



SENTIMENT SURVEY

Q1 2023 Results

Detailed Analysis
Exclusively for Known Participants

PRIVATE & CONFIDENTIAL
NOT TO BE DISTRIBUTED

March 2023

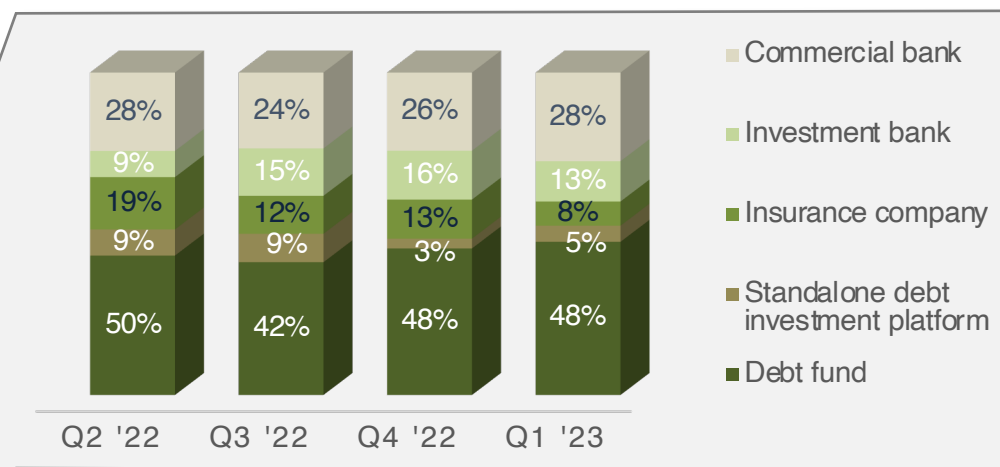
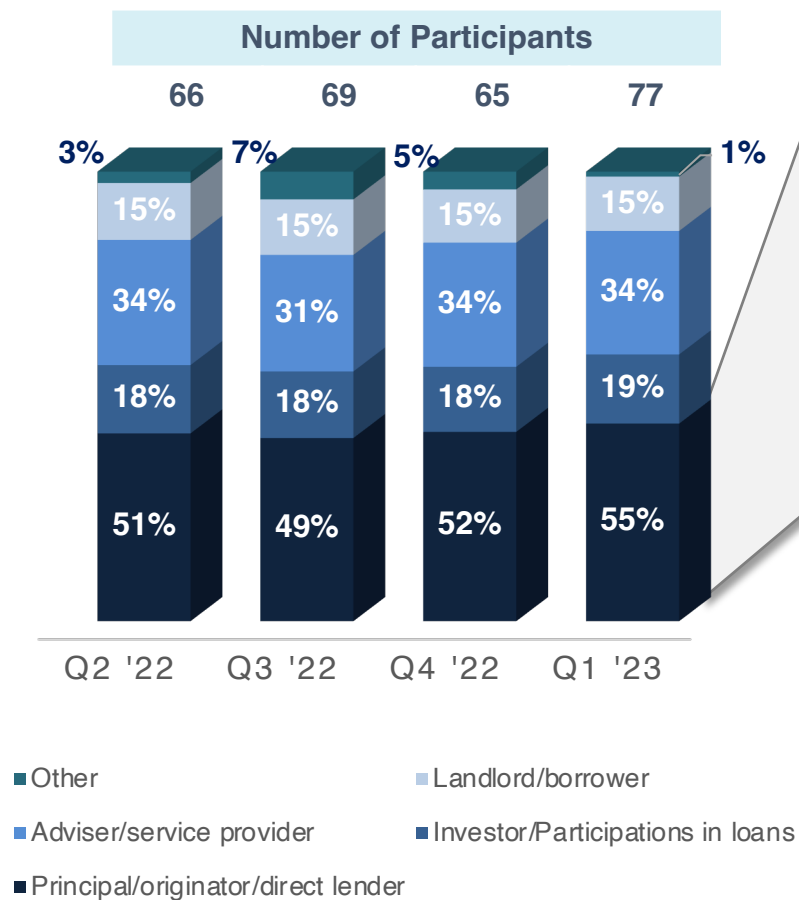
**2023 PARTNER
SPONSORS**



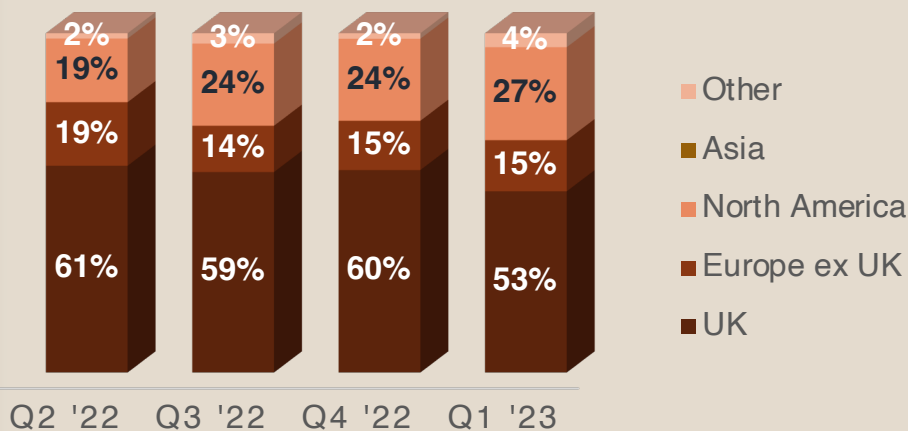
In general, sentiment has bounced back from the low levels observed in Q4 2022.

- ❑ **Sentiment** about both UK and European market conditions **improved significantly this quarter** compared with last quarter. The improvement was driven by the proportion of negative views falling materially whilst the number of positive responses increased.
- ❑ Since the survey began in 2019, **sentiment about overall market** conditions appears to have closely been **aligned with views about the wider political and economic landscape**. This quarter, this has been the case with **sentiment about the political and economic environment recovering** from the significantly pessimistic views expressed in Q4.
- ❑ Sentiment about financial covenants across both the UK and Europe has remained positive and largely the same as last quarter.
- ❑ However, **negative sentiment about real estate fundamentals has persisted**, despite an improving picture for some of the underlying real estate sectors. There was an improvement in overall sentiment for most sectors.
 - ❑ Opinion on the **'beds' sectors is back in positive territory**, other than the hospitality sector (where views were more equally balanced).
 - ❑ Opinion was the **most negative for the office sector**.
- ❑ There was an **upward shift in sentiment** on the relative merits of **real estate debt** compared with other asset classes, especially **in relation to other forms of real estate** exposure.
- ❑ Whilst there was an improvement in sentiment on the outlook for all key types of participants, **debt funds** are the only type for which there is a **meaningful return of optimism**. Sentiment on the outlook for other types of participants, especially insurers, improved Q-o-Q with negative views falling and positive opinion picking up.
- ❑ This quarter there was an upward shift in views on returns expectations for slightly higher risk profiles by asset location and types of lending strategy.
- ❑ **Qualitative comments reflected the improvement in sentiment** with the balance of comments shifting towards more neutral commentary on the market (e.g. uncertain, price discovery, cautious optimism). The number of negative comments has reduced significantly in Q1 compared with the past few quarters.

Participation rate and breadth of types of participants continue to be broadly consistent.



Where is Head Office located?



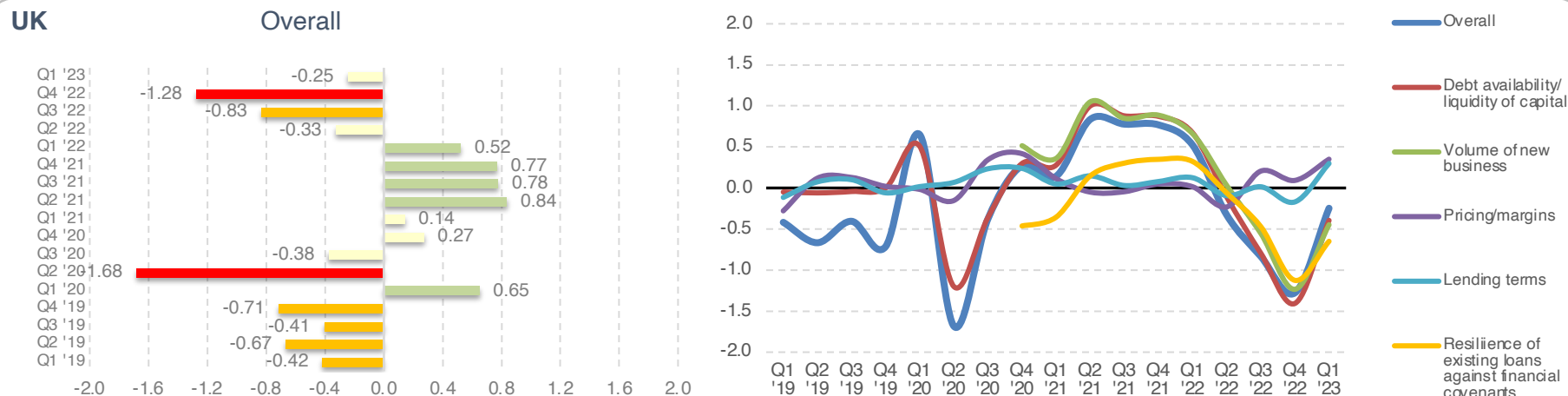
Sentiment Indices

See appendix for Sentiment Index methodology

SENTIMENT INDEX – MARKET CONDITIONS

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Sentiment about both UK and European market conditions improved significantly this quarter compared with last quarter.



* Europe Sentiment Index time series has been restated stripping out 'Don't know' responses from overall percentages, as they seemed disproportionately high.

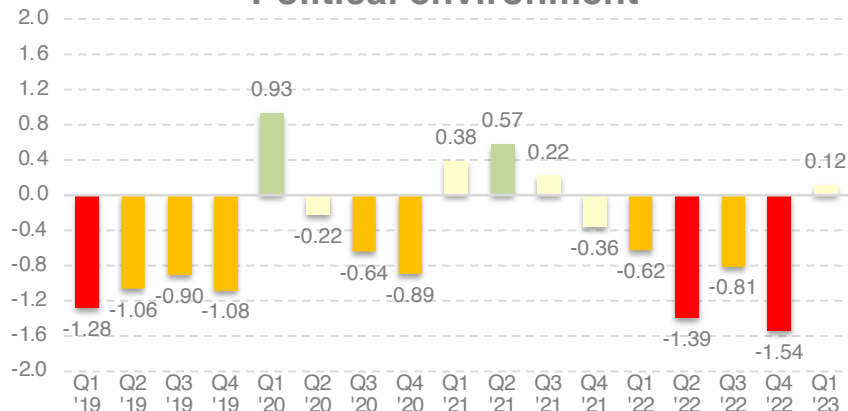


SENTIMENT INDEX – MACRO-ENVIRONMENT

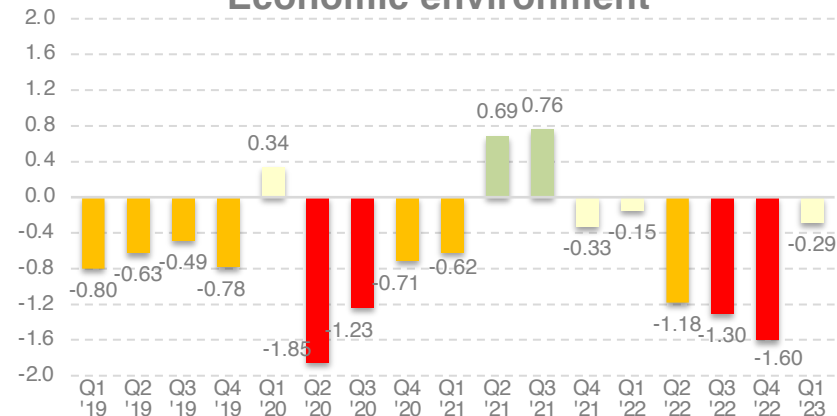
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Sentiment about the political and economic environment has recovered from the significantly pessimistic views expressed in Q4. However, negative sentiment about real estate fundamentals has persisted.

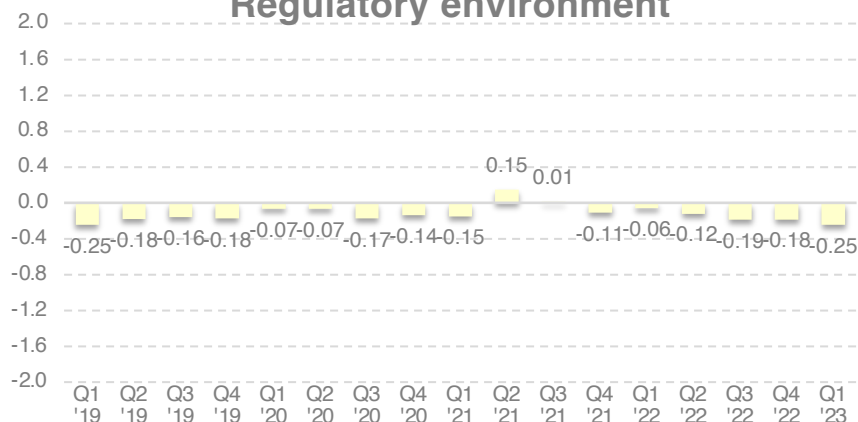
Political environment



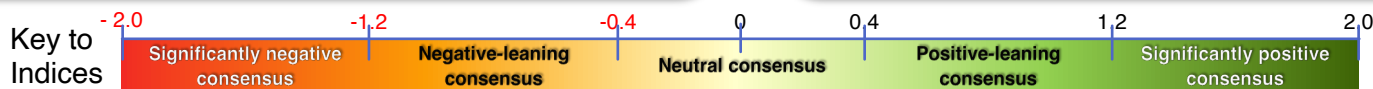
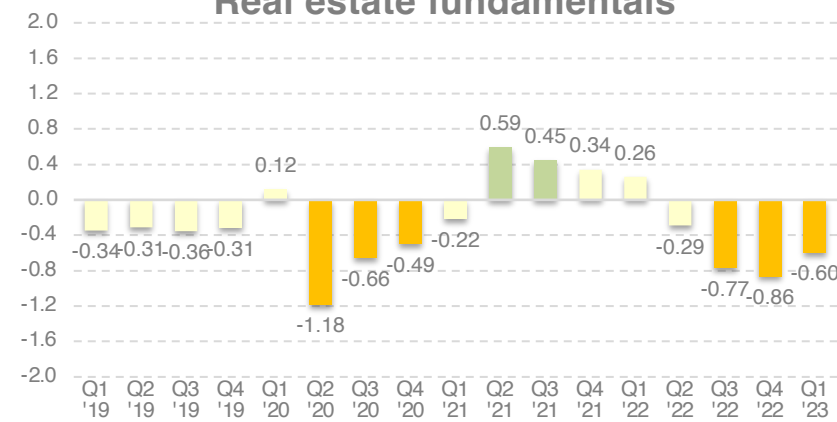
Economic environment



Regulatory environment



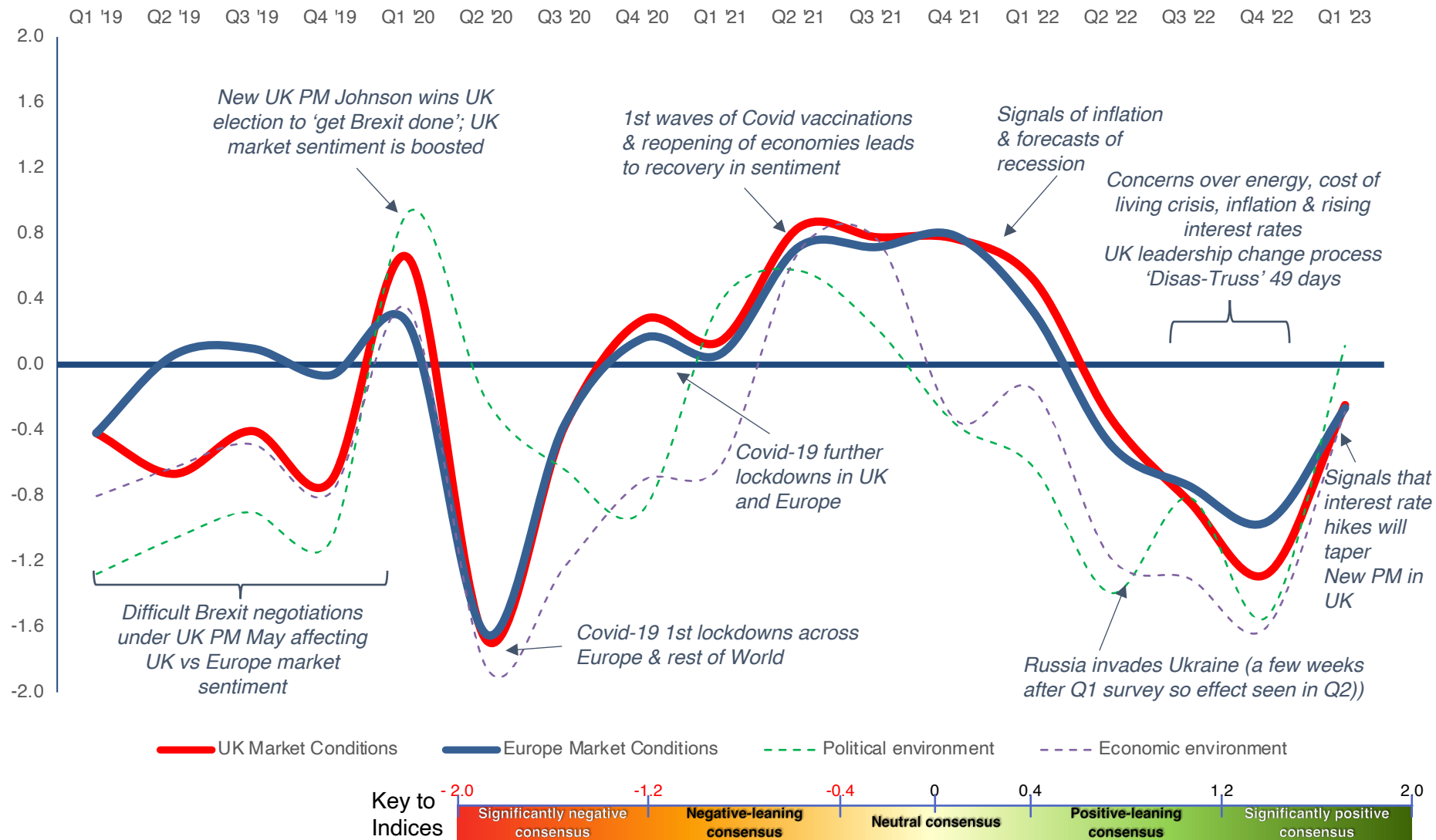
Real estate fundamentals



SENTIMENT INDICES - MARKET CONDITIONS VS POLITICAL-ECONOMIC CONTEXT

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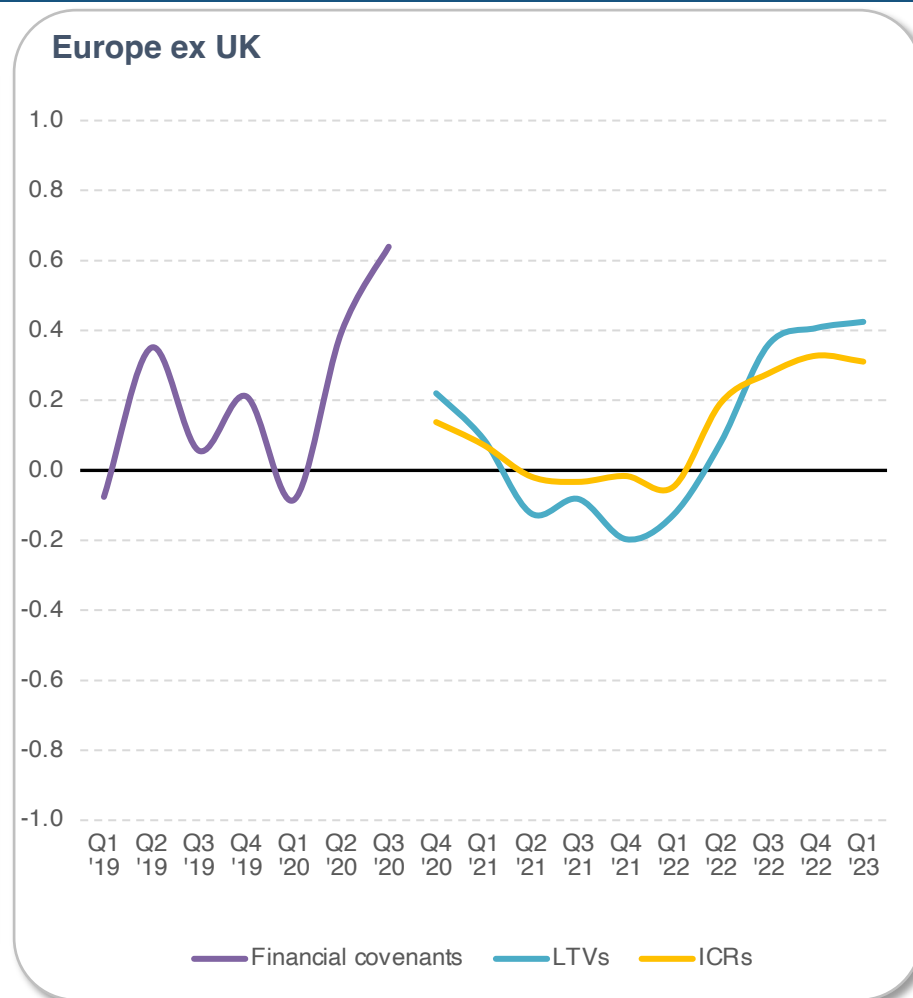
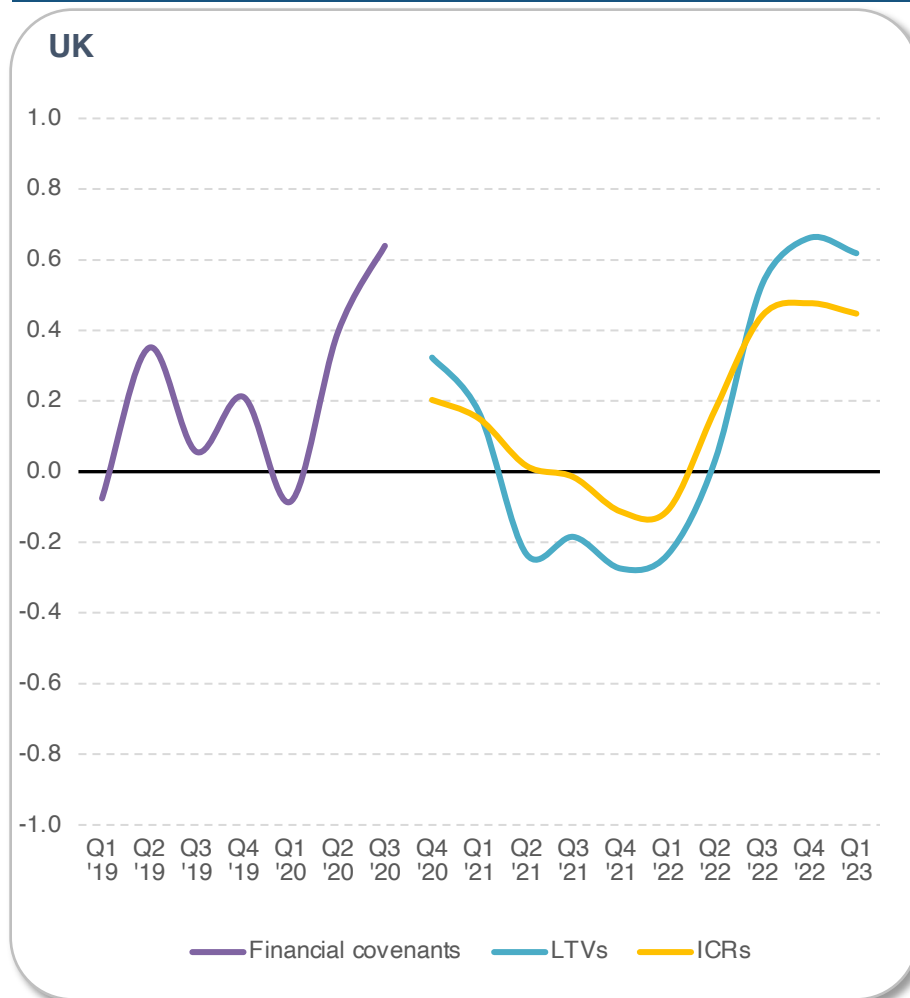
Sentiment about overall market conditions is closely aligned with sentiment about the wider political and economic landscape and influenced by geo-political events.



SENTIMENT INDEX – FINANCIAL COVENANTS*

Sentiment about financial covenants across both the UK and Europe has remained positive and largely the same as last quarter.

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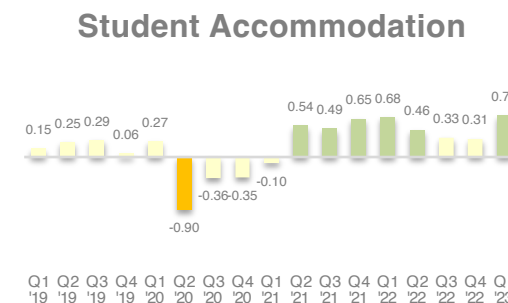
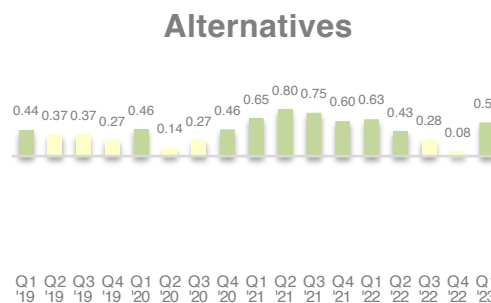
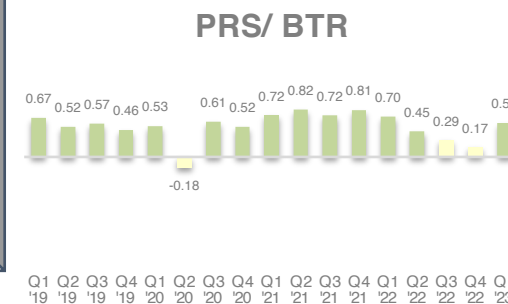
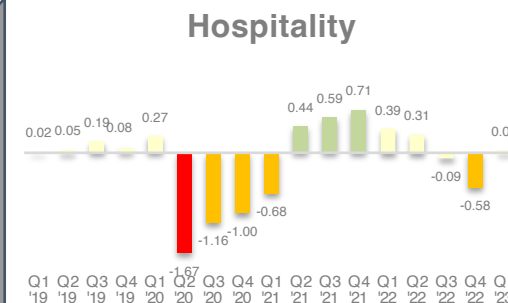
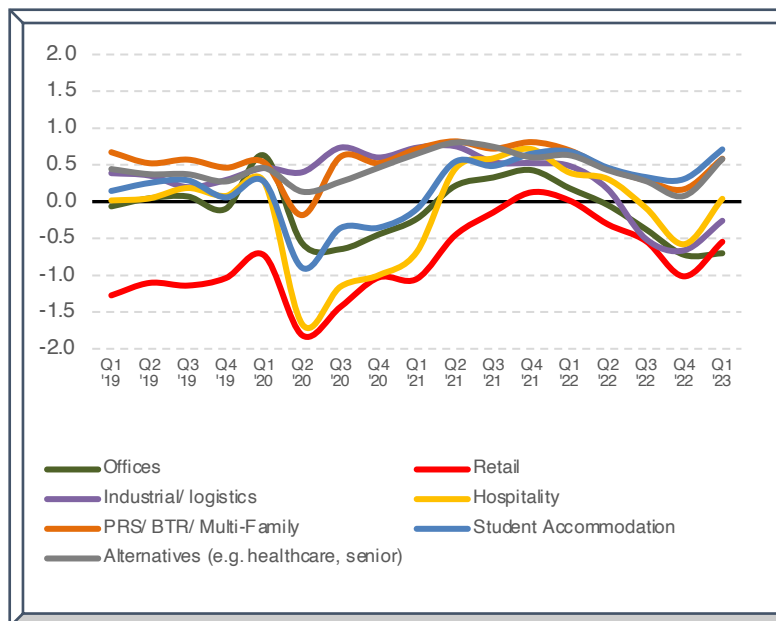
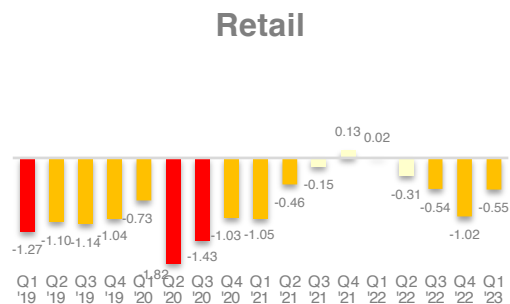
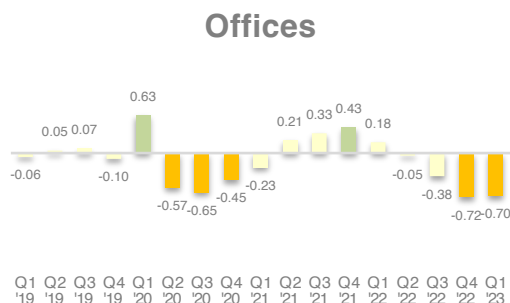
* Prior to Q4 2020, participants were asked about financial covenants more generally. Since Q4 2020, views on LTVs and ICRs have been split out..



SENTIMENT INDEX – REAL ESTATE SECTORS

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The improvement in overall sentiment has carried through to views on most sectors. Opinion on the 'beds' sectors is back in positive territory. The office sector is the only one without an uplift in sentiment.



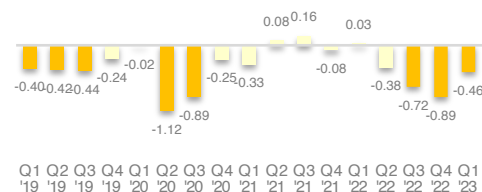
SENTIMENT INDEX – GROWTH PROSPECTS FOR KEY MARKET PARTICIPANTS

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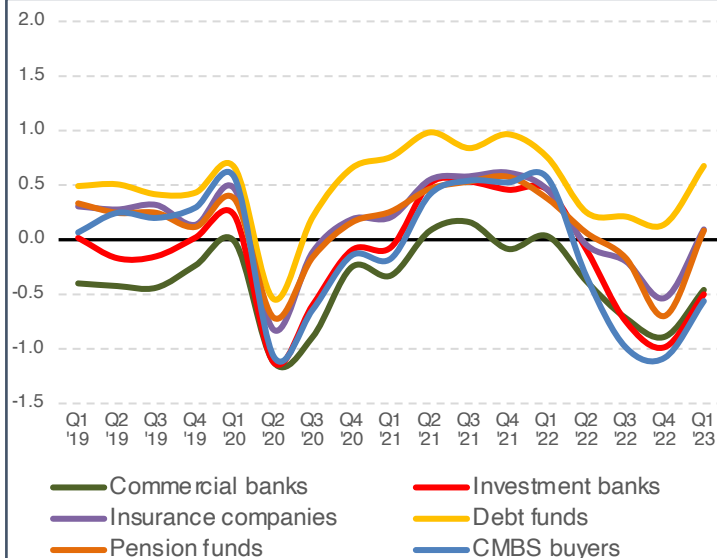
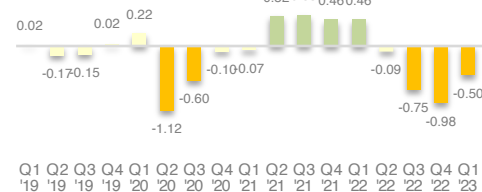
Whilst there was an improvement in sentiment on the outlook for all key types of participants, debt funds are the only type for which there is a meaningful return of optimism.

Banks

Commercial banks

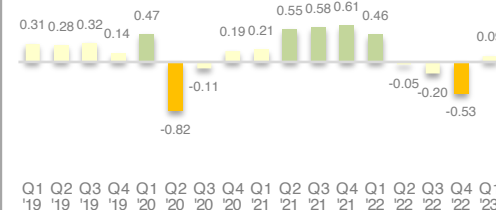


Investment banks

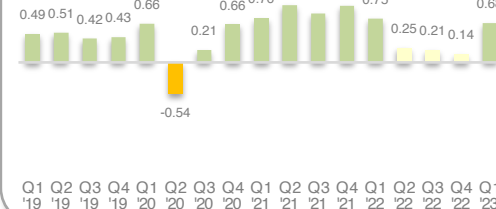


Non-bank/alternative lenders

Insurance companies

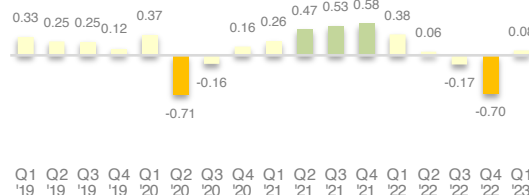


Debt funds



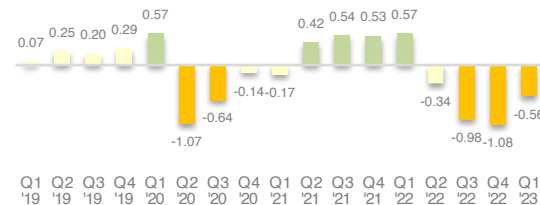
Pension funds

Investors*

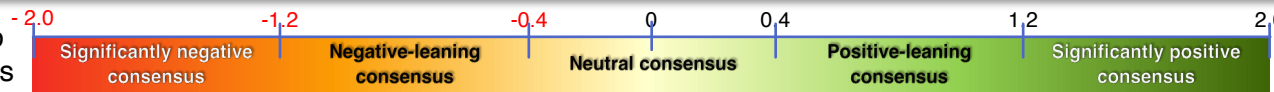


* Some pension funds are also direct lenders

CMBS buyers



Key to Indices

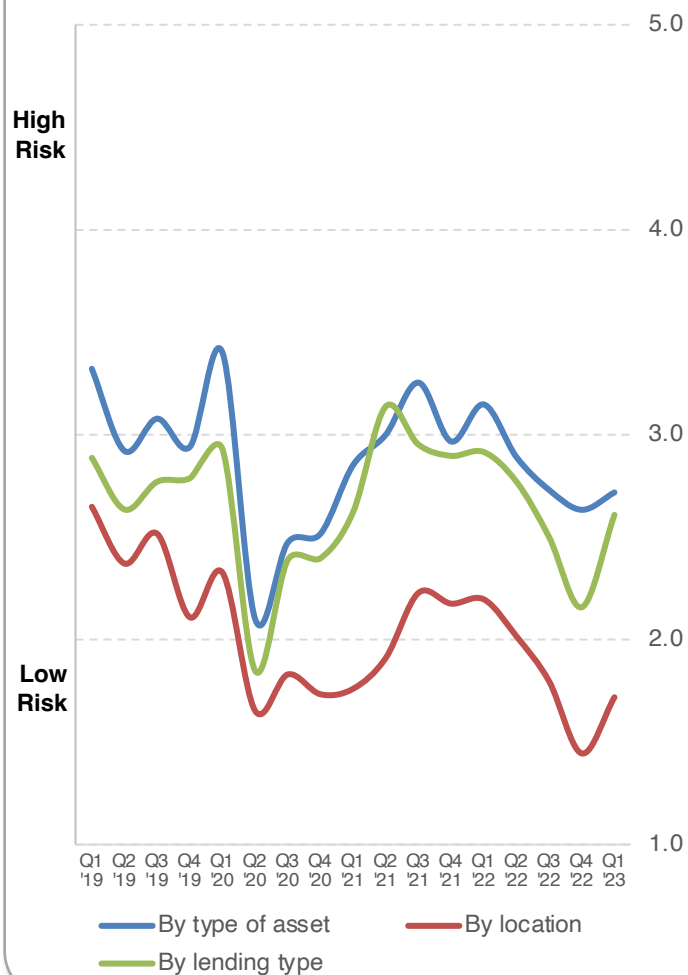


RISK-ADJUSTED RETURNS EXPECTATIONS

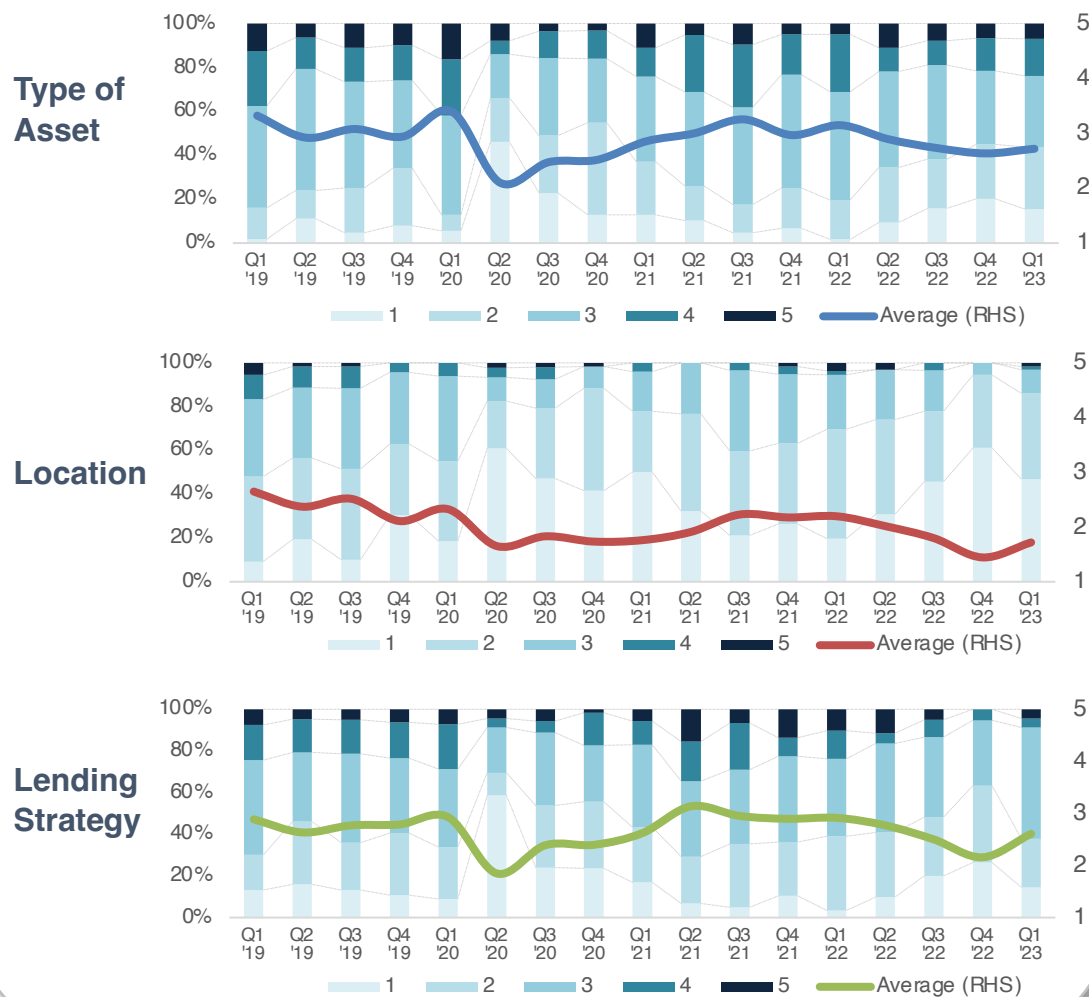
This quarter there was an upward shift in views on returns expectations from slightly higher risk profiles by asset location and types of lending strategy.

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Most attractive risk-adjusted returns expectations (average)



Most Attractive risk-adjusted returns by:



Rolling 1-year Results

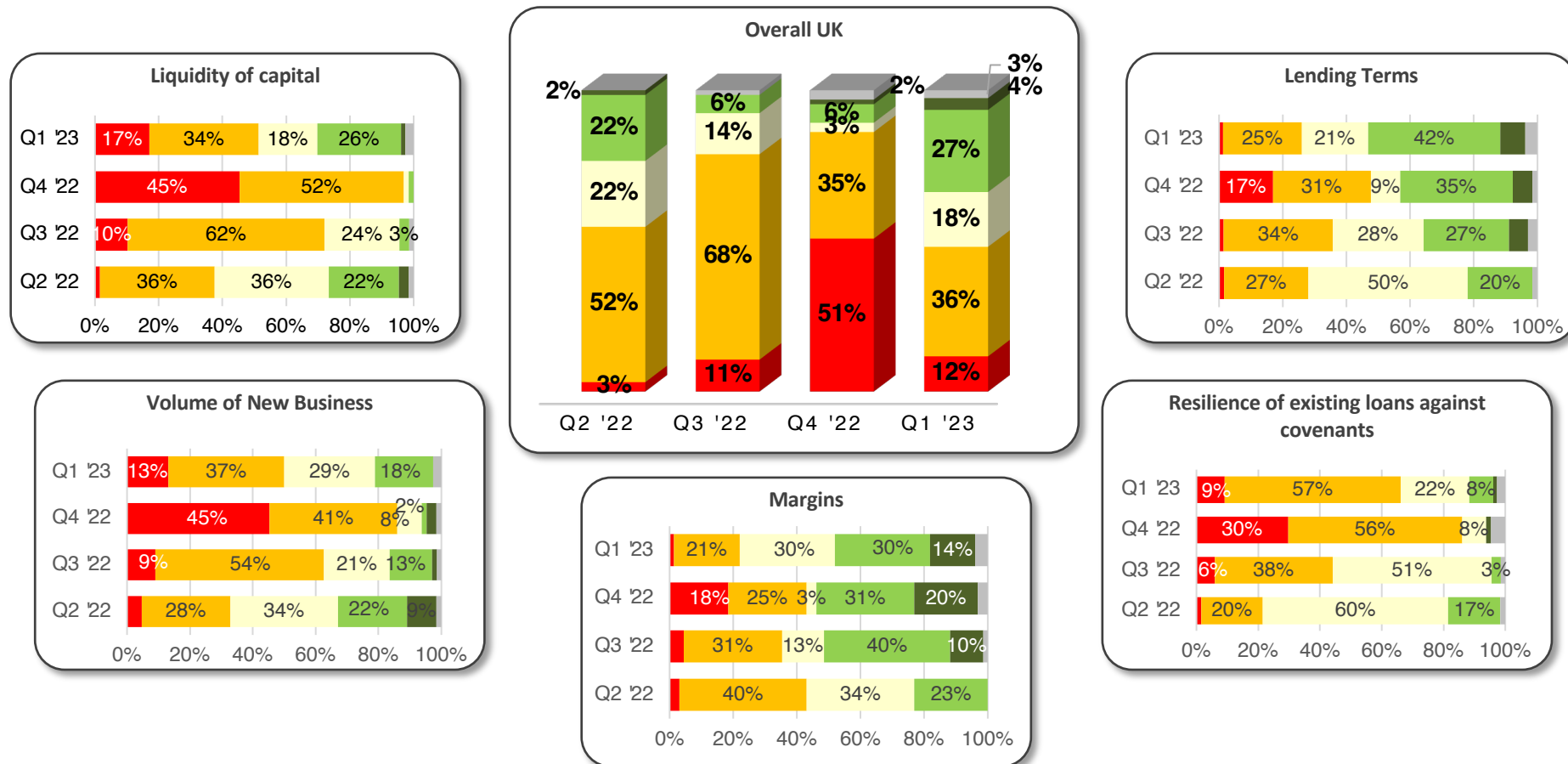
UK MARKET CONDITIONS

The improvement in UK market sentiment was driven by both a material fall in the number of strong negative views and a pickup in moderate positive opinion.

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Question 1

From a lending perspective, how would you assess debt market conditions in the UK today?



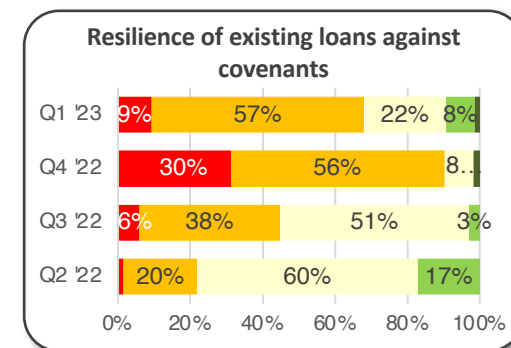
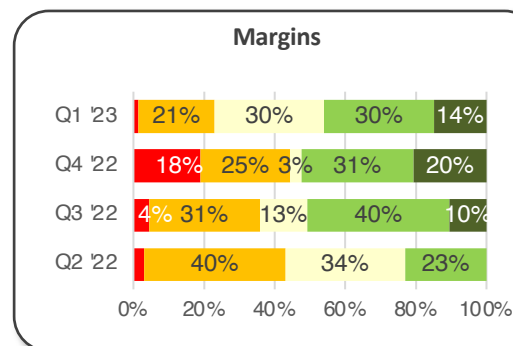
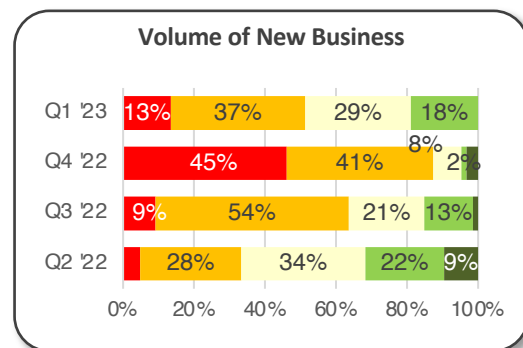
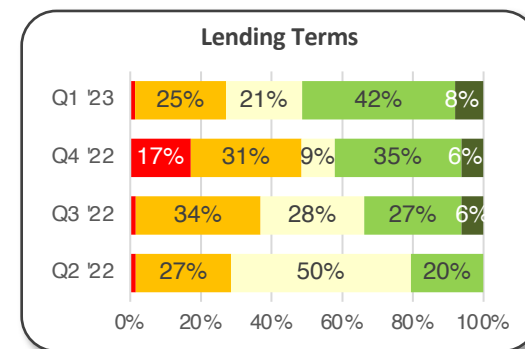
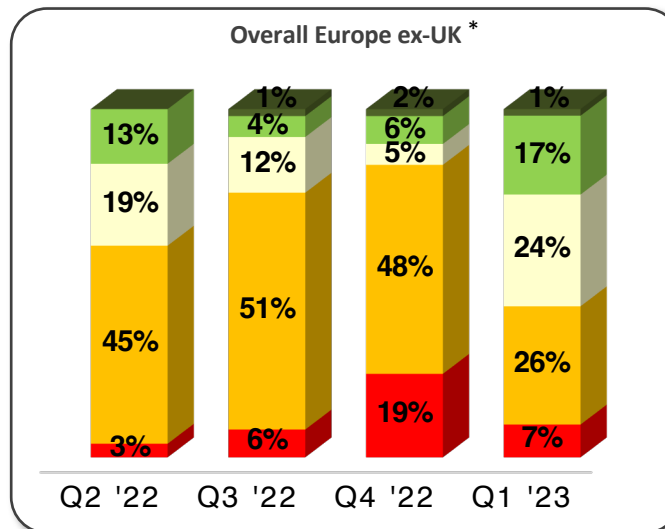
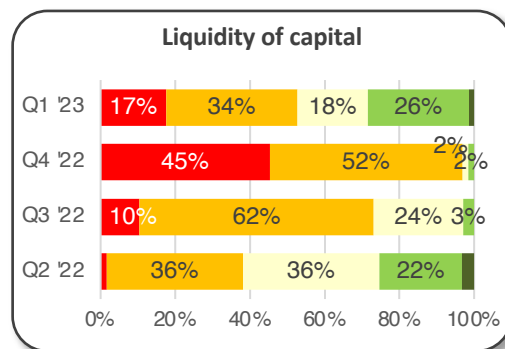
EUROPE EX-UK MARKET CONDITIONS

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A similar shift occurred with sentiment about European market conditions, with the proportion of negative views falling materially whilst the number of positive responses increased.

Question 2

From a lending perspective, how would you assess debt market conditions in Europe ex UK today?



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

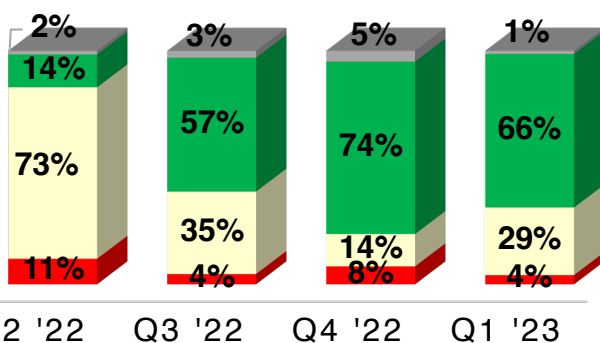
Quarter on quarter, views on financial covenants have remained largely similar.

LTV

Question 3
For New loans, do you think LTVs are:

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

UK

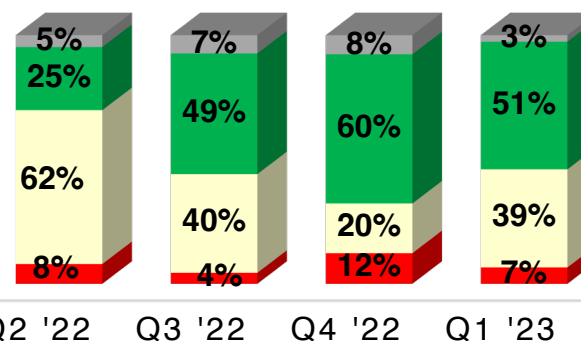


ICR

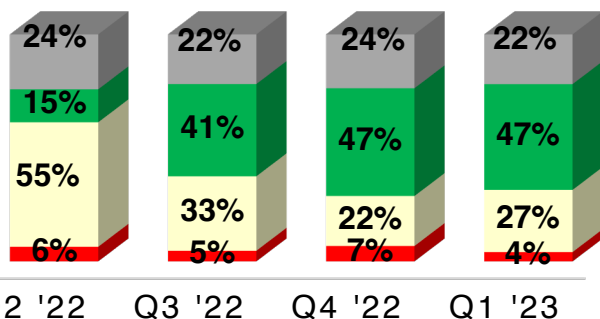
Question 4
For New loans, do you think ICRs are:

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

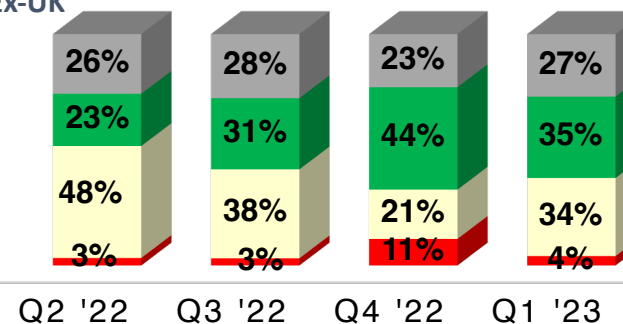
UK



Europe Ex-UK



Europe Ex-UK



REAL ESTATE SECTORS

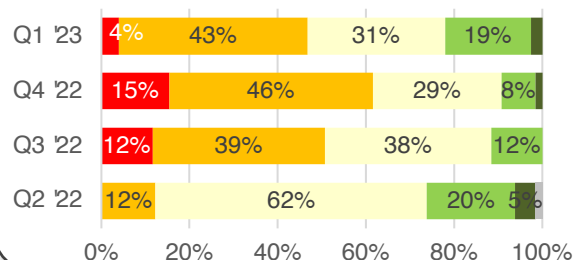
16

Opinion was the most negative for the office sector. Other than the hospitality sector (where views were more equally balanced), the 'beds' sectors had overwhelmingly meaningful positive support.

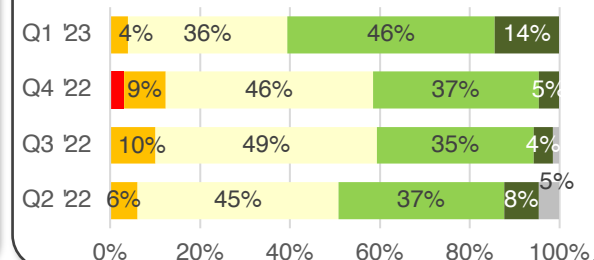
Question 6

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?

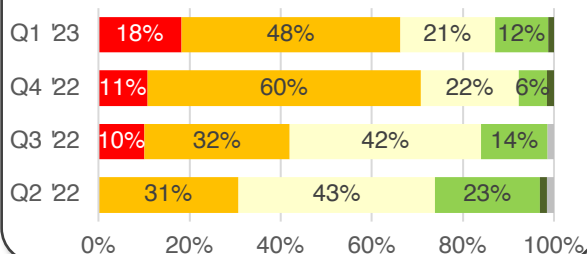
Industrial/Logistics



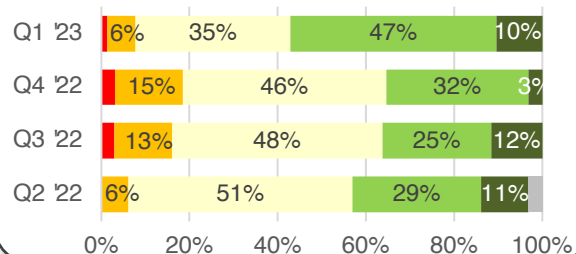
Student Accommodation



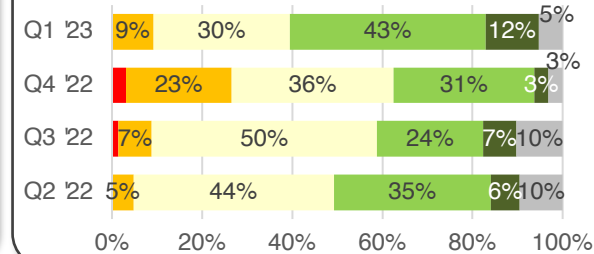
Offices



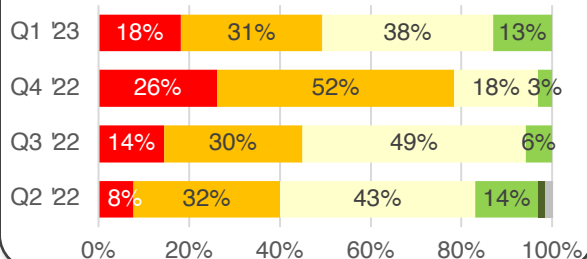
PRS/BTR



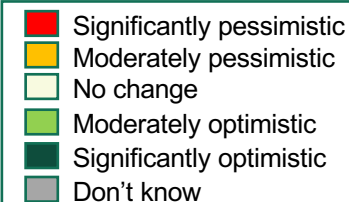
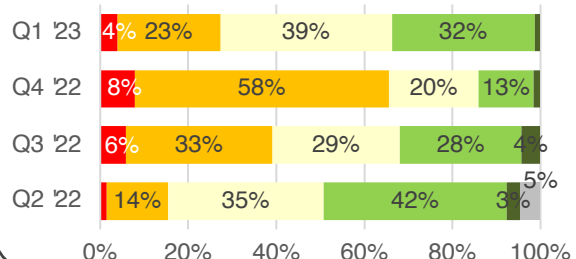
Alternatives



Retail



Hospitality



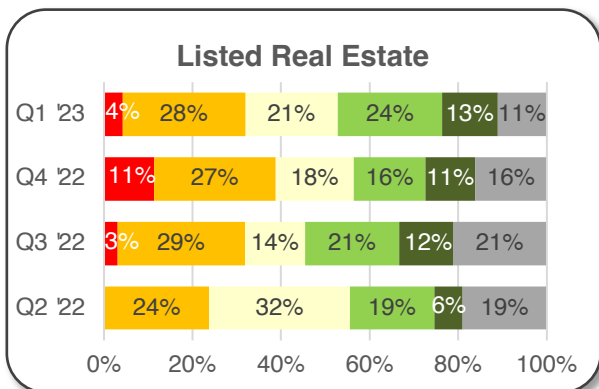
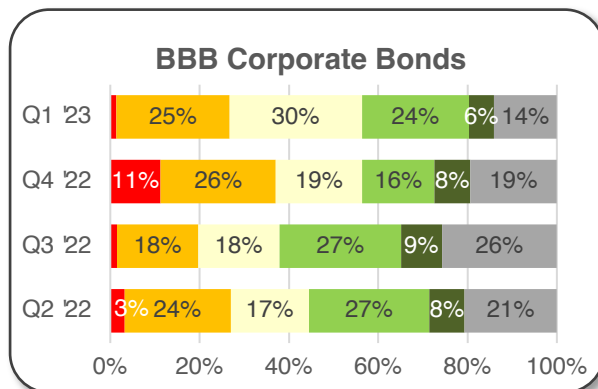
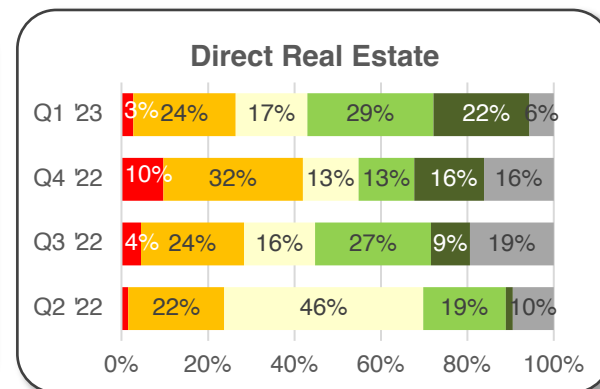
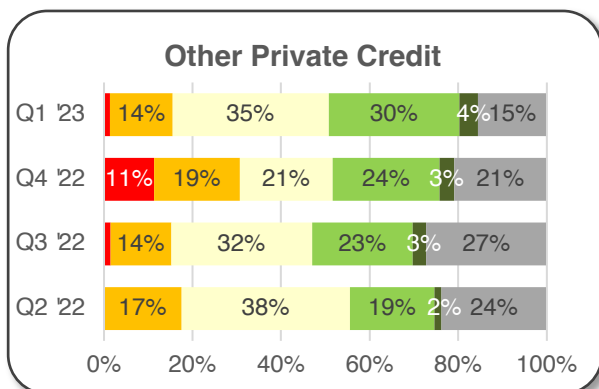
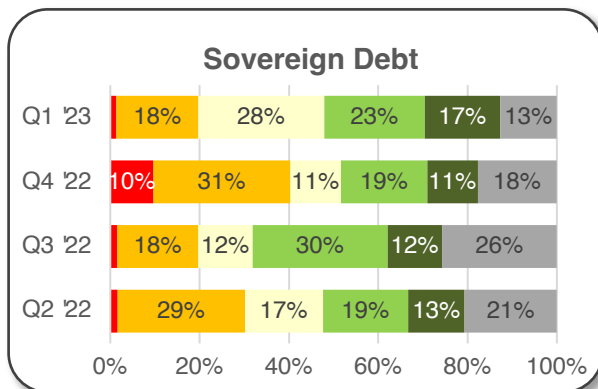
REAL ESTATE DEBT VS. OTHER ASSET CLASSES

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There was an upward shift in sentiment on the relative merits of real estate debt compared with other asset classes, especially in relation to other forms of real estate exposure.

Question 7

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



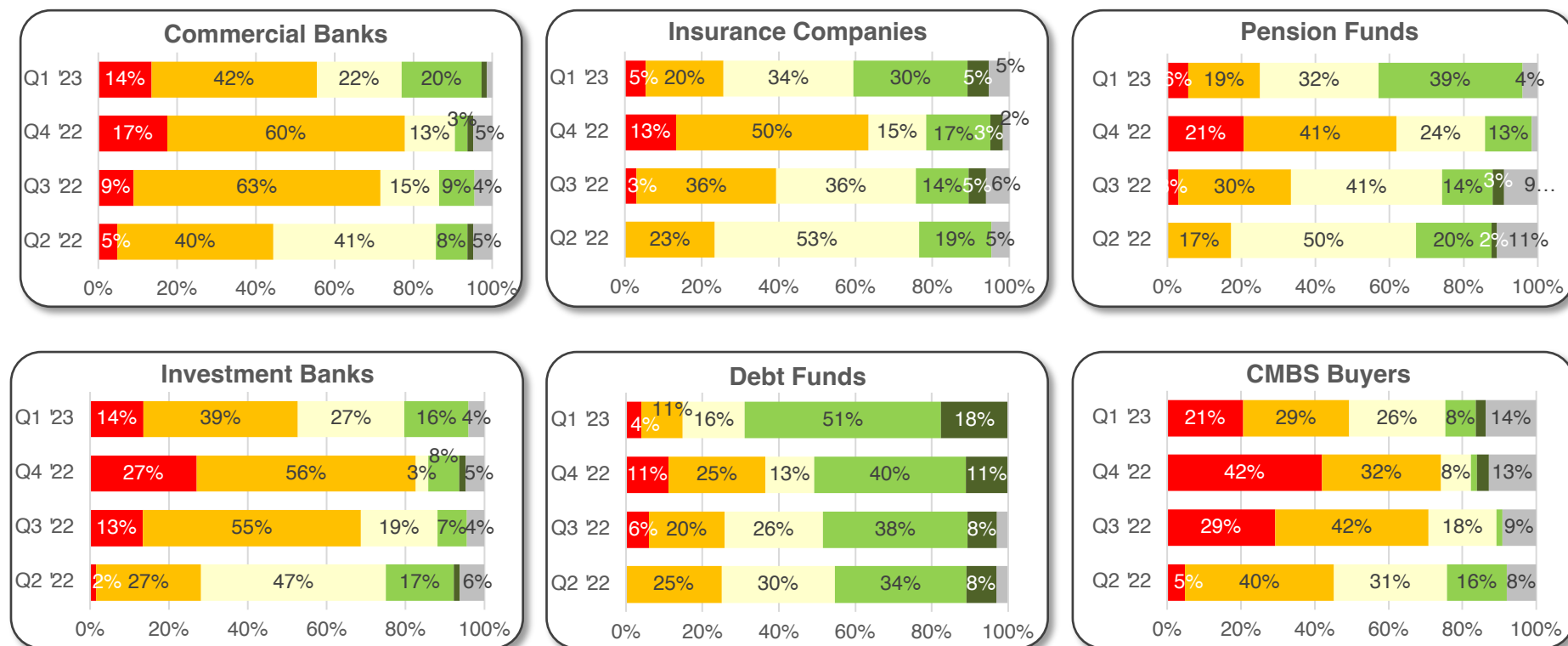
GROWTH PROSPECTS OF MARKET PARTICIPANTS

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Views on debt funds remained strongly positive and improving. Sentiment on the outlook for other types of participants, especially insurers, improved Q-o-Q with negative views falling and positive opinion picking up.

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?



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

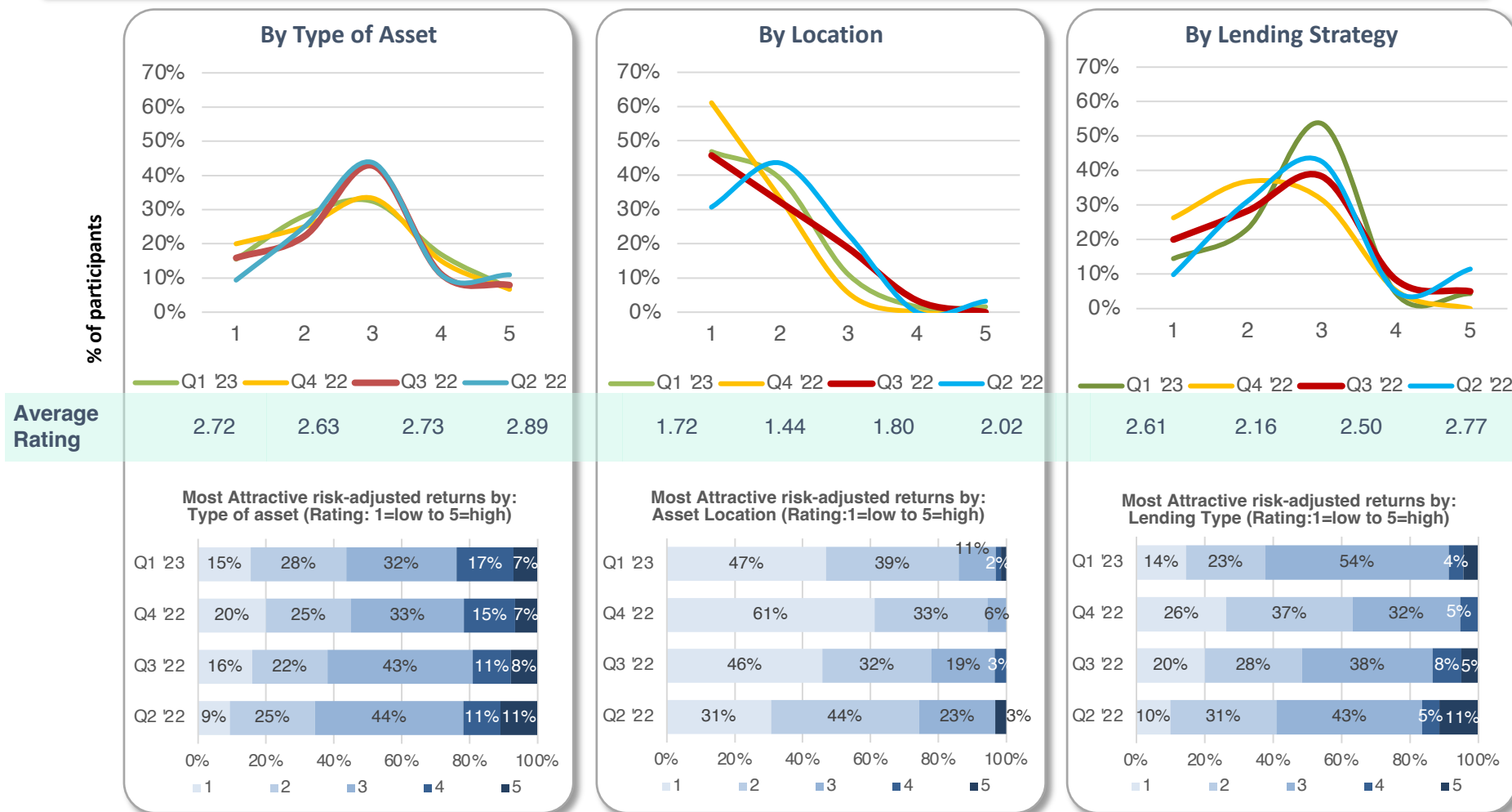
RISK-RETURN PROFILE

The distribution curves for risk-returns expectations continue to follow a similar pattern. However, following a few quarters of falling average ratings, in Q1 the average has bounced back, especially for type of lending strategy.

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Questions 9-11

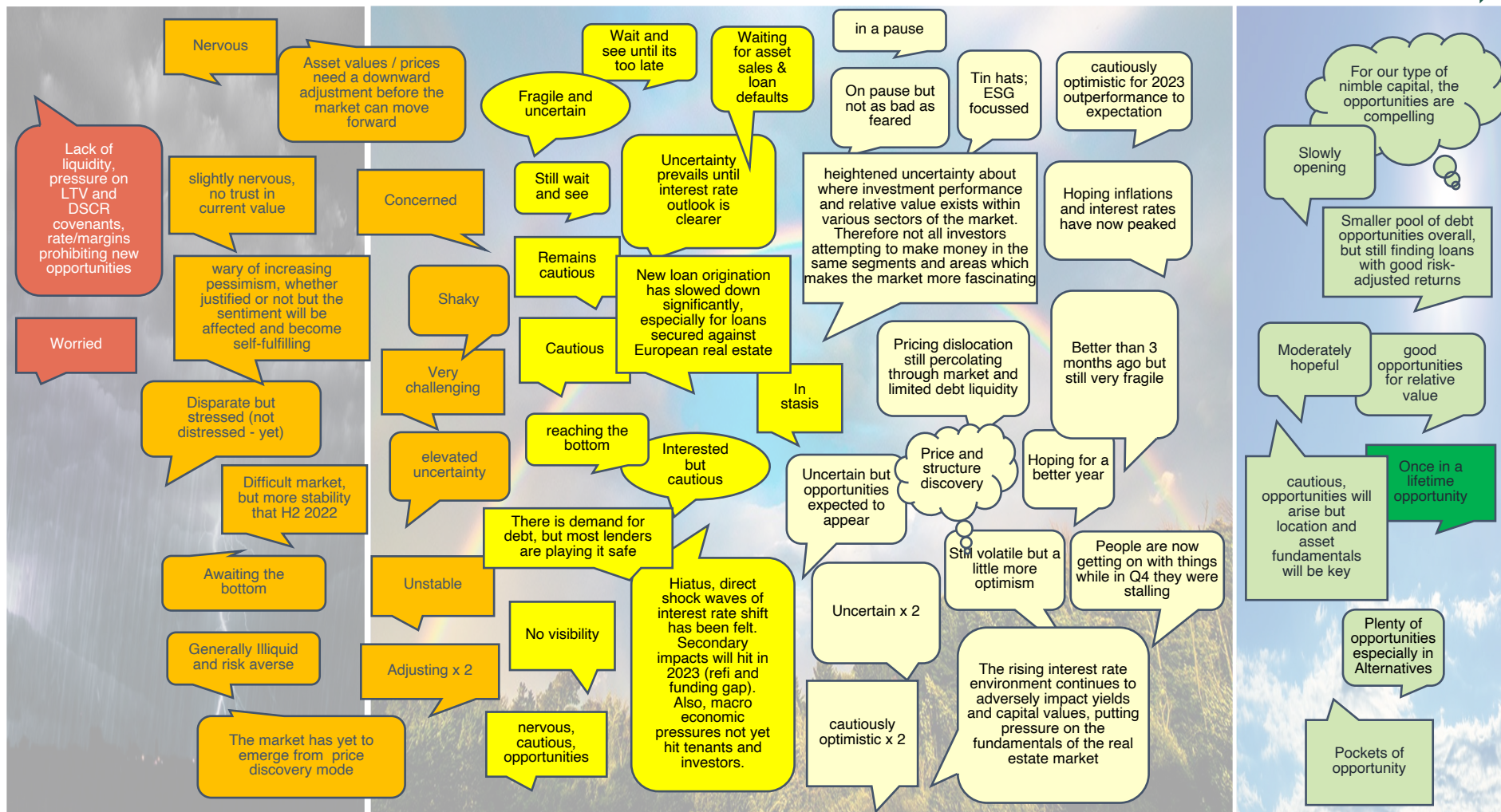
Where do you see the most attractive opportunities over the next 3 months, on a scale of 1 to 5, where 1 = low risk and 5 = high risk?



QUALITATIVE COMMENTS

Qualitative comments reflected the improvement in sentiment with the balance of comments shifting towards more neutral commentary on the market (e.g. uncertain, price discovery, cautious optimism).

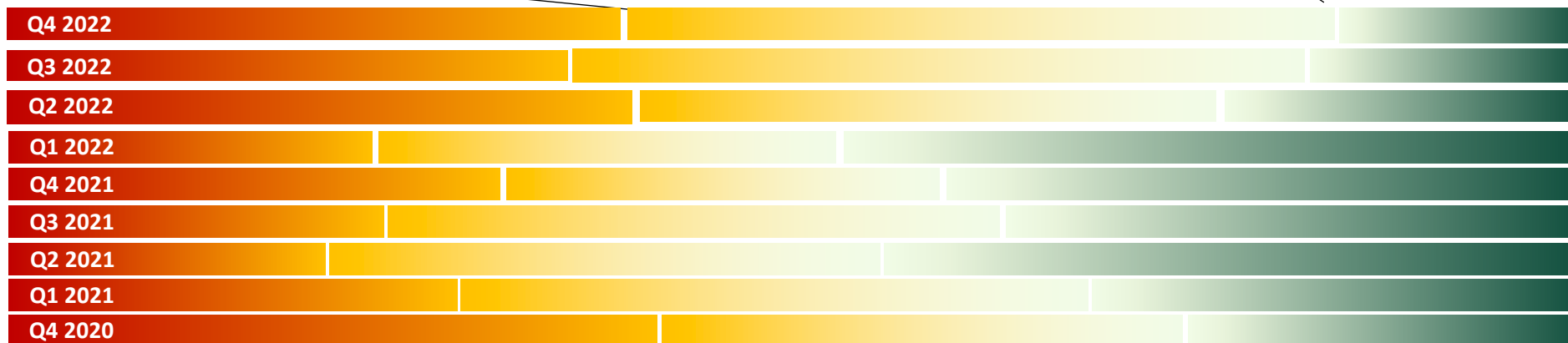
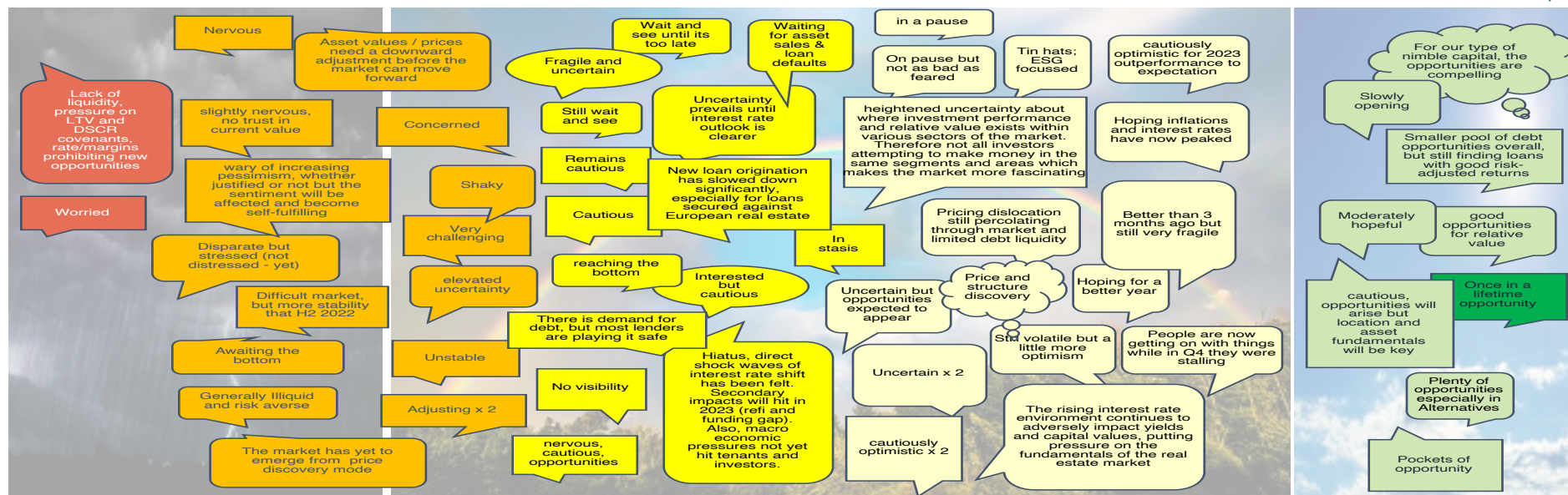
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QUALITATIVE COMMENTS TREND

21

The number of negative comments has reduced significantly in Q1 compared with the past few quarters.



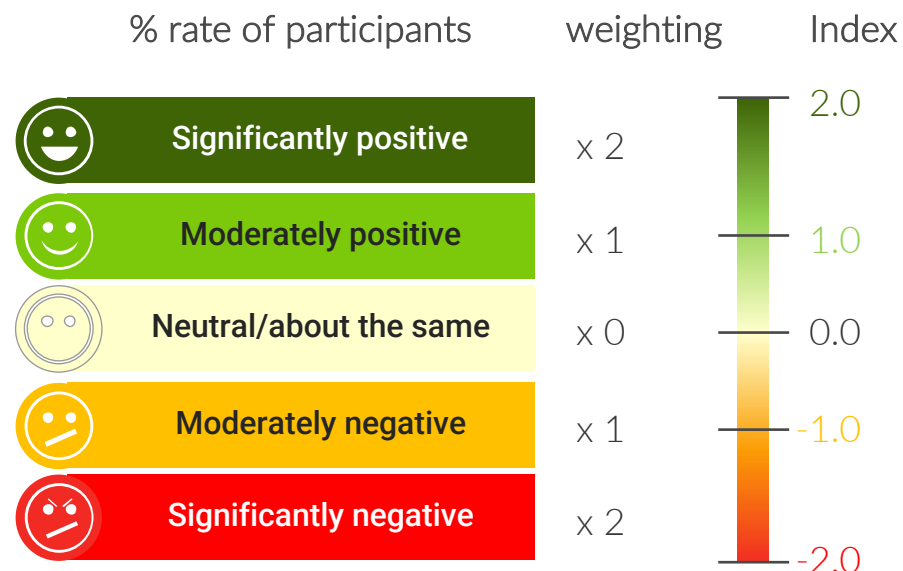
Appendices

1. Methodology for Sentiment Index
2. Historic Data

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**'



$$\text{Sentiment Index} = 2a + b - y - 2z$$

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**.

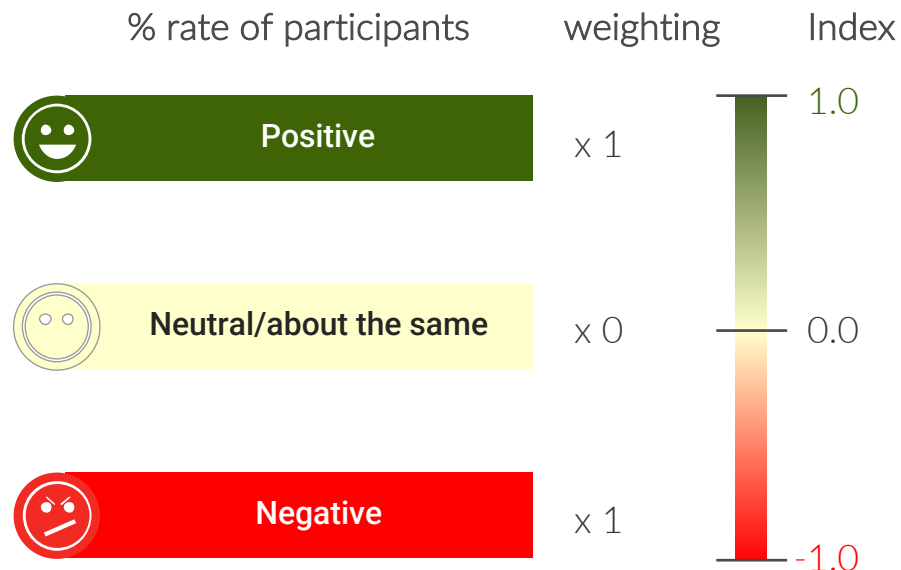
1A. METHODOLOGY FOR SENTIMENT INDEX – FINANCIAL COVENANTS

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

The financial covenant-related measures in the survey have a three point scale (**negative**, neutral, **positive**). The methodology for measuring the index is as follows:

- The '**negatives**' are **subtracted** from the '**positives**'
- The percentage rate of the '**neutrals**' is set aside



$$\text{Sentiment Index} = a - z$$

where:

a = proportion of respondents who responded **positive**

z = proportion of respondents who responded **negative**

A score on the index therefore ranges from **-1.0** to **1.0**.

1B. RESTATEMENT OF EUROPE EX-UK SENTIMENT INDEX

Over the past few quarters the number of 'Don't Know' responses in relation to the European market conditions has been unusually high, suggesting that respondents were potentially UK only. In light of this, all percentages were recalibrated so that 100% excluded the 'DK' responses.

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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	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Don't know	0%	9%	10%	10%	9%	12%	21%	19%	21%	34%	26%	25%	26%	20%	25%	19%	24%
Debt availability/liquidity of capital	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Don't know	3%	6%	1%	2%	0%	3%	2%	21%	21%	36%	24%	26%	28%	22%	25%	16%	24%
Volume of new business	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Don't know								21%	25%	34%	27%	25%	28%	27%	24%	16%	26%
Pricing/margins	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Don't know	7%	10%	1%	0%	2%	10%	3%	21%	30%	39%	29%	28%	28%	22%	25%	16%	25%
Lending terms	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Don't know	3%	7%	3%	0%	3%	8%	0%	24%	30%	37%	30%	26%	26%	22%	27%	16%	24%
Resilience of existing loans against financial covenants	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Don't know								21%	26%	39%	29%	30%	28%	22%	25%	20%	25%

Europe Market Conditions

Overall	(0.42)	0.05	0.09	(0.06)	0.22	(1.45)	(0.29)	0.13	0.05	0.47	0.53	0.59	0.24	(0.39)	(0.55)	(0.77)	(0.20)
Debt availability/ liquidity of capital	(0.05)	(0.06)	(0.04)	0.00	0.51	(1.20)	(0.36)	0.19	0.11	0.70	0.62	0.57	0.42	(0.25)	(0.54)	(0.97)	(0.32)
Volume of new business								0.34	0.12	0.49	0.67	0.64	0.42	(0.13)	(0.21)	(0.69)	(0.26)
Pricing/margins	(0.28)	0.12	0.13	0.02	(0.02)	(0.15)	0.34	0.16	0.09	0.00	(0.00)	0.07	(0.08)	(0.20)	0.07	0.13	0.25
Lending terms	(0.11)	0.07	0.10	(0.06)	0.02	0.07	0.23	0.05	0.04	0.10	(0.02)	0.03	0.05	(0.13)	0.03	0.03	0.23
Resilience of existing loans against financial covenants								(0.29)	(0.25)	0.17	0.13	0.18	0.12	(0.17)	(0.34)	(0.80)	(0.46)

Excluding 'Don't know' responses

Overall	(0.42)	0.06	0.10	(0.07)	0.24	(1.65)	(0.37)	0.16	0.07	0.72	0.72	0.79	0.33	(0.49)	(0.74)	(0.96)	(0.26)
Debt availability/ liquidity of capital	(0.05)	(0.06)	(0.04)	(0.00)	0.51	(1.24)	(0.37)	0.24	0.13	1.08	0.81	0.78	0.57	(0.32)	(0.72)	(1.16)	(0.43)
Volume of new business								0.43	0.16	0.74	0.91	0.85	0.57	(0.17)	(0.27)	(0.82)	(0.35)
Pricing/margins	(0.30)	0.13	0.13	0.02	(0.02)	(0.17)	0.35	0.21	0.13	(0.00)	0.00	0.09	(0.11)	(0.26)	0.10	0.16	0.34
Lending terms	(0.12)	0.08	0.10	(0.06)	0.02	(0.20)	0.23	0.06	0.05	0.16	(0.02)	0.04	0.06	(0.16)	0.04	0.04	0.30
Resilience of existing loans against financial covenants								(0.37)	(0.33)	0.28	0.18	0.26	0.17	(0.22)	(0.46)	(1.00)	(0.62)

2. HISTORIC DATA

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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	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	3%	8%	4%	16%	0%	71%	30%	5%	3%	0%	0%	0%	0%	3%	11%	51%	12%
Moderately worse	51%	57%	45%	41%	3%	25%	22%	23%	19%	11%	5%	8%	9%	52%	68%	35%	36%
No change	36%	30%	41%	41%	38%	3%	11%	20%	38%	5%	24%	18%	34%	22%	14%	3%	18%
Moderately better	6%	3%	9%	2%	42%	0%	28%	41%	33%	69%	60%	54%	46%	22%	6%	6%	27%
Significantly better	4%	2%	1%	0%	13%	0%	8%	9%	3%	13%	11%	15%	8%	2%	0%	2%	4%
Don't know	0%	0%	0%	0%	3%	0%	2%	3%	3%	2%	0%	5%	3%	0%	2%	3%	3%
Debt availability/ liquidity of capital	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	0%	1%	0%	0%	0%	43%	11%	3%	2%	0%	0%	0%	0%	2%	10%	45%	17%
Moderately worse	26%	22%	17%	22%	5%	38%	38%	21%	11%	2%	8%	6%	8%	36%	62%	52%	34%
No change	49%	51%	69%	58%	42%	10%	28%	25%	44%	13%	18%	17%	31%	36%	24%	2%	18%
Moderately better	21%	19%	13%	14%	49%	5%	20%	36%	36%	66%	53%	49%	38%	22%	3%	2%	26%
Significantly better	0%	0%	0%	4%	3%	0%	2%	10%	3%	18%	21%	22%	19%	3%	0%	0%	1%
Don't know	3%	6%	1%	2%	0%	3%	2%	4%	3%	2%	0%	5%	5%	2%	1%	0%	3%
Volume of new business	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse								5%	3%	0%	0%	2%	0%	5%	9%	45%	13%
Moderately worse								18%	20%	7%	11%	10%	12%	28%	54%	41%	37%
No change								12%	18%	15%	17%	13%	23%	34%	21%	8%	29%
Moderately better								42%	49%	46%	47%	44%	45%	22%	13%	2%	18%
Significantly better								18%	7%	33%	24%	29%	17%	9%	1%	3%	0%
Don't know								5%	3%	0%	2%	3%	3%	2%	1%	2%	3%
Pricing/margins	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly lower	2%	0%	0%	0%	0%	17%	5%	0%	2%	3%	2%	2%	0%	3%	4%	18%	1%
Moderately lower	41%	16%	11%	25%	15%	25%	27%	13%	16%	25%	26%	24%	23%	40%	31%	25%	21%
No change	34%	45%	63%	47%	69%	19%	11%	36%	45%	45%	45%	37%	49%	34%	13%	3%	30%
Moderately higher	16%	28%	24%	27%	14%	14%	39%	40%	31%	20%	21%	29%	22%	23%	40%	31%	30%
Significantly higher	0%	0%	0%	0%	0%	15%	16%	7%	0%	3%	2%	2%	2%	0%	10%	20%	14%
Don't know	7%	10%	1%	0%	2%	10%	3%	3%	6%	3%	5%	6%	5%	0%	1%	3%	4%
Lending terms	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	0%	0%	0%	0%	0%	15%	6%	0%	2%	0%	0%	2%	0%	2%	1%	17%	1%
Moderately worse	30%	13%	10%	25%	10%	0%	28%	19%	11%	20%	20%	16%	16%	27%	34%	31%	25%
No change	49%	58%	67%	55%	75%	24%	16%	37%	61%	48%	53%	51%	55%	50%	28%	9%	21%
Moderately better	18%	21%	20%	20%	12%	17%	36%	31%	20%	28%	20%	24%	25%	20%	27%	35%	42%
Significantly better	0%	0%	0%	0%	0%	10%	14%	6%	0%	3%	2%	2%	2%	0%	6%	6%	8%
Don't know	3%	7%	3%	0%	3%	8%	0%	6%	7%	2%	6%	6%	3%	2%	3%	2%	4%
Resilience of existing loans against financial covenants	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse								13%	3%	0%	2%	0%	2%	2%	6%	30%	9%
Moderately worse								34%	37%	15%	12%	11%	8%	20%	38%	56%	57%
No change								34%	47%	59%	45%	40%	52%	60%	51%	8%	22%
Moderately better								15%	8%	20%	30%	40%	28%	17%	3%	0%	8%
Significantly better								0%	0%	5%	8%	3%	8%	0%	0%	2%	1%
Don't know								3%	5%	2%	3%	6%	3%	2%	1%	5%	3%

2. HISTORIC DATA

27

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	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	3%	0%	0%	0%	0%	62%	6%	5%	3%	0%	0%	0%	2%	3%	6%	19%	7%
Moderately worse	51%	11%	12%	18%	4%	21%	29%	21%	14%	7%	5%	5%	8%	45%	51%	48%	26%
No change	36%	64%	59%	61%	67%	5%	31%	16%	36%	10%	16%	14%	35%	19%	12%	5%	24%
Moderately better	6%	16%	18%	12%	15%	0%	13%	34%	26%	44%	48%	48%	26%	13%	4%	6%	17%
Significantly better	4%	0%	1%	0%	6%	0%	0%	5%	0%	5%	5%	8%	5%	0%	1%	2%	1%
Don't know	0%	9%	10%	10%	9%	12%	21%	19%	21%	34%	26%	25%	26%	20%	25%	19%	24%

Debt availability/liquidity of capital	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	0%	1%	0%	0%	0%	43%	11%	2%	2%	0%	0%	0%	2%	5%	9%	21%	10%
Moderately worse	26%	22%	17%	22%	5%	38%	38%	18%	19%	2%	6%	7%	5%	31%	40%	56%	30%
No change	49%	51%	69%	58%	42%	10%	28%	23%	25%	8%	16%	15%	23%	28%	22%	5%	20%
Moderately better	21%	19%	13%	14%	49%	5%	20%	34%	33%	37%	40%	41%	37%	13%	1%	2%	17%
Significantly better	0%	0%	0%	4%	3%	0%	2%	3%	0%	17%	14%	11%	6%	2%	1%	0%	0%
Don't know	3%	6%	1%	2%	0%	3%	2%	21%	21%	36%	24%	26%	28%	22%	25%	16%	24%

Volume of new business	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse								3%	2%	0%	0%	0%	2%	5%	4%	20%	7%
Moderately worse								11%	21%	8%	2%	5%	8%	22%	31%	39%	26%
No change								23%	19%	10%	19%	18%	22%	30%	24%	16%	27%
Moderately better								32%	30%	37%	37%	36%	31%	16%	13%	7%	14%
Significantly better								10%	4%	10%	16%	16%	11%	2%	3%	2%	0%
Don't know								21%	25%	34%	27%	25%	28%	27%	24%	16%	26%

Pricing/margins	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly lower	2%	0%	0%	0%	0%	17%	5%	3%	2%	2%	2%	2%	0%	3%	4%	13%	1%
Moderately lower	41%	16%	11%	25%	15%	25%	27%	13%	12%	17%	19%	15%	22%	34%	25%	16%	11%
No change	34%	45%	63%	47%	69%	19%	11%	28%	35%	24%	29%	31%	37%	20%	12%	8%	28%
Moderately higher	16%	28%	24%	27%	14%	14%	39%	33%	18%	17%	22%	25%	14%	20%	24%	36%	28%
Significantly higher	0%	0%	0%	0%	0%	15%	16%	2%	4%	2%	0%	0%	0%	0%	9%	10%	6%
Don't know	7%	10%	1%	0%	2%	10%	3%	21%	30%	39%	29%	28%	28%	22%	25%	16%	25%

Lending terms	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	0%	0%	0%	0%	0%	15%	6%	0%	2%	0%	2%	0%	0%	2%	1%	10%	1%
Moderately worse	30%	13%	10%	25%	10%	0%	28%	19%	13%	12%	14%	16%	11%	23%	30%	21%	14%
No change	49%	58%	67%	55%	75%	24%	16%	34%	38%	29%	38%	38%	48%	39%	12%	15%	24%
Moderately better	18%	21%	20%	20%	12%	17%	36%	21%	16%	22%	16%	20%	15%	14%	24%	31%	34%
Significantly better	0%	0%	0%	0%	0%	10%	14%	2%	2%	0%	0%	0%	0%	0%	6%	7%	3%
Don't know	3%	7%	3%	0%	3%	8%	0%	24%	30%	37%	30%	26%	26%	22%	27%	16%	24%

Resilience of existing loans against financial covenants	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse								6%	2%	0%	2%	0%	2%	2%	4%	15%	3%
Moderately worse								29%	26%	7%	8%	8%	6%	22%	28%	51%	45%
No change								31%	40%	32%	40%	38%	48%	47%	39%	15%	23%
Moderately better								13%	5%	20%	21%	23%	12%	8%	3%	0%	4%
Significantly better								0%	0%	2%	2%	2%	5%	0%	0%	0%	0%
Don't know								21%	26%	39%	29%	30%	28%	22%	25%	20%	25%

2. HISTORIC DATA

2.2. Views on financial covenants

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

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

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

UK	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Increasing	5%	8%	33%	20%	29%	23%	11%	4%	8%	4%
About the same	57%	58%	55%	75%	68%	75%	73%	35%	14%	29%
Decreasing	37%	25%	10%	2%	2%	0%	14%	57%	74%	66%
Unclear/don't know	2%	8%	2%	3%	2%	2%	2%	3%	5%	1%

Europe ex UK	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Increasing	5%	9%	14%	13%	20%	13%	6%	5%	7%	4%
About the same	49%	52%	54%	52%	56%	62%	55%	33%	22%	27%
Decreasing	27%	18%	2%	5%	0%	0%	15%	41%	47%	47%
Unclear/don't know	19%	21%	30%	30%	25%	25%	24%	22%	24%	22%

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

UK	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Less demanding	5%	3%	8%	8%	18%	14%	8%	4%	12%	7%
About the same	64%	65%	75%	80%	71%	80%	62%	40%	20%	39%
More demanding	25%	18%	10%	6%	6%	3%	25%	49%	60%	51%
Unclear/don't know	6%	13%	7%	6%	5%	3%	5%	7%	8%	3%

Europe ex UK	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Less demanding	5%	2%	7%	8%	6%	8%	3%	3%	11%	4%
About the same	52%	62%	58%	56%	63%	63%	48%	38%	21%	34%
More demanding	19%	9%	5%	5%	5%	3%	23%	31%	44%	35%
Unclear/don't know	24%	27%	30%	31%	26%	27%	26%	28%	23%	27%

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	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	33%	23%	20%	29%	2%	15%	19%	14%	5%	0%	3%	2%	5%	45%	14%	60%	5%
Moderately worse	62%	62%	51%	53%	12%	27%	36%	65%	15%	10%	12%	45%	61%	48%	57%	35%	19%
No change	3%	11%	24%	14%	7%	32%	36%	18%	20%	31%	50%	42%	27%	6%	25%	3%	39%
Moderately better	0%	2%	1%	4%	47%	15%	9%	3%	53%	51%	31%	9%	8%	0%	4%	2%	31%
Significantly better	0%	0%	0%	0%	31%	10%	0%	0%	5%	8%	4%	2%	0%	0%	0%	0%	5%
Don't know	2%	3%	3%	0%	2%	2%	0%	0%	2%	0%	0%	0%	0%	0%	0%	0%	0%
Economic environment	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	2%	4%	1%	4%	0%	87%	53%	18%	7%	2%	0%	5%	2%	27%	36%	60%	10%
Moderately worse	77%	58%	51%	71%	17%	12%	31%	49%	63%	10%	12%	52%	44%	65%	58%	40%	34%
No change	20%	30%	40%	25%	36%	2%	2%	17%	15%	13%	10%	17%	23%	6%	6%	0%	30%
Moderately better	0%	4%	6%	0%	41%	0%	14%	15%	12%	69%	68%	22%	32%	2%	0%	0%	26%
Significantly better	0%	0%	0%	0%	5%	0%	0%	0%	2%	7%	10%	3%	0%	0%	0%	0%	0%
Don't know	2%	3%	1%	0%	2%	0%	0%	0%	2%	0%	0%	0%	0%	0%	0%	0%	0%
Regulatory environment	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	2%	1%	1%	2%	0%	3%	8%	2%	3%	0%	0%	0%	0%	2%	4%	5%	1%
Moderately worse	25%	18%	14%	14%	12%	12%	14%	12%	17%	5%	7%	11%	12%	9%	10%	11%	22%
No change	67%	72%	81%	82%	79%	75%	66%	83%	70%	72%	82%	89%	82%	89%	84%	83%	75%
Moderately better	3%	3%	1%	0%	5%	8%	13%	2%	5%	20%	6%	0%	6%	0%	0%	2%	0%
Significantly better	0%	0%	0%	0%	0%	2%	0%	0%	2%	0%	1%	0%	0%	0%	0%	0%	0%
Don't know	3%	6%	1%	2%	3%	0%	0%	2%	3%	3%	3%	0%	0%	0%	1%	0%	1%
Real estate fundamentals	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	0%	0%	1%	2%	0%	35%	14%	3%	3%	0%	0%	0%	0%	2%	10%	17%	9%
Moderately worse	43%	33%	34%	33%	10%	48%	52%	52%	37%	8%	9%	11%	11%	29%	57%	55%	51%
No change	48%	60%	61%	57%	68%	17%	20%	37%	40%	30%	40%	48%	53%	67%	33%	26%	31%
Moderately better	8%	1%	1%	6%	22%	0%	14%	6%	15%	57%	48%	36%	36%	3%	0%	0%	9%
Significantly better	0%	0%	0%	0%	0%	0%	0%	2%	3%	5%	3%	5%	0%	0%	0%	2%	0%
Don't know	2%	6%	1%	2%	0%	0%	0%	0%	2%	0%	0%	0%	0%	0%	0%	0%	0%

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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	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly pessimistic	0%	0%	1%	0%	0%	7%	11%	3%	5%	0%	0%	0%	2%	0%	10%	11%	18%
Moderately pessimistic	24%	20%	10%	31%	3%	55%	52%	51%	35%	28%	25%	16%	23%	31%	32%	60%	48%
No Change	60%	56%	68%	50%	39%	27%	29%	32%	37%	31%	28%	32%	35%	43%	42%	22%	21%
Moderately optimistic	15%	24%	20%	17%	46%	8%	6%	12%	22%	30%	34%	43%	35%	23%	14%	6%	12%
Significantly Optimistic	2%	0%	0%	2%	10%	2%	2%	0%	0%	10%	12%	8%	5%	2%	0%	2%	1%
Don't know	0%	0%	1%	1%	2%	2%	0%	2%	2%	2%	0%	2%	2%	2%	1%	0%	0%
Retail	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly pessimistic	32%	30%	31%	35%	22%	82%	65%	34%	37%	20%	10%	3%	3%	8%	14%	26%	18%
Moderately pessimistic	63%	51%	52%	40%	41%	18%	15%	38%	38%	26%	18%	21%	29%	32%	30%	52%	31%
No Change	5%	19%	17%	19%	24%	0%	18%	23%	17%	36%	51%	38%	32%	43%	49%	18%	38%
Moderately optimistic	0%	0%	0%	6%	12%	0%	2%	3%	7%	13%	18%	33%	33%	14%	6%	3%	13%
Significantly Optimistic	0%	0%	0%	0%	0%	0%	0%	0%	0%	3%	3%	3%	2%	2%	0%	0%	0%
Don't know	0%	0%	0%	0%	2%	0%	0%	2%	2%	2%	0%	2%	2%	2%	0%	0%	0%
Industrial/ logistics	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly pessimistic	0%	2%	0%	0%	0%	3%	2%	0%	0%	0%	0%	0%	0%	0%	12%	15%	4%
Moderately pessimistic	11%	12%	17%	12%	8%	17%	2%	2%	2%	3%	9%	5%	5%	12%	39%	46%	43%
No Change	47%	45%	49%	55%	47%	35%	30%	46%	42%	39%	45%	57%	55%	62%	38%	29%	31%
Moderately optimistic	34%	32%	25%	25%	27%	27%	56%	40%	35%	36%	30%	16%	23%	20%	12%	8%	19%
Significantly Optimistic	8%	9%	6%	8%	14%	18%	11%	11%	20%	21%	16%	21%	15%	5%	0%	2%	3%
Don't know	0%	0%	3%	0%	3%	0%	0%	2%	2%	0%	0%	2%	3%	2%	0%	0%	0%
Hospitality	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly pessimistic	3%	2%	1%	0%	0%	73%	42%	26%	20%	2%	1%	0%	0%	2%	6%	8%	4%
Moderately pessimistic	13%	18%	13%	15%	10%	22%	39%	49%	43%	18%	13%	3%	15%	14%	33%	58%	23%
No Change	61%	55%	50%	60%	49%	3%	9%	22%	18%	18%	22%	33%	26%	35%	29%	20%	39%
Moderately optimistic	18%	20%	29%	23%	27%	2%	8%	2%	15%	56%	49%	49%	48%	42%	28%	13%	32%
Significantly Optimistic	2%	3%	3%	0%	5%	0%	0%	0%	0%	5%	13%	13%	3%	3%	4%	2%	1%
Don't know	3%	3%	4%	2%	8%	0%	2%	2%	3%	2%	1%	2%	8%	5%	0%	0%	0%

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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?

PRS/ BTR/ Multi-Family	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly pessimistic	2%	0%	0%	0%	0%	8%	3%	0%	0%	0%	0%	0%	0%	0%	3%	3%	1%
Moderately pessimistic	5%	6%	7%	6%	7%	20%	3%	8%	2%	2%	1%	2%	5%	6%	13%	15%	6%
No Change	31%	43%	43%	46%	35%	55%	41%	40%	38%	34%	40%	35%	35%	51%	48%	46%	35%
Moderately optimistic	46%	37%	33%	44%	47%	15%	36%	45%	37%	44%	41%	41%	41%	29%	25%	32%	47%
Significantly Optimistic	15%	10%	16%	4%	7%	2%	17%	8%	18%	20%	16%	21%	17%	11%	12%	3%	10%
Don't know	2%	3%	1%	0%	5%	0%	0%	0%	5%	0%	1%	2%	3%	3%	0%	0%	0%
Student Accommodation	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly pessimistic	2%	0%	0%	0%	0%	25%	8%	8%	3%	0%	0%	0%	0%	0%	0%	3%	0%
Moderately pessimistic	18%	18%	13%	21%	10%	52%	41%	46%	32%	11%	15%	6%	2%	6%	10%	9%	4%
No Change	50%	40%	51%	52%	53%	13%	30%	20%	32%	31%	32%	27%	32%	45%	49%	46%	36%
Moderately optimistic	23%	31%	25%	27%	24%	8%	17%	26%	28%	43%	40%	52%	55%	37%	35%	37%	46%
Significantly Optimistic	6%	6%	9%	0%	7%	2%	2%	0%	0%	11%	12%	10%	8%	8%	4%	5%	14%
Don't know	2%	4%	3%	0%	7%	0%	3%	0%	5%	3%	1%	5%	5%	5%	1%	0%	0%
Alternatives (e.g. healthcare, senior)	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly pessimistic	2%	0%	0%	0%	2%	7%	5%	0%	0%	0%	0%	0%	0%	0%	1%	3%	0%
Moderately pessimistic	11%	7%	9%	18%	7%	0%	11%	6%	2%	0%	4%	0%	3%	5%	7%	23%	9%
No Change	36%	45%	45%	37%	32%	42%	40%	42%	33%	31%	30%	51%	37%	44%	50%	36%	30%
Moderately optimistic	30%	36%	31%	33%	32%	20%	29%	37%	43%	44%	37%	19%	35%	35%	24%	31%	43%
Significantly Optimistic	15%	4%	7%	6%	12%	3%	10%	8%	12%	18%	21%	21%	15%	6%	7%	3%	12%
Don't know	7%	7%	7%	6%	15%	3%	6%	8%	10%	7%	7%	10%	9%	10%	10%	3%	5%

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2.5. Views on real estate credit relative to other asset classes

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

Sovereign debt	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	2%	0%	2%	0%	0%	0%	2%	2%	10%	1%
Moderately worse	24%	7%	15%	6%	10%	10%	29%	18%	31%	18%
No change	29%	33%	15%	39%	38%	27%	17%	12%	11%	28%
Moderately better	24%	23%	32%	27%	20%	22%	19%	30%	19%	23%
Significantly better	6%	11%	10%	6%	10%	22%	13%	12%	11%	17%
Don't know	15%	26%	27%	21%	22%	20%	21%	26%	18%	13%

Listed real estate	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	6%	2%	2%	2%	2%	2%	0%	3%	11%	4%
Moderately worse	24%	16%	5%	10%	10%	15%	24%	29%	27%	28%
No change	16%	32%	28%	44%	32%	28%	32%	14%	18%	21%
Moderately better	24%	25%	37%	19%	27%	33%	19%	21%	16%	24%
Significantly better	11%	4%	3%	6%	5%	5%	6%	12%	11%	13%
Don't know	18%	23%	25%	19%	25%	17%	19%	21%	16%	11%

BBB corporate bonds	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	5%	4%	0%	0%	0%	0%	3%	2%	11%	1%
Moderately worse	26%	9%	17%	10%	8%	12%	24%	18%	26%	25%
No change	23%	33%	27%	31%	35%	30%	17%	18%	19%	30%
Moderately better	23%	28%	27%	31%	25%	28%	27%	27%	16%	24%
Significantly better	6%	5%	5%	6%	7%	12%	8%	9%	8%	6%
Don't know	18%	21%	25%	23%	25%	18%	21%	26%	19%	14%

Direct real estate	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	2%	4%	0%	0%	0%	2%	2%	4%	10%	3%
Moderately worse	34%	11%	13%	13%	12%	20%	22%	24%	32%	24%
No change	21%	42%	22%	37%	30%	31%	46%	16%	13%	17%
Moderately better	21%	26%	42%	31%	33%	31%	19%	27%	13%	29%
Significantly better	7%	0%	3%	3%	5%	5%	2%	9%	16%	22%
Don't know	15%	18%	20%	16%	20%	11%	10%	19%	16%	6%

Other private credit	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	2%	0%	0%	0%	0%	0%	0%	2%	11%	1%
Moderately worse	18%	9%	8%	10%	7%	8%	17%	14%	19%	14%
No change	31%	40%	35%	44%	45%	38%	38%	32%	21%	35%
Moderately better	26%	28%	30%	23%	20%	30%	19%	23%	24%	30%
Significantly better	5%	2%	2%	0%	2%	2%	2%	3%	3%	4%
Don't know	19%	21%	25%	24%	27%	22%	24%	27%	21%	15%

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2.6. 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?

Commercial banks	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	2%	3%	3%	0%	0%	35%	17%	6%	2%	0%	2%	0%	2%	5%	9%	17%	14%
Moderately Worse	43%	39%	42%	31%	22%	44%	56%	34%	41%	25%	21%	36%	31%	40%	63%	60%	42%
No change	43%	48%	44%	59%	56%	16%	24%	34%	36%	38%	37%	39%	28%	41%	15%	13%	22%
Moderately Better	7%	3%	5%	8%	17%	2%	2%	22%	9%	30%	31%	17%	31%	8%	9%	3%	20%
Significantly better	0%	0%	0%	0%	2%	0%	0%	0%	2%	2%	5%	5%	3%	2%	0%	2%	1%
Don't know	5%	6%	6%	2%	3%	4%	2%	3%	10%	5%	5%	3%	5%	5%	4%	5%	1%
Investment banks	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	2%	0%	2%	2%	0%	40%	19%	6%	5%	0%	0%	0%	0%	2%	13%	27%	14%
Moderately Worse	24%	31%	29%	20%	14%	37%	34%	29%	22%	13%	10%	12%	7%	27%	55%	56%	39%
No change	41%	48%	50%	49%	53%	14%	32%	32%	34%	27%	34%	39%	41%	47%	19%	3%	27%
Moderately Better	25%	14%	11%	25%	25%	5%	13%	29%	26%	45%	40%	31%	43%	17%	7%	8%	16%
Significantly better	2%	0%	3%	0%	5%	0%	0%	2%	0%	10%	11%	14%	5%	2%	0%	2%	0%
Don't know	7%	8%	6%	4%	3%	4%	2%	3%	12%	5%	5%	5%	5%	6%	4%	5%	4%
Insurance companies	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	0%	3%	0%	0%	0%	26%	6%	2%	3%	0%	0%	0%	0%	0%	3%	13%	5%
Moderately Worse	12%	8%	9%	16%	2%	37%	24%	16%	16%	3%	3%	7%	2%	23%	36%	50%	20%
No change	39%	42%	44%	51%	48%	26%	41%	44%	33%	33%	35%	32%	51%	53%	36%	15%	34%
Moderately Better	42%	38%	38%	29%	45%	4%	25%	25%	29%	45%	45%	44%	38%	19%	14%	17%	30%
Significantly better	0%	2%	2%	0%	2%	2%	0%	6%	7%	7%	8%	12%	5%	0%	5%	3%	5%
Don't know	7%	8%	8%	4%	3%	5%	3%	8%	12%	12%	8%	5%	5%	5%	6%	2%	5%
Debt funds	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	0%	0%	0%	0%	0%	23%	3%	0%	0%	0%	0%	0%	0%	0%	6%	11%	4%
Moderately Worse	14%	11%	14%	12%	5%	37%	24%	8%	5%	3%	8%	2%	5%	25%	20%	25%	11%
No change	24%	29%	34%	35%	34%	18%	21%	31%	24%	15%	21%	24%	23%	30%	26%	13%	16%
Moderately Better	59%	46%	43%	43%	47%	11%	48%	39%	43%	52%	40%	47%	54%	34%	38%	40%	51%
Significantly better	2%	8%	6%	6%	12%	9%	2%	17%	19%	25%	26%	25%	13%	8%	8%	11%	18%
Don't know	2%	6%	3%	4%	2%	4%	2%	5%	9%	5%	5%	2%	5%	3%	3%	0%	0%
Pension funds	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	0%	0%	0%	0%	0%	21%	6%	2%	2%	0%	0%	0%	0%	0%	3%	21%	6%
Moderately Worse	12%	11%	12%	14%	3%	39%	25%	13%	10%	3%	2%	3%	7%	17%	30%	41%	19%
No change	42%	46%	46%	57%	53%	23%	40%	49%	45%	42%	42%	37%	44%	50%	41%	24%	32%
Moderately Better	35%	32%	34%	25%	37%	7%	22%	22%	26%	40%	42%	37%	34%	20%	14%	13%	39%
Significantly better	5%	2%	2%	0%	2%	2%	0%	5%	7%	5%	6%	12%	5%	2%	3%	0%	0%
Don't know	7%	9%	6%	4%	5%	7%	6%	10%	10%	10%	8%	10%	10%	11%	9%	2%	4%
CMBS buyers	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Significantly worse	0%	5%	0%	0%	0%	41%	23%	6%	5%	0%	2%	0%	0%	5%	29%	42%	21%
Moderately Worse	25%	8%	14%	12%	2%	33%	30%	21%	28%	7%	7%	7%	5%	40%	42%	32%	29%
No change	37%	35%	40%	37%	40%	10%	25%	44%	33%	35%	25%	31%	32%	31%	18%	8%	26%
Moderately Better	28%	29%	28%	37%	52%	5%	11%	19%	21%	35%	44%	36%	32%	16%	2%	2%	8%
Significantly better	2%	6%	3%	2%	3%	2%	0%	0%	0%	7%	10%	12%	15%	0%	0%	3%	3%
Don't know	8%	17%	15%	12%	3%	9%	11%	10%	14%	17%	13%	15%	17%	8%	9%	13%	14%

2. HISTORIC DATA

2.7. 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

	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
1	2%	11%	5%	8%	5%	46%	23%	13%	13%	10%	5%	7%	2%	9%	16%	20%	15%
2	14%	13%	20%	26%	7%	20%	26%	42%	24%	16%	13%	18%	18%	25%	22%	25%	28%
3	46%	56%	48%	40%	45%	20%	35%	29%	39%	43%	44%	52%	49%	44%	43%	33%	32%
4	25%	14%	16%	16%	25%	6%	12%	13%	13%	26%	29%	18%	26%	11%	11%	15%	17%
5	13%	6%	11%	10%	16%	8%	4%	3%	11%	5%	10%	5%	5%	11%	8%	7%	7%
Average Rating	3.32	2.92	3.08	2.94	3.40	2.10	2.47	2.52	2.85	3.00	3.25	2.97	3.15	2.89	2.73	2.63	2.72

By location of asset

	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
1	9%	19%	10%	30%	18%	61%	47%	42%	50%	32%	21%	26%	20%	31%	46%	61%	47%
2	39%	37%	42%	33%	37%	22%	32%	47%	28%	45%	39%	37%	50%	44%	32%	33%	39%
3	35%	32%	37%	33%	39%	11%	13%	10%	18%	23%	37%	32%	25%	23%	19%	6%	11%
4	11%	10%	10%	4%	6%	4%	6%	0%	4%	0%	4%	4%	2%	0%	3%	0%	2%
5	6%	2%	2%	0%	0%	2%	2%	2%	0%	0%	0%	2%	4%	3%	0%	0%	2%
Average Rating	2.65	2.37	2.52	2.11	2.33	1.65	1.83	1.73	1.76	1.91	2.23	2.18	2.20	2.02	1.80	1.44	1.72

By type of lending

	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
1	13%	16%	13%	11%	9%	59%	24%	24%	17%	7%	5%	10%	3%	10%	20%	26%	14%
2	17%	30%	23%	30%	25%	11%	30%	32%	26%	22%	31%	26%	36%	31%	28%	37%	23%
3	45%	33%	43%	36%	38%	22%	35%	27%	40%	36%	35%	41%	37%	43%	38%	32%	54%
4	17%	16%	16%	17%	21%	4%	6%	16%	11%	19%	23%	9%	14%	5%	8%	5%	4%
5	8%	5%	5%	6%	7%	4%	6%	2%	6%	16%	6%	14%	10%	11%	5%	0%	4%
Average Rating	2.89	2.63	2.77	2.79	2.93	1.85	2.39	2.40	2.62	3.14	2.95	2.90	2.92	2.77	2.50	2.16	2.61



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