

# CAP ALERT

Marcus & Millichap  
Capital Corporation

*Latest Debt Market Information on Terms and Rates*

**May 31, 2019**

## Long-Term U.S. Treasuries Lowest in 20 Months

The 10-year Treasury rate is trading around 2.15%, the lowest level in 20 months, as a key portion of the yield curve inverted, further adding to investor concerns over the threat of a recession. The S&P 500 dropped to a 12-week low and the major averages are on track for the worst month of the year after President Trump unexpectedly announced he would be unleashing tariffs of up to 25% on all Mexican imports, adding to trade concerns that have plagued investors for weeks. The Dow Jones Industrial Average careened toward a sixth straight weekly loss, the longest slump since 2011. However, a crucial measure of U.S. inflation watched by the Federal Reserve picked up in April for the first time this year and Americans' spending and incomes topped forecasts, according to reports from the Bureau of Economic Analysis.

### Index Rate

Index Rate	
3-Year Swap	1.93%
5-Year Swap	1.94%
7-Year Swap	2.00%
10-Year Swap	2.11%
5-Year Treasury	1.98%
7-Year Treasury	2.08%
10-Year Treasury	2.15%
Prime	5.50%



### Multifamily Loan Programs Greater Than \$5 Million

Fixed Rate

Agency Lenders

Portfolio Lenders\*

<b>Term</b>	<b>LTV</b>	<b>Interest Rates</b>	<b>LTV</b>	<b>Interest Rates</b>
5 Yr.	55 to 80%	From 3.71%	55 to 75%	3.80% to 4.30%
7 Yr.	55 to 80%	3.97% to 4.32%	55 to 75%	3.88% to 4.50%
10 Yr.	55 to 80%	4.08% to 4.38%	55 to 75%	3.95% to 4.80%

*\*Rates indicative of national average, Act/360*

#### **Multifamily Loan Programs Less Than \$5 Million**

<b>Fixed Rate</b>	<b>Agency Lenders</b>	<b>Portfolio Lenders*</b>
<b>Term</b>	<b>LTV</b>	<b>Interest Rates</b>
5 Yr.	55 to 80%	3.44% to 4.78%
7 Yr.	55 to 80%	3.75% to 4.77%
10 Yr.	55 to 80%	3.76% to 4.93%

*\*Rates indicative of national average, Act/360*

#### **Commercial Loan Programs**

<b>Fixed Rate</b>	<b>Portfolio Lenders*</b>
<b>Term</b>	<b>LTV</b>
5 Yr.	55 to 75%
7 Yr.	55 to 75%
10 Yr.	55 to 75%
15/15	55 to 75%

#### **Bridge Financing**

<b>Bridge Floating</b>	<b>LTV</b>	<b>Spread Over Libor</b>
Stabilized	65%	250 to 400
Re-Position	80%	300 to 500



*\*Portfolio Lenders include Banks, Life Insurance Companies and Credit Unions*

#### **Recent Transactions**

<b>Multifamily</b>	<b>Industrial Portfolio</b>	<b>Office</b>	<b>STNL</b>
San Leandro, CA	Riviera Beach, FL	Dearborn, MI	Bessemer City, NC
\$6,300,000	\$5,890,300	\$5,000,000	\$1,755,000
4.10% Fixed	4.73% Fixed	4.58% Fixed for 7 yrs	4.24% Fixed
30-yr term/30-yr amort.	2-yrs I.O.	20-yr term/25-yr amort.	10-yr term/30-yr amort.
	10-yr term/30-yr amort.		

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