



SENTIMENT SURVEY

Q3 2021 Results

Detailed Analysis
Exclusively for Known Participants

PRIVATE & CONFIDENTIAL
NOT TO BE DISTRIBUTED

August 2021

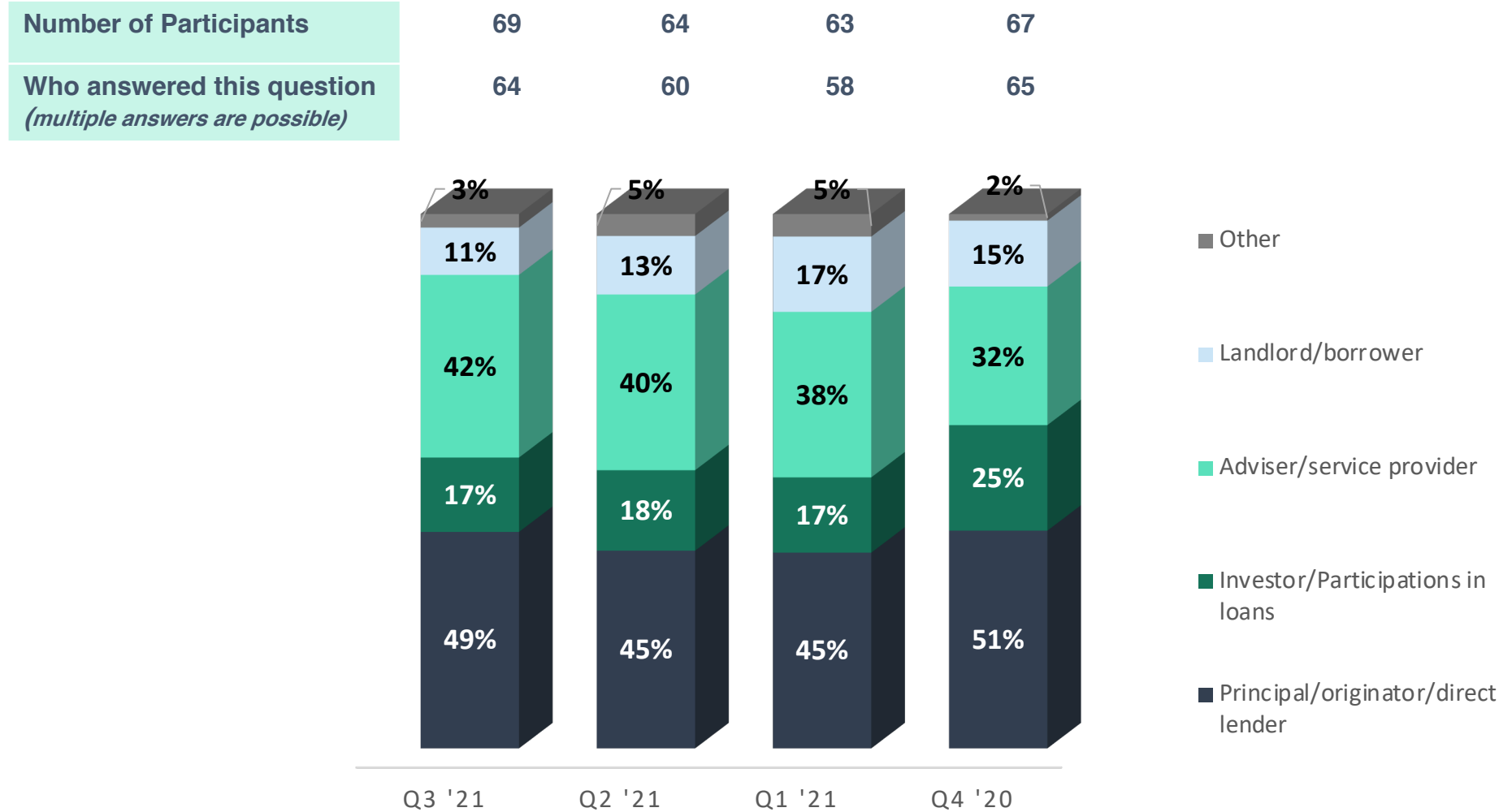
EXECUTIVE SUMMARY

Positive momentum in sentiment has largely held up in Q3 with continued belief in positive economic and real estate fundamentals. Qualitatively, a few participants expressed caution and concern over residual risks.

- ❑ The Q3 2021 survey ran between 25 June and 20 July, against a backdrop of continued progress in vaccination rates across the UK and Europe, offset by growing concerns over the spread of the Delta variant.
- ❑ Views on overall market conditions both in the UK and in Europe continued to trend positively, keeping the momentum seen in Q2. The **sentiment index on both UK and Europe conditions stayed close to their Q2 level** (from 0.84 to 0.78 for the UK and from 0.47 to 0.53 for Europe).
- ❑ A few factors both in the UK and Europe seemed to be supporting the positive sentiment on overall market conditions:
 - ❑ There was continued **positive views on liquidity and volume of new business**
 - ❑ Opinion on the **resilience of existing loans was improving**
 - ❑ **Financial covenants** on new loans (LTV and ICR) seemed to be **holding up**.
- ❑ Sentiment about the economic environment and real estate fundamentals pointed to **continued belief in a healthy post-pandemic recovery**.
- ❑ On a sector by sector basis, opinion was largely positive.
 - ❑ Whilst **uncertainty about the office sector** seemed to prevail, **overall sentiment has improved**.
 - ❑ There may have been signs that **opinion on retail was starting to turn the corner**. Negative sentiment towards retail was at its lowest level ever and offset by the most positive views ever as well.
- ❑ **'Beds and sheds'** continued to show **strong positive sentiment** – with hospitality continuing to show signs of recovery in optimism.
- ❑ Expectations of growth prospects of key groups remained strongest for debt funds. the same time, there were signs that the **CMBS market might be well placed to recover**.
- ❑ As a continuation of the trend seen in Q2, an increasing proportion of participants saw **most attractive opportunities emerging from higher up the risk curve**.
- ❑ Qualitative comments pointed to a fairly balanced range of opinions, with perhaps a **slight dampening of optimism** seen in Q2 and a **few more warnings of risks** in the current trading environment.

PARTICIPANTS

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

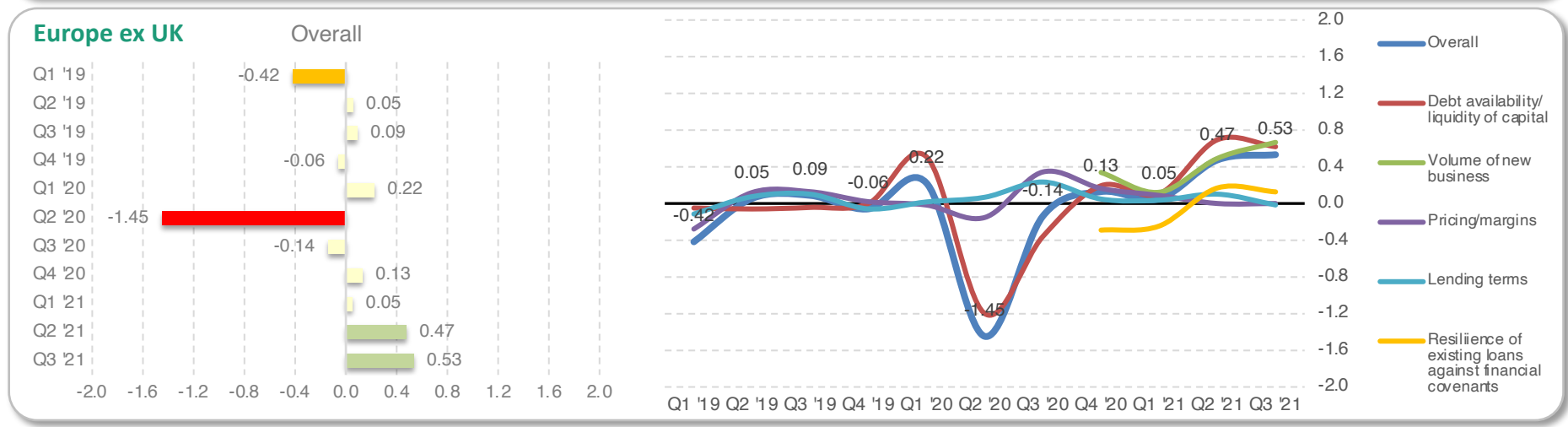
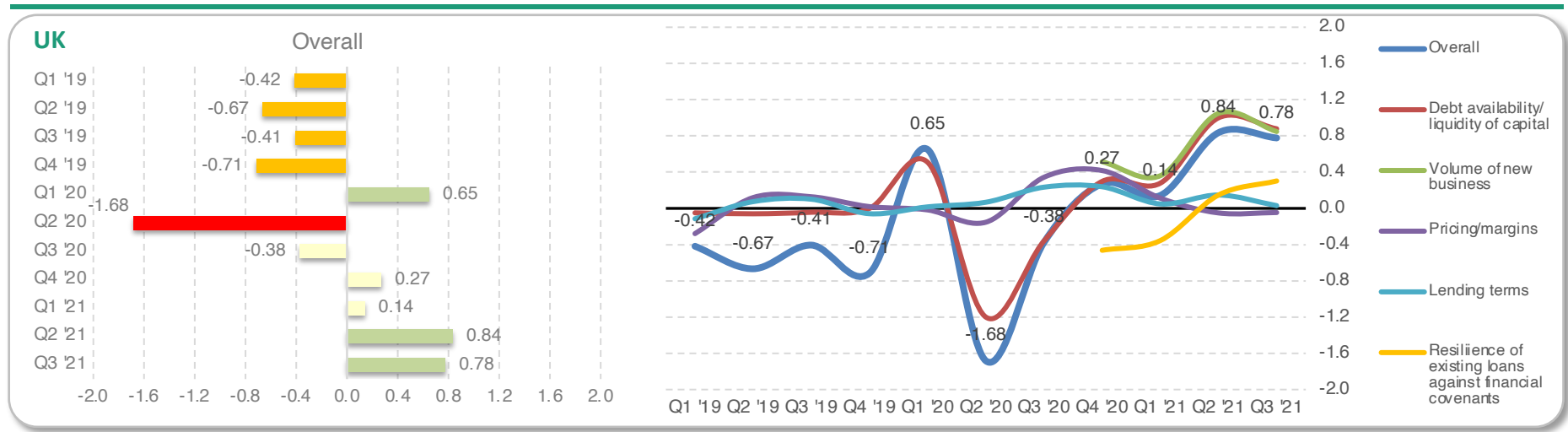


Sentiment Indices

See appendix for Sentiment Index methodology

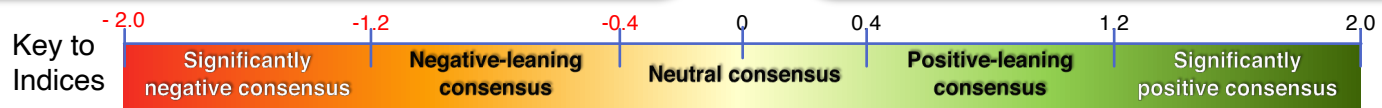
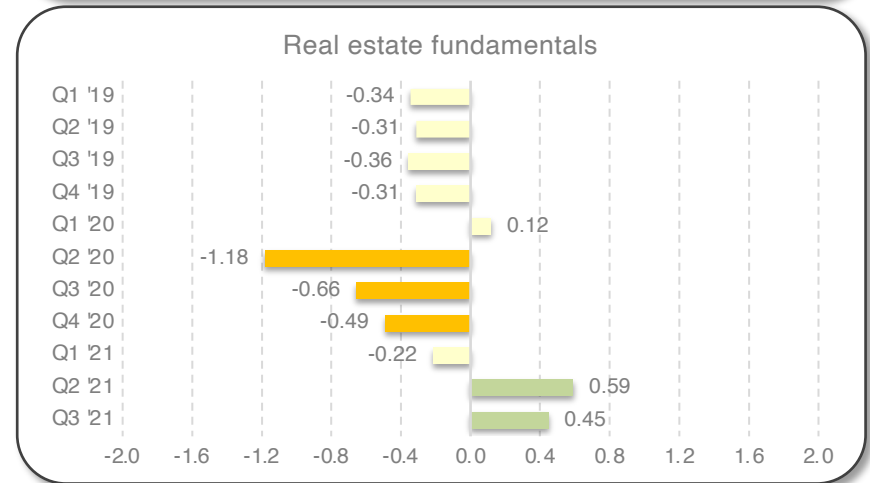
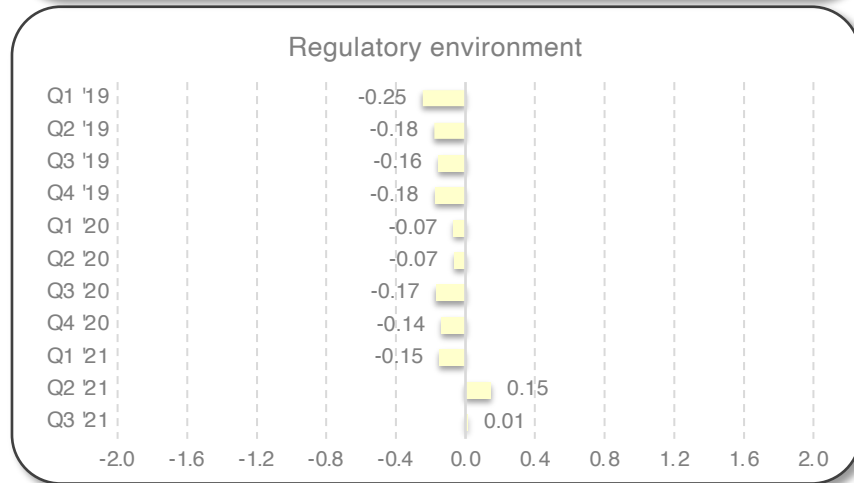
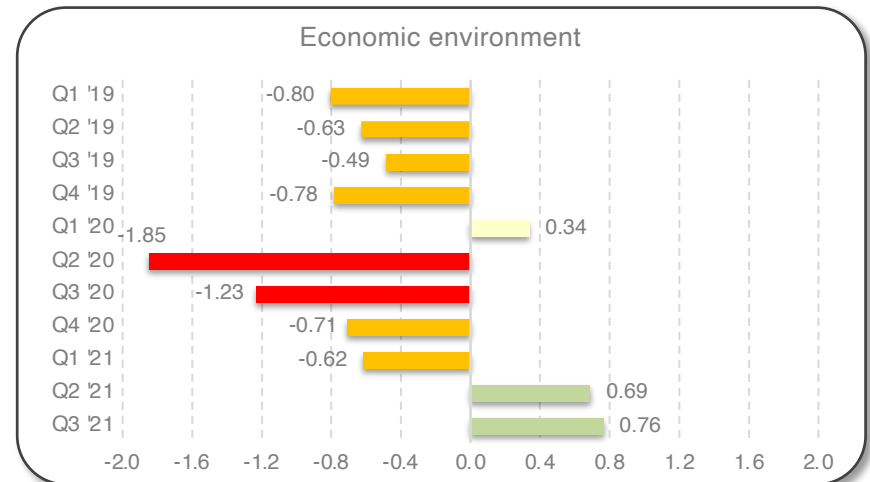
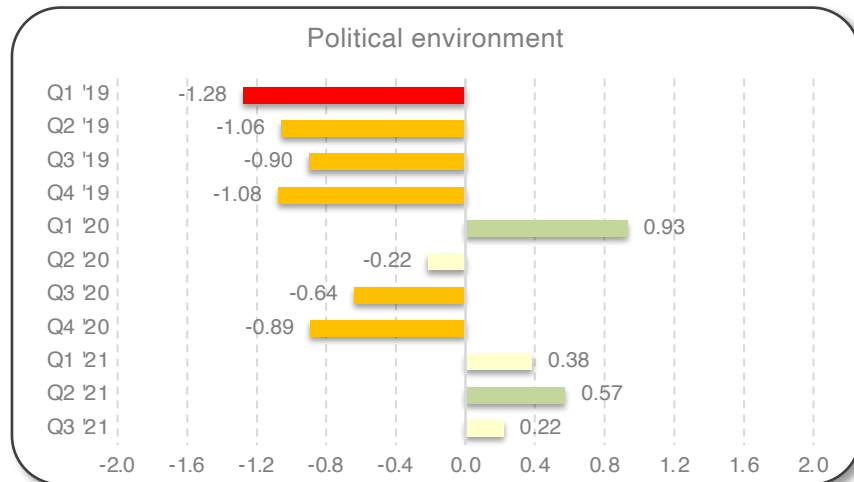
SENTIMENT INDEX – MARKET CONDITIONS

Momentum in positive sentiment about market conditions has continued in Q3 (bearing in mind that opinion is based on current relative to past 3 months) both across UK and Europe.



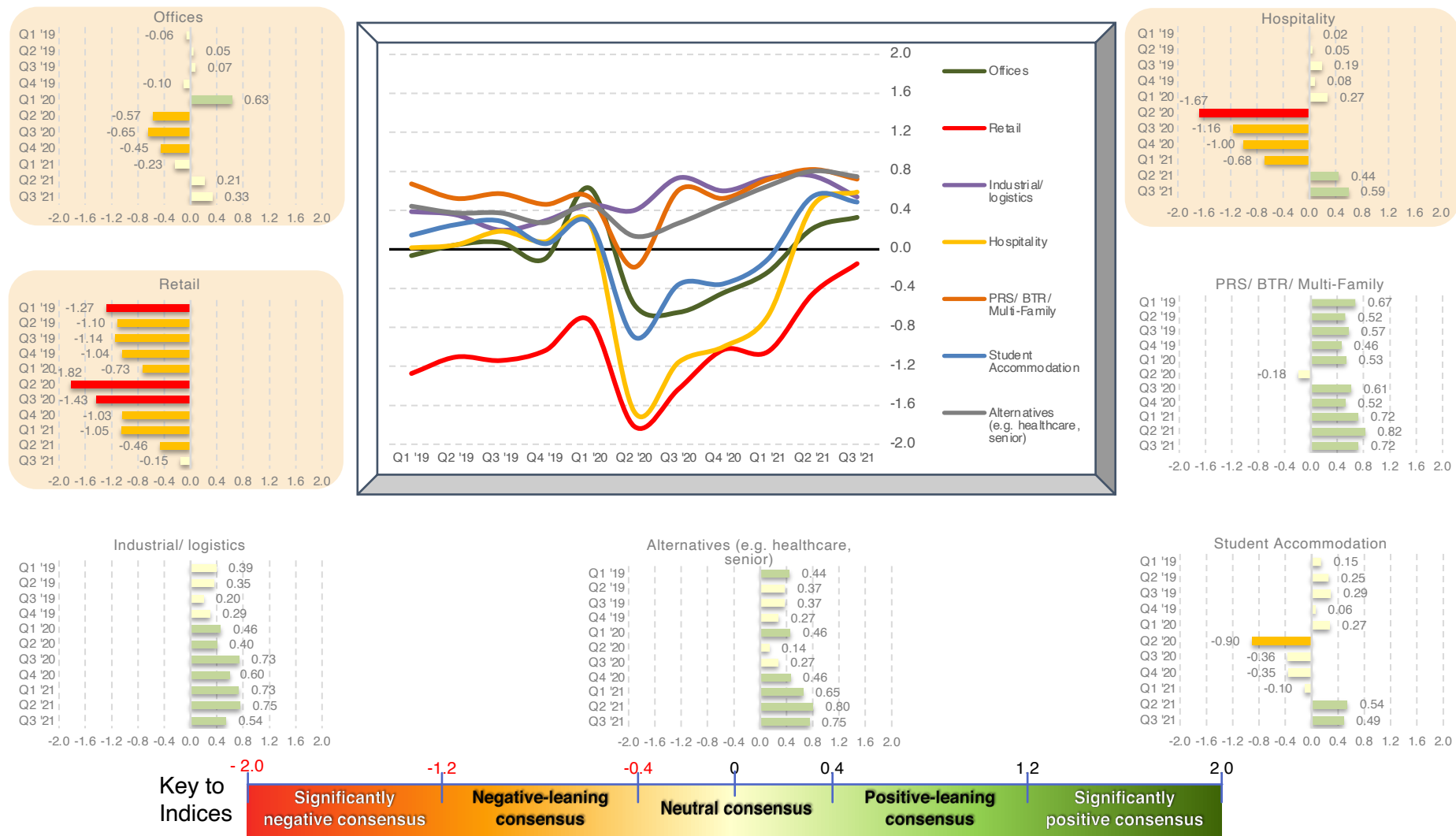
SENTIMENT INDEX – MACRO-ENVIRONMENT

Sentiment about the economic environment and real estate fundamentals pointed to continued belief in a healthy post-pandemic recovery.



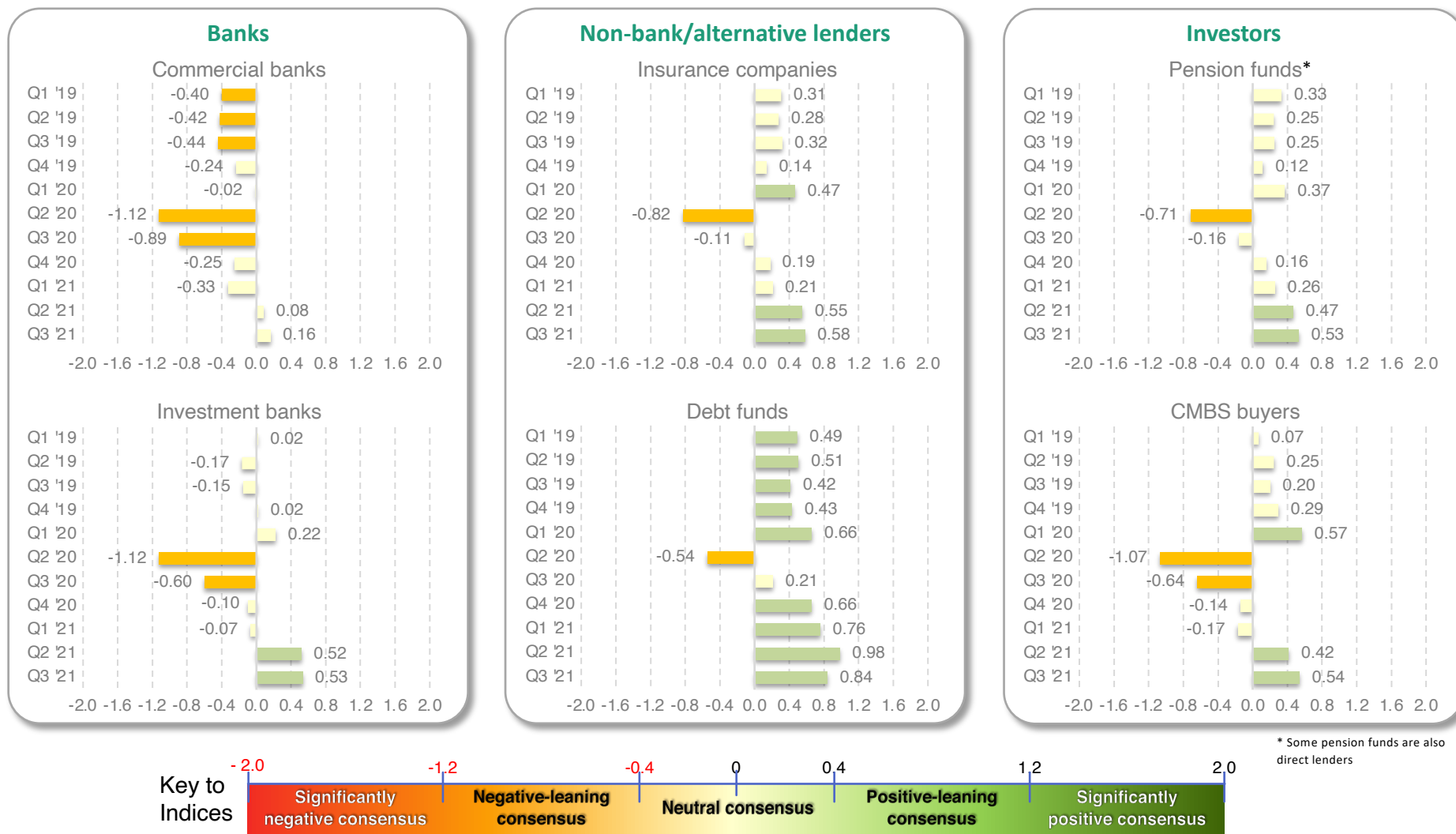
SENTIMENT INDEX – REAL ESTATE SECTORS

Whilst uncertainty about the office sector seemed to prevail, overall sentiment has improved. There may have been signs that opinion on retail was starting to turn the corner. Sentiment about the hospitality sector continued to recover.



SENTIMENT INDEX – GROWTH PROSPECTS FOR KEY MARKET PARTICIPANTS

Expectations of growth prospects of key groups remained strongest for debt funds.



Rolling 1-year Results

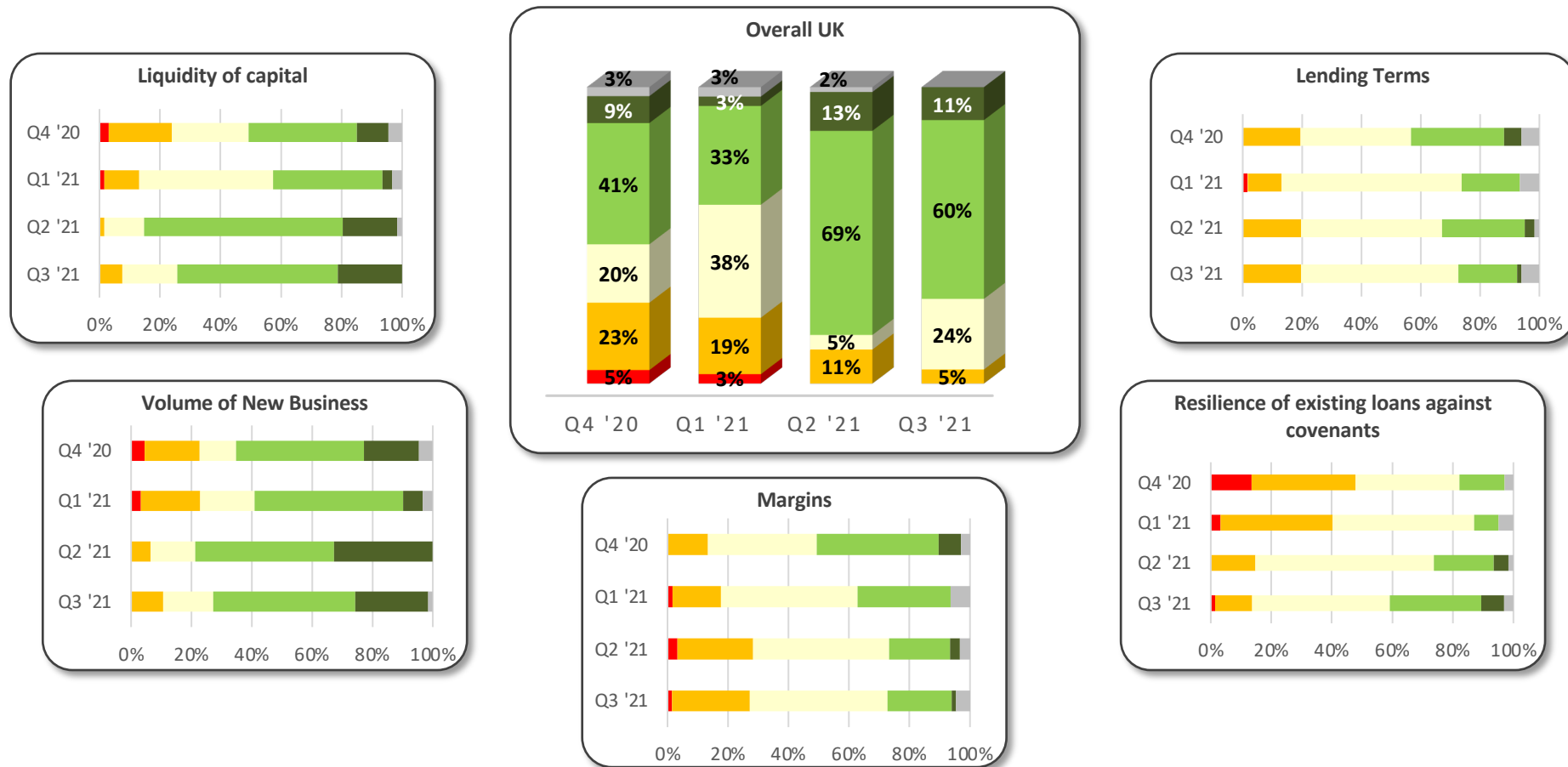
UK MARKET CONDITIONS

Opinion on UK market conditions remained overwhelmingly positive in Q3, buoyed by continued positive views on liquidity, volume of new business and improving opinion on the resilience of existing loans...

Question 1

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

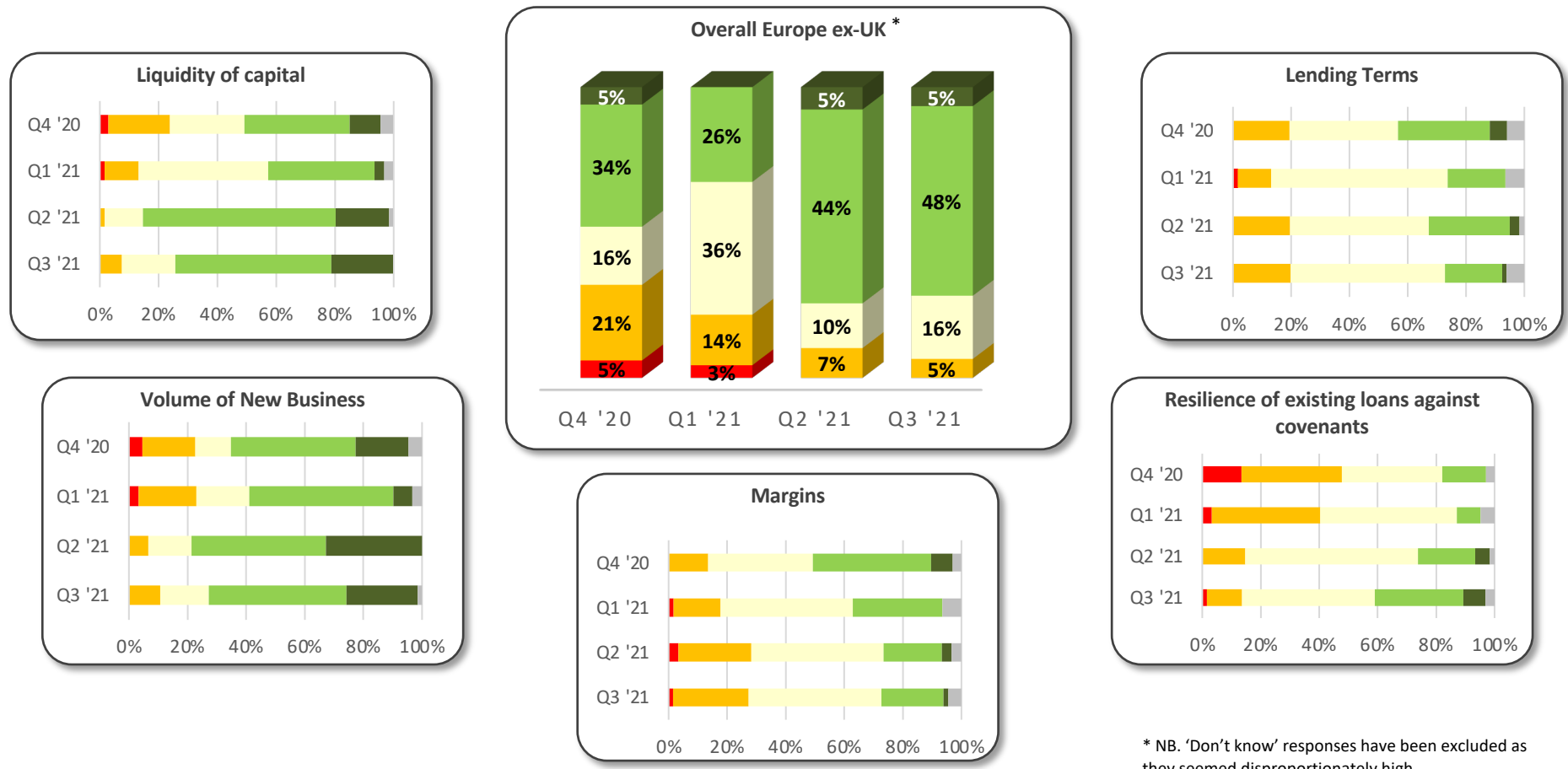
- Significantly worse
- Moderately worse
- No change
- Moderately better
- Significantly better
- Don't know



...with a similar pattern emerging for Europe.

Question 2

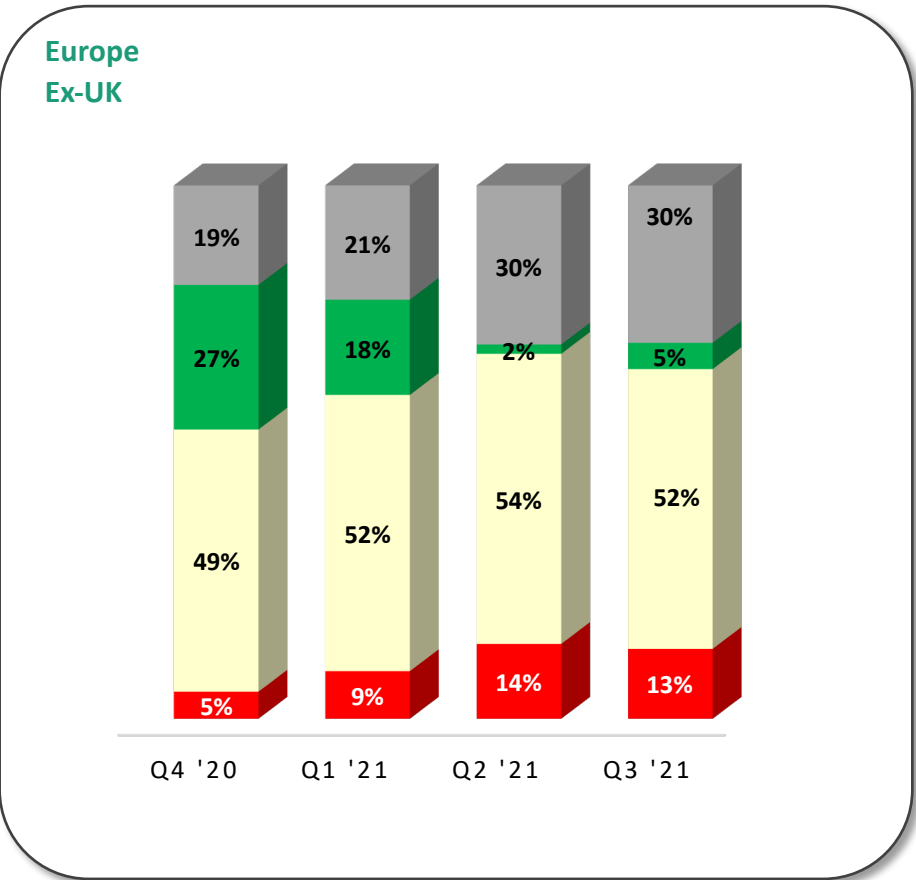
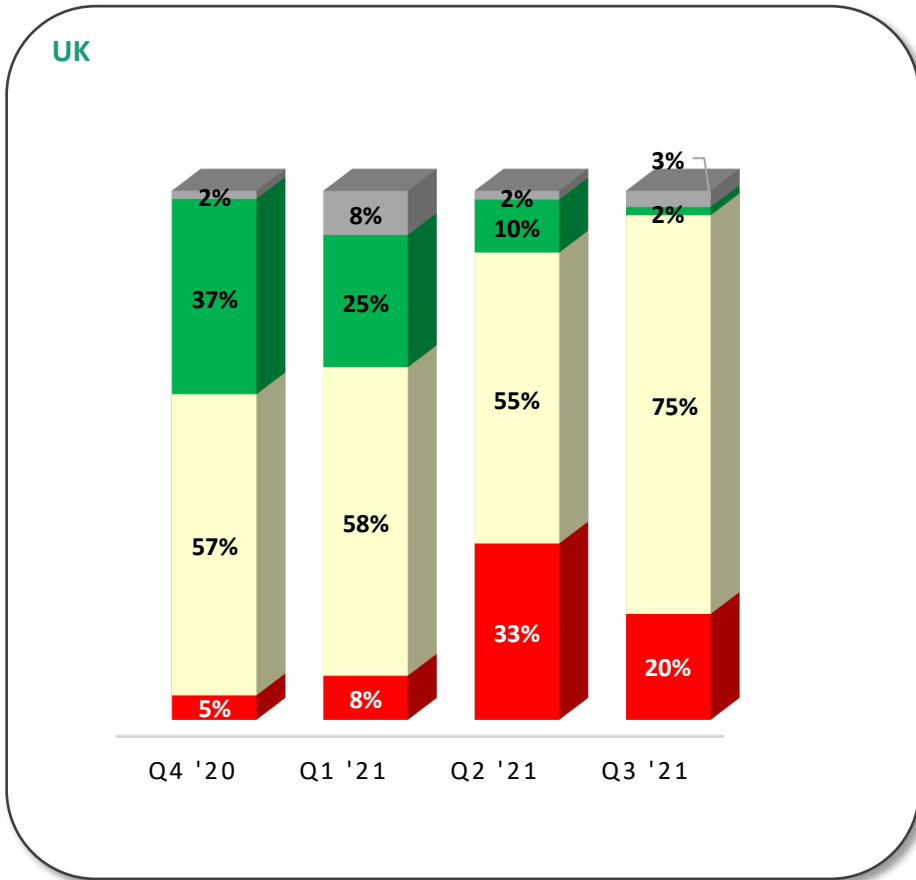
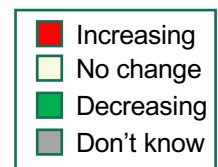
From a lending perspective, how would you assess debt market conditions in Europe ex UK today compared with those of 3 months ago?



* NB. 'Don't know' responses have been excluded as they seemed disproportionately high

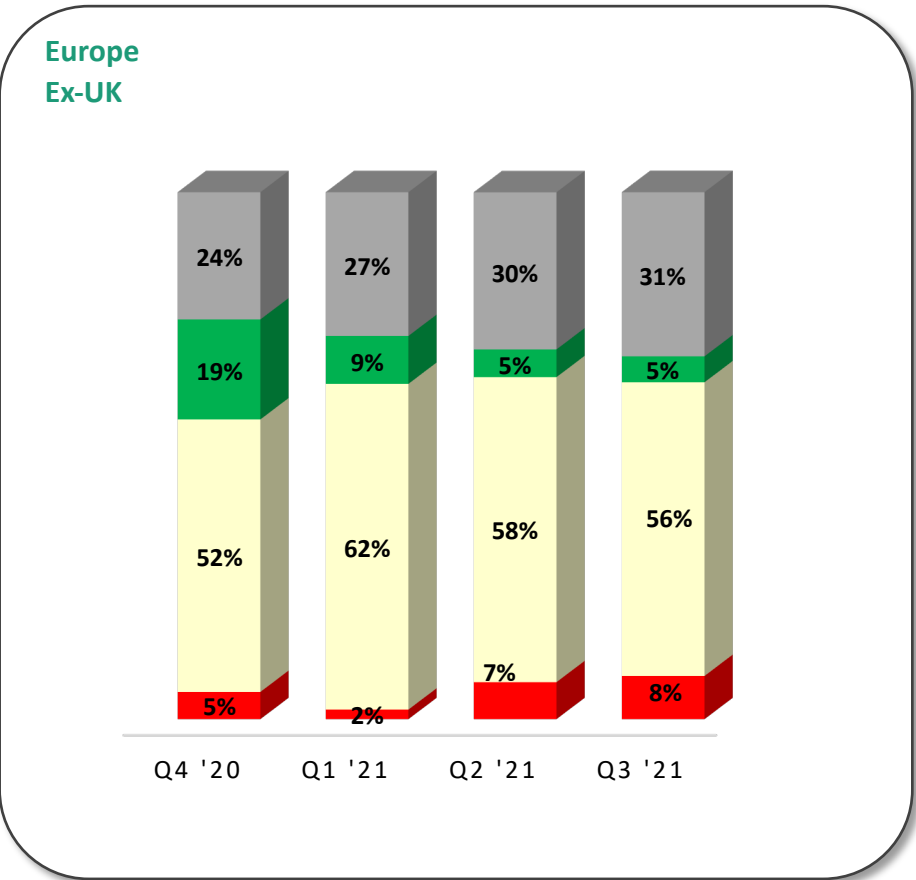
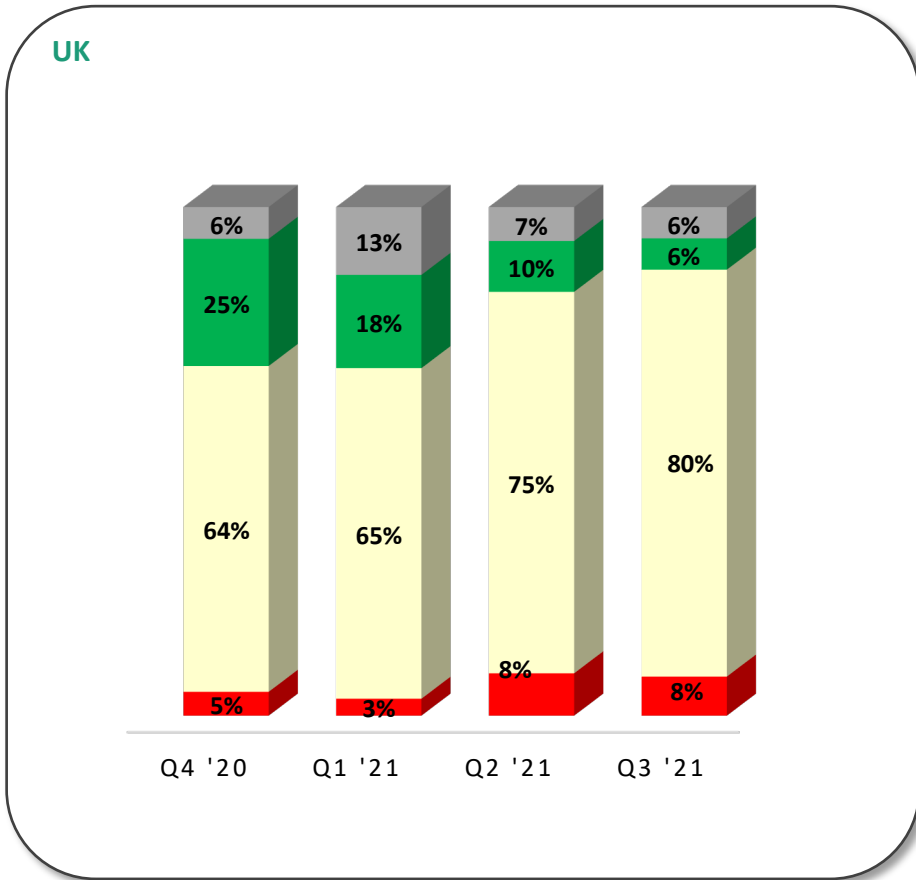
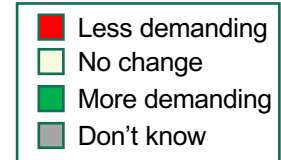
LTV covenants on new loans seemed to be holding...

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



...as did ICR covenants.

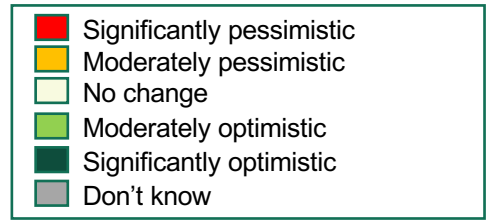
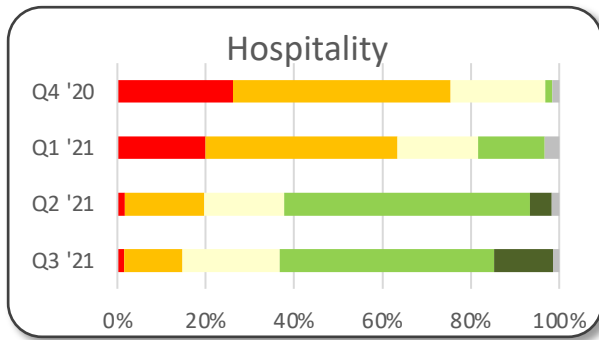
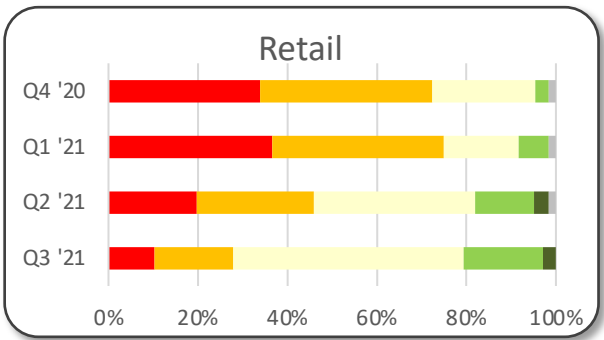
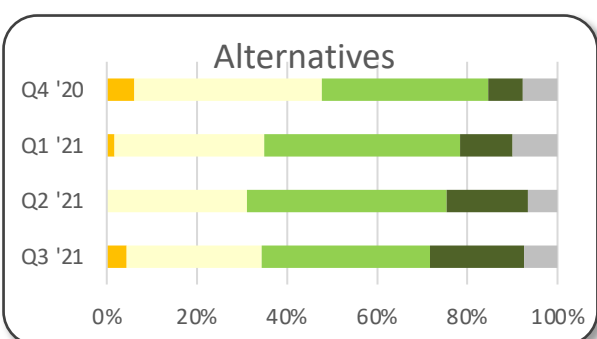
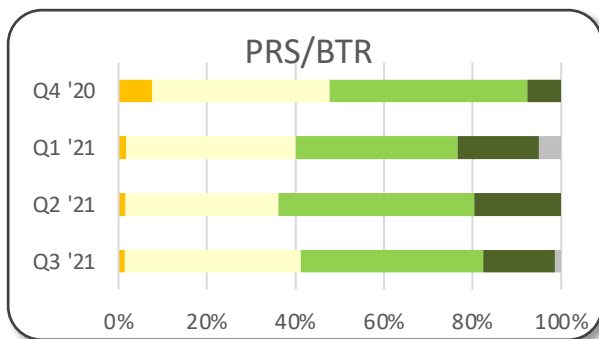
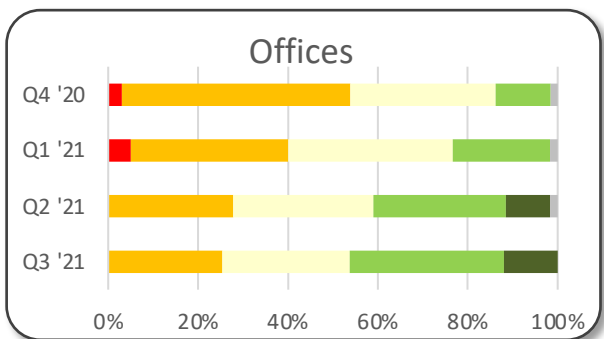
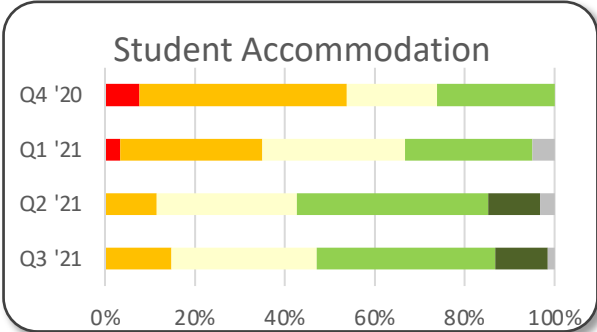
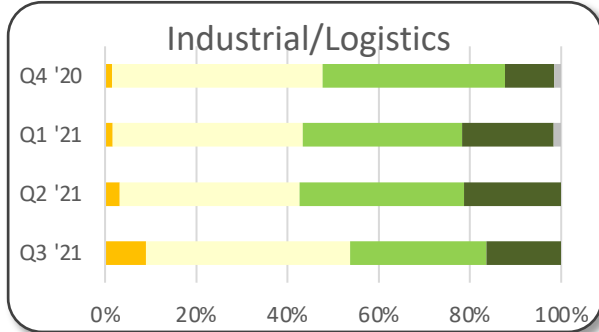
Question 4*
For New loans, compared with 3 months ago, do you think ICRs are:



REAL ESTATE SECTORS

'Beds and sheds' continued to show strong positive sentiment – with hospitality continuing to show signs of recovery in optimism. Views on offices improved, though with residual uncertainty. Negative sentiment towards retail was at its lowest level ever and offset by the most positive views ever as well.

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?

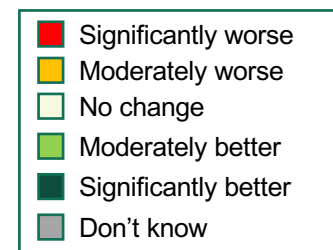
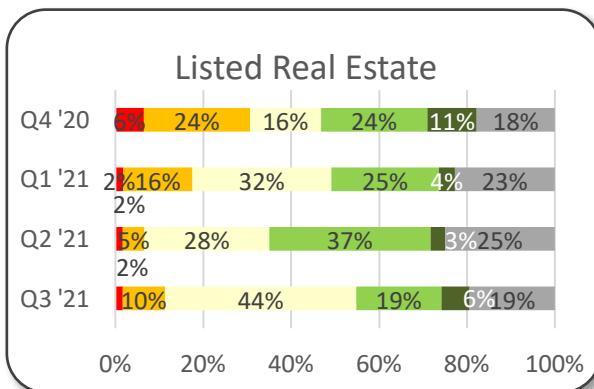
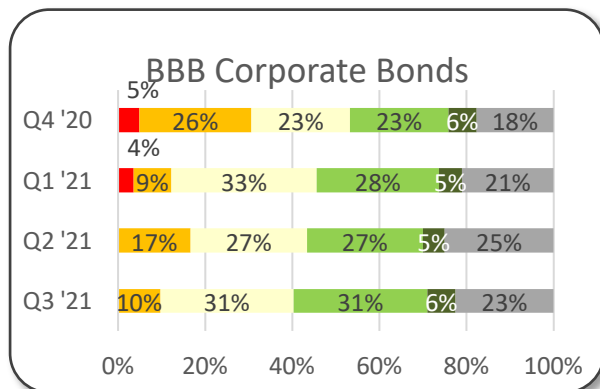
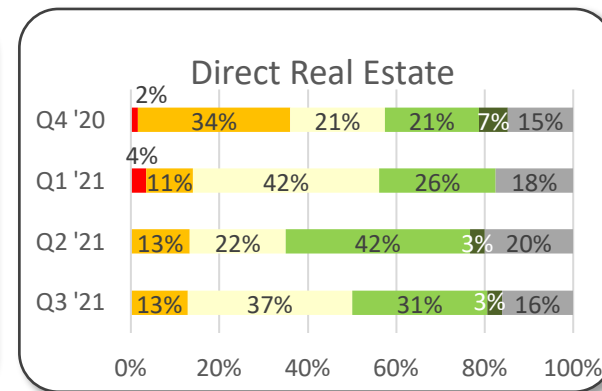
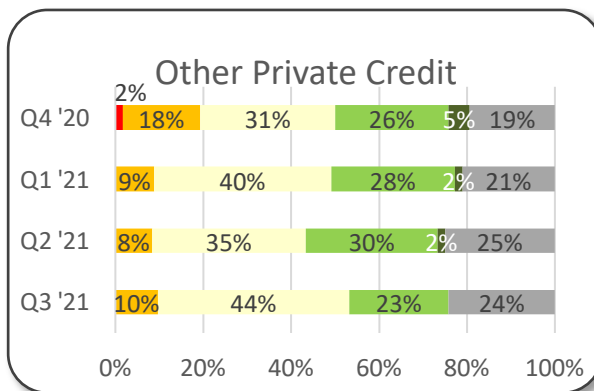
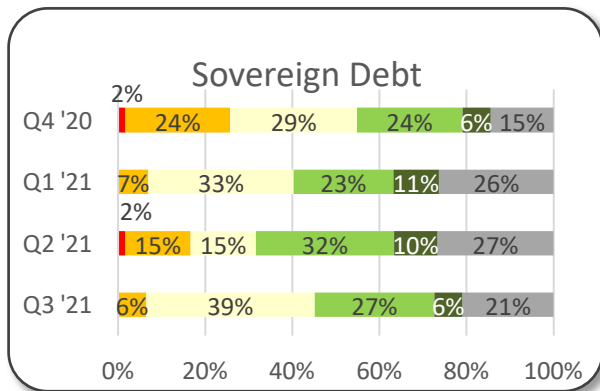


REAL ESTATE DEBT VS. OTHER ASSET CLASSES

Risk-adjusted returns expectations for real estate debt continued to be perceived in general as superior to alternative public and private asset classes.

Question 7*

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

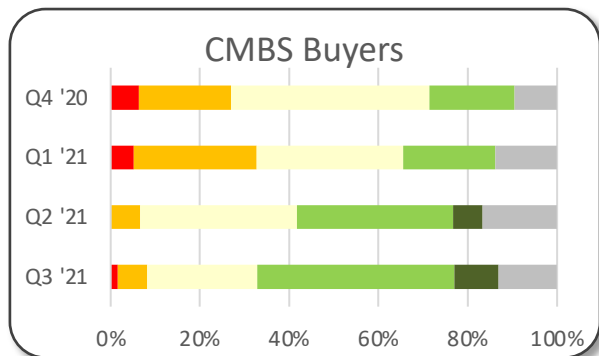
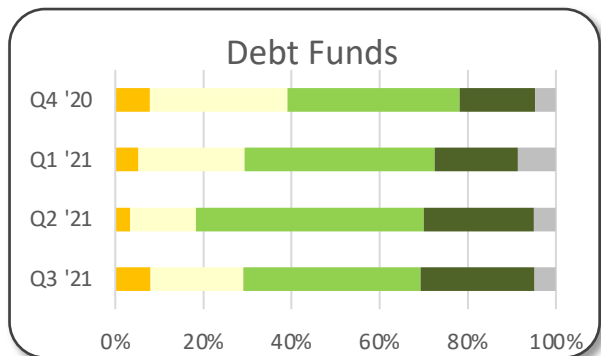
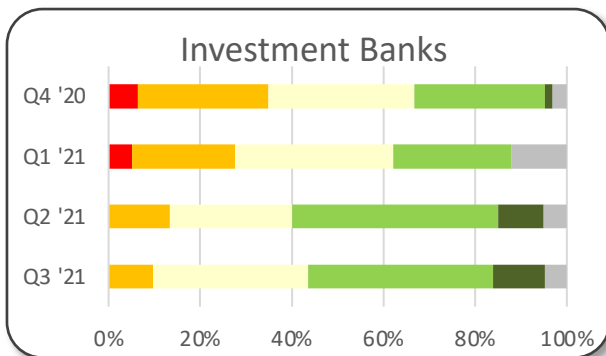
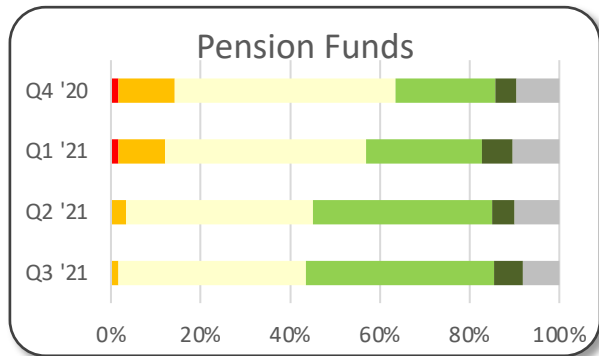
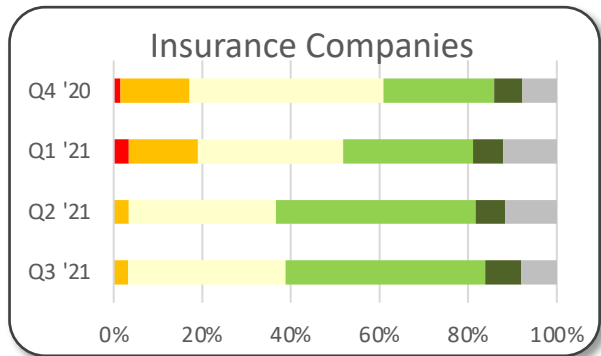
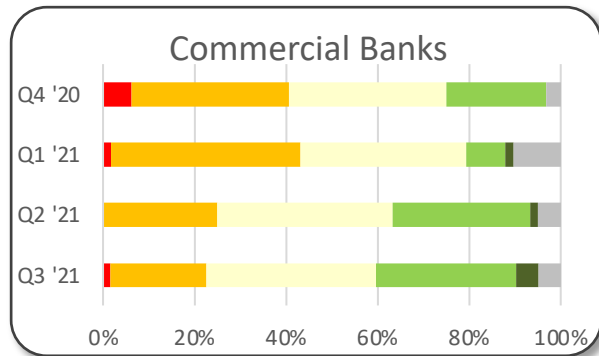


GROWTH PROSPECTS OF MARKET PARTICIPANTS

Debt funds continued to be seen as the participants with best origination potential. At the same time, there were signs that the CMBS market might be well placed to recover.

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?



■ Significantly worse
 ■ Moderately worse
 ■ No change
 ■ Moderately better
 ■ Significantly better
 ■ Don't know

RISK-RETURN PROFILE

As a continuation of the trend seen in Q2, an increasing proportion of participants saw most attractive opportunities emerging from higher up the risk curve.

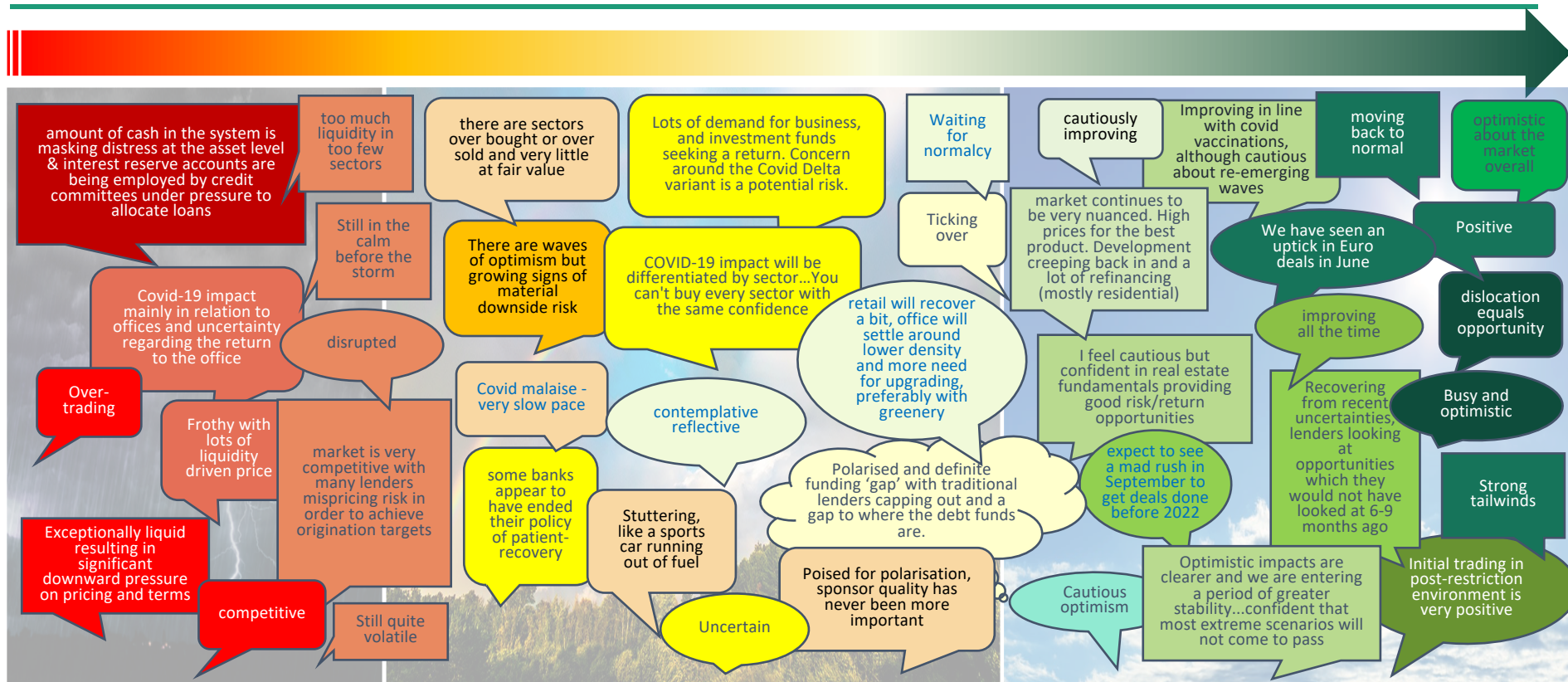
Questions 9-11

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?

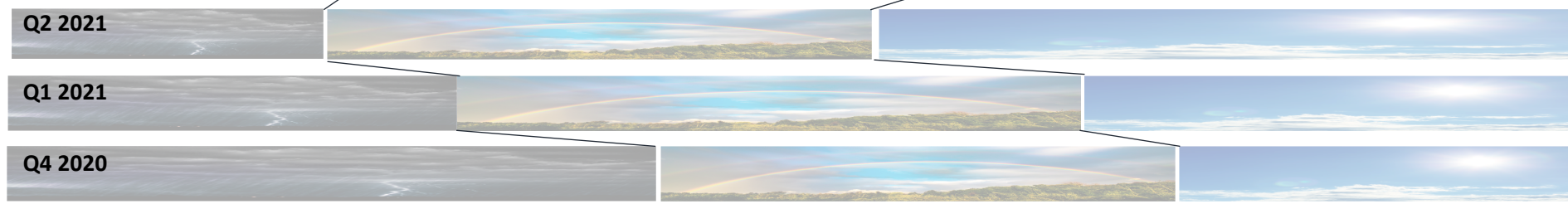


QUALITATIVE COMMENTS

Qualitative comments pointed to a fairly balanced range of opinions, with perhaps a slight dampening of optimism seen in Q2 and a few more warnings of risks in the current trading environment.



Trend in comments



Appendices

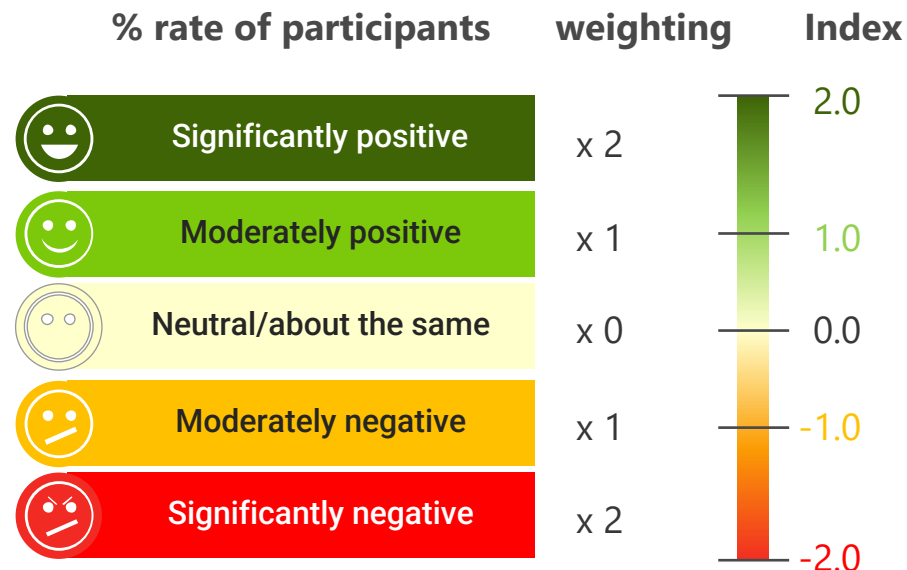
1. Methodology for Sentiment Index
2. Historic Data

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

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?

Overall	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly worse	0%	0%	3%	5%	30%	71%	0%	16%	4%	8%	3%
Moderately worse	5%	11%	19%	23%	22%	25%	3%	41%	45%	57%	51%
No change	24%	5%	38%	20%	11%	3%	38%	41%	41%	30%	36%
Moderately better	60%	69%	33%	41%	28%	0%	42%	2%	9%	3%	6%
Significantly better	11%	13%	3%	9%	8%	0%	13%	0%	1%	2%	4%
Don't know	0%	2%	3%	3%	2%	0%	3%	0%	0%	0%	0%

Debt availability/ liquidity of capital	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly worse	0%	0%	2%	3%	11%	43%	0%	0%	0%	1%	0%
Moderately worse	8%	2%	11%	21%	38%	38%	5%	22%	17%	22%	26%
No change	18%	13%	44%	25%	28%	10%	42%	58%	69%	51%	49%
Moderately better	53%	66%	36%	36%	20%	5%	49%	14%	13%	19%	21%
Significantly better	21%	18%	3%	10%	2%	0%	3%	4%	0%	0%	0%
Don't know	0%	2%	3%	4%	2%	3%	0%	2%	1%	6%	3%

Volume of new business	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly worse	0%	0%	3%	5%							
Moderately worse	11%	7%	20%	18%							
No change	17%	15%	18%	12%							
Moderately better	47%	46%	49%	42%							
Significantly better	24%	33%	7%	18%							
Don't know	2%	0%	3%	5%							

Pricing/margins	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly lower	2%	3%	2%	0%	5%	17%	0%	0%	0%	0%	2%
Moderately lower	26%	25%	16%	13%	27%	25%	15%	25%	11%	16%	41%
No change	45%	45%	45%	36%	11%	19%	69%	47%	63%	45%	34%
Moderately higher	21%	20%	31%	40%	39%	14%	14%	27%	24%	28%	16%
Significantly higher	2%	3%	0%	7%	16%	15%	0%	0%	0%	0%	0%
Don't know	5%	3%	6%	3%	3%	10%	2%	0%	1%	10%	7%

Lending terms	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly worse	0%	0%	2%	0%	6%	15%	0%	0%	0%	0%	0%
Moderately worse	20%	20%	11%	19%	28%	0%	10%	25%	10%	13%	30%
No change	53%	48%	61%	37%	16%	24%	75%	55%	67%	58%	49%
Moderately better	20%	28%	20%	31%	36%	17%	12%	20%	20%	21%	18%
Significantly better	2%	3%	0%	6%	14%	10%	0%	0%	0%	0%	0%
Don't know	6%	2%	7%	6%	0%	8%	3%	0%	3%	7%	3%

Resilience of existing loans against financial covenants	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly worse	2%	0%	3%	13%							
Moderately worse	12%	15%	37%	34%							
No change	45%	59%	47%	34%							
Moderately better	30%	20%	8%	15%							
Significantly better	8%	5%	0%	0%							
Don't know	3%	2%	5%	3%							

2. HISTORIC DATA

2.1. Views on market conditions in 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?

Overall	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly worse	0%	0%	3%	5%	17%	62%	0%	0%	0%	0%	3%
Moderately worse	5%	7%	14%	21%	26%	21%	4%	18%	12%	11%	51%
No change	16%	10%	36%	16%	14%	5%	67%	61%	59%	64%	36%
Moderately better	48%	44%	26%	34%	29%	0%	15%	12%	18%	16%	6%
Significantly better	5%	5%	0%	5%	9%	0%	6%	0%	1%	0%	4%
Don't know	26%	34%	21%	19%	5%	12%	9%	10%	10%	9%	0%
Debt availability/liquidity of capital	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly worse	0%	0%	2%	2%	11%	43%	0%	0%	0%	1%	0%
Moderately worse	6%	2%	19%	18%	38%	38%	5%	22%	17%	22%	26%
No change	16%	8%	25%	23%	28%	10%	42%	58%	69%	51%	49%
Moderately better	40%	37%	33%	34%	20%	5%	49%	14%	13%	19%	21%
Significantly better	14%	17%	0%	3%	2%	0%	3%	4%	0%	0%	0%
Don't know	24%	36%	21%	21%	2%	3%	0%	2%	1%	6%	3%
Volume of new business	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly worse	0%	0%	2%	3%							
Moderately worse	2%	8%	21%	11%							
No change	19%	10%	19%	23%							
Moderately better	37%	37%	30%	32%							
Significantly better	16%	10%	4%	10%							
Don't know	27%	34%	25%	21%							
Pricing/margins	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly lower	2%	2%	2%	3%	5%	17%	0%	0%	0%	0%	2%
Moderately lower	19%	17%	12%	13%	27%	25%	15%	25%	11%	16%	41%
No change	29%	24%	35%	28%	11%	19%	69%	47%	63%	45%	34%
Moderately higher	22%	17%	18%	33%	39%	14%	14%	27%	24%	28%	16%
Significantly higher	0%	2%	4%	2%	16%	15%	0%	0%	0%	0%	0%
Don't know	29%	39%	30%	21%	3%	10%	2%	0%	1%	10%	7%
Lending terms	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly worse	2%	0%	2%	0%	6%	15%	0%	0%	0%	0%	0%
Moderately worse	14%	12%	13%	19%	28%	0%	10%	25%	10%	13%	30%
No change	38%	29%	38%	34%	16%	24%	75%	55%	67%	58%	49%
Moderately better	16%	22%	16%	21%	36%	17%	12%	20%	20%	21%	18%
Significantly better	0%	0%	2%	2%	14%	10%	0%	0%	0%	0%	0%
Don't know	30%	37%	30%	24%	0%	8%	3%	0%	3%	7%	3%
Resilience of existing loans against financial covenants	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly worse	2%	0%	2%	6%							
Moderately worse	8%	7%	26%	29%							
No change	40%	32%	40%	31%							
Moderately better	21%	20%	5%	13%							
Significantly better	2%	2%	0%	0%							
Don't know	29%	39%	26%	21%							

2. HISTORIC DATA

2.2. Views on financial covenants

For New loans, compared with 3 months ago, do you think LTVs are:					For New loans, compared with 3 months ago, do you think ICR covenants are:						
UK		Q3 '21	Q2 '21	Q1 '21	Q4 '20	UK		Q3 '21	Q2 '21	Q1 '21	Q4 '20
	Increasing	20%	33%	8%	5%		Less demanding	8%	8%	3%	5%
	About the same	75%	55%	58%	57%		About the same	80%	75%	65%	64%
	Decreasing	2%	10%	25%	37%		More demanding	6%	10%	18%	25%
	Unclear/don't know	3%	2%	8%	2%		Unclear/don't know	6%	7%	13%	6%

Europe ex UK		Q3 '21	Q2 '21	Q1 '21	Q4 '20	Europe ex UK		Q3 '21	Q2 '21	Q1 '21	Q4 '20
	Increasing	13%	14%	9%	5%		Less demanding	8%	7%	2%	5%
	About the same	52%	54%	52%	49%		About the same	56%	58%	62%	52%
	Decreasing	5%	2%	18%	27%		More demanding	5%	5%	9%	19%
	Unclear/don't know	30%	30%	21%	19%		Unclear/don't know	31%	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		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		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?

	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Political environment											
Significantly worse	3%	0%	5%	14%	19%	15%	2%	29%	20%	23%	33%
Moderately worse	12%	10%	15%	65%	36%	27%	12%	53%	51%	62%	62%
No change	50%	31%	20%	18%	36%	32%	7%	14%	24%	11%	3%
Moderately better	31%	51%	53%	3%	9%	15%	47%	4%	1%	2%	0%
Significantly better	4%	8%	5%	0%	0%	10%	31%	0%	0%	0%	0%
Don't know	0%	0%	2%	0%	0%	2%	2%	0%	3%	3%	2%
Economic environment											
Significantly worse	0%	2%	7%	18%	53%	87%	0%	4%	1%	4%	2%
Moderately worse	12%	10%	63%	49%	31%	12%	17%	71%	51%	58%	77%
No change	10%	13%	15%	17%	2%	2%	36%	25%	40%	30%	20%
Moderately better	68%	69%	12%	15%	14%	0%	41%	0%	6%	4%	0%
Significantly better	10%	7%	2%	0%	0%	0%	5%	0%	0%	0%	0%
Don't know	0%	0%	2%	0%	0%	0%	2%	0%	1%	3%	2%
Regulatory environment											
Significantly worse	0%	0%	3%	2%	8%	3%	0%	2%	1%	1%	2%
Moderately worse	7%	5%	17%	12%	14%	12%	12%	14%	14%	18%	25%
No change	82%	72%	70%	83%	66%	75%	79%	82%	81%	72%	67%
Moderately better	6%	20%	5%	2%	13%	8%	5%	0%	1%	3%	3%
Significantly better	1%	0%	2%	0%	0%	2%	0%	0%	0%	0%	0%
Don't know	3%	3%	3%	2%	0%	0%	3%	2%	1%	6%	3%
Real estate fundamentals											
Significantly worse	0%	0%	3%	3%	14%	35%	0%	2%	1%	0%	0%
Moderately worse	9%	8%	37%	52%	52%	48%	10%	33%	34%	33%	43%
No change	40%	30%	40%	37%	20%	17%	68%	57%	61%	60%	48%
Moderately better	48%	57%	15%	6%	14%	0%	22%	6%	1%	1%	8%
Significantly better	3%	5%	3%	2%	0%	0%	0%	0%	0%	0%	0%
Don't know	0%	0%	2%	0%	0%	0%	0%	2%	1%	6%	2%

2. HISTORIC DATA

2.4. Views on real estate sectors (1 of 2)

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?

Offices	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly pessimistic	0%	0%	5%	3%	11%	7%	0%	0%	1%	0%	0%
Moderately pessimistic	25%	28%	35%	51%	52%	55%	3%	31%	10%	20%	24%
No Change	28%	31%	37%	32%	29%	27%	39%	50%	68%	56%	60%
Moderately optimistic	34%	30%	22%	12%	6%	8%	46%	17%	20%	24%	15%
Significantly Optimistic	12%	10%	0%	0%	2%	2%	10%	2%	0%	0%	2%
Don't know	0%	2%	2%	2%	0%	2%	2%	1%	1%	0%	0%

Retail	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly pessimistic	10%	20%	37%	34%	65%	82%	22%	35%	31%	30%	32%
Moderately pessimistic	18%	26%	38%	38%	15%	18%	41%	40%	52%	51%	63%
No Change	51%	36%	17%	23%	18%	0%	24%	19%	17%	19%	5%
Moderately optimistic	18%	13%	7%	3%	2%	0%	12%	6%	0%	0%	0%
Significantly Optimistic	3%	3%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Don't know	0%	2%	2%	2%	0%	0%	2%	0%	0%	0%	0%

Industrial/ logistics	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly pessimistic	0%	0%	0%	0%	2%	3%	0%	0%	0%	2%	0%
Moderately pessimistic	9%	3%	2%	2%	2%	17%	8%	12%	17%	12%	11%
No Change	45%	39%	42%	46%	30%	35%	47%	55%	49%	45%	47%
Moderately optimistic	30%	36%	35%	40%	56%	27%	27%	25%	25%	32%	34%
Significantly Optimistic	16%	21%	20%	11%	11%	18%	14%	8%	6%	9%	8%
Don't know	0%	0%	2%	2%	0%	0%	3%	0%	3%	0%	0%

2. HISTORIC DATA

2.4. Views on real estate sectors (2 of 2)

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?

Hospitality	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly pessimistic	1%	2%	20%	26%	42%	73%	0%	0%	1%	2%	3%
Moderately pessimistic	13%	18%	43%	49%	39%	22%	10%	15%	13%	18%	13%
No Change	22%	18%	18%	22%	9%	3%	49%	60%	50%	55%	61%
Moderately optimistic	49%	56%	15%	2%	8%	2%	27%	23%	29%	20%	18%
Significantly Optimistic	13%	5%	0%	0%	0%	0%	5%	0%	3%	3%	2%
Don't know	1%	2%	3%	2%	2%	0%	8%	2%	4%	3%	3%

PRS/ BTR/ Multi-Family	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly pessimistic	0%	0%	0%	0%	3%	8%	0%	0%	0%	0%	2%
Moderately pessimistic	1%	2%	2%	8%	3%	20%	7%	6%	7%	6%	5%
No Change	40%	34%	38%	40%	41%	55%	35%	46%	43%	43%	31%
Moderately optimistic	41%	44%	37%	45%	36%	15%	47%	44%	33%	37%	46%
Significantly Optimistic	16%	20%	18%	8%	17%	2%	7%	4%	16%	10%	15%
Don't know	1%	0%	5%	0%	0%	0%	5%	0%	1%	3%	2%

Student Accommodation	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly pessimistic	0%	0%	3%	8%	8%	25%	0%	0%	0%	0%	2%
Moderately pessimistic	15%	11%	32%	46%	41%	52%	10%	21%	13%	18%	18%
No Change	32%	31%	32%	20%	30%	13%	53%	52%	51%	40%	50%
Moderately optimistic	40%	43%	28%	26%	17%	8%	24%	27%	25%	31%	23%
Significantly Optimistic	12%	11%	0%	0%	2%	2%	7%	0%	9%	6%	6%
Don't know	1%	3%	5%	0%	3%	0%	7%	0%	3%	4%	2%

Alternatives (e.g. healthcare, senior)	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
Significantly pessimistic	0%	0%	0%	0%	5%	7%	2%	0%	0%	0%	2%
Moderately pessimistic	4%	0%	2%	6%	11%	0%	7%	18%	9%	7%	11%
No Change	30%	31%	33%	42%	40%	42%	32%	37%	45%	45%	36%
Moderately optimistic	37%	44%	43%	37%	29%	20%	32%	33%	31%	36%	30%
Significantly Optimistic	21%	18%	12%	8%	10%	3%	12%	6%	7%	4%	15%
Don't know	7%	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?

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

	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
1	5%	10%	13%	13%	23%	46%	5%	8%	5%	11%	2%
2	13%	16%	24%	42%	26%	20%	7%	26%	20%	13%	14%
3	44%	43%	39%	29%	35%	20%	45%	40%	48%	56%	46%
4	29%	26%	13%	13%	12%	6%	25%	16%	16%	14%	25%
5	10%	5%	11%	3%	4%	8%	16%	10%	11%	6%	13%
Average Rating	3.25	3.00	2.85	2.52	2.47	2.10	3.40	2.94	3.08	2.92	3.32

By location of asset

	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
1	21%	32%	50%	42%	47%	61%	18%	30%	10%	19%	9%
2	39%	45%	28%	47%	32%	22%	37%	33%	42%	37%	39%
3	37%	23%	18%	10%	13%	11%	39%	33%	37%	32%	35%
4	4%	0%	4%	0%	6%	4%	6%	4%	10%	10%	11%
5	0%	0%	0%	2%	2%	2%	0%	0%	2%	2%	6%
Average Rating	2.23	1.91	1.76	1.73	1.83	1.65	2.33	2.11	2.52	2.37	2.65

By type of lending

	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Q2 '20	Q1 '20	Q4 '19	Q3 '19	Q2 '19	Q1 '19
1	5%	7%	17%	24%	24%	59%	9%	11%	13%	16%	13%
2	31%	22%	26%	32%	30%	11%	25%	30%	23%	30%	17%
3	35%	36%	40%	27%	35%	22%	38%	36%	43%	33%	45%
4	23%	19%	11%	16%	6%	4%	21%	17%	16%	16%	17%
5	6%	16%	6%	2%	6%	4%	7%	6%	5%	5%	8%
Average Rating	2.95	3.14	2.62	2.40	2.39	1.85	2.93	2.79	2.77	2.63	2.89



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