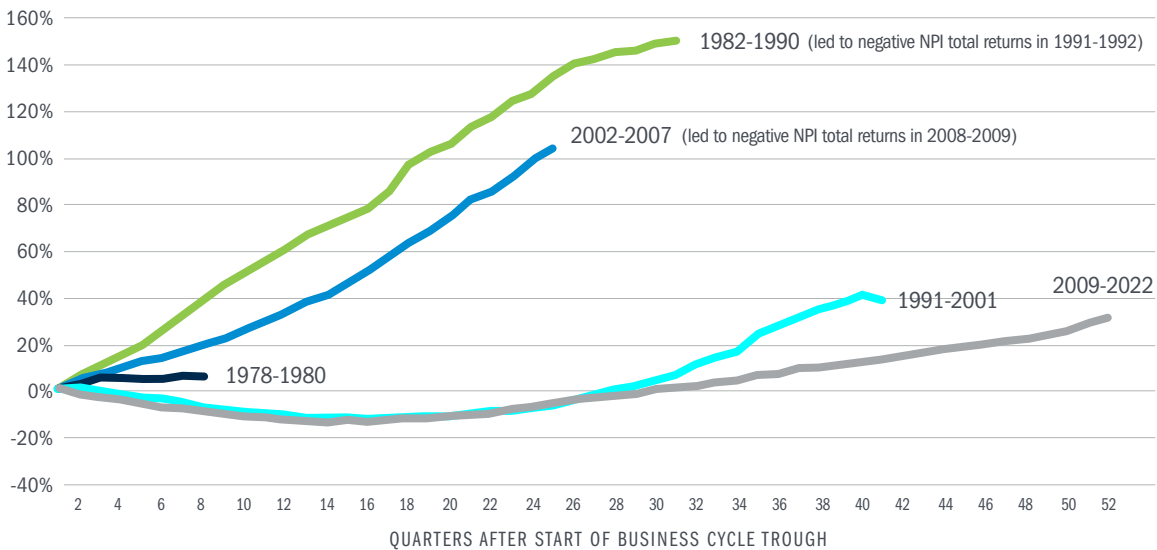


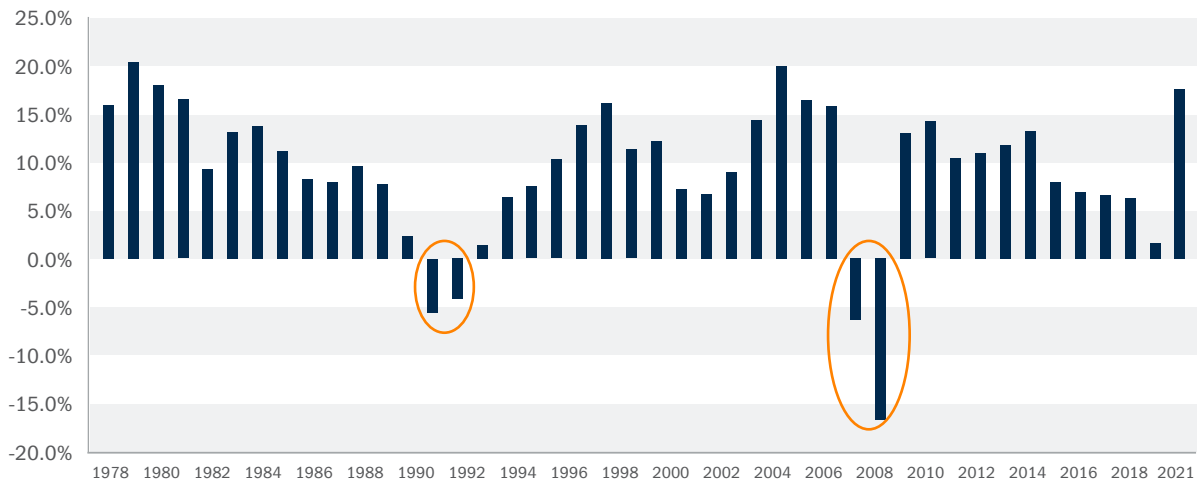
# A Constrained CRE Lending Market Signals Little Trouble on the Horizon for Commercial Real Estate Returns

The current real estate market can be distinguished from other real estate recovery periods due to constrained mortgage growth, a key indicator of future returns. Over the 44-year history of the institutional private real estate index, real estate returns have been negative in only two periods, both of which were preceded by the highest historical growth in mortgage debt and therefore, many have considered those two periods to be “real estate-led/related recessions”.

**Cumulative Growth in Commercial Mortgage Debt from Trough of Prior Business Cycle**



**NPI Total Annual Returns | 01/01/1978 - 12/31/2021**



**Sources:** Bluerock analysis of Federal Reserve Z.1, Flow of Funds. National Council of Real Estate Investment Fiduciaries. Provided for informational purposes only. No assurance is given that market conditions and related trends will continue.

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**Past Performance does not guarantee future results.**

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