

## Market Briefs

- A recent Goldman Sachs Global Investment Research report states that the average commercial property cap rate in the United States since 1984 is 8.2%.
- A September report issued by the Federal Reserve Bank of Dallas states that as of Q1 2009, the commercial banks in the U.S. maintained 13.90% of their gross assets in the form of commercial real estate loans. Banks in three districts (Atlanta, St. Louis, Dallas) maintained a percentage over twice the national average. The Boston District carried the lowest rate at 6.85%.
- FTN Financial reports commercial mortgage delinquencies rose to 4.34% in September as borrowers struggled to pay debt amid declining property values, previously at 4.03% in August.
- Former Federal Reserve Chairman Alan Greenspan said the central bank risks higher inflation by 2012 if it waits too long to start curtailing its unprecedented monetary stimulus. The Fed last week said its benchmark interest rate was likely to remain near zero for an "extended period" and committed to buying the full \$1.25 trillion of its mortgage-backed securities purchase program.

## Interest Rate Projections

Source: Bloomberg

	3Q 2009	4Q 2009	1Q 2010	2Q 2010	3Q 2010	4Q 2010
10 Year (Avg.)	3.55%	3.69%	3.87%	4.03%	4.19%	4.33%
Fed Funds (Avg.)	0.25%	0.26%	0.30%	0.43%	0.74%	1.18%
1 Month LIBOR (Avg.)	0.24%	0.26%	0.33%	0.57%	0.90%	1.25%

\*News Monthly Survey Dated: 9/16/09, 1-M LIBOR Updated: 10/5/09

## Recently Closed Deals

Asset Type	Financing Type	Lender Type	Rate/ Return	Loan-to-Value	Term	Amortization/misc.
Multifamily	Fixed	Agency	T + 260 bps	66%	5 Years	30 Years
Industrial	Fixed	Life Company	T + 375 bps	50%	10 Years	25 Years
Multifamily	Fixed	Agency	T + 209 bps	64%	10 Years	30 Years
Industrial	Fixed	Life Company	T + 260 bps	45%	10 Years	25 Years
Multifamily	Fixed	Agency	T + 254 bps	70%	7 Years	30 Years
Multifamily	Fixed	Agency	T + 223 bps	73%	10 Years	30 Years
Office	Fixed	Bank	T swaps + 325 bps	70%	5 Years	25 Years
Multifamily	Fixed	Agency	T + 238 bps	77%	10 Years	30 Years

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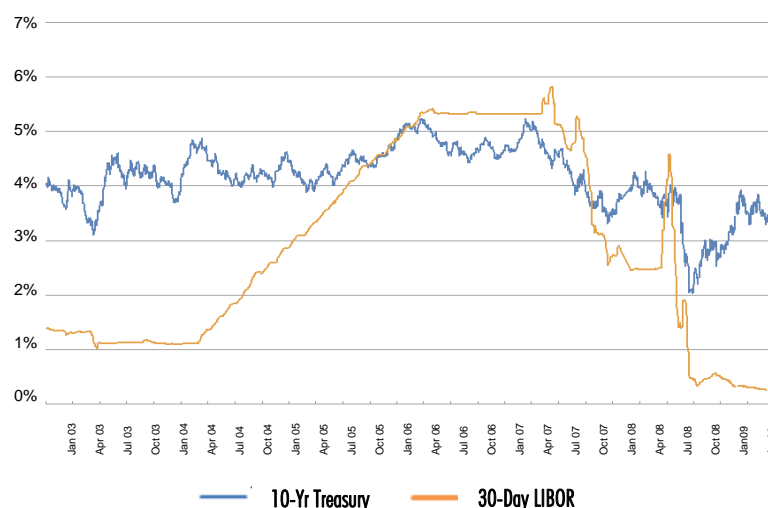
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## Key Rates

	Prime	5-Yr T	10-Yr T	1-M LIBOR	DJ Avg.	10-Yr Swap Spread
10/7/09	3.25%	2.20%	3.21%	0.24%	9,731	17 bps
9/15/09	3.25%	2.39%	3.45%	0.24%	9,626	20 bps
Year Ago	4.50%	2.77%	3.89%	6.00%	8,451	59 bps

Source: Wall Street Journal and Bank of America

## Average 10-Year Treasury vs. 30-day LIBOR



— 10-Yr Treasury — 30-Day LIBOR