	31.4%	3,824
4.0% to 4.5%	1.01	1.53	-0.03	2.50	5.45	4.25	7.76	107.1	2.74	28.7%	3,805
4.5% to 5.0%	1.11	0.68	-0.04	1.74	5.04	4.72	7.43	107.7	2.74	11.4%	1,835
5.0% to 5.5%	1.22	0.14	-0.10	1.26	4.16	5.23	6.69	107.5	2.55	2.6%	693
5.5% to 6.0%	1.33	0.13	-0.17	1.29	3.69	5.75	6.43	108.5	2.42	1.7%	949
6.0% to 6.5%	1.44	0.12	-0.20	1.35	3.16	6.24	5.59	108.8	2.40	1.1%	873
6.5% to 7.0%	1.54	0.05	-0.19	1.40	3.09	6.71	5.49	108.8	2.41	0.4%	317
7.0% and above	1.76	-0.24	-0.29	1.23	2.66	7.67	4.99	108.6	2.21	0.7%	1,081
<b>Total</b>	<b>0.97</b>	<b>1.51</b>	<b>-0.04</b>	<b>2.45</b>	<b>5.25</b>	<b>4.02</b>	<b>7.25</b>	<b>105.1</b>	<b>2.68</b>	<b>100.0%</b>	<b>15,835</b>

**Total Return by Coupon Rate For the quarter (%)**



**Portfolio Composition by Coupon Rate**

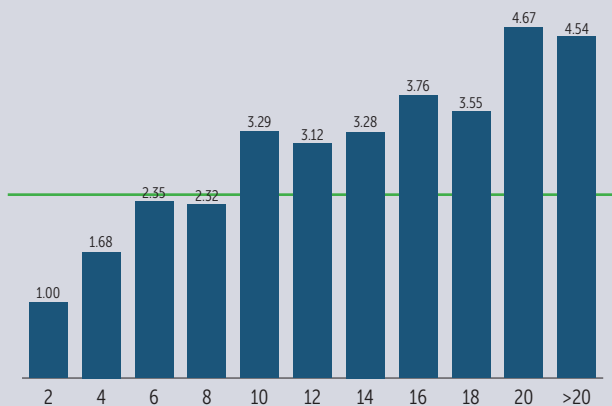




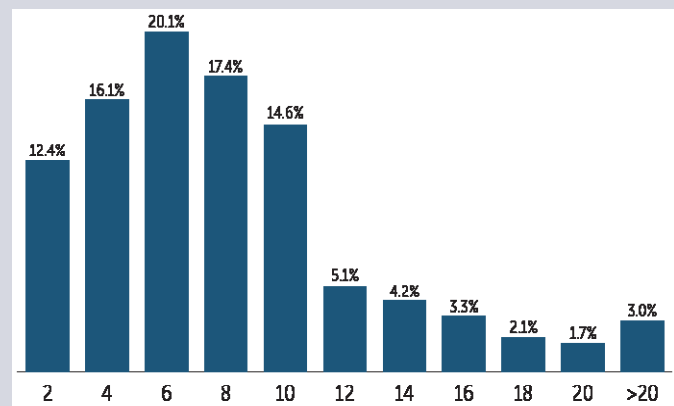
**Table E: Giliberto-Levy Total Performance by Remaining Term to Maturity - For the quarter ended June 30, 2021**

Maturity Cell	Returns (%)				Statistics		Averages			Pct. of Portfolio	No. of Cohorts
	Income	Price	Other	Total	Adj. Duration	Coupon	Maturity	Price	Yield		
0 to 2 years	1.03	0.02	-0.04	1.00	1.08	4.15	1.14	102.2	1.99	12.4%	2,519
2 to 4 years	1.00	0.72	-0.04	1.68	2.80	4.15	3.11	105.1	2.30	16.1%	2,834
4 to 6 years	0.95	1.44	-0.04	2.35	4.32	3.97	5.00	105.9	2.55	20.1%	2,884
6 to 8 years	0.98	1.36	-0.03	2.32	5.77	4.15	7.03	107.1	2.83	17.4%	2,237
8 to 10 years	0.89	2.42	0.03	3.29	7.17	3.58	9.01	103.3	3.01	14.6%	2,000
10 to 12 years	0.97	2.20	-0.05	3.12	7.61	4.02	11.10	106.3	3.00	5.1%	873
12 to 14 years	1.00	2.32	-0.05	3.28	8.39	4.14	13.05	106.3	3.16	4.2%	734
14 to 16 years	0.98	2.83	-0.05	3.76	8.76	4.02	14.94	105.2	3.20	3.3%	615
16 to 18 years	1.04	2.56	-0.06	3.55	9.39	4.35	17.07	108.1	3.27	2.1%	423
18 to 20 years	0.94	3.76	-0.03	4.67	9.78	3.66	19.03	102.0	3.36	1.7%	309
20 years or more	1.02	3.56	-0.04	4.54	11.81	4.13	26.00	105.3	3.47	3.0%	407
<b>Total</b>	<b>0.97</b>	<b>1.51</b>	<b>-0.04</b>	<b>2.45</b>	<b>5.25</b>	<b>4.02</b>	<b>7.25</b>	<b>105.1</b>	<b>2.68</b>	<b>100.0%</b>	<b>15,835</b>

**Total Return by Maturity Cell For the quarter (%)**



**Portfolio Composition by Maturity Cell**

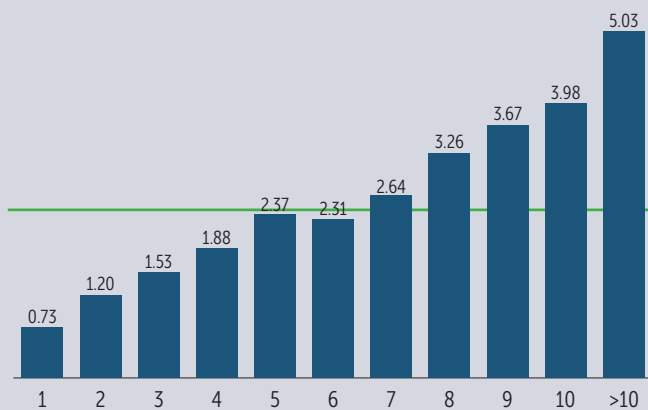




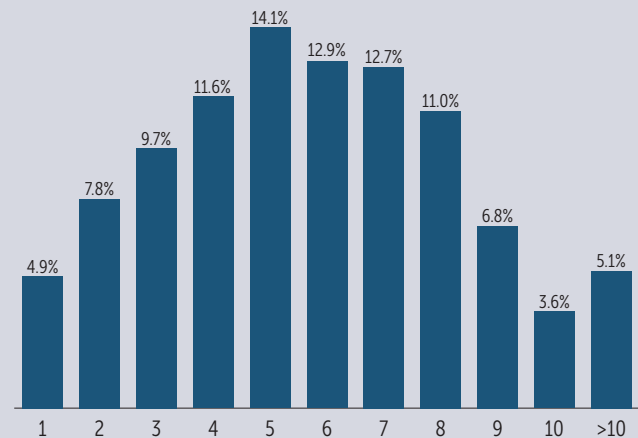
**Table F: Gilberto-Levy Index Performance by Duration - For the quarter ended June 30, 2021**

Duration Cell	Returns (%)				Statistics		Averages			Pct. of Portfolio	No. of Cohorts
	Income	Price	Other	Total	Adj. Duration	Coupon	Maturity	Price	Yield		
0 to 1 year	1.09	-0.29	-0.07	0.73	0.46	4.39	0.49	101.1	1.92	4.9%	1,373
1 to 2 years	1.01	0.24	-0.05	1.20	1.47	4.12	1.63	103.1	2.03	7.8%	1,912
2 to 3 years	1.04	0.54	-0.05	1.53	2.45	4.36	2.85	105.2	2.25	9.7%	2,007
3 to 4 years	0.97	0.95	-0.04	1.88	3.46	4.09	4.07	105.8	2.40	11.6%	1,909
4 to 5 years	0.94	1.47	-0.03	2.37	4.45	3.90	5.36	105.7	2.58	14.1%	1,864
5 to 6 years	0.97	1.37	-0.03	2.31	5.46	4.08	6.96	106.7	2.78	12.9%	1,784
6 to 7 years	0.97	1.70	-0.03	2.64	6.43	4.04	8.53	106.6	2.95	12.7%	1,612
7 to 8 years	0.92	2.37	-0.03	3.26	7.46	3.73	10.40	104.4	3.06	11.0%	1,412
8 to 9 years	0.91	2.79	-0.03	3.67	8.41	3.68	12.58	103.9	3.13	6.8%	884
9 to 10 years	0.98	3.04	-0.03	3.98	9.51	3.93	15.40	105.1	3.27	3.6%	498
10 years or more	0.98	4.07	-0.03	5.03	11.75	3.90	21.08	104.1	3.42	5.1%	580
<b>Total</b>	<b>0.97</b>	<b>1.51</b>	<b>-0.04</b>	<b>2.45</b>	<b>5.25</b>	<b>4.02</b>	<b>7.25</b>	<b>105.1</b>	<b>2.68</b>	<b>100.0%</b>	<b>15,835</b>

**Total Return by Duration Cell For the quarter (%)**



**Portfolio Composition by Duration Cell**



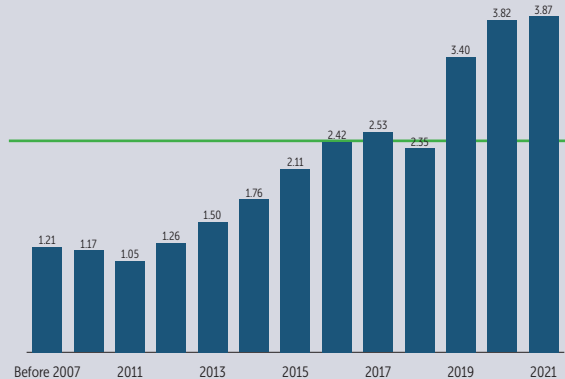




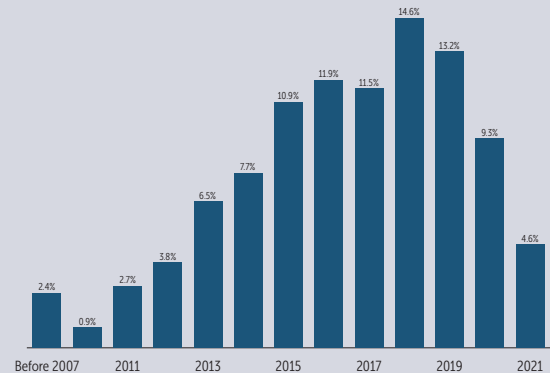
**Table G: Gilberto-Levy Index Performance by Vintage Year - For the quarter ended June 30, 2021**

Vintage Year	Returns (%)				Statistics		Averages			Pct. of Portfolio	Num. of Cohorts
	Income	Price	Other	Total	Adj. Duration	Coupon	Maturity	Price	Yield		
Before 2007	1.46	0.01	-0.26	1.21	2.86	6.33	5.13	108.7	2.23	2.4%	2,826
2007 to 2010	1.44	-0.12	-0.14	1.17	3.26	6.22	5.94	107.6	2.38	0.9%	461
2011	1.19	-0.04	-0.10	1.05	1.95	4.94	2.90	104.4	2.13	2.7%	551
2012	1.03	0.28	-0.05	1.26	2.39	4.31	3.50	104.3	2.18	3.8%	829
2013	1.03	0.52	-0.05	1.50	3.69	4.35	5.36	106.1	2.40	6.5%	1,134
2014	1.00	0.81	-0.04	1.76	4.00	4.19	5.65	106.0	2.51	7.7%	1,078
2015	0.95	1.19	-0.03	2.11	4.22	3.93	5.84	105.2	2.54	10.9%	1,510
2016	0.92	1.54	-0.03	2.42	4.72	3.78	6.57	104.8	2.63	11.9%	1,403
2017	0.95	1.60	-0.03	2.53	5.12	3.95	6.86	105.8	2.72	11.5%	1,425
2018	1.03	1.35	-0.02	2.35	6.15	4.36	8.47	108.3	2.83	14.6%	1,517
2019	0.93	2.49	-0.02	3.40	6.90	3.79	9.42	104.9	2.95	13.2%	1,430
2020	0.81	3.02	-0.01	3.82	7.37	3.13	9.91	100.4	2.96	9.3%	1,127
2021	0.80	3.09	-0.01	3.87	7.78	3.09	10.36	100.2	3.02	4.6%	544
<b>Total</b>	<b>0.97</b>	<b>1.51</b>	<b>-0.04</b>	<b>2.45</b>	<b>5.25</b>	<b>4.02</b>	<b>7.25</b>	<b>105.1</b>	<b>2.68</b>	<b>100.0%</b>	<b>15,835</b>

**Total Return by Vintage Cohort For the quarter (%)**



**Portfolio Composition by Vintage Cohort**





### About the Gilberto-Levy Index

Established in 1993, the Gilberto-Levy Index provides essential information and accurate research on emerging trends affecting commercial mortgage investments. Investment professionals, actuaries, consultants, plan sponsors, banks, life companies, regulators and rating agencies use the index as a reliable way to evaluate the performance of commercial mortgages on a total return, marked-to-market basis.

### Contact

To subscribe or receive more information on the Gilberto-Levy Commercial Mortgage Performance Index<sup>SM</sup> Monitor, please contact [jgrant@jblevyco.com](mailto:jgrant@jblevyco.com).

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