Global Risk Services for Real Estate

Risk management is critically important in the real estate world. The more data you have to understand your exposure, the better equipped you are to make decisions with confidence. Make informed decisions by quantifying the past, present and future risks with S&P Global Market Intelligence's suite of credit risk products. Now, you can identify, evaluate and monitor Credit Risk with ease.

Who We Help
- Property Investors
- Property Owners and Operators
- Portfolio and Investment Managers
- Equity Analysts & Credit Analysts
- Financial & Risk Management Groups
- Corporate Development & Strategy Groups

What We Offer
- Credit Analytics
- Ratings Direct®
- RatingsXpress™
- Credit Assessment Scorecards

Gain Insight and Take Action
The economic strength of a region, anticipated interest rate changes, shifting demographics, and a move to online shopping are among the many factors that affect demand in the Commercial Real Estate market. And, the situation can change quickly, with an unexpected market shock, natural disaster, or industry-specific job losses impacting borrowing costs and property prices. Staying on top of your risk exposure is vital to your success.
Credit Analytics

How do you gain insight into the creditworthiness and risk assessment of your tenant exposures?

There are a multitude of factors that can quickly change the credit health of your tenant counterparties and investments. Your ability to reliably score and efficiently monitor the potential risk exposure of your tenants needs to not only keep up, but also surpass the pace of change.

Credit Analytics can help you benchmark internal ratings of your tenants against globally recognized metrics and a database of over 725,000 pre-scored public and private companies and 6,700 country and industry benchmarks.

Enhance efficiency

Quickly and easily measure the credit risk of rated, unrated, public, and private companies using our suite of quantitative analytical models that provide:
- Short, medium and long-term probability of default (PD)
- Credit scores that are designed to broadly align with credit ratings assigned by S&P Global Ratings.

### RatingsDirect®

The official desktop source for S&P Global Ratings credit ratings and research.

By combining ratings and research with comprehensive market data and risk indicators, RatingsDirect® on the S&P Capital IQ platform offers a complete workflow solution for efficient credit analysis, built with Real Estate in mind.

#### Our powerful web-based solution provides:
- Credit ratings for issuer and issue
- Detailed research on issuer and issue, economies, credit trends, hot topics, and more
- Credit-adjusted financials from S&P Global Ratings

#### Plus, you get access to:
- Aggregated benchmarks for sectors, sub-sectors, industries, and company peers
- Deep dives for instruments and securities
- Early-warning signals from the credit default swap (CDS) and equity marketplace with S&P Global Ratings Market Derived Signals
- Details on company professionals, board members, regulatory filings, key developments, and more

### Scorecard Outputs

- **Standalone Credit Profile**: a-
- **Parent/Government Support**: none
- **Final Risk Grade**: a-
- **1-year Default Rate**: 0.08%
- **High-Stress Default Rate**: 0.28%

**Monitoring and surveillance**

- Group tenants into watch lists and monitor through purpose-built dashboards
- Activate alerts to get notified on changes to your risks
- Sector-focused news for curated insight on the developments that matter most to your portfolio

**Analysis**

- Deep fundamentals on over 979,000 public and private companies worldwide
- Input and save financials of private counterparties
- Build custom review and analysis templates or let us build them for you
RatingsXpress™
Streamlined credit ratings delivery just the way you need it.

Enhance your Real Estate analysis and tap into one of the largest databases of current and historical credit ratings, with entity and security data in one schema, covering nearly one million securities.

**Extensive descriptive data to make decisions with conviction.**

Our ratings intelligence provides a wide range of contextual detail for each instrument, including:

- 9,000 Global issuers - including Corporations, Financial Institutions, Utility, and Insurance Companies; including 80,000 securities
- 550 Sovereign, International Public Finance, and Government entities; including 13,000 securities
- 700 U.S. Public Finance entities; including 690,000 securities
- 10,000 Structured Finance transactions, including asset-backed, commercial mortgage-backed, and residential mortgage-backed securities and collateralized debt obligations/45,000 securities

### Commercial Real Estate Property and Credit Assessment Scorecards

S&P Global Market Intelligence’s credit scoring and assessment tools for commercial real estate take a deep look at credit-worthiness by combining point-in-time fundamentals, forward-looking qualitative factors, converging industry trends, and relationships between key drivers.

#### Understand the market with Commercial Real Estate Scoring Tools & Real Estate Single Asset Assessments.

The economic strength of a region, anticipated interest rate changes, shifting demographics, and a move to online shopping are just a few of the many factors that affect demand for commercial real estate. Stay on top of market developments and potential credit risks to avoid surprises.

- **Understand transaction type** with recourse transactions that emphasize the sponsor risk and non-recourse transactions that emphasize the structure of the transaction
- **Consider property type-specific financial benchmarks** for industrial, retail, office, multi-family, and lodging property sectors
- **Assess market risk** by incorporating an analysis of the timeframe of leases, the credit strength of tenants, property location, and the competitive landscape

#### Assess specific risk factors including degree of risk introduced from contractor experience, completion, and construction management during the construction phase and the stability of the asset class’s operations during the operations phase.

#### Discover the power of a time-tested approach.

S&P Global Market Intelligence Scorecards are utilized worldwide to help meet regulatory standards.

Use the Scorecard for CRE to derive a standalone PD score that can be mapped to an S&P Global Ratings letter grade and historically observed default rates, or benchmark it against your own internal risk rating scale.

A Comprehensive Analytical Frameworka for CRE

For illustrative purposes only.
Get a handle on your risk at a single glance with Credit Assessment Scorecards for Real Estate

Credit Assessment Scorecards help to identify and manage potential default risks of private, publicly traded, rated and unrated companies, and government entities—across a multitude of sectors.

- Point-in-time factors combined with forward-looking qualitative factors, converging trends, and relationships between key drivers provide a comprehensive picture of credit risk
- Leading benchmarks include 90+ industry and country risk scores
- A rigorous scorecard development process and annual re-calibrations ensure the tool maintains a strong ability to assess default risk

Sample Corporate Scorecard†

<table>
<thead>
<tr>
<th>Scorecard Outputs</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Standalone Credit Profile</td>
<td>a-</td>
</tr>
<tr>
<td>Parent/Government Support</td>
<td>none</td>
</tr>
<tr>
<td>Final Risk Grade</td>
<td>a-</td>
</tr>
<tr>
<td>1-year Default Rate</td>
<td>0.08%</td>
</tr>
<tr>
<td>High-Stress Default Rate</td>
<td>0.28%</td>
</tr>
</tbody>
</table>

| CICRA‡                             | 5.5   |
| Competitive Positions              | 3.5   |
| Cash Flow/Leverage Assessment      | 5.1   |
| 4.1 Business Risk Profile          | Strong|
| 5.1 Financial Risk Profile         | Intermediate|
| Anchor                             | a-    |
| Modifiers                          |       |
| Diversification/Portfolio Effect   | 0     |
| Capital Structure                  | 0     |
| Financial Policy                   | 0     |
| Liquidity                          | 0     |
| Management and Governance          | 0     |

| SACP§                             | a-    |
| Group or Government Support       | 0     |
| Final Score                       | a-    |

†Simplified versions for illustrative purposes
‡CICRA=Corporate Industry and Country Risk Assessment
§SACP=Standalone Credit Profile

About S&P Global Market Intelligence

S&P Global Market Intelligence integrates financial and industry data, research, and news into tools that help track performance, generate alpha, identify investment ideas, understand competitive and industry dynamics, perform valuation, and assess risk.

This brochure covers our solutions, and provides use cases to elevate your risk analysis. Put risk to bed—don’t wait for the worst to happen. Reach out to the experts at S&P Global Market Intelligence; we would love to discuss your current process and how our solution can save you money and provide peace of mind.

Copyright © 2018 by S&P Global Market Intelligence, a division of S&P Global Inc. All rights reserved. No content, including by framing or similar means, may be reproduced or distributed without the prior written permission of S&P Global Market Intelligence or its affiliates. The content is provided on an “as is” basis.

spglobal.com/marketintelligence