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**LOEWS HOLLYWOOD HOTEL
HOLLYWOOD, CA | NOV. 9-12, 2021**

Real Estate Private Credit

Andrew Rubin
Fidelity Investments

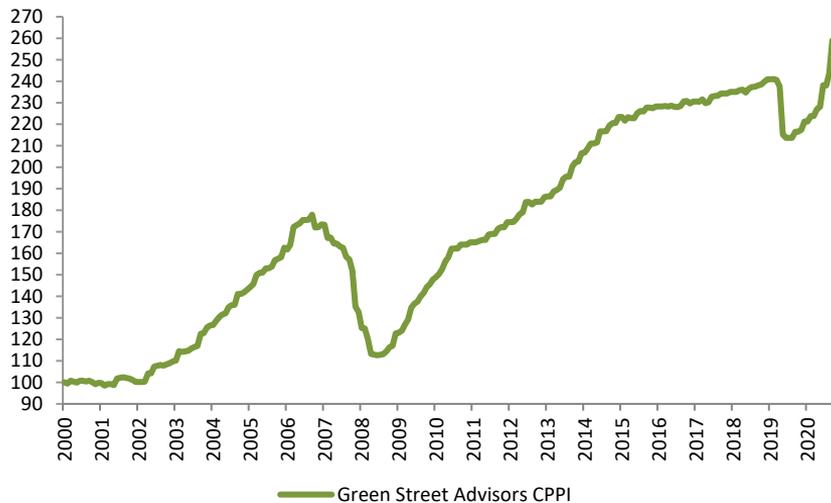


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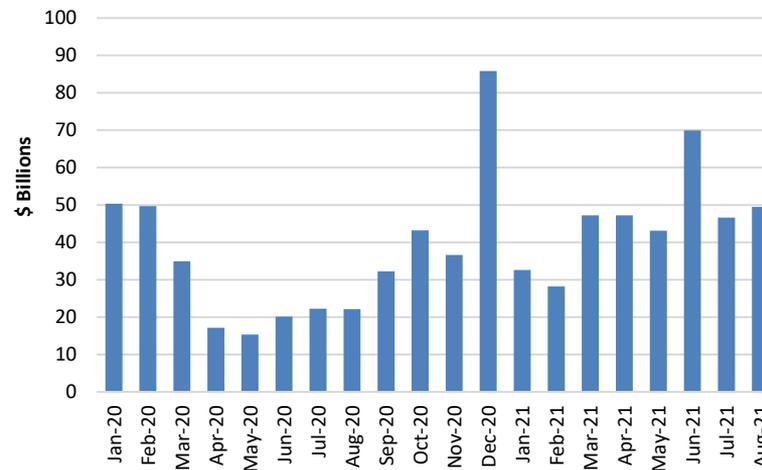
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Commercial Real Estate Recovery Underway

U.S. Commercial Property Prices¹



U.S. Transaction Volume²



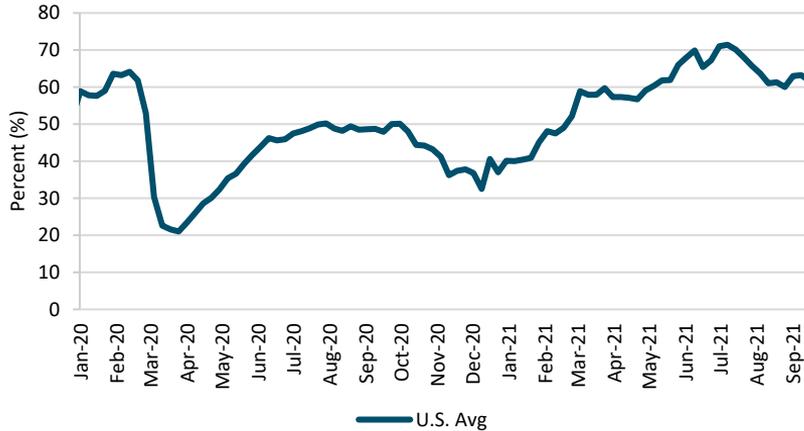
¹ Source: Green Street Advisors, as of 9/30/21. ² Source: Real Capital Analytics, as of 8/31/21.



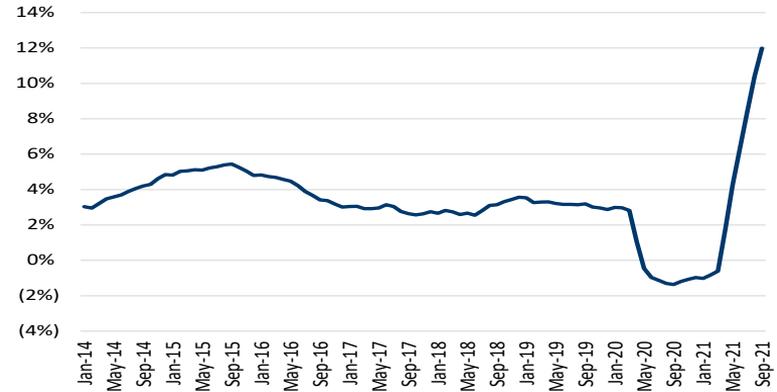
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Commercial Real Estate Recovery Underway

Lodging Occupancy³



Apartment Rent Growth⁴



³ Source: STR Weekly Data, as of 10/2/21. ⁴ Source: BTIG and RealPage as of 9/30/21.



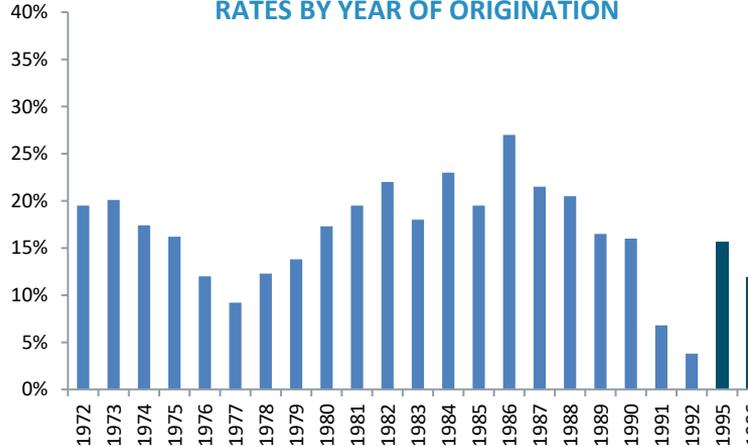
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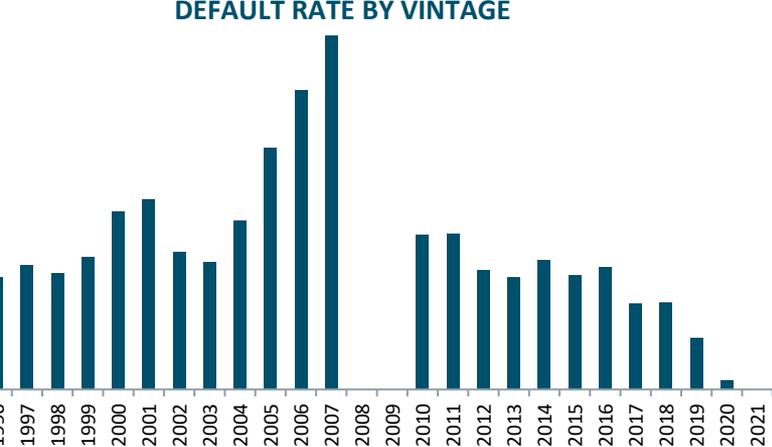
Loan Origination Year (Vintage) Matters

Loans originated during recovery periods have historically performed best

LIFE INSURANCE COMPANY MORTGAGE DEFAULT RATES BY YEAR OF ORIGINATION



CONDUIT CMBS CUMULATIVE DEFAULT RATE BY VINTAGE



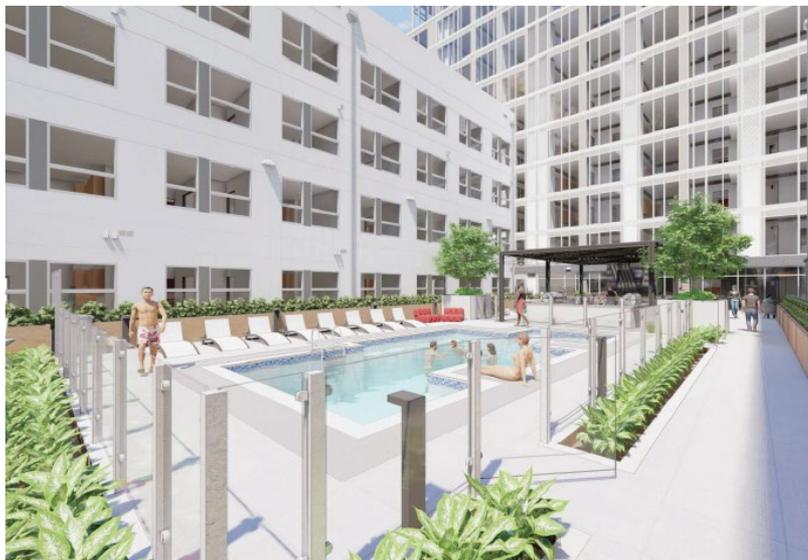
Sources: Vintage years 1972 to 1992; "Commercial Mortgage Defaults: An Update" by Howard Esaki, Steve L'Heureux and Mark Snyderman; Real Estate Finance Spring 1999. Vintage years 1995 to 2021; Intex Solutions, Inc., and Bank of America, as of 9/30/21.



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Wilmington Apartments—Construction financing



CASE STUDY:

Originated mezzanine loan to finance the development of a 203-unit class A apartment building in Wilmington, DE. The regionally-based institutional sponsor has acquired/developed over \$5 billion in commercial real estate since 1993.



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Industrial Site—Stabilized Asset



CASE STUDY:

Acquisition financing for a Class-A industrial distribution facility leased to Academy Sports on a long-term basis in Cookeville, TN. The sponsor focuses on credit/single tenant commercial real estate and provided significant cash equity for the transaction.



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Cranston Retail Center—Stabilized Asset



CASE STUDY:

Recapitalization of a lifestyle retail and office property in Cranston, RI. The sponsors—a well-known private equity investor and a regional developer—have successfully increased occupancy at the dominant center amidst the pandemic.



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