



Commercial Mortgage Loans Quarterly Update

As of March 31, 2023



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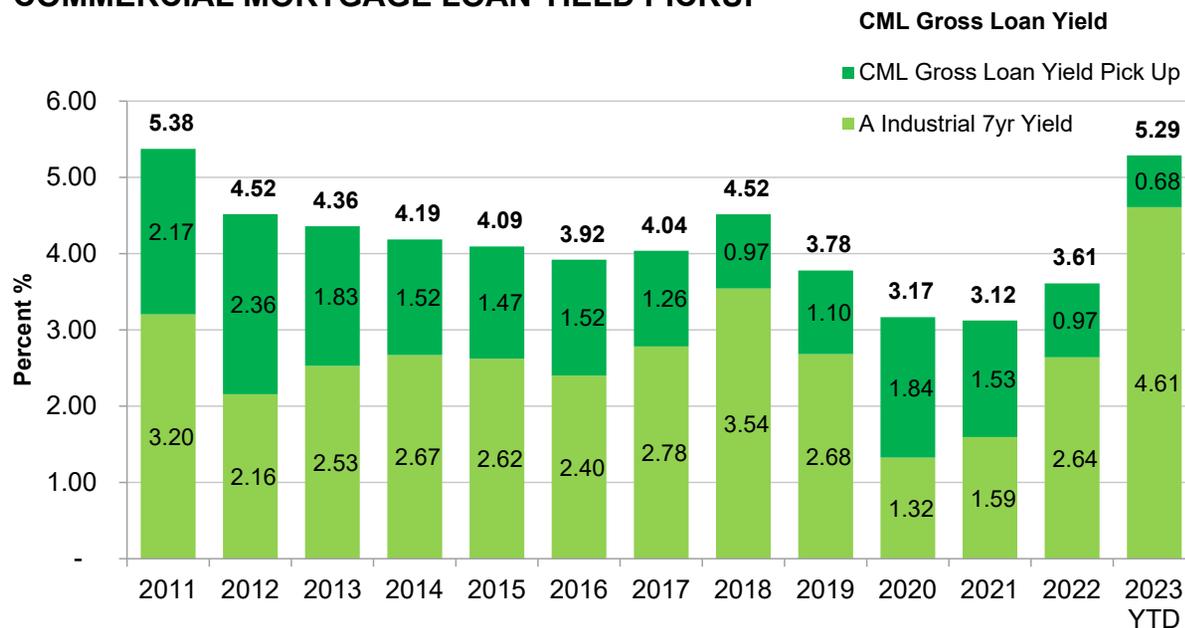


Market uncertainty

A variety of economic headwinds were evident in the final quarter of 2022, with inflation rising, interest rates climbing, and growth slowing. Uncertainty in the market has promoted greater caution for commercial real estate owners and occupiers, leading to slower decision-making and more defensive strategies. In the capital markets, investors and lenders are facing a challenging climate in which to underwrite and value assets.

On a positive note, for the first quarter of 2023, labor markets have held up well allowing stable incomes that help to support retail spending and travel demand. There is evidence that inflation has peaked in the U.S. Ebbing inflation has tempered expectations for central bank rate tightening, suggesting that reference rates will not rise as high – nor as fast – as even recently expected. Although the U.S. Treasury has been somewhat of a roller coaster ride this quarter, especially after the SVB’s recent failure, both capital sources and real estate operators expect the volatility of debt costs will lessen, the current phase of price discovery will pass, and more certainty will enter the market as underwriting becomes clearer and appetite for risk returns by the latter half of 2023.

COMMERCIAL MORTGAGE LOAN YIELD PICKUP



Source: Securian Asset Management, Inc, MBa. Data as of 03/31/2023. Year-to-date. Commercial Mortgage Lending (CML) is not an advisory service and does not involve securities but is included in the total assets under management. Lending involves many inherent risks. CBE: Corporate Bond Equivalent. LTV: Loan-to-Value. CRE: Commercial Real Estate. Loans can lose value, including the potential loss of the entire loan. Commercial Mortgage Loan Yield represents the gross current bond equivalent yield (BEY) of the Securian AM Commercial Mortgage Loans for this period. Commercial Mortgage Loan yield is net of fees, except Securian AM servicing fee. The A Industrial 7-year index includes industrial sector fixed income securities rated A with a 7-year duration, as defined on Bloomberg under the code C0067Y. Yield Advantage represents the difference between the Commercial Mortgage Loan Yield and the A Industrial 7-year yield. The Index is unmanaged and is not subject to fee. Remittance information as of 03/31/2023.



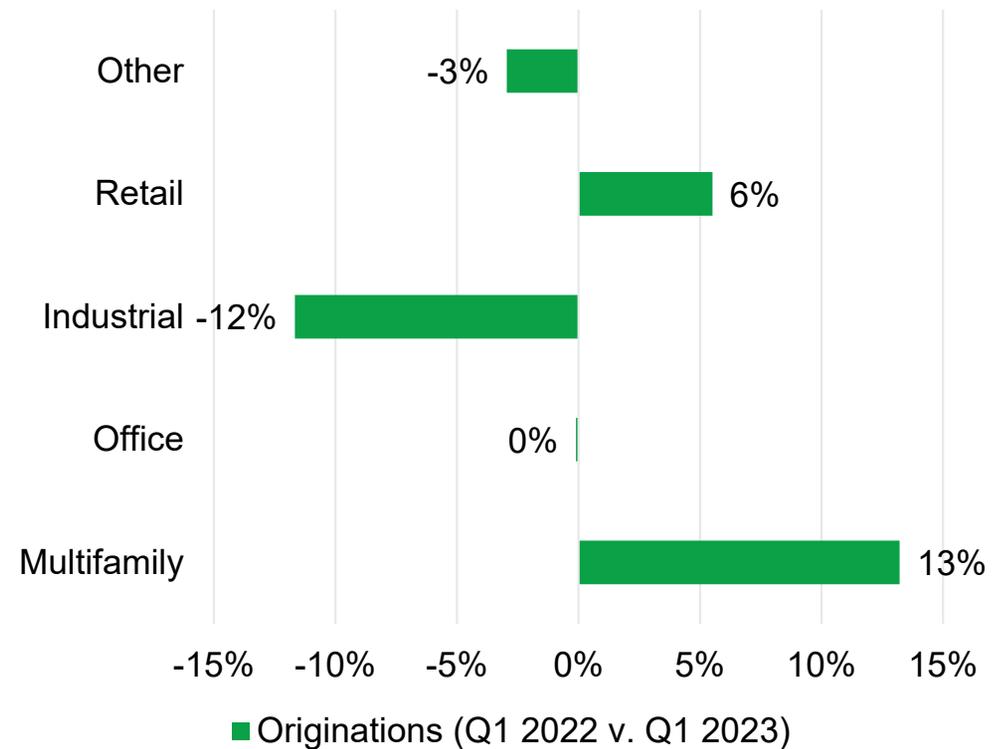
Demand to remain strong

Industrial: Industrial & logistics fundamentals will remain resilient, although demand should cool as the economy slows.

Multifamily: Given the strength of the overall labor market as well as single-family housing affordability issues—exacerbated by rising mortgage rates and limited supply—multifamily demand will remain insulated from a slowing economy.

Healthcare: Long-term demand for health-care properties should remain resilient due to an aging population.

ORIGINATIONS BY PROPERTY TYPE





Fundamentals remain resilient

SECTOR	COMMENTARY AND OUTLOOK
Multifamily	Multifamily rent growth will ease as the economy slows. Given the strength of the overall labor market as well as single-family housing affordability issues—exacerbated by rising mortgage rates and limited supply—multifamily demand will remain insulated from a slowing economy.
Industrial	Industrial & logistics fundamentals will remain resilient, although demand should cool as the economy slows.
Office	Although office-using jobs increased by 38,000 in March, the office sector’s near-term outlook remains mixed amid continued remote work trends and a softening economy.
Retail	The sector maintains relatively strong fundamentals amid little new supply over the past several years. However, less demand for retail space is expected as the economy slows.
Hotel	Accommodation services added 5,200 jobs in March. While resurgent travel demand will support hotel occupancy in the near term, a slowing economy eventually will take a toll as household balance sheets deteriorate later in 2023.

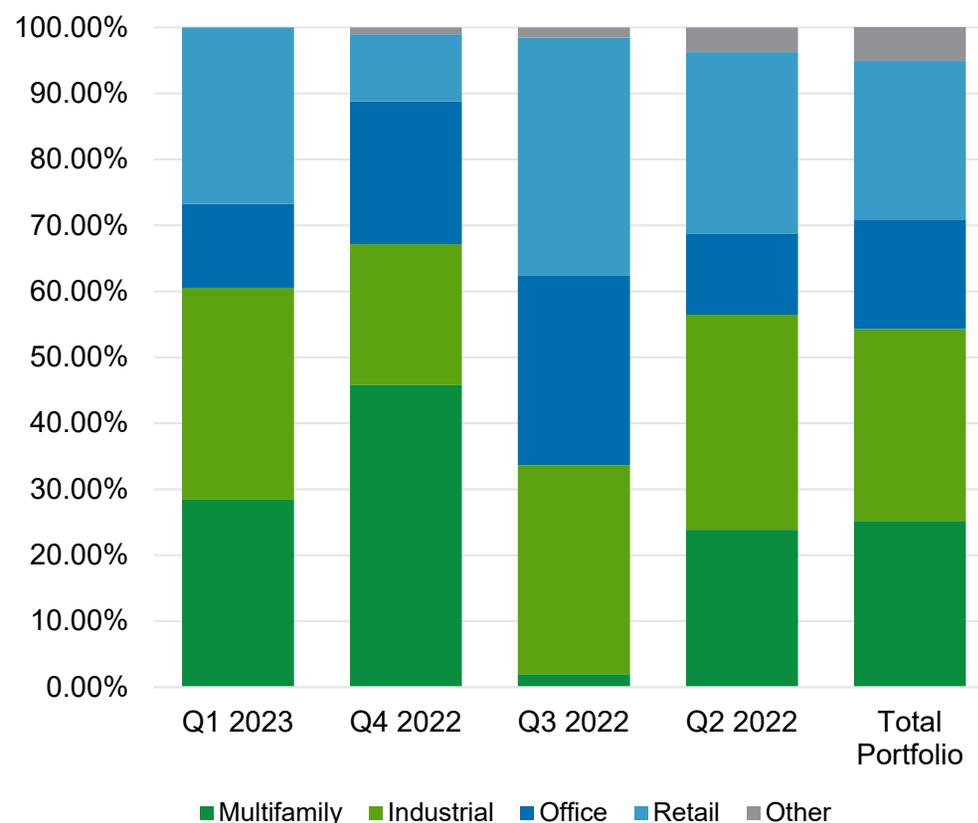


Phase of price discovery

Q1 2023 PRODUCTION SUMMARY

Total Production	\$106 million
Number of Transactions	11
Average Loan	\$9.67 million
Loan-to-Value (appraised)*	46.0%
Debt Service Coverage*	1.74
Average Life	7.54
Net CBE Yield*	5.20%
Net CBE Spread*	1.61%

PRODUCTION BY PROPERTY TYPE



Source: Securian Asset Management, Inc. As of 03/31/2023. *Average. Loan-to-Value (appraised) is the original loan amount divided by the most recent appraised value. LTV will adjust with monthly principal payments. LTV adjusts with July and December updates to adjusted appraisal values. Debt Service Coverage is the amount of the property's net income from the current year as a multiple that is available to pay annual debt service of the loan assuming a 25-year amortization. Net CBE Yield is the net current bond equivalent interest rate or the net interest on the mortgage after deducting servicing fees. Net CBE Spread is the difference between the Treasury curve and the NET CBE interest rate. Preceding net calculations do not include Securian AM servicing fees. Loan production means loans funded during the period of 01/01/2023 to 03/31/2023.



Commercial Mortgage Loans – Q1 2023 production

Property Type	Location	Loan Amount	LTV %	DSC	Term/ Amortization	Avg. Life	Net CBE %	Net CBE Spread %
Apartment	Wisconsin	\$3,500,000	40.04	1.89	120/360	9.11	4.98	175
Retail	Pennsylvania	\$12,500,000	57.34	1.54	120/300	9.21	4.55	174
Apartment	Texas	\$8,250,000	35.87	2.21	120/0	9.97	5.39	150
Apartment	Washington	\$5,500,000	38.46	1.73	60/0	4.99	5.81	148
Apartment	Virginia	\$5,000,000	22.91	2.82	84/360	6.58	5.27	134
Apartment	Florida	\$8,000,000	32.61	1.77	120/240	8.29	5.06	148
Industrial	Oregon	\$4,200,000	55.26	1.82	60/360	4.81	5.36	156
Retail	Pennsylvania	\$13,000,000	52.85	1.82	60/360	4.80	5.52	174
Industrial	Virginia	\$30,000,000	46.15	1.56	120/360	9.68	5.14	162
Office	Washington	\$13,500,000	49.09	1.58	60/360	4.75	5.09	148
Retail	California	\$3,000,000	63.56	1.46	40/360	3.23	6.43	252

Source, Securian Asset Management, Inc. As of 03/31/2023. LTV = Loan-to-Value, the original loan amount divided by the most recent appraised value. LTV will adjust with monthly principal payments. LTV adjusts with July and December updates to adjusted appraisal values. DSC = the amount of the property's net income from the current year as a multiple that is available to pay annual debt service of the loan assuming a 25 year amortization. IO = Interest Only. Net CBE is the net current bond equivalent interest rate or the net interest on the mortgage after deducting servicing fees. Net CBE Spread is the difference between the Treasury curve and the NET CBE interest rate. Preceding net calculations do not include Securian AM servicing fees. Loan production means loans funded during the period.

Disclosures

Loan participations are not securities. The purchase of an ownership percentage in a commercial mortgage loan described herein is a purchase of a portion of a commercial mortgage loan and is a sale transaction between Minnesota Life Insurance Company (as lender) and the purchaser. Securian Asset Management, Inc. ("Securian AM"), an affiliate of Minnesota Life, analyzes the property and the loan terms to determine whether the loan is suitable for Minnesota Life Insurance Company only. Neither Securian AM nor Minnesota Life Insurance Company make any representations or warranties about the underwriting process to the purchaser. Securian AM is a registered investment adviser but does not act as such in performing mortgage loan underwriting and servicing and therefore does not provide investment advisory services to any purchaser in its commercial mortgage loan sale programs. It should not be assumed that loans were or will be profitable, or that such production will continue on the same terms due to changing market conditions. Lending involves many inherent risks, including the potential loss of the entire loan.

The specific loans identified herein are not representative of all of the loans produced, and it should not be assumed that the production of such loans was or will be profitable, or that such production will continue on the same terms due to changing market conditions. Lending involves many inherent risks, including the potential loss of the entire loan.

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