

Commercial Mortgage Market Analysis Small-Balance Loans Under \$5 Million

Baltimore, MD

12 Months Ending 1st Quarter, 2007

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1 Recent Market Activity

This section presents recent originations activity in the small-balance commercial loan market.

Table 1: **Total Mortgage Activity.** Total Purchase and Refinance Loans

County	Prop.Type	Mort.Type	Number Mortgages	Mortgage Amt.(\$M)	Percent of Total
3	ALL	ALL	1,898	1,309	100
1	ALL	PURCHASE	717	412	31
2	ALL	REFINANCE	1,181	897	69

Table 2: **Purchase Mortgage Activity by Property Type.**

County	Prop.Type	Number Mortgages	Mortgage Amt.(\$M)	Percent of Total	Median Mort.(\$000)
1	ALL	717	412	100	565
2	ALL	291	225	55	524
3	ALL	51	55	13	1,410
4	ALL	236	71	17	1,157
5	ALL	20	8	2	376
6	ALL	110	37	9	249

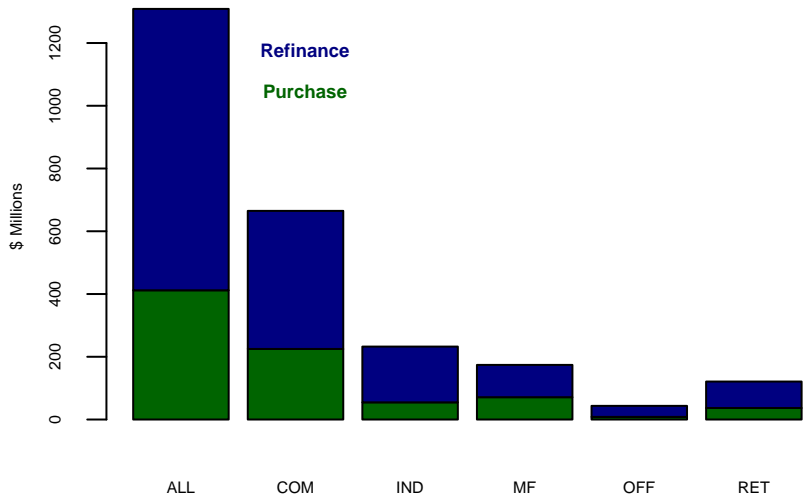
Table 3: **Refinance Activity by Property Type.**

County	Prop.Type	Number Mortgages	Mortgage Amt.(\$M)	Percent of Total	Median Mort.(\$000)
1	ALL	1,181	897	100	400
2	ALL	619	440	49	359
3	ALL	147	178	20	894
4	ALL	128	103	11	366
5	ALL	55	35	4	300
6	ALL	185	84	9	250

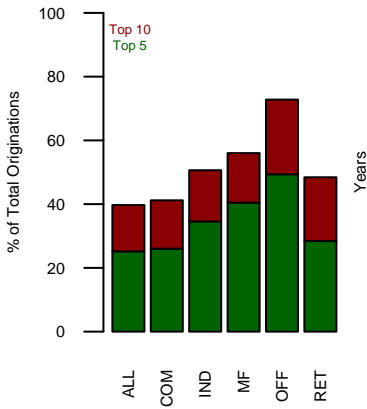
Table 4: **Property Sales by Property Type - With Mortgage.**

County	Prop.Type	Number Sales	Sales Amt.(\$M)	Percent of Total	Median Sale(\$000)
1	ALL	717	506	100	684
2	ALL	291	279	55	636
3	ALL	51	65	13	1,607
4	ALL	236	89	18	1,432
5	ALL	20	10	2	456
6	ALL	110	46	9	312

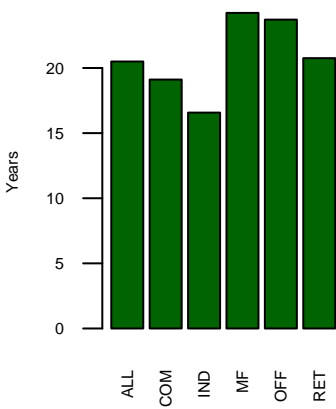
Purchase and Refinance Activity by Property Type



Market Concentration of Top 5 and Top 10 Lenders



Median Mortgage Term All Lenders



Market Activity Property Sales and Originations

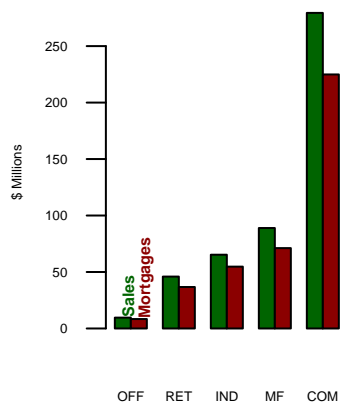


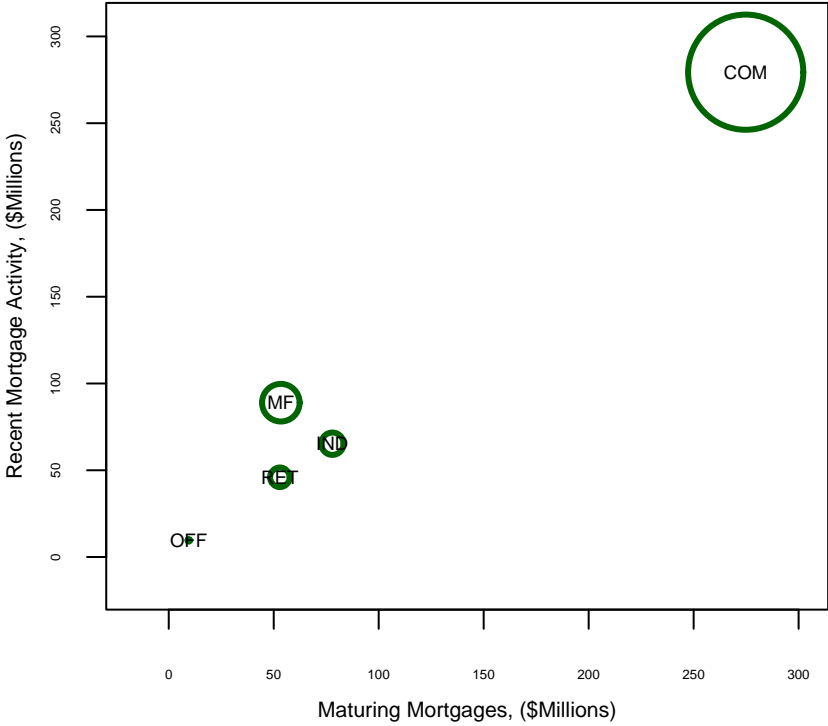
Table 5: **Property Sales by Property Type – Without Mortgage.**

	County	Prop.Type	Number Sales	Sales Amt.(\$M)	Median Sale(\$00)
1	ALL	ALL	264	151	795
2	ALL	COM	64	53	559
3	ALL	IND	37	33	1,367
4	ALL	MF	115	32	1,676
5	ALL	OFF	4	3	286
6	ALL	RET	41	20	259

Table 6: **Most Active Markets. Top Counties**

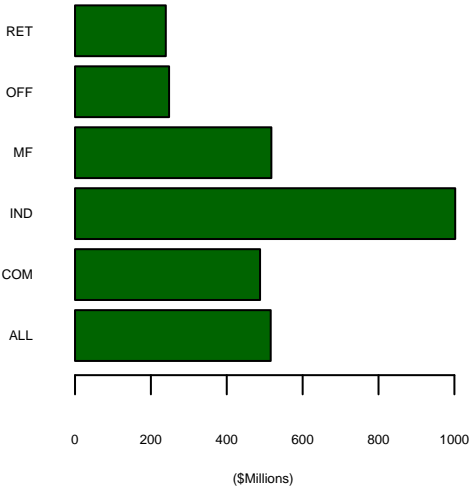
Rank	County	No. Mortgages	Mortgage Amt.(\$Millions)	Percent of Metro Total	Median Mort. Size(\$000)
1	Baltimore city	842	399	31	250
2	Baltimore	386	340	26	416
3	Anne Arundel	245	202	15	511
4	Harford	147	129	10	506
5	Howard	93	111	8	660
6	Carroll	130	84	6	408
7	Queen Anne's	55	43	3	294

Mortgage Market Attractiveness (Larger circles in the upper right indicate relative attractiveness)



Circle size indicates volume of unleveraged recent sales
Recent Activity (Table 3); Maturing Mortgages (Table 7)

Mean Mortgage Size



2 Mortgage Terms

This section tabulates interest rate terms where available. Loan-to-value ratios for recent purchase mortgages are also presented.

Table 7: **Interest Rate Types.** Fixed and Variable Loans

	County	Prop.Type	Loan Type	No. Mortgages	Percent of Total	Mortgage Amt.(\$M)
1	ALL	ALL	FIXED	3	2	6
2	ALL	ALL	VARIABLE	150	98	66
3	ALL	ALL	ALL	153	100	72

Table 8: **Interest Rate Types by Property Type**

	County	Prop.Type	Pct. With Data	No. Variable.	No. Fixed	Variable. (\$M)	Fixed (\$M)
1	ALL	ALL	8	150	3	66	6
2	ALL	COM	9	77	1	37	1
3	ALL	IND	9	16	1	7	5
4	ALL	MF	7	26	0	14	0
5	ALL	OFF	7	5	0	2	0
6	ALL	RET	9	25	1	5	0

Table 9: **Purchase Mortgages.** Loan-to-Value Ratios

	County	Prop.Type	Sales (\$000s)	Mortgage Amt.(\$000s)	Percent of Total	Percent LTV<.75	Percent .75<LTV<.85	Percent LTV>.85
1	ALL	ALL	505,670	411,837	100	35	46	19
2	ALL	COM	279,391	224,917	55	34	48	18
3	ALL	IND	65,306	54,744	13	25	49	26
4	ALL	MF	88,938	71,148	18	38	51	10
5	ALL	OFF	9,612	8,369	2	31	62	6
6	ALL	RET	45,956	36,702	9	42	47	11

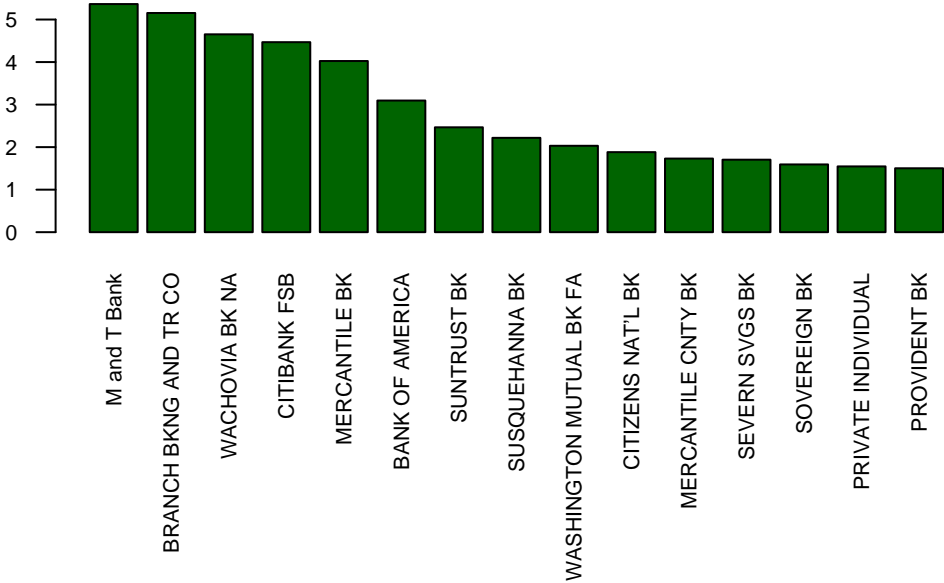
3 Leading Lenders

This section ranks the top lenders based on loan volume.

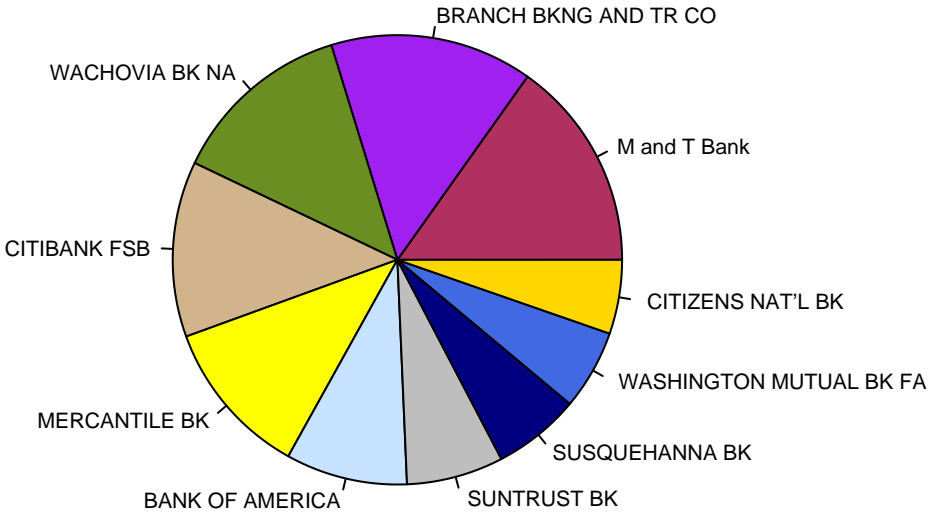
Table 10: **Market Shares.** Top Lenders

Rank	Lender	Percent of Metro Portfolio	Avg. Mortgage Amt.(\$000)
1	M and T Bank	7	706
2	WACHOVIA BK NA	7	641
3	MERCANTILE BK	6	1,450
4	BRANCH BKNG AND TR CO	6	673
5	CITIBANK FSB	5	1,524
6	BANK OF AMERICA	4	642
7	SUNTRUST BK	4	805
8	SUSQUEHANNA BK	3	561
9	WASHINGTON MUTUAL BK FA	3	882
10	CITIZENS NAT'L BK	3	828
11	MERCANTILE CNTY BK	3	695
12	SEVERN SVGS BK	2	648
13	PROVIDENT BK	2	663
14	CITIBANK FSB	2	1,202
15	BRANCH BKNG AND TR CO	2	1,114

**Market Share
Top Lenders
Percent of Market**



**Market Share Breakdown
Top Lenders**



4 Maturing Mortgages

This section estimates the volume of loans maturing in the near term.

Table 11: **Maturing Mortgages.** Mortgages with Maturity Dates within 48 Months.

	County	Prop. Type	Number	Mortgage Amt.(\$M)	Percent of Total
1	ALL	ALL	898	469	100
2	ALL	COM	424	275	59
3	ALL	IND	83	78	17
4	ALL	MF	203	53	11
5	ALL	OFF	24	9	2
6	ALL	RET	164	53	11

5 Report Glossary

1. **Total Mortgage Activity** (Table 1) presents total mortgage originations for the period including subtotals for purchase loans and refinancings. Origination totals include both mortgages on individual properties as well as mortgages covering transactions involving multiple properties or portfolios.
2. **Purchase Mortgage Activity by Property Type** (Table 2) breaks out purchase loan originations for each of the property types. Origination totals include both mortgages on individual properties as well as mortgages covering transactions involving multiple properties or portfolios.
3. **Refinance Activity by Property Type** (Table 3) shows refinance activity for each of the property types. Origination totals include both mortgages on individual properties as well as mortgages covering transactions involving multiple properties or portfolios.
4. **Property Sales by Property Type - With Mortgage.** (Table 4) displays property sales by each of the property types for the period.
5. **Property Sales by Property Type - Without Mortgage.** (Table 5) breaks out property purchases that do not list any type of financing.
6. **Most Active Markets** (Table 6) lists the top counties in the jurisdiction with the greatest volume of recent mortgage activity.
7. **Interest Rate Types** (Table 7) shows the mix of fixed and variable loans originated during the period. The majority of mortgage deeds do not record the type of loan, so the figures in this table represent a sample of the total loans originated during the period.
8. **Interest Rate Types by Property Type** (Table 8) breaks out fixed and variable loans by individual property types.
9. **Purchase Mortgages** (Table 9) identifies prevailing loan-to-value ratios for purchase mortgages by property type for the period. Three ranges of LTVs are presented.
10. **Market Shares** (Table 10) ranks lenders with the largest percentage of market share based on recent non-multifamily mortgage volume in the jurisdiction. Lender shares and volume are based on lender names appearing as the lender of record in the mortgage document. Other recording considerations may affect the market shares or totals.
11. **Maturing Mortgages** (Table 11) reflects loan amounts by property type that have terms ending within the specified term in this jurisdiction. This sum of expiring loans is an indication of near-term refinancing opportunities.
12. **Reporting Counties** (Table 12) is a list of the county jurisdictions that are covered in this report.

Table 12: Reporting Counties

	Fipscode	County	Fipscode	County
1	24003	Anne Arundel County	24027	Howard County
2	24005	Baltimore County	24035	Queen Anne's County
3	24013	Carroll County	24510	Baltimore city
4	24025	Harford County		

General Notes

1. Information is compiled from raw public tax roll and deed transfer records collected at county recording offices nationwide.
2. Boxwood has limited ability to track property sales and mortgage activity in the following non-disclosure or low-reporting states: Iowa; Idaho; Indiana; Kansas; Louisiana; Mississippi; Nebraska; New Hampshire; New Mexico; North Dakota; South Dakota; Vermont; and Wyoming. Of the approximately 1,500 U.S. counties covered, a number of county tax jurisdictions may not report sales and financing activity in full or in part.
3. The property type classifications differ by jurisdiction, as they are coded by individual county tax authorities throughout the country. Some jurisdictions may satisfactorily segregate the different commercial and multi-family uses, while others may clump them into one or more generic categories. These differing classification schemes may limit Boxwood's ability to distinguish transaction activity by property type.
4. Data presented in this report have been compiled from sources deemed to be reliable. Boxwood Means makes no representation or warranty regarding the data. The data is furnished as is, without warranties of any kind express or implied. The data may be subject to material revisions.

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