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## **MBA analysis of commercial/multifam. delinquencies in 2007**

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The Mortgage Bankers Association (MBA) released its inaugural analysis of commercial/multifamily mortgage delinquency rates for major investor groups that shows delinquency rates ended 2007 at or near record lows for most major investor groups. Fourth quarter delinquency rates for four of the five largest investor groups - commercial mortgage-backed securities (CMBS), life companies, Fannie Mae and Freddie Mac - remained at or near historically low levels. For the fifth group, FDIC-insured commercial banks and thrifts, delinquency rates were lower at 2007's year-end than during 5 of the previous 11 years and 10 of the previous 16 years.

The new MBA analysis looks at commercial/multifamily delinquency rates since 1996 and compares year-end rates for the five largest investor-groups: commercial banks and thrifts, commercial mortgage-backed securities (CMBS), life insurance companies, Fannie Mae and Freddie Mac. Together these groups hold more than 80% of commercial/multifamily mortgage debt outstanding.

CMBS delinquency rates at year-end 2007, for example, were lower than those at year-end of 9 of the previous 10 years. Life companies finished 2007 with a delinquency rate lower than at year-end of all 11 of the previous 11 years. Fannie Mae finished with a rate equal to or lower than 10 of the previous 11 years. Freddie Mac finished with a rate lower than 10 of the previous 11 years. And FDIC-insured banks and thrifts finished the year with a delinquency rate lower than 5 of the previous 11 years.

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