



Historical CMBS Report: An Update on Hotel Commercial Real Estate

The hotel segment of the commercial mortgage-backed securities (CMBS) market has been the most heavily hit since the beginning of the COVID-19 pandemic. Below are some statistics that summarize the current conditions of the CMBS hotel sector. The data is as of July 2020, the most recent data available.

HOTEL CMBS DELINQUENCY STATISTICS

- The percentage of loans that are 30 or more days delinquent is 23.4% as of July 2020. This is the highest percentage on record.
- The percentage of loans that were 30 or more days delinquent at the end of 2019 was 1.34%.
- \$20.6 billion in hotel CMBS loans were 30 or more days delinquent as of July. That compares to \$1.15 billion as of December 2019.
- The highest volume of delinquent hotel loans during the Great Financial Crisis was \$13.5 billion. The current percentage of loans that are delinquent now exceeds the highest level during the GFC by 53%.

HOTEL CMBS SPECIAL SERVICING STATISTICS

- The percentage of loans that are with the special servicer is 24.0% as of July 2020.
- The percentage of loans that were with the special servicer at the end of 2019 was 1.81%.
- \$21.0 billion in hotel CMBS loans were with the special servicer as of July. That compares to \$1.6 billion as of December 2019.
- The highest volume of loans in special servicing during the Great Financial Crisis was \$17.6 billion. That peak did not come until about two years after the beginning of the GFC.

HOTEL CMBS SERVICER WATCHLIST STATISTICS

- The percentage of loans that are on servicer watchlist is 35.3% as of July 2020.
- The percentage of loans that were on servicer watchlist at the end of 2019 was 14.4%
- \$30.6 billion in hotel CMBS loans were on watchlist as of July. That compares to \$12.6 billion as of December 2019.

MSA ANALYSIS

Hotel CMBS Loans in the Top 100 Largest U.S. MSAs by Population Size

MSAs with Highest (\$) of Delinquent Loans

MSA Name	Delinquent Balance	Delinquent Count	Delinquency %
New York-Newark-Jersey City, NY-NJ-PA	1,475,707,235	53	38.72
Houston-The Woodlands-Sugar Land, TX	664,229,480	40	66.18
Chicago-Naperville-Elgin, IL-IN-WI	976,297,753	28	53.84
Dallas-Fort Worth-Arlington, TX	289,455,307	24	18.88
Los Angeles-Long Beach-Anaheim, CA	523,022,978	23	13.74
Atlanta-Sandy Springs-Roswell, GA	169,521,960	19	11.73
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	278,303,629	18	33.11
Seattle-Tacoma-Bellevue, WA	378,409,088	16	36.14
Nashville-Davidson--Murfreesboro--Franklin, TN	347,227,542	16	32.28
Austin-Round Rock, TX	316,969,519	13	35.73

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New York-Newark-Jersey City, NY-NJ-PA	38.72	1,475,707,235	53
Houston-The Woodlands-Sugar Land, TX	66.18	664,229,480	40
Chicago-Naperville-Elgin, IL-IN-WI	53.84	976,297,753	28
Dallas-Fort Worth-Arlington, TX	18.88	289,455,307	24
Los Angeles-Long Beach-Anaheim, CA	13.74	523,022,978	23
Atlanta-Sandy Springs-Roswell, GA	11.73	169,521,960	19
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	33.11	278,303,629	18
Seattle-Tacoma-Bellevue, WA	36.14	378,409,088	16
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