



# SENTIMENT SURVEY

Q2 2021 Results

Detailed Analysis  
Exclusively for Known Participants

PRIVATE & CONFIDENTIAL  
NOT TO BE DISTRIBUTED

May 2021

# EXECUTIVE SUMMARY

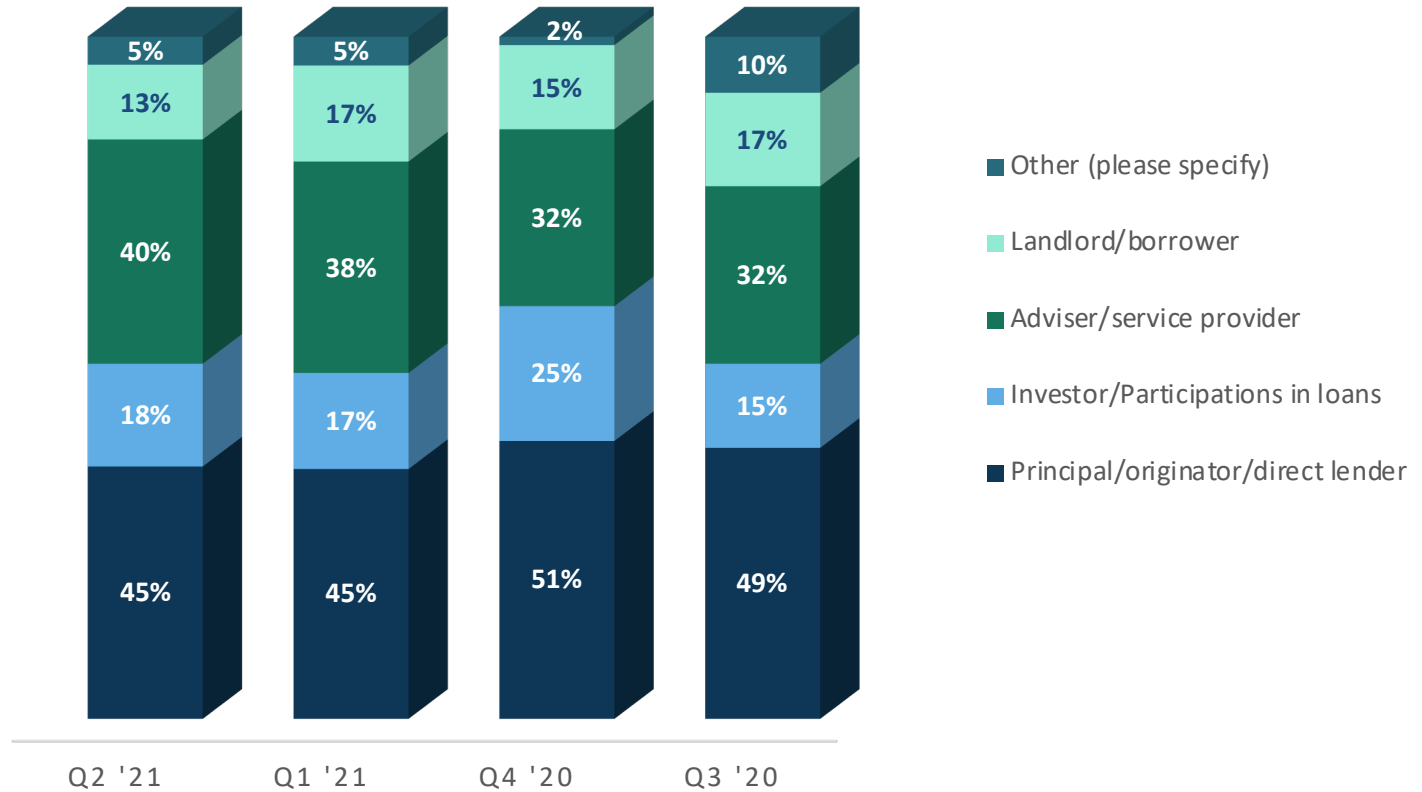
Sentiment has improved materially, especially for the UK, but with increasing expectations of a polarised market with liquidity for robust and popular sectors and assets and a more challenging environment for others.

- ❑ The Q2 2021 survey ran between the 26 March and 13 April, against a backdrop of increasingly divergent paths in the management of the global health crisis, but optimism in the strength of the economic recovery in 2021.
- ❑ Survey participants seemed buoyed by positive consensus on economic forecasts pointing to a speedier recovery in 2021 than thought back at the end of 2020 (e.g. OECD and IMF forecast global GDP growth for 2021 of 5.6% and 6% respectively in March, both much higher than their Q4 2020 projections).
- ❑ Views on overall market conditions both in the UK and in Europe swung back firmly into positive territory. In both jurisdictions, the **sentiment index reached a peak in optimism** since the survey started to 0.84 for the UK and 0.47 for Europe.
- ❑ The positive momentum shift in opinion on overall market conditions seemed to be underpinned by a few key drivers.
  - 1) **Views on debt availability and liquidity of capital** – the most closely co-related factor to views on overall conditions – continued to **trend upwards**, reaching a peak.
  - 2) Participants reacted positively to the evolving economic conditions (e.g. continued fiscal stimulus, vaccination-induced recovery and unusually high levels of household savings); the **sentiment index for the economic environment** swung significantly to turn **positive for the first time in more than two years**.
  - 3) Despite the challenging environment on rent collections and interest payments, participants were much **more optimistic about real estate fundamentals**, with the trend line mirroring that of views on the economic environment.
- ❑ The level of optimism for real estate extended across almost all sectors.
  - ❑ Whilst **opinion is still negative about retail**, even for this sector, views were at an all time high for the past 10 quarters.
  - ❑ Amongst the sectors most impacted by Covid, there seemed to be a **more optimistic shift in views for hospitality and student accommodation**, with both reaching their peak in over two years of data.
  - ❑ There is still clearly some level of **uncertainty about the Office sector**; whilst views on the sector have improved, there are still enough detractors to pull the sentiment index down.
- ❑ Overall, this quarter's survey results point to an **improving sentiment**, and this is also reflected in the qualitative comments provided by participants. Those comments also offer further insights not necessarily reflected in the quantitative analysis around the **residual degree of uncertainty and risk** ahead as well as the potential **polarisation of the market** with great liquidity for strong assets and popular sectors, but potentially more challenging times ahead for others.

# PARTICIPANTS

Participation rate and breadth of types of participants continue to be similar to previous quarters.

<b>Number of Participants</b>	<b>64</b>	<b>63</b>	<b>67</b>	<b>67</b>
<b>Who answered this question</b> <i>(multiple answers are possible)</i>	<b>60</b>	<b>58</b>	<b>65</b>	<b>59</b>



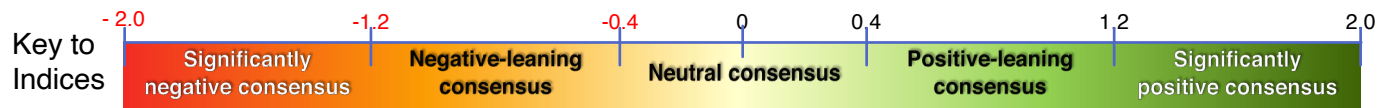
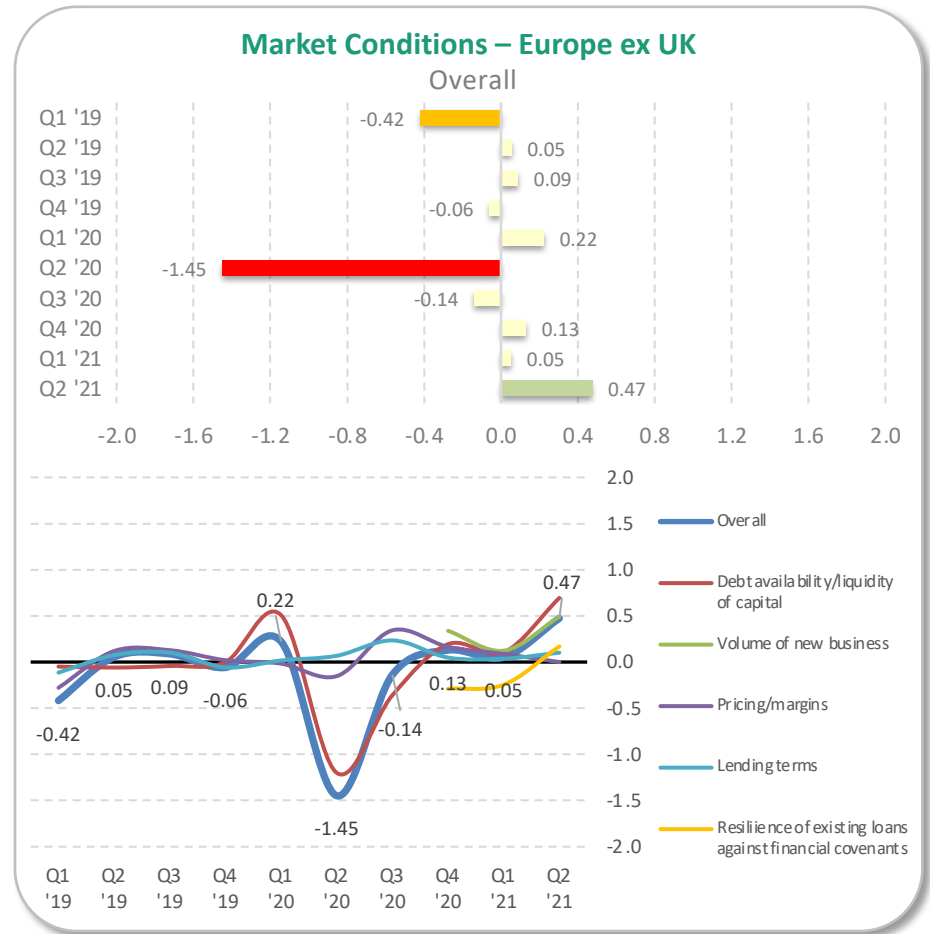
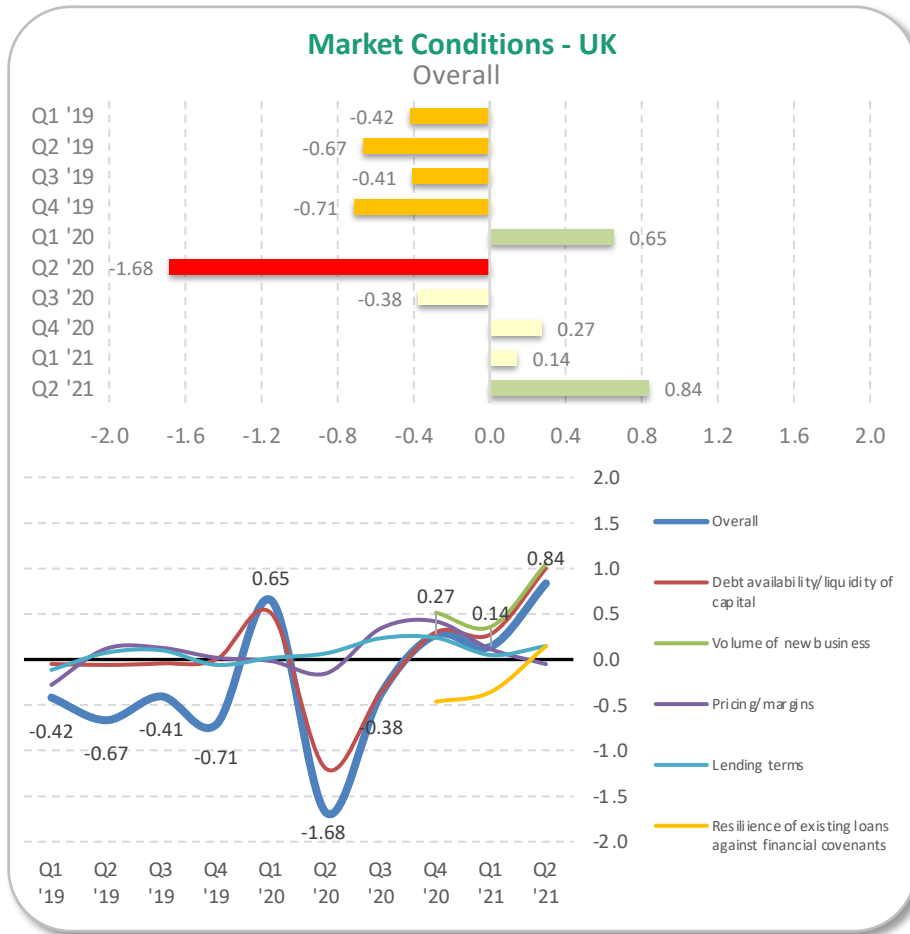
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# Sentiment Indices

See appendix for Sentiment Index methodology

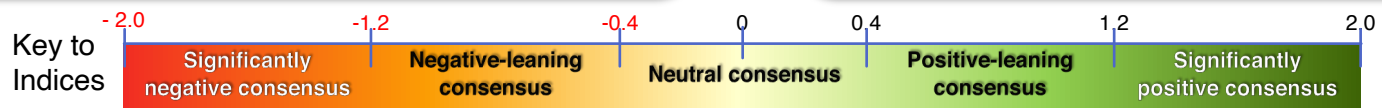
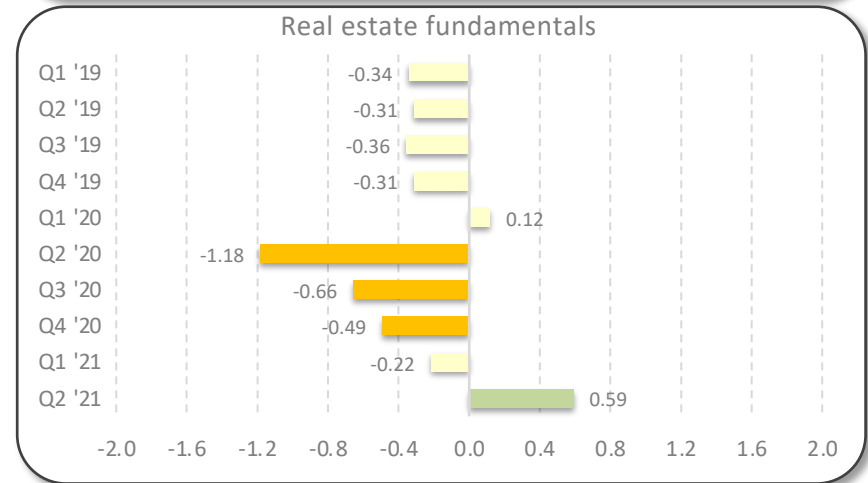
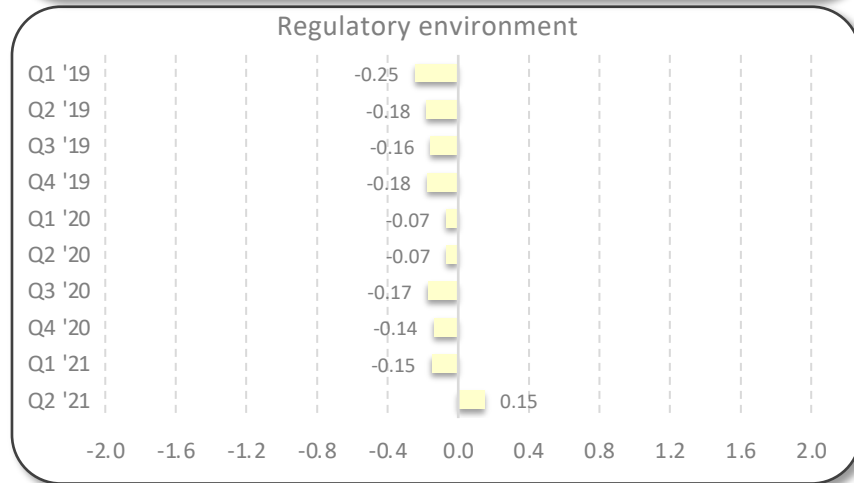
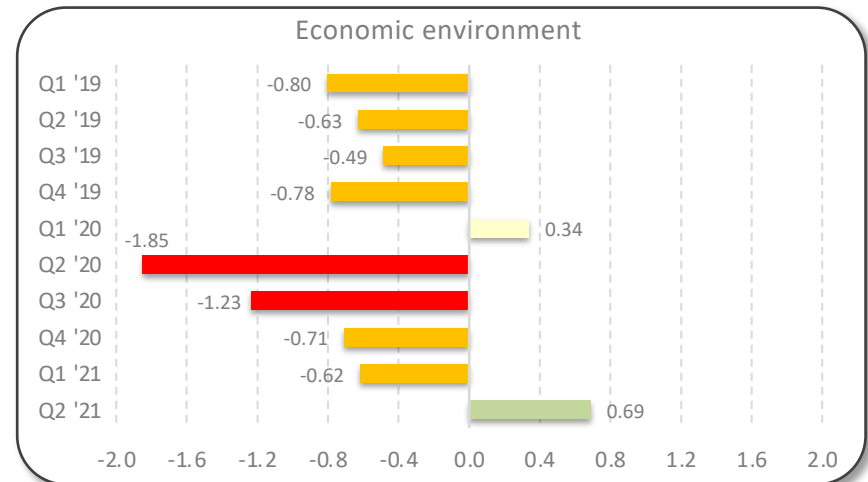
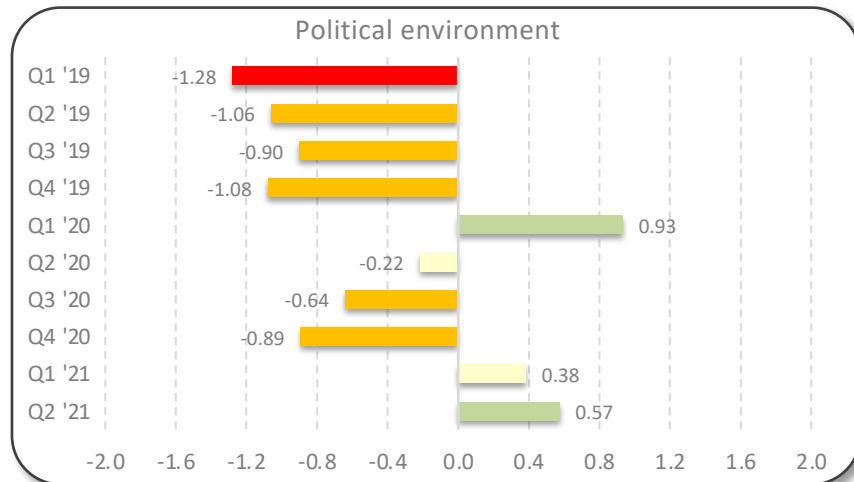
# SENTIMENT INDEX – MARKET CONDITIONS

Views on overall UK and European market conditions swung back firmly into positive territory; the sentiment index reached a peak in optimism since the survey started to 0.84 for the UK and 0.47 for Europe.



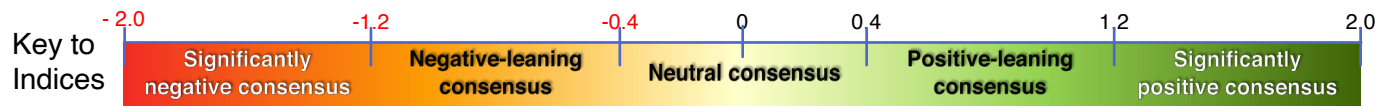
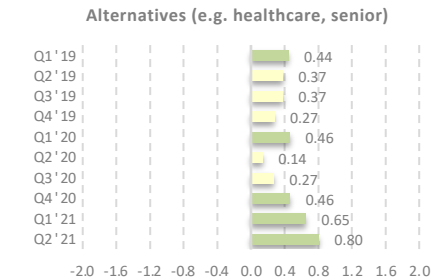
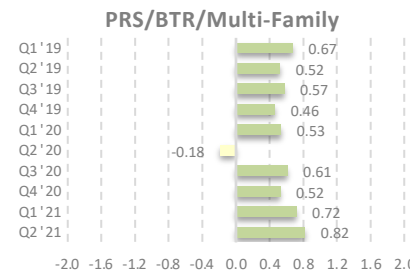
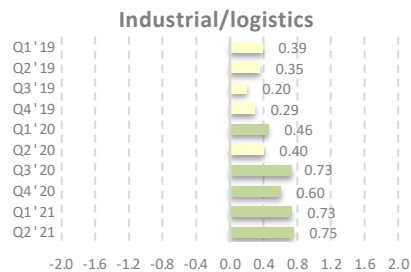
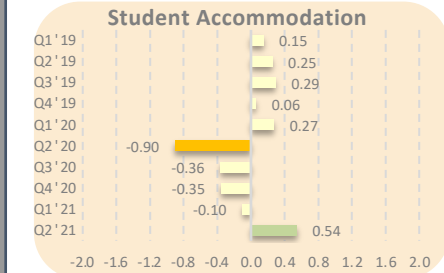
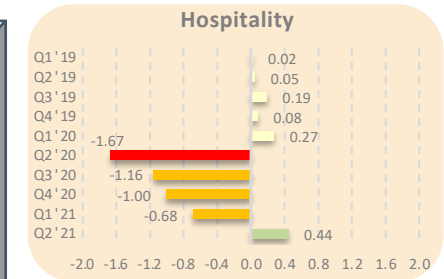
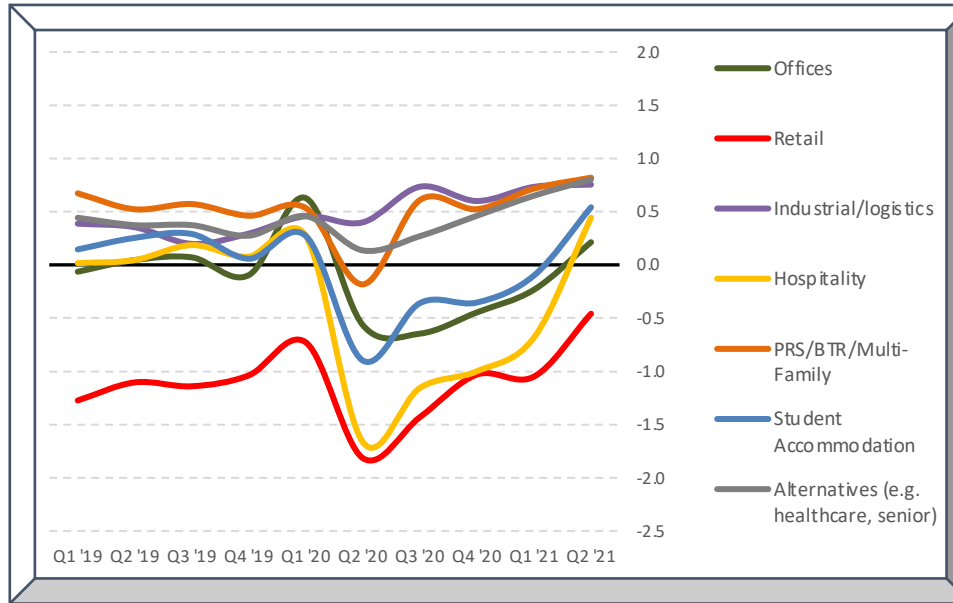
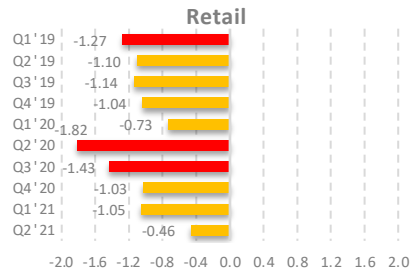
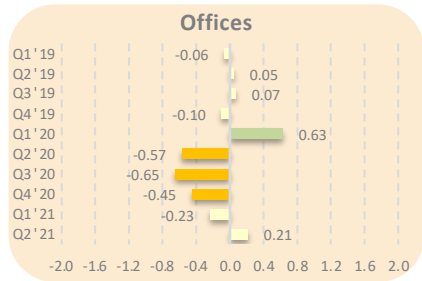
# SENTIMENT INDEX – MACRO-ENVIRONMENT

Along the positive sentiment for market conditions there was a positive surge across key macro factors. The swing in views on the economic environment was particularly pronounced.



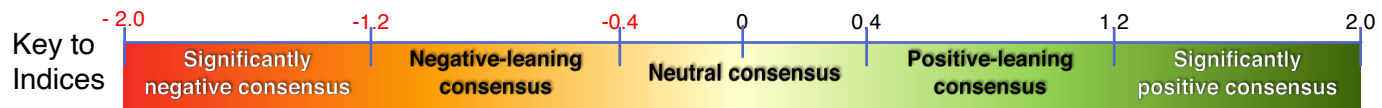
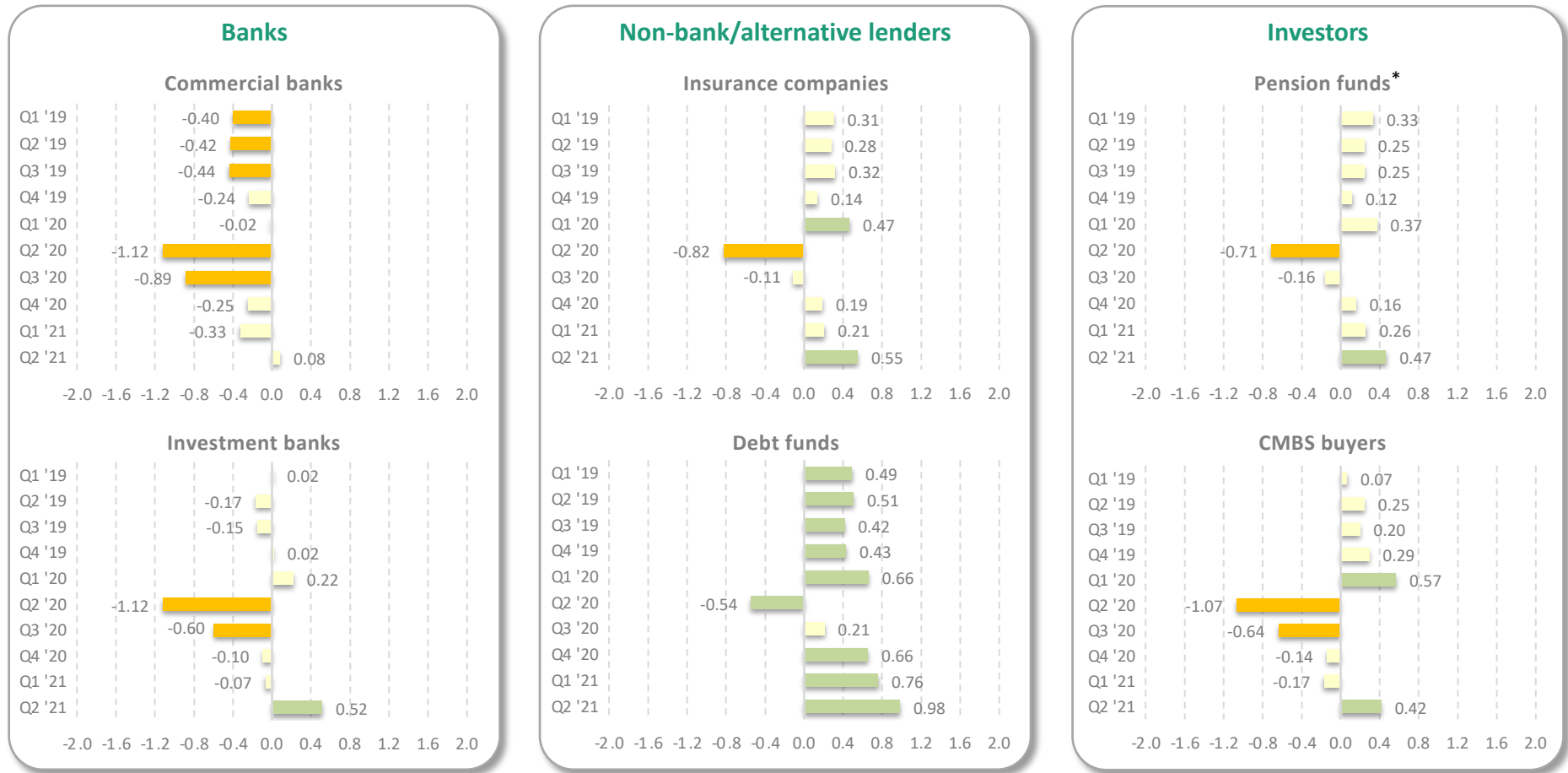
# SENTIMENT INDEX – REAL ESTATE SECTORS

There was renewed optimism across most real estate sectors; all sectors, ex-offices, reached their peak in sentiment in 10 quarters. Hospitality and PBSA bounced back, whilst uncertainty around offices remains.



# SENTIMENT INDEX – GROWTH PROSPECTS FOR KEY MARKET PARTICIPANTS

There was a slight improvement in opinion on growth prospects across the range of market participants. Debt funds continue to be perceived as the best placed for future growth.



\* Some pension funds are also direct lenders



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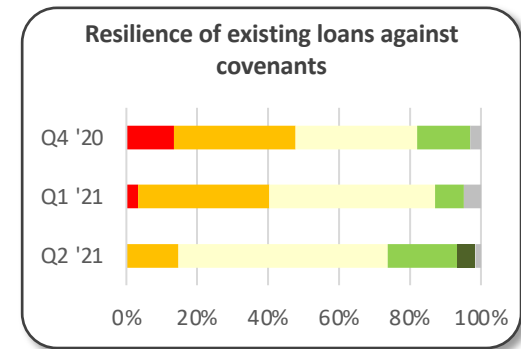
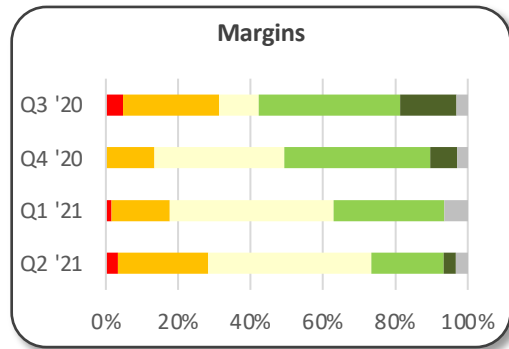
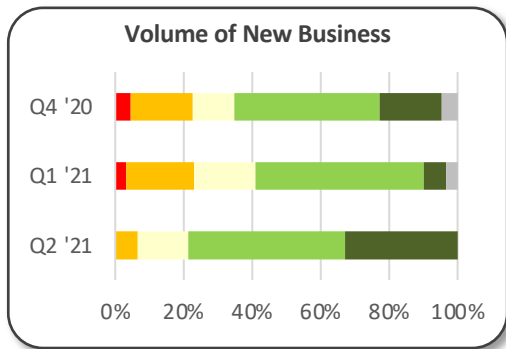
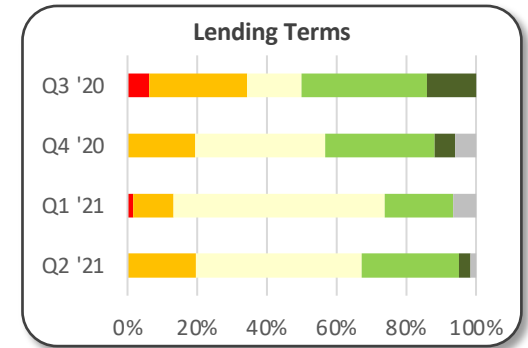
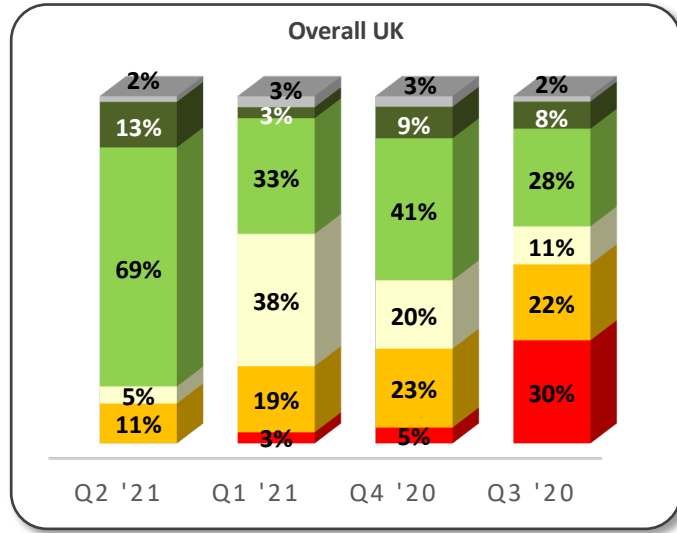
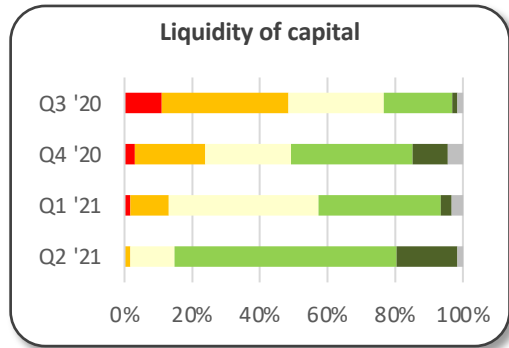
# Rolling 1-year Results

# UK MARKET CONDITIONS

82% concurred that market conditions in the UK were better, with a similar proportion agreeing that liquidity of capital was also better. Perhaps due to more capital, there were growing expectations of worsening margins.

## Question 1

From a lending perspective, how would you assess debt market conditions in the UK today compared with those of 3 months ago?

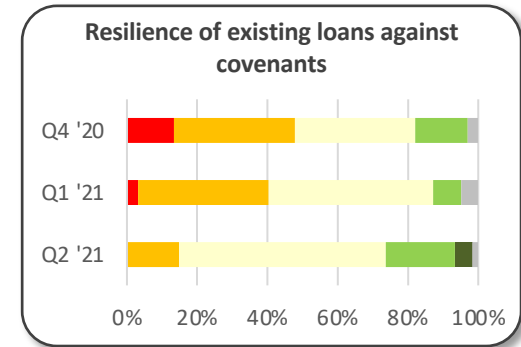
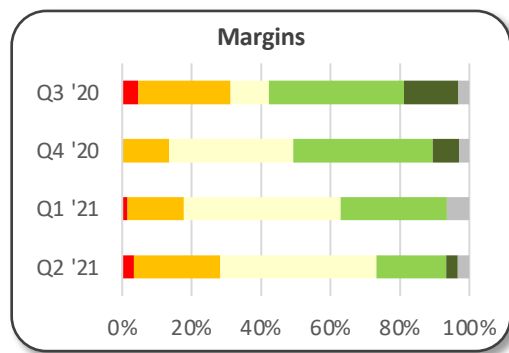
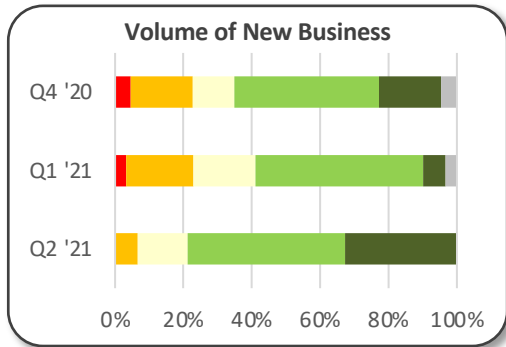
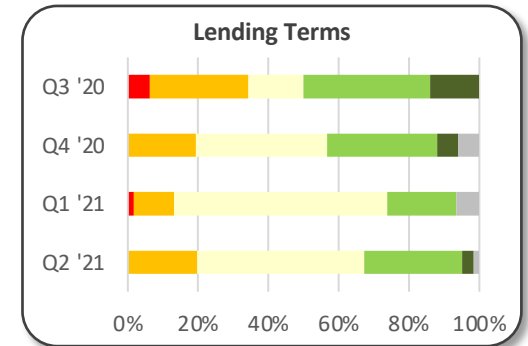
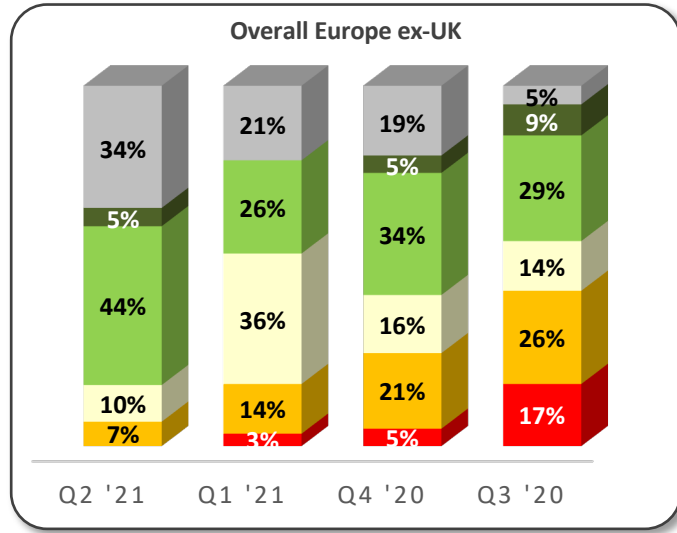
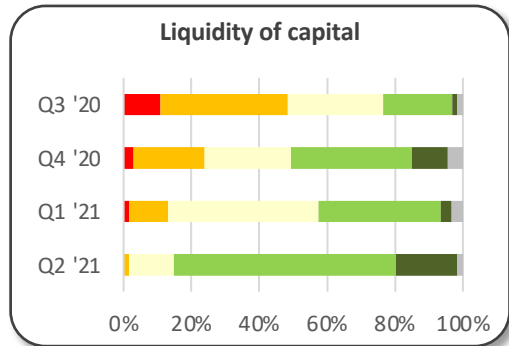


# EUROPE EX-UK MARKET CONDITIONS

Sentiment about European market conditions also improved significantly. However, perhaps because of the worsening health crisis in Europe, about a third of participants were uncertain.

## Question 2

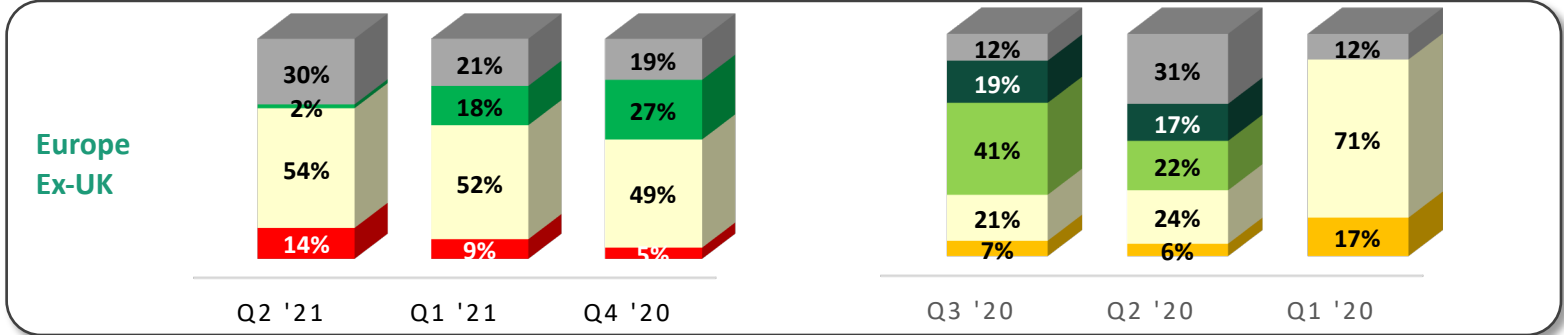
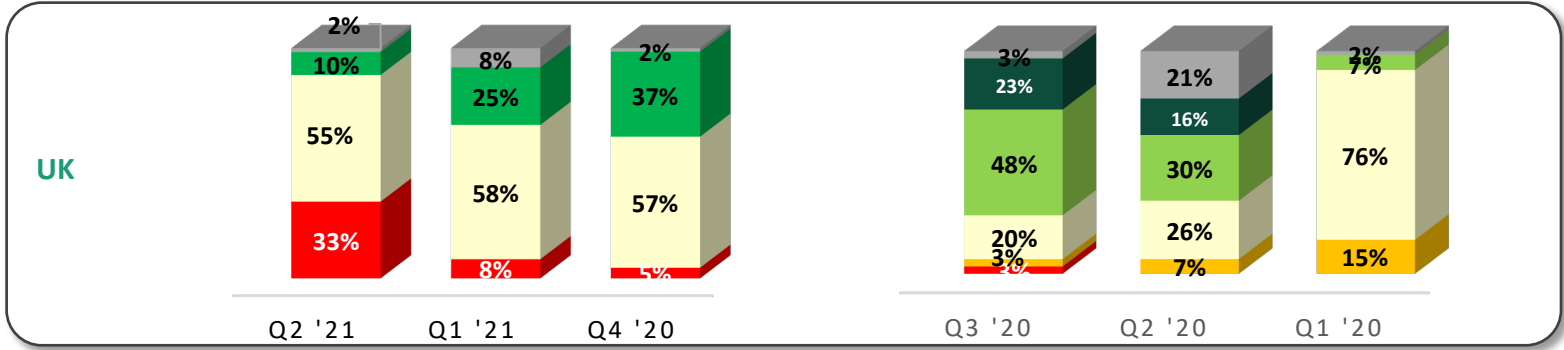
From a lending perspective, how would you assess debt market conditions in Europe ex UK today compared with those of 3 months ago?



LTVs on new loans were on a slight increasing trend, especially in the UK.

Question 3\*  
For New loans, compared with 3 months ago, do you think LTVs are:

How would you assess financial covenants (LTVs and ICRs) today compared with those of 3 months ago?



■ Increasing  
■ No change  
■ Decreasing  
■ Don't know

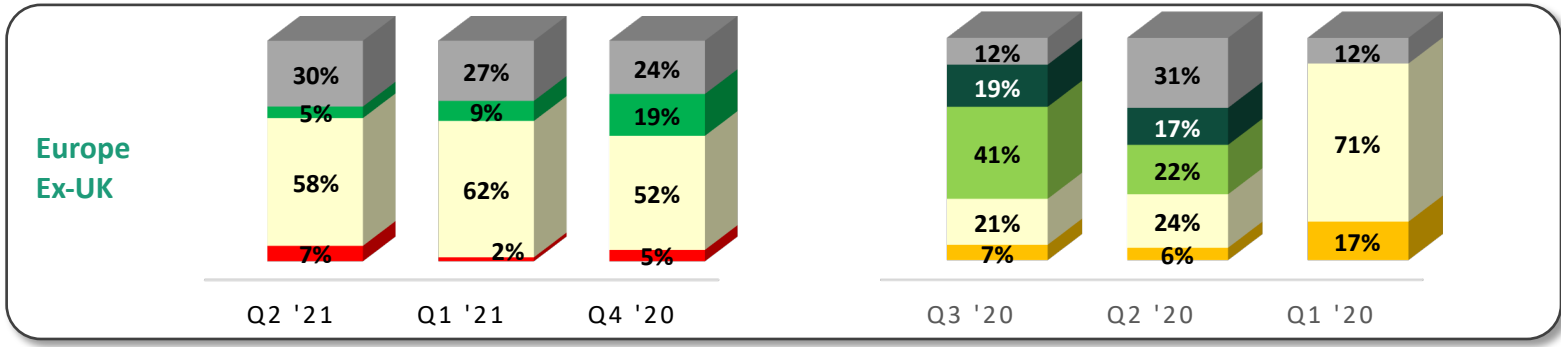
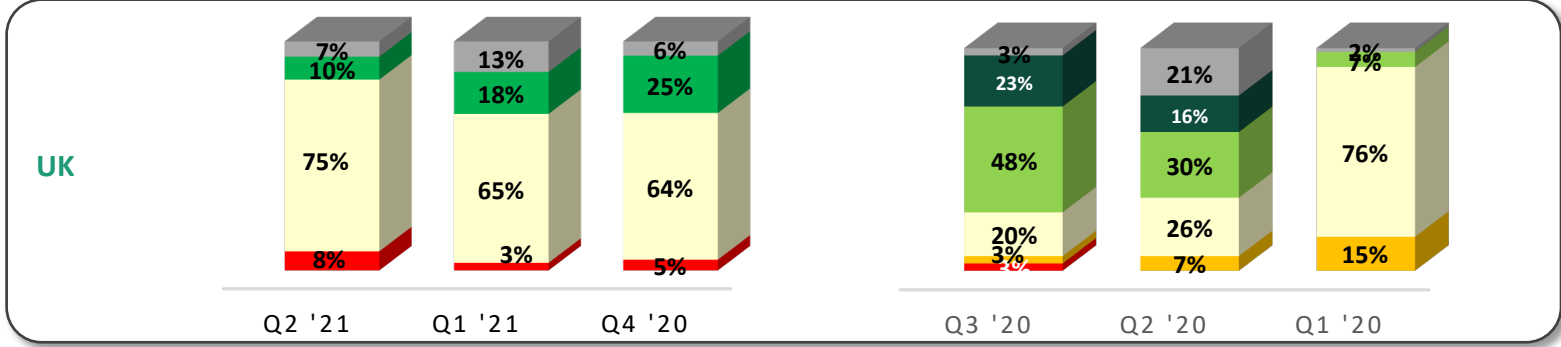
■ Significantly looser  
■ Moderately looser  
■ No change  
■ Moderately tighter  
■ Significantly tighter  
■ Don't know

\* Q3 was introduced from Q4 '20. A similar question about covenants in general was previously part of the survey.

ICRs on new loans seemed to remain largely unchanged both in the UK and in Europe.

Question 4\*  
For New loans, compared with 3 months ago, do you think ICRs are:

How would you assess financial covenants (LTVs and ICRs) today compared with those of 3 months ago?



■ Less demanding  
■ No change  
■ More demanding  
■ Don't know

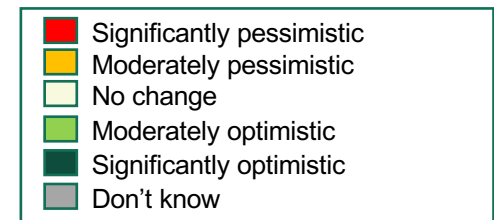
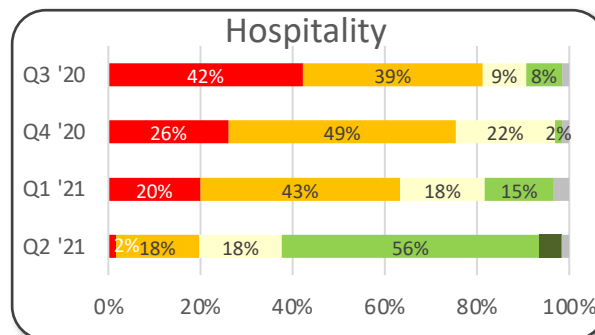
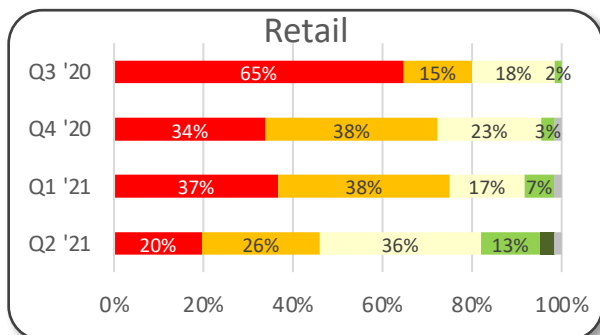
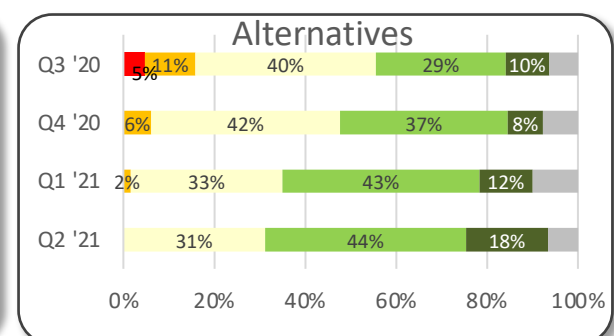
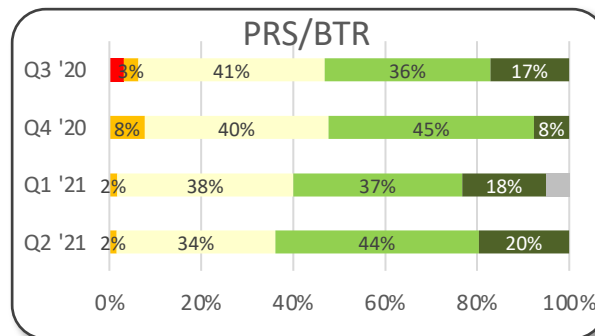
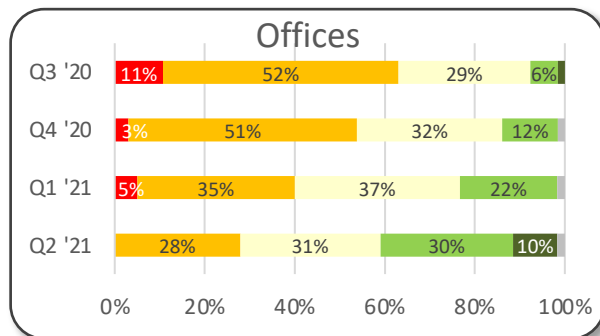
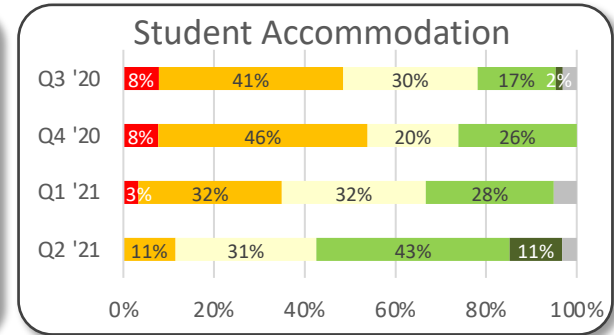
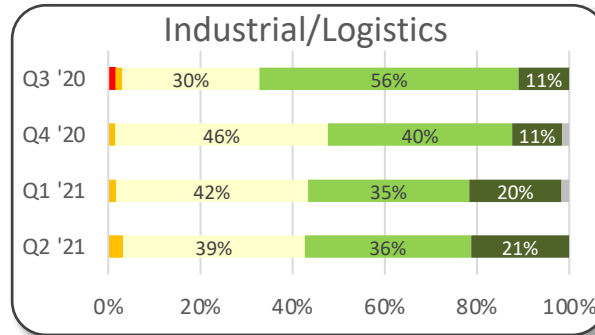
■ Significantly looser  
■ Moderately looser  
■ No change  
■ Moderately tighter  
■ Significantly tighter  
■ Don't know

\* Q4 was introduced from Q4 '20. A similar question about covenants in general was previously part of the survey.

# REAL ESTATE SECTORS

Whilst views have turned more positive across all sectors, retail remained negative. The office sector drew the most divergence in the range of views.

**Question 6**  
From the perspective of your business or the business area in which you operate, how optimistic/pessimistic are you about fundamentals in the following segments, compared with 3 months ago?

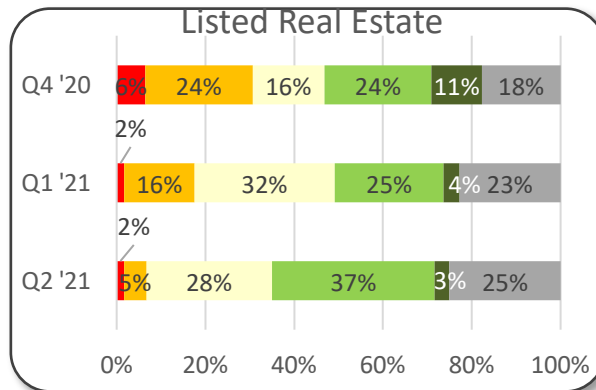
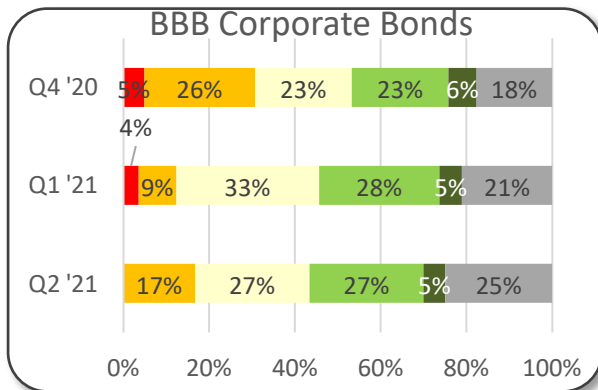
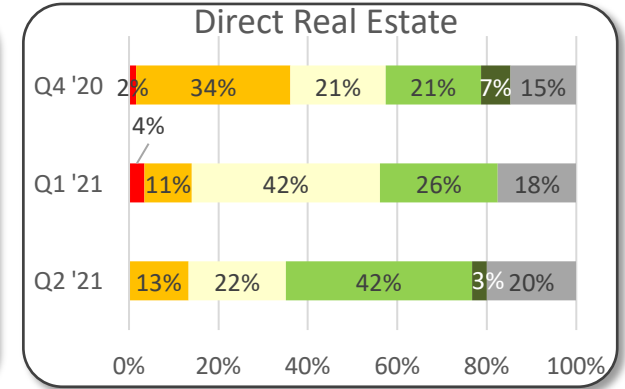
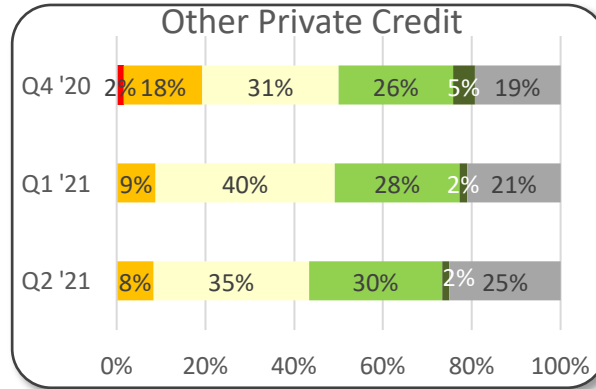
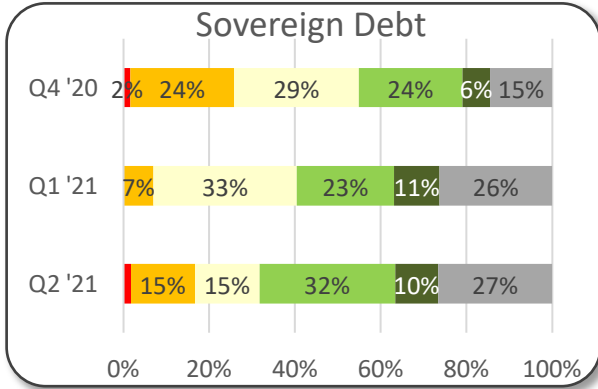


# REAL ESTATE DEBT VS. OTHER ASSET CLASSES

In the course of six months, views on returns from real estate debt relative to other asset classes have also gained positive momentum.

**Question 7\***

What are your risk-adjusted returns expectations from real estate debt over the next 12 months relative to the following asset classes?

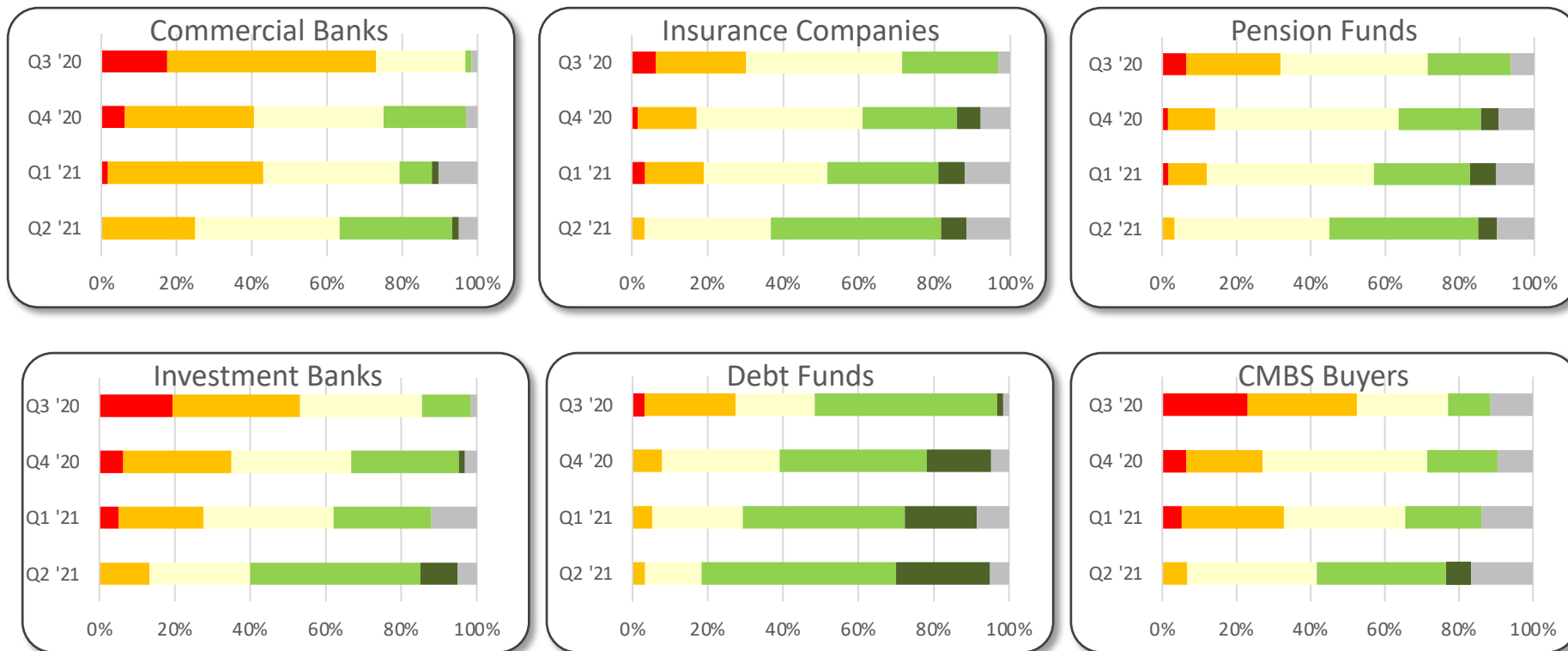


# GROWTH PROSPECTS OF MARKET PARTICIPANTS

The more positive mood also extended to views on origination potential for the broad range of market players. Debt funds continued to be seen as the most likely to benefit from market conditions.

## Question 8

Where you have a view, do you think that the origination potential of the following types of market participant is worse or better compared with 3 months ago?\*



\* Question previously worded as: do you think that the growth prospects of the following categories of market participant are worse or better compared with 3 months ago?



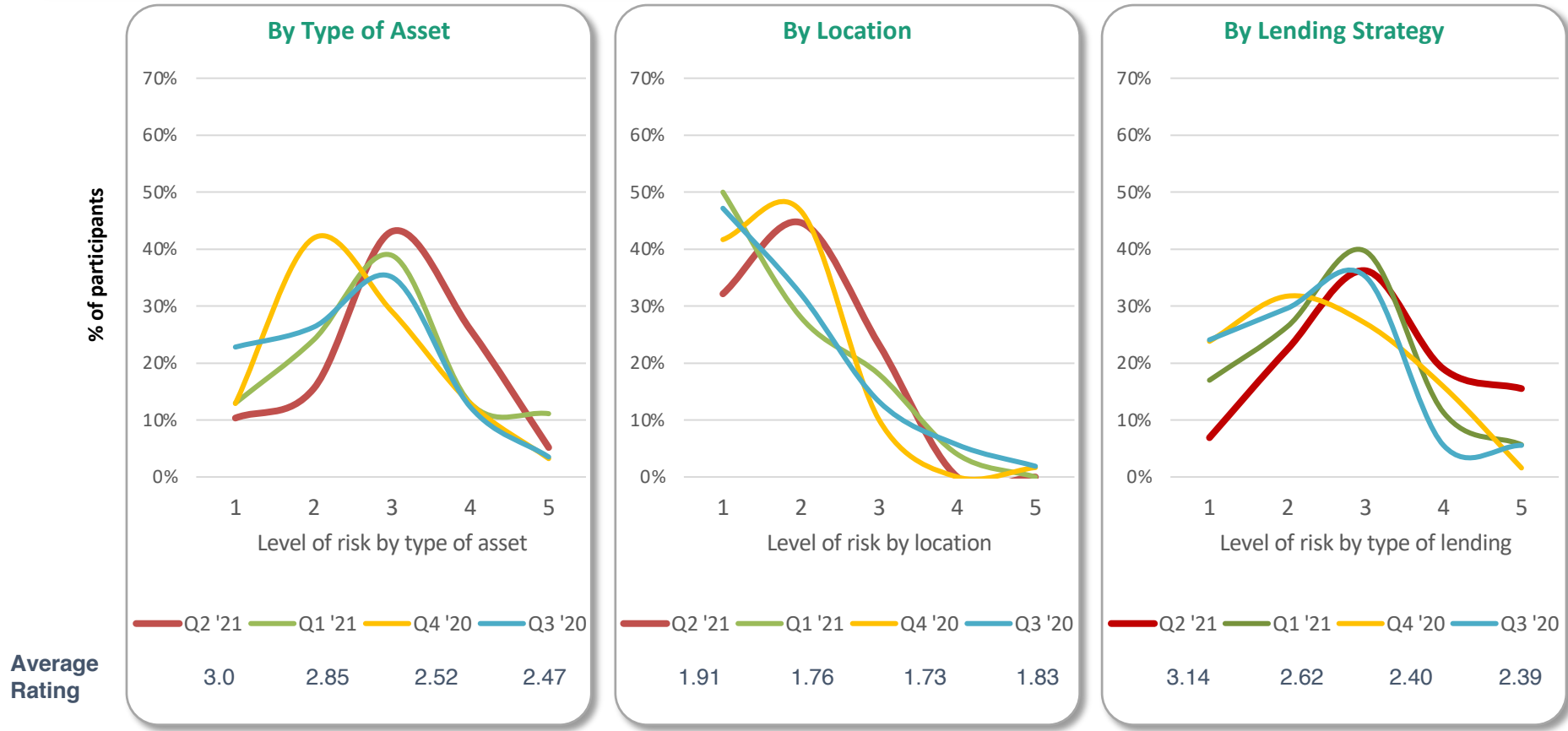


# RISK-RETURN PROFILE

With improving market conditions, there has been a subtle shift in risk-return expectations towards slightly more attractive riskier profiles.

Questions 9-11

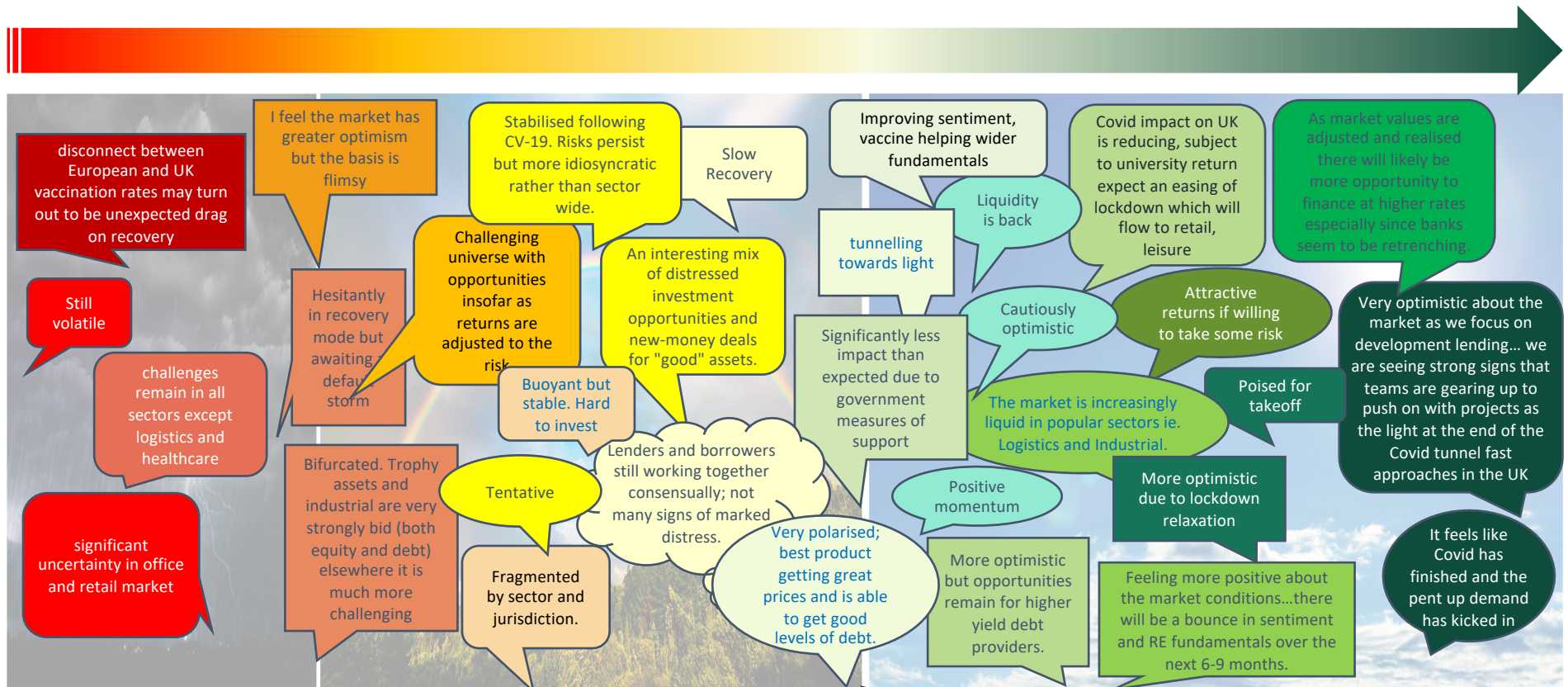
Where do you see the most attractive opportunities over the next 3 months, on a scale of 1 to 5, where 1 = low risk and 5 = high risk?\*



\* Question previously worded as: Where do you see the most **attractive risk-adjusted returns** over the next 3 months, on a scale of 1 to 5, where 1=low risk and 5= high risk?

# QUALITATIVE COMMENTS

The improving sentiment was reflected in the qualitative comments left by some participants. Only a small minority of comments expressed a sense of pessimism.



## Trend in comments



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# Appendices

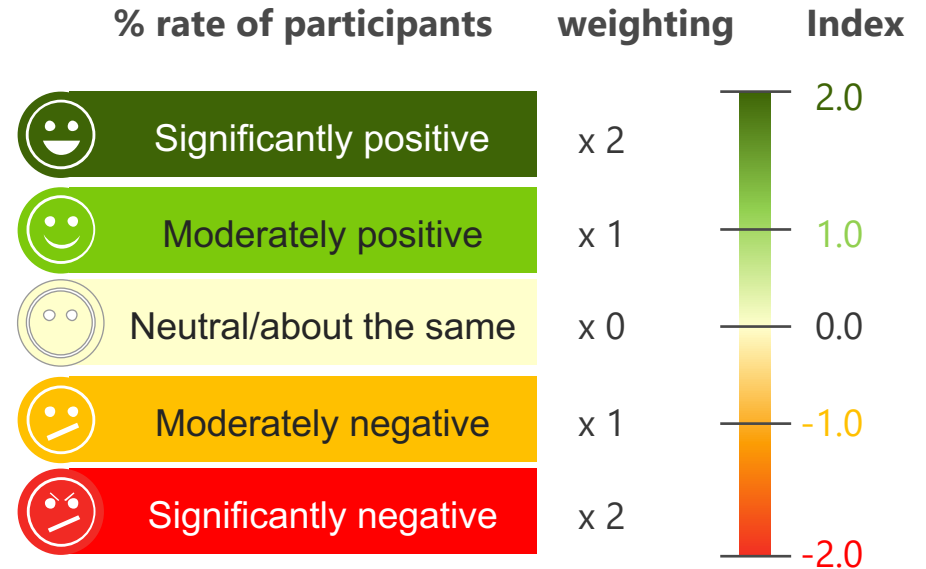
1. Methodology for Sentiment Index
2. Historic Data

# 1. METHODOLOGY FOR SENTIMENT INDEX

The methodology is based on the 'Net Promoter Score' approach

Most of the measures in the survey have a five point scale (**significantly negative**, **moderately negative**, neutral, **moderately positive**, **significantly positive**). The methodology for measuring the index is as follows:

- The percentage rates of the two 'extremes' (**significantly negative** and **significantly positive**), expressed in decimal form, are **weighted 200%**
- The percentage rates of the two 'moderates' (**moderately negative** and **moderately positive**), expressed in decimal form, are **weighted 100%**
- The percentage rate of the 'neutrals' is **weighted 0%**, so set aside
- The '**negatives**' are **subtracted** from the 'positives'



**Sentiment Index = 2a + b - y - 2z**  
where:  
a = proportion of respondents who responded **significantly positive**  
b = proportion of respondents who responded **moderately positive**  
y = proportion of respondents who responded **moderately negative**  
z = proportion of respondents who responded **significantly negative**

A score on the index therefore ranges from **-2.0** to **2.0**.

## 2. HISTORIC DATA

### 2.1. Views on market conditions in UK and Europe

From a generic lender's perspective, do you think that the situation is worse or better in each of these areas, compared with 3 months ago?

UK										
	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
<b>Overall</b>										
Significantly worse	0%	3%	5%	30%	71%	0%	16%	4%	8%	3%
Moderately worse	11%	19%	23%	22%	25%	3%	41%	45%	57%	51%
No change	5%	38%	20%	11%	3%	38%	41%	41%	30%	36%
Moderately better	69%	33%	41%	28%	0%	42%	2%	9%	3%	6%
Significantly better	13%	3%	9%	8%	0%	13%	0%	1%	2%	4%
Don't know	2%	3%	3%	2%	0%	3%	0%	0%	0%	0%
<b>Debt availability/liquidity of capital</b>										
Significantly worse	0%	2%	3%	11%	43%	0%	0%	0%	1%	0%
Moderately worse	2%	11%	21%	38%	38%	5%	22%	17%	22%	26%
No change	13%	44%	25%	28%	10%	42%	58%	69%	51%	49%
Moderately better	66%	36%	36%	20%	5%	49%	14%	13%	19%	21%
Significantly better	18%	3%	10%	2%	0%	3%	4%	0%	0%	0%
Don't know	2%	3%	4%	2%	3%	0%	2%	1%	6%	3%
<b>Volume of new business</b>										
Significantly worse	0%	3%	5%							
Moderately worse	7%	20%	18%							
No change	15%	18%	12%							
Moderately better	46%	49%	42%							
Significantly better	33%	7%	18%							
Don't know	0%	3%	5%							
<b>Pricing/margins</b>										
Significantly lower	3%	2%	0%	5%	17%	0%	0%	0%	0%	2%
Moderately lower	25%	16%	13%	27%	25%	15%	25%	11%	16%	41%
No change	45%	45%	36%	11%	19%	69%	47%	63%	45%	34%
Moderately higher	20%	31%	40%	39%	14%	14%	27%	24%	28%	16%
Significantly higher	3%	0%	7%	16%	15%	0%	0%	0%	0%	0%
Don't know	3%	6%	3%	3%	10%	2%	0%	1%	10%	7%
<b>Lending terms</b>										
Significantly worse	0%	2%	0%	6%	15%	0%	0%	0%	0%	0%
Moderately worse	20%	11%	19%	28%	0%	10%	25%	10%	13%	30%
No change	48%	61%	37%	16%	24%	75%	55%	67%	58%	49%
Moderately better	28%	20%	31%	36%	17%	12%	20%	20%	21%	18%
Significantly better	3%	0%	6%	14%	10%	0%	0%	0%	0%	0%
Don't know	2%	7%	6%	0%	8%	3%	0%	3%	7%	3%
<b>Resilience of existing loans against financial covenants</b>										
Significantly worse	0%	3%	13%							
Moderately worse	15%	37%	34%							
No change	59%	47%	34%							
Moderately better	20%	8%	15%							
Significantly better	5%	0%	0%							
Don't know	2%	5%	3%							

Europe ex UK										
	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
<b>Overall</b>										
Significantly worse	0%	3%	5%	17%	62%	0%	0%	0%	0%	3%
Moderately worse	7%	14%	21%	26%	21%	4%	18%	12%	11%	51%
No change	10%	36%	16%	14%	5%	67%	61%	59%	64%	36%
Moderately better	44%	26%	34%	29%	0%	15%	12%	18%	16%	6%
Significantly better	5%	0%	5%	9%	0%	6%	0%	1%	0%	4%
Don't know	34%	21%	19%	5%	12%	9%	10%	10%	9%	0%
<b>Debt availability/liquidity of capital</b>										
Significantly worse	0%	2%	2%	11%	43%	0%	0%	0%	1%	0%
Moderately worse	2%	19%	18%	38%	38%	5%	22%	17%	22%	26%
No change	8%	25%	23%	28%	10%	42%	58%	69%	51%	49%
Moderately better	37%	33%	34%	20%	5%	49%	14%	13%	19%	21%
Significantly better	17%	0%	3%	2%	0%	3%	4%	0%	0%	0%
Don't know	36%	21%	21%	2%	3%	0%	2%	1%	6%	3%
<b>Volume of new business</b>										
Significantly worse	0%	2%	3%							
Moderately worse	8%	21%	11%							
No change	10%	19%	23%							
Moderately better	37%	30%	32%							
Significantly better	10%	4%	10%							
Don't know	34%	25%	21%							
<b>Pricing/margins</b>										
Significantly lower	2%	2%	3%	5%	17%	0%	0%	0%	0%	2%
Moderately lower	17%	12%	13%	27%	25%	15%	25%	11%	16%	41%
No change	24%	35%	28%	11%	19%	69%	47%	63%	45%	34%
Moderately higher	17%	18%	33%	39%	14%	14%	27%	24%	28%	16%
Significantly higher	2%	4%	2%	16%	15%	0%	0%	0%	0%	0%
Don't know	39%	30%	21%	3%	10%	2%	0%	1%	10%	7%
<b>Lending terms</b>										
Significantly worse	0%	2%	0%	6%	15%	0%	0%	0%	0%	0%
Moderately worse	12%	13%	19%	28%	0%	10%	25%	10%	13%	30%
No change	29%	38%	34%	16%	24%	75%	55%	67%	58%	49%
Moderately better	22%	16%	21%	36%	17%	12%	20%	20%	21%	18%
Significantly better	0%	2%	2%	14%	10%	0%	0%	0%	0%	0%
Don't know	37%	30%	24%	0%	8%	3%	0%	3%	7%	3%
<b>Resilience of existing loans against financial covenants</b>										
Significantly worse	0%	2%	6%							
Moderately worse	7%	26%	29%							
No change	32%	40%	31%							
Moderately better	20%	5%	13%							
Significantly better	2%	0%	0%							
Don't know	39%	26%	21%							

## 2. HISTORIC DATA

### 2.2. Views on financial covenants in UK and Europe

For New loans, compared with 3 months ago, do you think LTVs are:

UK	Q2 '21	Q1 '21	Q4 '20
Increasing	33%	8%	5%
About the same	55%	58%	57%
Decreasing	10%	25%	37%
Unclear/don't know	2%	8%	2%

For New loans, compared with 3 months ago, do you think ICR covenants are:

UK	Q2 '21	Q1 '21	Q4 '20
Less demanding	8%	3%	5%
About the same	75%	65%	64%
More demanding	10%	18%	25%
Unclear/don't know	7%	13%	6%

Europe ex UK	Q2 '21	Q1 '21	Q4 '20
Increasing	14%	9%	5%
About the same	54%	52%	49%
Decreasing	2%	18%	27%
Unclear/don't know	30%	21%	19%

Europe ex UK	Q2 '21	Q1 '21	Q4 '20
Less demanding	7%	2%	5%
About the same	58%	62%	52%
More demanding	5%	9%	19%
Unclear/don't know	30%	27%	24%

From the perspective of your business or the business area in which you operate, how would you assess financial covenants (LTVs and ICRs) today compared with those of 3 months ago?

UK	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly looser		3%	0%	0%	0%	0%	2%	6%
Moderately looser		3%	7%	15%	8%	8%	7%	24%
About the same		20%	26%	76%	62%	72%	33%	44%
Moderately tighter		48%	30%	7%	23%	14%	42%	23%
Significantly tighter		23%	16%	0%	6%	0%	2%	0%
Unclear/don't know/Not applicable		3%	21%	2%	2%	6%	14%	3%

Europe ex UK	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly looser		0%	0%	0%	0%	0%	3%	6%
Moderately looser		7%	6%	17%	18%	16%	10%	24%
About the same		21%	24%	71%	65%	61%	68%	44%
Moderately tighter		41%	22%	0%	8%	6%	3%	23%
Significantly tighter		19%	17%	0%	0%	0%	0%	0%
Unclear/don't know/Not applicable		12%	31%	12%	10%	17%	18%	3%

## 2. HISTORIC DATA

### 2.3. Views on market factors

From a generic lender's perspective, do you think that the situation is worse or better in each of these areas, compared with 3 months ago?

Political environment	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly worse	0%	5%	14%	19%	15%	2%	29%	20%	23%	33%
Moderately worse	10%	15%	65%	36%	27%	12%	53%	51%	62%	62%
No change	31%	20%	18%	36%	32%	7%	14%	24%	11%	3%
Moderately better	51%	53%	3%	9%	15%	47%	4%	1%	2%	0%
Significantly better	8%	5%	0%	0%	10%	31%	0%	0%	0%	0%
Don't know	0%	2%	0%	0%	2%	2%	0%	3%	3%	2%

Economic environment	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly worse	2%	7%	18%	53%	87%	0%	4%	1%	4%	2%
Moderately worse	10%	63%	49%	31%	12%	17%	71%	51%	58%	77%
No change	13%	15%	17%	2%	2%	36%	25%	40%	30%	20%
Moderately better	69%	12%	15%	14%	0%	41%	0%	6%	4%	0%
Significantly better	7%	2%	0%	0%	0%	5%	0%	0%	0%	0%
Don't know	0%	2%	0%	0%	0%	2%	0%	1%	3%	2%

Regulatory environment	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly worse	0%	3%	2%	8%	3%	0%	2%	1%	1%	2%
Moderately worse	5%	17%	12%	14%	12%	12%	14%	14%	18%	25%
No change	72%	70%	83%	66%	75%	79%	82%	81%	72%	67%
Moderately better	20%	5%	2%	13%	8%	5%	0%	1%	3%	3%
Significantly better	0%	2%	0%	0%	2%	0%	0%	0%	0%	0%
Don't know	3%	3%	2%	0%	0%	3%	2%	1%	6%	3%

Real estate fundamentals	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly worse	0%	3%	3%	14%	35%	0%	2%	1%	0%	0%
Moderately worse	8%	37%	52%	52%	48%	10%	33%	34%	33%	43%
No change	30%	40%	37%	20%	17%	68%	57%	61%	60%	48%
Moderately better	57%	15%	6%	14%	0%	22%	6%	1%	1%	8%
Significantly better	5%	3%	2%	0%	0%	0%	0%	0%	0%	0%
Don't know	0%	2%	0%	0%	0%	0%	2%	1%	6%	2%

## 2. HISTORIC DATA

### 2.4. Views on real estate sectors

From the perspective of your business or the business area in which you operate, how optimistic/pessimistic are you about fundamentals in the following segments, compared with 3 months ago?

	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
<b>Offices</b>										
Significantly pessimistic	0%	5%	3%	11%	7%	0%	0%	1%	0%	0%
Moderately pessimistic	28%	35%	51%	52%	55%	3%	31%	10%	20%	24%
No Change	31%	37%	32%	29%	27%	39%	50%	68%	56%	60%
Moderately optimistic	30%	22%	12%	6%	8%	46%	17%	20%	24%	15%
Significantly Optimistic	10%	0%	0%	2%	2%	10%	2%	0%	0%	2%
Don't know	2%	2%	2%	0%	2%	2%	1%	1%	0%	0%
<b>Retail</b>										
Significantly pessimistic	20%	37%	34%	65%	82%	22%	35%	31%	30%	32%
Moderately pessimistic	26%	38%	38%	15%	18%	41%	40%	52%	51%	63%
No Change	36%	17%	23%	18%	0%	24%	19%	17%	19%	5%
Moderately optimistic	13%	7%	3%	2%	0%	12%	6%	0%	0%	0%
Significantly Optimistic	3%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Don't know	2%	2%	2%	0%	0%	2%	0%	0%	0%	0%
<b>Industrial/logistics</b>										
Significantly pessimistic	0%	0%	0%	2%	3%	0%	0%	0%	2%	0%
Moderately pessimistic	3%	2%	2%	2%	17%	8%	12%	17%	12%	11%
No Change	39%	42%	46%	30%	35%	47%	55%	49%	45%	47%
Moderately optimistic	36%	35%	40%	56%	27%	27%	25%	25%	32%	34%
Significantly Optimistic	21%	20%	11%	11%	18%	14%	8%	6%	9%	8%
Don't know	0%	2%	2%	0%	0%	3%	0%	3%	0%	0%
<b>Hospitality</b>										
Significantly pessimistic	2%	20%	26%	42%	73%	0%	0%	1%	2%	3%
Moderately pessimistic	18%	43%	49%	39%	22%	10%	15%	13%	18%	13%
No Change	18%	18%	22%	9%	3%	49%	60%	50%	55%	61%
Moderately optimistic	56%	15%	2%	8%	2%	27%	23%	29%	20%	18%
Significantly Optimistic	5%	0%	0%	0%	0%	5%	0%	3%	3%	2%
Don't know	2%	3%	2%	2%	0%	8%	2%	4%	3%	3%

	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
<b>PRS/BTR/Multi-Family</b>										
Significantly pessimistic	0%	0%	0%	3%	8%	0%	0%	0%	0%	2%
Moderately pessimistic	2%	2%	8%	3%	20%	7%	6%	7%	6%	5%
No Change	34%	38%	40%	41%	55%	35%	46%	43%	43%	31%
Moderately optimistic	44%	37%	45%	36%	15%	47%	44%	33%	37%	46%
Significantly Optimistic	20%	18%	8%	17%	2%	7%	4%	16%	10%	15%
Don't know	0%	5%	0%	0%	0%	5%	0%	1%	3%	2%
<b>Student Accommodation</b>										
Significantly pessimistic	0%	3%	8%	8%	25%	0%	0%	0%	0%	2%
Moderately pessimistic	11%	32%	46%	41%	52%	10%	21%	13%	18%	18%
No Change	31%	32%	20%	30%	13%	53%	52%	51%	40%	50%
Moderately optimistic	43%	28%	26%	17%	8%	24%	27%	25%	31%	23%
Significantly Optimistic	11%	0%	0%	2%	2%	7%	0%	9%	6%	6%
Don't know	3%	5%	0%	3%	0%	7%	0%	3%	4%	2%
<b>Alternatives (e.g. healthcare, senior)</b>										
Significantly pessimistic	0%	0%	0%	5%	7%	2%	0%	0%	0%	2%
Moderately pessimistic	0%	2%	6%	11%	0%	7%	18%	9%	7%	11%
No Change	31%	33%	42%	40%	42%	32%	37%	45%	45%	36%
Moderately optimistic	44%	43%	37%	29%	20%	32%	33%	31%	36%	30%
Significantly Optimistic	18%	12%	8%	10%	3%	12%	6%	7%	4%	15%
Don't know	7%	10%	8%	6%	3%	15%	6%	7%	7%	7%



## 2. HISTORIC DATA

### 2.5. Views on growth prospects

Where you have a view, do you think that the growth prospects of the following categories of market participant are worse or better compared with 3 months ago?

	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
<b>Commercial banks</b>										
Significantly worse	0%	2%	6%	17%	35%	0%	0%	3%	3%	2%
Moderately Worse	25%	41%	34%	56%	44%	22%	31%	42%	39%	43%
No change	38%	36%	34%	24%	16%	56%	59%	44%	48%	43%
Moderately Better	30%	9%	22%	2%	2%	17%	8%	5%	3%	7%
Significantly better	2%	2%	0%	0%	0%	2%	0%	0%	0%	0%
Don't know	5%	10%	3%	2%	4%	3%	2%	6%	6%	5%
<b>Investment banks</b>										
Significantly worse	0%	5%	6%	19%	40%	0%	2%	2%	0%	2%
Moderately Worse	13%	22%	29%	34%	37%	14%	20%	29%	31%	24%
No change	27%	34%	32%	32%	14%	53%	49%	50%	48%	41%
Moderately Better	45%	26%	29%	13%	5%	25%	25%	11%	14%	25%
Significantly better	10%	0%	2%	0%	0%	5%	0%	3%	0%	2%
Don't know	5%	12%	3%	2%	4%	3%	4%	6%	8%	7%
<b>Insurance companies</b>										
Significantly worse	0%	3%	2%	6%	26%	0%	0%	0%	3%	0%
Moderately Worse	3%	16%	16%	24%	37%	2%	16%	9%	8%	12%
No change	33%	33%	44%	41%	26%	48%	51%	44%	42%	39%
Moderately Better	45%	29%	25%	25%	4%	45%	29%	38%	38%	42%
Significantly better	7%	7%	6%	0%	2%	2%	0%	2%	2%	0%
Don't know	12%	12%	8%	3%	5%	3%	4%	8%	8%	7%
<b>Debt funds</b>										
Significantly worse	0%	0%	0%	3%	23%	0%	0%	0%	0%	0%
Moderately Worse	3%	5%	8%	24%	37%	5%	12%	14%	11%	14%
No change	15%	24%	31%	21%	18%	34%	35%	34%	29%	24%
Moderately Better	52%	43%	39%	48%	11%	47%	43%	43%	46%	59%
Significantly better	25%	19%	17%	2%	9%	12%	6%	6%	8%	2%
Don't know	5%	9%	5%	2%	4%	2%	4%	3%	6%	2%
<b>Pension funds</b>										
Significantly worse	0%	2%	2%	6%	21%	0%	0%	0%	0%	0%
Moderately Worse	3%	10%	13%	25%	39%	3%	14%	12%	11%	12%
No change	42%	45%	49%	40%	23%	53%	57%	46%	46%	42%
Moderately Better	40%	26%	22%	22%	7%	37%	25%	34%	32%	35%
Significantly better	5%	7%	5%	0%	2%	2%	0%	2%	2%	5%
Don't know	10%	10%	10%	6%	7%	5%	4%	6%	9%	7%
<b>CMBS buyers</b>										
Significantly worse	0%	5%	6%	23%	41%	0%	0%	0%	5%	0%
Moderately Worse	7%	28%	21%	30%	33%	2%	12%	12%	8%	25%
No change	35%	33%	44%	25%	10%	40%	37%	40%	35%	37%
Moderately Better	35%	21%	19%	11%	5%	52%	37%	28%	29%	28%
Significantly better	7%	0%	0%	0%	2%	3%	2%	3%	6%	2%
Don't know	17%	14%	10%	11%	9%	3%	12%	15%	17%	8%

## 2. HISTORIC DATA

### 2.6. Views on attractive opportunities by level of risk

Where do you see the most attractive risk-adjusted returns over the next 3 months, on a scale of 1 to 5, where 1 = low risk and 5 = high risk?

#### By type of asset

UK		Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
	1	10%	13%	13%	23%	46%	5%	8%	5%	11%	2%
	2	16%	24%	42%	26%	20%	7%	26%	20%	13%	14%
	3	43%	39%	29%	35%	20%	45%	40%	48%	56%	46%
	4	26%	13%	13%	12%	6%	25%	16%	16%	14%	25%
	5	5%	11%	3%	4%	8%	16%	10%	11%	6%	13%

UK		Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
	1	32%	50%	42%	47%	61%	18%	30%	10%	19%	9%
	2	45%	28%	47%	32%	22%	37%	33%	42%	37%	39%
	3	23%	18%	10%	13%	11%	39%	33%	37%	32%	35%
	4	0%	4%	0%	6%	4%	6%	4%	10%	10%	11%
	5	0%	0%	2%	2%	2%	0%	0%	2%	2%	6%

UK		Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
	1	7%	17%	24%	24%	59%	9%	11%	13%	16%	13%
	2	22%	26%	32%	30%	11%	25%	30%	23%	30%	17%
	3	36%	40%	27%	35%	22%	38%	36%	43%	33%	45%
	4	19%	11%	16%	6%	4%	21%	17%	16%	16%	17%
	5	16%	6%	2%	6%	4%	7%	6%	5%	5%	8%



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