



## Bank of America Says Only Fed Can Break Logjam, Delinquency Rate Rises, Five-Year Loans Lead Deals

**Bank of America Says Only Fed Can Break Logjam:** Alan Todd, a commercial mortgage-backed securities strategist for Bank of America Securities, offered a sobering assessment about the value of real estate in his latest weekly market report.

“Sellers will need to acknowledge that their properties may be worth less than what they thought at the start of 2022,” he wrote.

The belief that a recession may be coming resulted in lower commercial real estate valuations and a slowdown in property transactions, Todd existed. It also fueled concerns that many borrowers wouldn’t be able to successfully refinance their maturing loans.

The worries have resulted in a dramatic reduction in CMBS issuance. The decline wasn’t isolated to any specific property type or CMBS

subsector, according to Todd, but instead affected all facets of the market.

Single-asset, single-borrower deal issuance of \$2.8 billion is just 15% of what it was last year through Wednesday, according to CoStar data. Meanwhile, issuance for collateralized loan obligations, which are securities backed by pools of debt, is sitting at \$2.5 billion, 17% of what it was a year ago, and multiborrower deals are at \$2.3 billion, just 29% compared to last year. [READ MORE](#)



## Brookfield-Backed Fundamental Income Prepares First Bond Offering

Fundamental Income Properties, an investment firm specializing in sale-leaseback deals and bankrolled by Canadian investment giant Brookfield Asset Management, is for the first time looking to sell securities in a fundraising effort tied to revenue from about 180 of its single-tenant properties.

The Phoenix-based firm filed preliminary paperwork for the bond offering with the Securities and Exchange Commission. The filing updated a previous offering from the firm in August that never went to market.

The securities deal comes at a time when sale-leaseback activity has picked up in the previous three quarters as steeper borrowing costs compel more firms to consider property sales to raise cash. [READ MORE](#)

## US's CIM Expands Real Estate Debt Platform to Europe

CIM Group, a real estate and infrastructure owner, operator, lender and developer, has expanded its approximately \$10 billion real estate debt solutions platform to Europe.

Headquartered in Los Angeles, it opened a London office in 2021. It plans to originate loans on "transitional assets" — those that can be redeveloped in some way — as well as core mezzanine loans across the UK and key Western European countries.

It is targeting loan sizes of between £75 million and £200 million (or about \$90 million and \$241 million) for whole loans and between £20 million and £50 million (or about \$24 million and \$60 million) for core mezzanine loans, which will initially be made under the firm's existing fund mandates. [READ MORE](#)

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