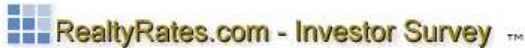


## Investor Survey Cap Rates

Link: <http://www.realtyrates.com/commentaryg.html>



1st Quarter, 2019

### Market Commentary

#### RealtyRates.com™ Investor Survey Reports Cap Rate Index Increases For All Property Types During 4th Quarter 2018

Coincident with a 23 basis point increase in Treasury rates to which most commercial mortgage interest rates are indexed and a nine basis point decrease in equity dividend rates, the RealtyRates.com *Weighted Composite (Cap Rate) Index™* increased nine basis points, from 9.59 to 9.68 percent during the 4th Quarter of 2018.

The greatest quarter-over-quarter cap rate index increases were recorded by the Mobile Home/RV Park, Office and Self Storage sectors, all up 13 down seven basis points.

The smallest quarter-over-quarter cap rate index increase was recorded by the Lodging sector, up one basis point, followed by the industrial sector, up seven basis points during the 4th Quarter.

Mortgage lending standards were relatively unchanged during the 4th Quarter, however spreads were down an average five basis points resulting in an 18 basis point increase in the average permanent mortgage interest rate.

RealtyRates.com INVESTOR SURVEY - 1st Quarter 2019*																									
CURRENT & HISTORICAL CAP RATE INDICES																									
Method-Weighted* Property Category Indices																									
	Apts		Golf		Healthcare Senior Housing		Industrial		Lodging		MHRV Park		Office		Retail		Restaurant		Self Storage		Special Purpose		Weighted* Composite Indices		
	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP	
Year	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	
2018	8.42	26	12.02	30	9.01	14	9.19	23	10.53	25	9.56	30	9.04	10	9.38	20	11.57	15	9.86	29	11.64	40	9.64	22	
4th Qtr	8.46	8	12.08	11	9.07	11	9.23	7	10.53	1	9.62	13	9.08	13	9.44	10	11.62	11	9.92	13	11.71	11	9.68	9	
3rd Qtr	8.37	-4	11.97	-5	8.96	-2	9.16	-5	10.52	-7	9.50	-5	8.95	-6	9.33	-3	11.51	-4	9.79	-7	11.60	-3	9.59	-5	
2nd Qtr	8.41	3	12.02	5	8.98	3	9.21	5	10.59	6	9.55	5	9.00	0	9.36	4	11.56	4	9.86	6	11.63	5	9.64	4	
1st Qtr	8.38	23	11.97	28	8.96	13	9.16	22	10.52	31	9.50	28	9.00	5	9.32	17	11.52	26	9.81	25	11.58	34	9.60	21	
2017	8.16	4	11.73	-2	8.87	-6	8.96	-12	10.28	5	9.26	11	8.94	-22	9.19	-8	11.42	-15	9.57	-9	11.25	4	9.42	-6	
2016	8.13	-2	11.75	6	8.92	12	9.08	15	10.22	0	9.15	15	9.16	16	9.27	12	11.57	-10	9.67	14	11.21	10	9.48	9	
2015	8.15	-9	11.69	-14	8.80	-9	8.93	-10	10.22	-20	8.99	-18	9.00	-6	9.15	-11	11.66	-13	9.52	-22	11.11	-12	9.40	-12	
2014	8.24	-15	11.83	-9	8.89	-1	9.03	-4	10.43	-17	9.17	-5	9.06	-22	9.26	15	11.79	-6	9.75	-20	11.24	14	9.52	-7	
2013	8.39	14	11.92	-14	8.90	5	9.07	-2	10.60	3	9.22	14	9.28	-19	9.11	-4	11.86	9	9.95	-24	11.10	1	9.58	-2	
2012	8.25	-35	12.07	6	8.85	-36	9.09	-40	10.57	-24	9.08	-39	9.47	3	9.15	-13	11.77	6	10.19	-49	11.09	-4	9.60	-21	
2011	8.60	-29	12.00	-22	9.21	-40	9.49	-11	10.81	-24	9.48	-8	9.44	-10	9.28	-26	11.70	-14	10.69	-3	11.12	-17	9.81	-19	
2010	8.89	4	12.22	5	9.62	15	9.60	12	11.05	7	9.55	22	9.54	16	9.54	25	11.84	12	10.72	21	11.30	0	10.00	13	
2009	8.85	8	12.17	16	9.47	10	9.48	10	10.98	-7	9.33	1	9.38	29	9.29	20	11.72	15	10.50	37	11.30	8	9.87	14	
2008	8.77	-4	12.01	29	9.37	-16	9.38	-14	11.05	56	9.32	-5	9.09	-16	9.09	-11	11.57	-28	10.13	20	11.22	-7	9.74	-1	
2007	8.81	-45	11.72	-21	9.53	-65	9.52	-25	10.49	-28	9.37	-26	9.25	-47	9.20	-12	11.85	61	9.93	-38	11.29	-24	9.75	-28	
2006	9.26	12	11.93	47	10.18	15	9.77	35	10.77	27	9.63	41	9.72	26	9.32	30	11.24	18	10.31	27	11.53	9	10.03	26	
2005	9.14	14	11.46	80	10.03	-16	9.42	-30	10.50	-21	9.22	19	9.46	6	9.02	16	11.06	5	10.04	13	11.44	-30	9.77	2	
2004	9.00	-19	10.66	28	10.19	-37	9.72	19	10.71	-98	9.03	-48	9.40	-4	8.86	-19	11.01	-15	9.91	-13	11.74	-30	9.75	-19	
2003	9.19	-2	10.38	-32	10.56	64	9.53	33	11.69	56	9.51	-11	9.44	1	9.05	-18	11.16	8	10.04	-53	12.04	105	9.94	12	
2002	9.21	-40	10.70	18	9.92	-39	9.20	-61	11.13	26	9.62	-60	9.43	-35	9.23	-62	11.08	-3	10.57	-12	10.99	-177	9.82	-41	
2001	9.61	64	10.52	133	10.31	90	9.81	16	10.87	98	10.22	-68	9.78	-35	9.85	-53	11.11	47	10.69	13	12.76	32	10.23	21	
2000	8.97		9.19		9.41		9.65		9.89		10.90		10.13		10.38		10.64		10.56		12.44		10.01		
* Weighted by methodology: Band-of-Investment, DCR Technique, Sales Survey																									
** Further weighted by property category																									

\* Weighted by methodology: Band-of-Investment, DCR Technique, Sales Survey

^ Further weighted by property category

\*4th Quarter 2018 Data

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