December 2025

KCP K-LOC Index

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K-LOC Index 27.05% ↓			
K-LOCs 3,208	**Transactions** 530	**Balance** $83.40 Billion	
Office Index 42.73%	**Lodging Index** 27.14%	**Retail Index** 23.80%	**Multifamily Index** 14.23%

The KBRA Loan of Concern (K-LOC) Index was 27.05% in December 2025, down from 27.32% in November 2025. We identified 91 loans ($1.75 billion) as new K-LOCs in our conduit CMBS coverage universe in December. Conversely, we removed the K-LOC designation from 94 loans ($1.37 billion), including 11 ($352.4 million) that were liquidated in December.

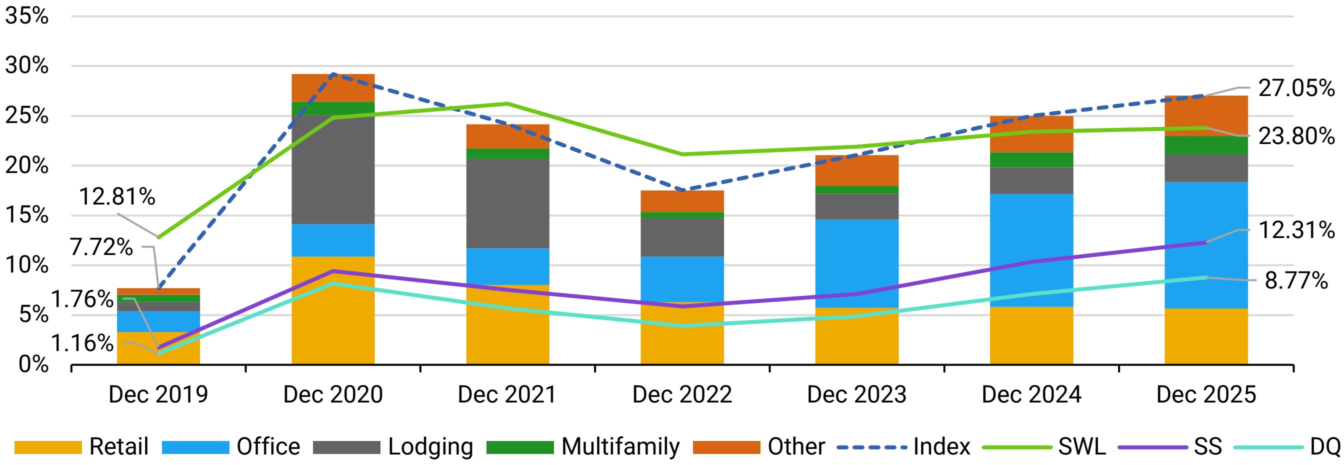
The K-LOC Index for December 2025 is a composite of 3,208 K-LOCs with an aggregate unpaid principal balance (UPB) of $83.4 billion across 530 conduit transactions.

Month in Review

K-LOC Index and Other Credit Trends

The conduit delinquency pushed higher in December 2025 to 8.77%, gaining 13 basis points (bps) from November and 166 bps from December 2024 (see Figure 1). Meanwhile, the special servicing rate cooled slightly to 12.33%, down from a post-pandemic high of 12.43% set the month prior. The share of loans on the master servicer's watchlist also decreased month-over-month (MoM) to 23.8% in December from 24.6% in November although the rate remained 38 bps above 23.42% in December 2024.

Figure 1: K-LOC Index and Other Credit Trends Since December 2019



Sources: KBRA Credit Profile (KCP), Trepp

Delinquency Update: November Rate Holds Steady

The delinquency rate for conduit transactions was 8.77% in December 2025, up from 8.64% in November 2025, 7.11% in December 2024, and 4.89% in December 2023. For the CMBX series, the December 2025 delinquency rate was 7.85%, up MoM from 7.61% in November and up year-over-year (YoY) from 6.5% in December 2024. See Appendix 3 for a vintage and CMBX series breakdown of delinquency, special servicing, and master servicer watchlist (SWL) rates.

For all conduit transactions, the 30- and 90-day delinquency rates in December 2025 were higher YoY at 0.6% and 1.16%, respectively, from 0.42% and 0.86%. Meanwhile, the 60-day delinquency rate decreased over the same period to 0.23% from 0.33%. The rising conduit delinquency rate has also been driven by a 13-bp increase in the share of matured nonperforming loans, a 73-bp increase in the share of loans with a foreclosure status, and a 43-bp increase in real estate owned (REO) assets. As of December 2025, these rates were 2.44%, 2.57%, and 1.77%, respectively, up from 2.31%, 1.85%, and 1.34% a year prior.

Figure 2: Delinquency, Special Servicing, and Watchlist Rate Summary

	Delinquent (%)									
	30	60	90	MNP	FCL	REO	Total	SWL (%)	SS (%)	Index (%)
CMBS	0.60	0.23	1.16	2.44	2.57	1.77	8.77	23.80	12.31	27.05
CMBX	0.45	0.17	1.06	2.15	2.52	1.50	7.85	24.15	11.05	25.40

Sources: KBRA Credit Profile (KCP), Trepp

MSA Update

Figure 3 lists the five most distressed metropolitan statistical areas (MSA) across the 20 largest based on conduit UPB. K-LOC Indexes for all 20 MSAs tracked in this report are provided in Appendix 2. We also follow each of these 20 MSA Indexes across the trailing 36 months ended December 2025 alongside the MSA-specific delinquency, special servicing, and master SWL rates (see Figure 12).

Figure 3: Top Five Distressed MSA Indexes

MSA	K-LOC Balance ($000s)	MSA Index Property Type Allocation (%)					MSA Index (%)
		RT	OF	LO	MF	OT	
1 Denver	1,437,720	6.24	40.15	6.84	-	3.84	57.07
2 Chicago	5,112,120	8.03	27.64	2.36	2.23	5.58	45.84
3 San Francisco	3,547,932	1.36	21.82	2.85	6.42	5.38	37.82
4 Seattle	2,330,102	1.01	24.71	8.04	0.84	1.85	36.45
5 Charlotte	846,376	6.42	19.87	3.29	0.12	3.68	33.38

Sources: KBRA Credit Profile (KCP), Trepp

Silicon Valley Office Poised to Lose Largest Tenant

The $216.1 million Moffett Gateway loan, which is participated across five conduits, may lose its sole tenant at least in part upon its upcoming lease expiration in March 2027. Google currently leases 100% of the 612,691 sf suburban office complex in Sunnyvale, California; however, KCP research indicates the tenant is actively marketing nearly half of the space for sublease. While the property was built-to-suit for Google in 2016, subsequent workforce restructuring and the marketing of a sizeable portion of its footprint suggests reduced long-term space needs. This availability may reflect redundancies within Google's broader presence at the Moffett Park master-planned development, where the company leases more than three million square feet.

Eroding Cash Flows at Los Angeles Mixed Use Triggers K-LOC

The $98 million Atlantic Times Square loan (COMM 2018-COR3, JPMDB 2018-C8, BMARK 2018-B4) was identified as a K-LOC in December following continued deterioration in operating performance. The 379,376 sf retail (56%) and multifamily (44%) property is located seven miles northeast of downtown Los Angeles and is anchored by AMC Theaters (20%) and 24 Hour Fitness (8%). Financials for the trailing 12 months (TTM) ended September 2025 reflected a debt service coverage ratio (DSCR) of 1.36, which is 27% below the originator's underwritten assumption of 1.86. Between issuance and early 2022, the collateral was well-occupied, mostly in line with 97% at issuance. Occupancy has since declined to 88% as of September 2025.

Spotlight: Investors Bet on San Francisco's Lodging Recovery

The recent sale of the Hilton San Francisco Hotel Portfolio (HILT 2016-SFP) and the loan's subsequent modification mark the first meaningful positive development for the 2,943 key portfolio following an extended marketing process. A joint venture between Newbond Holdings, Conservant Capital, and Abu Dhabi Investment Authority (ADIA) acquired the properties for a reported consideration of $407.9 million ($138,000/key) including an assumption of the existing debt. The transaction underscores the depth of value impairment in San Francisco's lodging sector, as the hotels were appraised at $1.56 billion ($530,400/key) at securitization in 2016.

In May 2023, Park Hotels & Resorts (Park) stepped away from the 1,919-key Hilton San Francisco Union Square and the 1,024-key Hilton Parc 55 San Francisco hotels citing a strategic decision to reduce exposure to the San Francisco hospitality market. Elevated office vacancy, weaker convention activity, and reduced business travel have weighed on lodging demand—particularly in the full-service and luxury segments. Park also expressed reluctance to fund an estimated $200 million in capital expenditures required to maintain the properties' competitive positioning. The loan subsequently defaulted at maturity in October 2023, and a receiver was appointed to oversee the hotels' operations and market the assets for sale.

Under the modification, the $725 million loan was bifurcated into a $407.9 million A-note and a $317.1 million subordinate B-note. The A-note carries a reduced interest rate of 2.954490% with debt service paid using excess cash flow during the first two years of the extended loan term before converting to a hard pay structure; unpaid interest is payable at maturity. The loan's maturity was extended to December 2028, with additional extension options available, providing the new ownership group with runway to execute its turnaround strategy. The most recent financials available through investor reporting show the hotels generating $150.9 million in revenue in 2024, which was more than offset by $184.6 million in operating expenses. With the hotels just 41% occupied in 2024, recovery will hinge on significant improvements in operating performance under the new operators, as well as a broader rebound in San Francisco lodging demand tied to tourism, business travel, and convention activity.

The modification is supported by substantial equity contributions and operator-guaranteed capital commitments, which are critical to the proposed turnaround. In the near term, the agreement provides credit protections through advance paydowns and cash flow capture mechanisms, while enabling the execution of a comprehensive capital improvement program. This investment, which aligns with estimates previously outlined by Park upon its exit, has been made feasible by the significantly reduced acquisition basis and represents the most viable path toward stabilizing operations and maximizing asset value. However, the modification largely crystallizes expected losses, with any recovery to the B-note contingent on meaningful upside relative to current exit assumptions.

The acquisition comes amid early signs of stabilization in San Francisco's lodging market, nearly six years after the onset of the pandemic. Total visitor volume is expected to trend modestly higher, with the San Francisco Travel Association (SF Travel) forecasting approximately 23.5 million visitors in 2025 and 24 million visitors in 2026, compared with an estimated 23.3 million in 2024. Despite this improvement, projected 2026 visitation remains 8% below the city's pre-pandemic peak of 26.2 million visitors in 2019. The hotels have historically relied heavily on convention-related demand due to their proximity to the Moscone Center, with meeting and group business accounting for approximately 38% of room demand at origination. Bookings at the Moscone Center have shown some momentum, with the center hosting 34 conventions in 2025, translating into roughly 657,000 convention-related room nights, a 64% increase from 2024. While SF Travel anticipates further improvement in convention attendance in 2026, projected room night volumes remain below the 850,000 reported in 2019.

Beyond broader travel trends, recent leasing momentum in the San Francisco office market may provide an additional, longer-term tailwind for lodging demand. According to CBRE, the fourth quarter of 2025 marked the fifth consecutive quarter of declining office vacancy, ending the year at 32.8% for combined direct and sublease availability. Vacancy fell by a cumulative 3.7% over the course of 2025, representing the largest annual improvement since 2011. Leasing activity has been driven in large part by artificial intelligence (AI) and related technology firms, which have accounted for a growing share of tenant demand and contributed to positive net absorption. While office fundamentals remain challenged overall, this emerging demand driver has helped improve sentiment around the city's central business district (CBD) and may support a gradual stabilization of corporate travel and group-related hotel bookings over time. In addition, sublease inventory is trending lower, with Cushman & Wakefield reporting its lowest level since Q2 2022. Consistent with this trend, net new demand totaled approximately three million sf according to CBRE, nearly 30% above pre-pandemic averages, which may support continued positive absorption and further stabilization of the market.

In the case of the Hilton San Francisco Hotel Portfolio, it remains to be seen whether thoughtful debt restructuring concurrent with new equity commitments can overcome years of poor operating performance and value degradation. KCP has long concluded on a collateral value hovering around $125,000/key, representing a significant discount from the issuance appraisal, but seemingly aligned with recent value estimates used to configure the debt bifurcation. Improving lodging demand in San Francisco combined with renewed sponsor support may result in value appreciation, and KCP estimates a value closer to $216,700/key in its optimistic scenario, in line with recent "As Stabilized" appraisal estimates.

Appendix 1: Conduit Index Tables and Figures

The following figures track the K-LOC Index over time (see Figure 4 and Figure 5). We supplement this data with a trailing 24-month view of indexes for the CMBX 8 through CMBX 16 series in Figure 8.

We also examine the index by property type (see Figure 6 and Figure 7). In Figure 9, we display the property type composition of K-LOCs by vintage.

Figure 4: K-LOC Index - Vintage

	Current K-LOC			K-LOC Index (%)								TTM (%)		MoM (%)	
Vintage	Deals	Loans	Balance ($000s)	YE 23	YE 24	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Min	Max	Δ	Indicator
2010	2	2	138,708	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	
2011	11	18	1,230,240	99.71	99.95	99.97	99.97	99.97	99.97	99.98	99.98	99.95	99.98	0.00	
2012	17	29	1,968,218	99.89	99.88	100.00	100.00	100.00	100.00	100.00	100.00	99.87	100.00	-	
2013	37	91	4,648,941	96.40	98.07	97.92	97.91	98.12	98.12	98.11	98.11	97.82	98.12	-0.01	
2014	45	192	7,179,109	41.88	96.32	97.08	97.03	97.37	97.08	97.10	97.12	96.90	97.37	0.02	
2015	59	342	9,714,466	26.54	41.63	66.08	71.93	79.26	88.35	94.73	95.69	43.26	95.69	1.01	
2016	55	536	12,759,391	24.65	31.92	38.71	41.14	42.87	44.55	45.61	48.85	32.91	48.85	7.11	
2017	51	461	11,857,235	25.47	28.37	34.26	33.98	34.32	34.21	34.84	35.55	29.48	35.55	2.05	
2018	45	398	8,942,068	19.80	24.65	26.39	26.70	27.39	27.40	27.66	28.22	25.63	28.22	2.04	
2019	53	451	9,881,541	14.78	20.76	22.60	23.21	22.87	23.27	23.34	23.78	21.22	23.78	1.89	
2020	34	186	4,769,877	9.81	13.90	17.66	18.20	18.71	18.58	18.69	18.48	15.31	18.71	-1.11	
2021	31	158	3,232,360	3.47	7.86	9.39	9.18	9.24	10.10	10.61	10.77	8.06	10.77	1.43	
2022	25	140	2,994,851	1.48	7.10	11.37	12.72	12.68	11.99	12.94	13.09	8.16	13.09	1.15	
2023	26	116	2,480,541	1.12	4.09	9.68	10.00	10.30	10.87	11.91	12.93	5.96	12.93	8.58	
2024	28	73	1,353,031	-	1.33	1.97	2.68	3.22	3.59	3.85	4.13	1.29	4.13	7.23	
2025	11	15	248,712	-	-	0.61	1.25	1.66	1.51	1.42	1.28	-	1.66	-9.38	
K-LOC Index	**530**	**3,208**	**83,399,289**	**21.07**	**24.99**	**26.41**	**26.86**	**26.96**	**27.02**	**27.32**	**27.05**	**25.34**	**27.32**	**-0.99**	

Source: KBRA Credit Profile (KCP)

Figure 5: K-LOC Index - CMBX

	Current K-LOC			K-LOC Index (%)								TTM (%)		MoM (%)	
Series	Deals	Loans	Balance ($000s)	YE 23	YE 24	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Min	Max	Δ	Indicator
CMBX 6	16	27	1,884,528	99.88	99.87	100.00	100.00	100.00	100.00	100.00	100.00	99.86	100.00	-	
CMBX 7	20	51	2,114,706	95.60	98.29	98.35	98.33	98.34	98.33	98.33	98.33	98.13	98.35	-0.00	
CMBX 8	25	117	4,531,098	37.61	95.38	96.32	96.25	96.83	96.78	96.86	96.88	96.20	96.88	0.03	
CMBX 9	25	152	4,506,289	29.80	41.84	57.09	63.87	74.25	84.30	93.09	94.84	41.30	94.84	1.88	
CMBX 10	25	275	6,760,799	24.89	32.42	38.17	41.17	43.93	45.69	45.91	47.56	33.13	47.56	3.58	
CMBX 11	25	208	5,419,235	22.21	25.82	31.70	31.23	31.54	31.69	32.07	32.25	27.05	32.25	0.57	
CMBX 12	25	232	5,089,763	20.61	24.89	26.03	26.31	26.50	26.53	26.80	27.48	24.88	27.48	2.56	
CMBX 13	25	219	4,482,719	12.54	18.18	20.73	21.48	21.39	21.86	22.03	22.35	18.90	22.35	1.44	
CMBX 14	25	147	3,095,744	9.60	14.73	16.27	16.72	16.85	16.87	16.88	16.93	14.94	16.93	0.31	
CMBX 15	25	139	2,527,293	3.65	8.50	10.65	10.31	10.43	11.39	11.87	11.90	8.35	11.90	0.23	
CMBX 16	25	151	2,888,274	1.17	7.89	12.23	13.36	13.31	12.63	13.24	13.30	9.01	13.36	0.40	
CMBX 17	25	141	2,652,307	-	7.54	11.70	12.62	12.69	12.68	13.56	13.95	9.39	13.95	2.86	
CMBX 18	19	52	1,187,463	-	-	2.89	3.94	4.65	4.81	5.02	5.33	1.72	5.33	6.07	
CMBX Index	**305**	**1,911**	**47,140,215**	**19.35**	**23.53**	**23.64**	**24.27**	**24.56**	**24.69**	**25.09**	**25.40**	**21.97**	**25.40**	**1.24**	

Source: KBRA Credit Profile (KCP)

Figure 6: K-LOC Index - Vintage Property Type Allocation

Vintage	YE 23 (%)					YE 24 (%)					Dec 25 (%)					YoY Indicator				
	RT	OF	LO	MF	OT	RT	OF	LO	MF	OT	RT	OF	LO	MF	OT	RT	OF	LO	MF	OT
2010	100.00	-	-	-	-	100.00	-	-	-	-	100.00	-	-	-	-	▬	▬	▬	▬	▬
2011	96.22	-	2.90	0.59	-	98.69	-	0.64	0.63	-	99.31	-	-	0.67	-	↑	▬	↓	↑	▬
2012	65.55	15.53	6.20	0.70	11.92	63.80	15.89	6.96	0.33	12.91	60.44	17.58	7.55	0.38	14.04	↓	↑	↑	↓	↑
2013	42.09	33.82	4.16	4.44	11.88	44.43	36.34	2.86	1.39	13.05	48.99	35.47	2.99	0.28	10.38	↑	↑	↓	↓	↑
2014	11.67	18.82	3.76	1.07	6.56	24.21	52.04	5.52	1.91	12.64	22.10	56.34	4.12	1.28	13.29	↑	↑	↑	↑	↑
2015	7.52	10.36	4.42	0.89	3.35	10.32	18.35	5.74	1.79	5.43	23.14	48.14	8.41	2.71	13.28	↑	↑	↑	↑	↑
2016	7.42	9.93	3.55	0.39	3.37	8.82	14.17	3.98	1.11	3.84	14.57	21.62	5.31	1.35	5.99	↑	↑	↑	↑	↑
2017	3.49	13.44	4.09	0.45	3.99	3.62	15.53	4.34	0.63	4.26	3.97	20.37	5.90	0.73	4.58	↑	↑	↑	↑	↑
2018	3.58	8.14	4.17	0.43	3.48	3.25	11.67	4.31	1.21	4.22	3.68	12.90	5.27	1.46	4.91	↓	↑	↑	↑	↑
2019	2.20	7.86	1.97	1.25	1.51	2.57	10.89	2.22	1.97	3.11	2.77	12.53	2.94	1.74	3.81	↑	↑	↑	↑	↑
2020	0.58	4.83	0.49	1.39	2.53	0.91	6.87	0.48	2.79	2.85	0.99	10.59	0.17	2.64	4.10	↑	↑	↓	↑	↑
2021	0.22	1.61	0.05	0.28	1.31	1.10	3.87	0.24	0.65	2.01	1.59	5.24	0.21	1.54	2.19	↑	↑	↑	↑	↑
2022	0.12	0.95	-	0.13	0.28	0.66	2.16	0.59	2.48	1.21	0.87	5.97	1.29	3.46	1.51	↑	↑	↑	↑	↑
2023	-	-	-	0.10	1.02	0.40	0.24	0.49	1.82	1.13	0.76	2.52	1.88	3.31	4.45	↑	↑	↑	↑	↑
2024	-	-	-	-	-	0.14	-	0.05	0.78	0.37	0.17	0.46	0.17	2.61	0.72	↑	▬	↑	↑	↑
2025	-	-	-	-	-	-	-	-	-	-	-	0.04	0.25	0.80	0.20	▬	▬	▬	▬	▬
K-LOC Index	**5.73**	**8.86**	**2.61**	**0.77**	**3.09**	**5.84**	**11.33**	**2.68**	**1.50**	**3.65**	**5.65**	**12.69**	**2.78**	**1.87**	**4.06**	↑	↑	↑	↑	↑

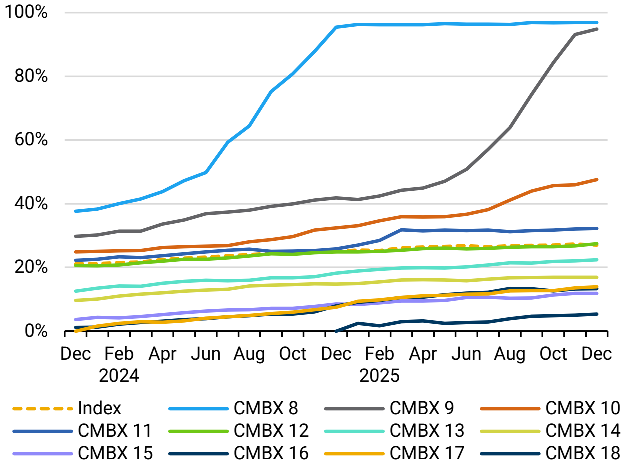
Sources: KBRA Credit Profile (KCP), Trepp

Figure 7: K-LOC Index - CMBX Property Type Allocation

Series	YE 23 (%)					YE 24 (%)					Dec 25 (%)					YoY Indicator				
	RT	OF	LO	MF	OT	RT	OF	LO	MF	OT	RT	OF	LO	MF	OT	RT	OF	LO	MF	OT
CMBX 6	63.72	16.49	6.59	0.42	12.66	61.74	16.95	7.42	-	13.77	59.08	18.37	7.89	-	14.66	↓	↑	↑	↓	↑
CMBX 7	43.45	30.98	6.36	6.68	8.13	48.68	35.72	4.56	0.51	8.82	49.51	37.49	4.74	0.63	5.96	↑	↑	↓	↓	↑
CMBX 8	9.41	17.60	3.71	0.77	6.12	21.26	53.96	4.92	0.52	14.71	17.51	59.61	4.07	0.45	15.23	↑	↑	↑	↓	↑
CMBX 9	8.34	11.03	5.40	0.65	4.37	10.19	18.42	6.27	1.50	5.47	26.00	48.93	8.93	1.20	9.78	↑	↑	↑	↑	↑
CMBX 10	6.88	9.68	3.77	0.20	4.36	8.90	14.15	3.84	1.06	4.46	13.79	22.29	5.06	1.10	5.31	↑	↑	↑	↑	↑
CMBX 11	3.34	11.20	3.78	0.49	3.40	3.31	13.40	4.29	0.71	4.10	3.86	17.48	5.63	0.73	4.56	↓	↑	↑	↑	↑
CMBX 12	3.82	8.59	3.55	0.25	4.39	3.31	11.17	3.89	1.13	5.39	3.35	12.46	4.24	1.30	6.14	↓	↑	↑	↑	↑
CMBX 13	2.12	6.70	1.44	0.90	1.38	2.66	9.82	1.33	1.17	3.21	2.81	12.25	2.41	1.14	3.75	↑	↑	↓	↑	↑
CMBX 14	0.80	4.57	0.27	1.62	2.35	1.35	7.51	0.34	2.53	3.01	1.35	9.03	0.25	2.37	3.93	↑	↑	↑	↑	↑
CMBX 15	0.38	1.77	0.07	0.25	1.17	1.22	4.65	0.33	0.56	1.74	1.73	5.80	0.34	1.41	2.63	↑	↑	↑	↑	↑
CMBX 16	0.15	0.45	0.05	0.23	0.28	0.93	2.52	0.79	2.07	1.57	1.43	5.80	1.39	2.76	1.92	↑	↑	↑	↑	↑
CMBX 17	-	-	-	-	-	0.61	1.65	0.92	2.87	1.48	0.96	4.55	1.85	3.70	2.89	↑	↑	↑	↑	↑
CMBX 18	-	-	-	-	-	-	-	-	-	-	0.05	0.56	0.19	3.84	0.69	▬	▬	▬	▬	▬
CMBX Index	**5.14**	**7.98**	**2.40**	**0.72**	**3.11**	**5.18**	**10.65**	**2.43**	**1.45**	**3.81**	**4.93**	**12.00**	**2.49**	**2.01**	**3.98**	↑	↑	↑	↑	↑

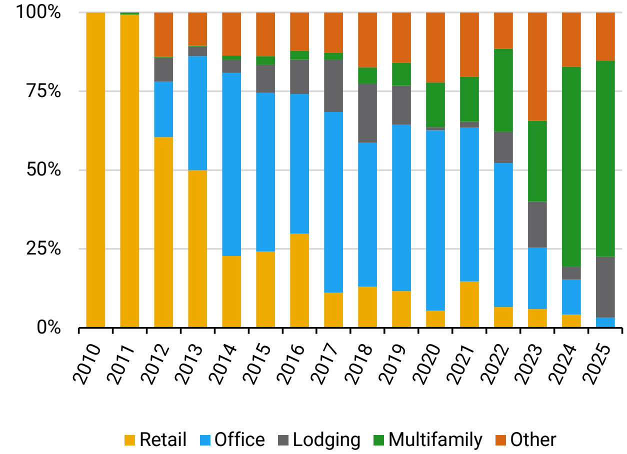
Sources: KBRA Credit Profile (KCP), Trepp

Figure 8: K-LOC Index Versus Individual CMBX K-LOC Indexes



Sources: KBRA Credit Profile (KCP), Trepp

Figure 9: Vintage K-LOC Composition by Property Type (December 2025)



Source: KBRA Credit Profile (KCP)

As transactions season, the respective CMBX K-LOC Index tends to increase as performing loans reach maturity and are paid off, leaving a higher concentration of nonperforming loans (see Figure 8). The CMBX 8 series index was 96.88% in December 2025. The CMBX 6 and CMBX 7 indexes are also elevated (see Figure 5).

Figure 9 displays the property type composition of K-LOCs by vintage. Earlier vintage transactions tend to have a higher concentration of retail K-LOCs, while later vintages have greater exposure to office and multifamily K-LOCs. Across vintages studied in this report, 46.92% of K-LOCs by balance are collateralized by office, followed by retail (20.91%), lodging (10.26%), and multifamily (6.9%).

Appendix 2: MSA Index Tables and Figures

We examine K-LOC balance by MSA to quantify credit behavior across various markets. An MSA is defined by a geographic boundary associated with a large, urbanized core or population nucleus, including adjacent regions with a high degree of social and economic integration. For CMBS properties in a given MSA, we divide the balance of all K-LOCs by total principal balance, based on allocated loan amount (ALA), to calculate the index.

We have generated K-LOC Indexes for the 20 largest MSAs by total conduit principal balance. The represented metros constitute nearly two-thirds of all conduit debt in the KCP coverage universe. We also feature property type allocations (see Figure 10) and stratify delinquency rates (see Figure 11) by MSA to provide additional insight into the performance of individual markets.

Additionally, we follow the 20 MSA Indexes across the trailing 36 months ended December 2025 (see Figure 12). For each MSA, the index is tracked against the MSA-specific CMBS conduit delinquency rate as well as specially serviced and master SWL rates.

Figure 10: MSA Index and Property Type Allocation as of December 2025

MSA		K-LOC Balance ($000s)	MSA Index Property Type Allocation (%)					MSA Index (%)
			RT	OF	LO	MF	OT	
1	New York City	19,149,248	3.21	13.97	1.18	2.39	7.93	28.69
2	Los Angeles	4,720,075	4.05	13.00	2.95	1.18	3.28	24.47
3	Chicago	5,112,120	8.03	27.64	2.36	2.23	5.58	45.84
4	Washington, D.C.	3,482,530	5.24	22.14	0.48	0.50	4.37	32.72
5	San Francisco	3,547,932	1.36	21.82	2.85	6.42	5.38	37.82
6	Houston	2,292,371	2.68	13.37	2.89	6.75	2.04	27.73
7	Philadelphia	2,114,764	2.90	17.81	1.46	3.40	2.02	27.58
8	Miami	1,159,153	4.77	4.22	3.28	0.22	2.96	15.44
9	Dallas-Fort Worth	1,208,053	2.68	9.44	2.13	2.04	1.61	17.90
10	San Jose	1,926,915	-	25.71	3.46	-	0.55	29.72
11	Seattle	2,330,102	1.01	24.71	8.04	0.84	1.85	36.45
12	Las Vegas	429,041	2.57	2.94	0.37	0.44	0.68	7.00
13	Detroit	1,287,370	1.36	13.83	2.74	2.00	2.91	22.84
14	Atlanta	1,233,749	2.81	13.82	3.76	0.83	1.05	22.26
15	Boston	715,924	5.02	6.47	1.84	-	0.16	13.49
16	Phoenix	796,203	1.10	11.91	3.35	-	0.64	17.00
17	Inland Empire	612,596	6.66	3.16	2.82	2.52	0.97	16.13
18	San Diego	202,771	0.95	3.45	1.29	-	0.50	6.17
19	Charlotte	846,376	6.42	19.87	3.29	0.12	3.68	33.38
20	Denver	1,437,720	6.24	40.15	6.84	-	3.84	57.07

Note 1: The MSA Index gradient reflects distance from the K-LOC Index; darker green being lower and darker red being higher.
Note 2: The 20 largest MSAs are listed in descending order based on total conduit principal balance.
Sources: KBRA Credit Profile (KCP), Trepp

Figure 11: Delinquencies by MSA as of December 2025

MSA		Delinquent (%)							SWL (%)	SS (%)	MSA Index (%)
		30	60	90	MNP	FCL	REO	Total			
1	New York City	0.76	0.33	0.92	2.02	3.60	1.37	9.01	21.44	14.10	28.69
2	Los Angeles	0.07	0.06	0.59	3.82	1.05	0.20	5.78	25.60	7.96	24.47
3	Chicago	1.02	1.50	3.37	4.83	6.93	4.87	22.51	22.55	26.64	45.84
4	Washington, D.C.	1.17	0.14	0.91	4.28	4.39	0.81	11.70	17.68	17.30	32.72
5	San Francisco	1.04	-	1.78	1.62	5.92	3.92	14.28	20.08	17.49	37.82
6	Houston	0.44	0.09	3.06	0.81	0.68	4.19	9.27	22.68	12.77	27.73
7	Philadelphia	0.87	-	1.01	1.57	7.74	1.76	12.96	32.61	13.49	27.58
8	Miami	0.10	-	0.05	0.47	0.56	1.27	2.45	13.57	6.54	15.44
9	Dallas-Fort Worth	0.94	0.15	0.11	1.76	0.92	3.08	6.96	23.31	9.40	17.90
10	San Jose	-	-	-	0.35	0.29	1.85	2.49	13.34	5.61	29.72
11	Seattle	-	0.39	4.83	6.47	0.20	3.65	15.54	23.63	20.11	36.45
12	Las Vegas	-	-	-	0.72	-	0.22	0.93	17.73	1.74	7.00
13	Detroit	0.37	-	1.67	1.58	0.84	0.42	4.88	23.86	8.92	22.84
14	Atlanta	0.23	0.43	2.72	0.67	0.21	1.12	5.40	29.28	6.03	22.26
15	Boston	-	-	3.02	2.19	-	-	5.20	25.75	5.20	13.49
16	Phoenix	0.08	-	-	0.46	1.04	-	1.58	21.58	3.96	17.00
17	Inland Empire	-	-	-	1.03	-	0.02	1.06	23.14	2.63	16.13
18	San Diego	-	-	-	-	0.40	-	0.40	15.36	0.51	6.17
19	Charlotte	-	-	1.12	5.87	-	3.35	10.34	24.48	18.32	33.38
20	Denver	-	-	2.17	3.11	4.45	4.95	14.68	25.56	25.35	57.07

Note: The 20 largest MSAs are listed in descending order based on total conduit principal balance.
Sources: KBRA Credit Profile (KCP), Trepp

Figure 12: MSA Indexes, Delinquency, Special Servicing, and Master Servicer Watchlist Rates

Note: The data presented is reflective of the trailing 36 months ended December 2025.
Sources: KBRA Credit Profile (KCP), Trepp

Appendix 3: Delinquency, Special Servicing, Servicer Watchlist Rates

The K-LOC Index is generally higher than delinquency and specially serviced rates, and serves as a more meaningful gauge of default risk relative to the SWL, which may include false positives with regard to true credit concerns.

Figure 13: Vintage Delinquencies as of December 2025

	Delinquent (%)									
Vintage	30	60	90	MNP	FCL	REO	Total	SWL (%)	SS (%)	Index (%)
2010	-	-	-	-	-	-	-	100.00	-	100.00
2011	-	-	-	15.57	-	29.58	45.15	66.57	32.91	99.98
2012	-	-	-	9.42	6.66	7.11	23.18	40.58	54.43	100.00
2013	-	-	-	19.37	13.15	9.81	42.33	31.57	58.16	98.11
2014	-	-	4.85	24.90	5.76	22.14	57.65	20.47	71.82	97.12
2015	0.31	1.64	1.49	32.59	17.58	5.82	59.42	14.67	79.74	95.69
2016	1.06	0.11	2.43	2.17	3.00	2.32	11.09	41.18	19.05	48.85
2017	0.24	0.28	1.62	0.15	2.22	1.45	5.97	24.23	11.97	35.55
2018	0.65	0.11	1.56	0.23	3.91	1.69	8.15	25.05	10.61	28.22
2019	1.14	0.38	1.26	0.71	1.59	0.86	5.94	25.86	6.40	23.78
2020	0.13	0.10	1.31	0.22	1.86	0.52	4.14	20.53	6.95	18.48
2021	0.38	0.20	0.16	0.11	1.30	0.10	2.26	19.56	3.44	10.77
2022	0.75	0.26	0.20	-	0.97	0.38	2.55	23.55	3.83	13.09
2023	0.54	0.12	1.24	-	1.87	0.14	3.91	23.93	5.54	12.93
2024	0.79	0.10	0.67	-	0.20	-	1.76	21.00	1.53	4.13
2025	0.48	0.10	-	-	0.18	-	0.76	8.15	0.32	1.28
CMBS	**0.60**	**0.23**	**1.16**	**2.44**	**2.57**	**1.77**	**8.77**	**23.80**	**12.31**	**27.05**

Sources: KBRA Credit Profile (KCP), Trepp

Figure 14: CMBX Delinquencies as of December 2025

	Delinquent (%)									
Series	30	60	90	MNP	FCL	REO	Total	SWL (%)	SS (%)	Index (%)
CMBX 6	-	-	-	9.84	6.95	7.02	23.82	38.34	56.45	100.00
CMBX 7	-	-	-	23.71	19.65	5.63	49.00	20.41	70.81	98.33
CMBX 8	-	-	7.67	24.94	4.92	25.04	62.57	16.51	75.12	96.88
CMBX 9	0.65	-	0.36	39.07	21.85	4.31	66.25	12.07	84.56	94.84
CMBX 10	1.03	0.02	0.57	0.52	3.30	2.53	7.97	38.67	12.23	47.56
CMBX 11	0.18	0.34	1.02	-	1.77	1.50	4.81	26.37	9.64	32.25
CMBX 12	0.42	-	1.64	0.19	3.45	0.69	6.39	24.89	8.47	27.48
CMBX 13	0.85	-	1.23	0.65	0.82	0.54	4.09	24.37	5.52	22.35
CMBX 14	0.21	0.14	1.82	0.21	0.95	0.32	3.65	21.60	6.09	16.93
CMBX 15	0.10	0.26	0.54	-	1.42	0.20	2.52	20.23	3.39	11.90
CMBX 16	0.23	0.27	0.11	-	1.68	0.47	2.76	21.45	4.30	13.30
CMBX 17	0.67	0.43	0.32	-	1.99	0.55	3.97	26.63	5.91	13.95
CMBX 18	0.66	0.12	1.19	-	0.27	-	2.24	22.11	2.09	5.33
CMBX	**0.45**	**0.17**	**1.06**	**2.15**	**2.52**	**1.50**	**7.85**	**24.15**	**11.05**	**25.40**

Sources: KBRA Credit Profile (KCP), Trepp

About the Index and Our Methodology

The K-LOC designation serves as KBRA's primary metric used to identify loans that are in default or at heightened risk of default based on KBRA Credit Profile's (KCP) proprietary research and analysis. KCP is a division of KBRA Analytics.

For any given cohort, the index is the quotient of its aggregate K-LOC balance and the cohort's defeasance-adjusted UPB. As it includes loans at risk of default, it is a useful, forward-looking credit barometer. The K-LOC designation is determined by our team of analysts, who perform in-depth monthly analysis on individual transactions and the underlying loan collateral. For the purposes of this report, we focus exclusively on conduit CMBS and exclude legacy transactions issued in 2008 and earlier.

All our calculations, figures, and graphics present defeasance-adjusted data that excludes fully and partially defeased loans. In our figures, empty fields "-" contain values equal to zero.

Want more? In-depth research and analysis at the transaction level, including collateral valuations and loss projections, are available within our KCP reports, which are published monthly for every deal in our coverage universe and are available at kcp.kbra.com.

The KCP platform is a subscription-based surveillance service that covers about 1,400 commercial real estate (CRE) securitizations with an aggregate balance of nearly $900 billion. For each deal, monthly reports are posted to our website that contain color and commentary for CMBS transactions and their underlying loan collateral. Unlike other sources of valuation and loss data, which primarily rely on models, the service is supported by a dedicated team of analysts, who can more readily appreciate the non-homogeneous nature of CRE, loan, and transaction structures, as well as imperfect servicer information.

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- KCP Insights: Retail Closures and Chapter 11 Bankruptcies
- KBRA Credit Profile (KCP) Loss Lookback: December 2025
- KCP Special Report: Francesca's Final Frontier: Default and Store Closures
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