



Q1 2025 Pricing Report

Provided by SouthState Correspondent and Loan Command

	Credit Rating	Suggested Target Spread	Actual Spread (@ Booking)	Difference (Bps)	Difference %	Target ROE	Actual ROE (@ Pricing)	Difference	Difference %	Comments
	1	1.91%	1.85%	-0.06%	-3%	20%	15%	▬ -5%	-26%	Spreads decreased 49 bps from last qtr. Due to higher mix of credit tenants and improving credit.
	2	2.25%	2.40%	0.15%	7%	20%	19%	▴ -1%	-7%	Spreads decreased 1bps QoQ.
	3	2.55%	2.46%	-0.09%	-4%	20%	19%	▴ -1%	-5%	Spreads decreased 9 bps QoQ but volume decreased.
	4+	2.65%	2.62%	-0.03%	-1%	20%	19%	▴ -2%	-8%	Spreads decreased 9 bps due to greater supply and riskier credit mix.

		Target Spread	Actual Spread (@ Booking)	Difference (Bps)	Difference %	Target ROE	Actual ROE (@ Pricing)	Difference	Difference %	Comments
NOOCRE	Office	2.78%	2.75%	-0.03%	-1%	20%	19%	▴ -1%	-4%	Mostly all refinance volume. Spreads decreased 11 bps due to limited supply and improving rents
	Retail	2.80%	2.78%	-0.02%	-1%	20%	19%	▴ -1%	-4%	Spreads decreased by 23 bps due to better credit outlook and firmer rents.
	Hospitality	3.15%	3.22%	0.07%	2%	20%	23%	▴ 3%	13%	Spreads increased 4 bps driven by lower occupancy and lower to flat ADRs.
	Industrial	2.38%	2.24%	-0.14%	-6%	20%	16%	▬ -4%	-22%	Spreads increased 8 bps from 3Q due to higher credit risk in most markets.
	Multifamily	2.44%	2.32%	-0.12%	-5%	20%	17%	▴ -3%	-13%	Spreads increased 14 bps from 3Q due to greater supply and slower rent growth.
	Other	2.50%	2.49%	-0.01%	0%	20%	19%	▴ -1%	-6%	Spreads dropped 24 bps due to increased mix in self-storage and manuf. housing.
C&I	General	2.45%	2.06%	-0.39%	-16%	20%	15%	▬ -5%	-27%	Pricing decreased 4 bps from 3Q on general credit improvement
	Line of Credit	3.40%	2.85%	-0.55%	-16%	20%	8%	▬ -12%	-59%	Pricing increased 5 bps due to lower usage/profitability
	Municipal	1.80%	1.75%	-0.05%	-3%	20%	15%	▬ -5%	-24%	Spreads tightened 2 bp on decreased demand and greater supply.
	Other	2.45%	1.65%	-0.62%	-25%	20%	13%	▬ -7%	-35%	Project based deals increased 27 bps due to riskier mix
OOCRE	Industrial	2.30%	2.18%	-0.12%	-5%	20%	15%	▬ -6%	-28%	Loans to manufacturing and distribution companies decreased 10 bps
	Office/Retail	2.58%	2.54%	-0.04%	-2%	20%	18%	▴ -2%	-11%	Spreads decreased by 10 bps
	Medical	2.15%	2.06%	-0.09%	-4%	20%	15%	▬ -6%	-28%	Spreads decreased by 8 bps
	Church	2.65%	2.52%	-0.13%	-5%	20%	18%	▴ -2%	-11%	Underpriced given elevated risk. Spreads increased 12 bps due to higher PODs.
	Other	2.84%	3.08%	0.24%	8%	20%	22%	▴ 2%	8%	Restaurants, child care, etc. Spreads increased 6 bps
Other	Other	2.45%	2.84%	0.39%	16%	20%	21%	▴ 1%	7%	Mostly ag loans. Spreads decreased 14 bps in addition to more loan origination in 4Q.
	Construction	3.95%	3.12%	-0.83%	-21%	20%	4%	▬ -16%	-82%	Pricing increased 13 bps due to elevated takeout risk of slowing economy.

	Loan Size	Suggested Target Spread	Actual Spread (@ Booking)	Difference (Bps)	Difference %	Target ROE	Actual ROE (@ Pricing)	Difference	Difference %	Comments
	\$50k to \$500	3.65%	2.72%	-0.93%	-25%	20%	0%	▬ -20%	-100%	Industry greatly underpricing small loans
	\$500,000	2.75%	2.69%	-0.06%	-2%	20%	17%	▴ -3%	-13%	Slightly underpriced
	\$1,000,000	2.63%	2.67%	0.04%	2%	20%	21%	▴ 1%	3%	Increase of 4 bps QoQ
	\$2,000,000	2.50%	2.51%	0.01%	0%	20%	20%	▴ 0%	2%	This remains the most competitive area but banks are showing dicipline. Down 5bp QoQ.
	\$3,000,000	2.32%	2.40%	0.08%	3%	20%	20%	▴ 0%	-1%	This area is down 10 bps from last quarter.
	\$4,000,000	2.40%	2.29%	-0.11%	-5%	20%	19%	▴ -1%	-3%	Down 2 bps from last quarter.
	\$5,000,000	2.38%	2.25%	-0.13%	-5%	20%	19%	▴ -1%	-4%	Decrease of 10 bps.
	\$10,000,000	2.25%	2.48%	0.23%	10%	20%	21%	▬ 1%	6%	This area overpriced and up 5 bps from last quarter. Look to grind tighter due to competition.

	DSCR	Target Spread	Actual Spread (@ Booking)	Difference (Bps)	Difference %	Target ROE	Actual ROE (@ Pricing)	Difference	Difference %	Comments
	1.2	2.60%	2.14%	-0.46%	-18%	20%	16%	▬ -4%	-20%	Under priced
	1.4	2.50%	1.87%	-0.63%	-25%	20%	24%	▴ 4%	21%	
	1.6	2.35%	1.89%	-0.46%	-20%	20%	15%	▬ -5%	-25%	Underpriced due to competition.
	1.8	2.30%	2.71%	0.41%	18%	20%	21%	▴ 1%	4%	Overpriced but results in the sweetspot for profitable loans.
	2.5+	1.82%	2.40%	0.58%	32%	20%	21%	▴ 1%	3%	

	Rate Type	Suggested Target Spread	Actual Spread (@ Booking)	Difference (Bps)	Difference %	Target ROE	Actual ROE (@ Pricing)	Difference	Difference %	Comments
	Fixed	2.20%	2.00%	-0.20%	-9%	20%	16%	▬ -4%	-20%	This category suffered from pre-close margin and spread compression
	Adjustable	2.20%	2.23%	0.03%	1%	20%	18%	▬ -2%	-10%	This category suffered from pre-close margin and spread compression
	Floating	2.60%	2.64%	0.04%	2%	20%	20%	▬ 0%	2%	Floating rate loan spreads decreased 22 bps due to a higher quality mix.