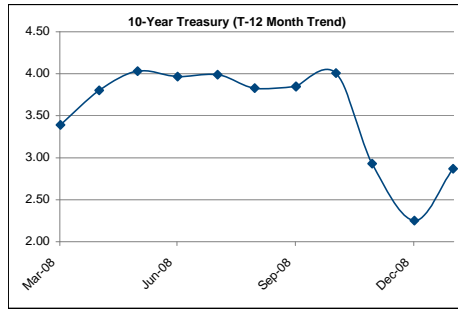


Colliers Meredith & Grew Capital Markets Group

YIELDS & RATES
CURRENT AS OF
02/19/09



TODAY'S TEN YEAR TREASURY YIELD: 2.84%

Date	Treasury Bonds, Notes, & Bills						LIBOR				
	3-Years	5-Years	7-Years	10-Years	% Gain/Loss	20-Years	30-Years	Prime	1-month	3-month	6-month
03/31/08	1.76	2.44	2.82	3.39	-4.13%	4.30	4.30	5.25	2.70	2.69	2.61
04/30/08	2.55	3.09	3.37	3.80	10.88%	4.49	4.49	5.25	2.80	2.85	2.96
05/30/08	2.90	3.37	3.64	4.03	5.61%	4.74	4.72	5.00	2.46	2.68	2.91
06/30/08	2.90	3.33	3.58	3.97	-1.64%	4.59	4.53	5.00	2.46	2.78	3.11
07/31/08	2.81	3.25	3.56	3.99	0.63%	4.63	4.59	5.00	2.46	2.79	3.08
08/29/08	2.60	3.10	3.45	3.83	-4.18%	4.47	4.43	5.00	2.49	2.81	3.12
09/30/08	2.28	2.98	3.38	3.85	0.52%	4.43	4.31	5.00	3.93	4.05	3.98
09/30/08	2.28	2.98	3.38	3.85	0.00%	4.43	4.31	5.00	3.93	4.05	3.98
10/31/08	1.80	2.80	3.29	4.01	3.99%	4.74	4.35	4.00	2.58	3.03	3.12
11/28/08	1.27	1.93	2.35	2.93	-36.86%	3.71	3.45	4.00	1.90	2.22	2.77
12/31/08	1.00	1.55	1.87	2.25	-30.22%	3.05	2.69	3.25	0.44	1.43	1.75
01/30/09	1.32	1.85	2.27	2.87	21.60%	3.86	3.58	3.25	0.42	1.18	1.66

Date	Treasury Bonds, Notes, & Bills						LIBOR				
	3-Years	5-Years	7-Years	10-Years	% Gain/Loss	20-Years	30-Years	Prime	1-month	3-month	6-month
01/05/09	1.08	1.67	2.07	2.49	1.20%	3.37	3.00	3.25	0.43	1.42	1.79
01/06/09	1.10	1.68	2.07	2.51	0.80%	3.41	3.04	3.25	0.42	1.41	1.77
01/07/09	1.15	1.66	2.02	2.52	0.40%	3.41	3.05	3.25	0.41	1.40	1.75
01/08/09	1.16	1.60	1.95	2.47	-2.02%	3.40	3.04	3.25	0.39	1.35	1.69
01/09/09	1.11	1.51	1.88	2.43	-1.65%	3.39	3.04	3.25	0.37	1.26	1.60

Date	Treasury Bonds, Notes, & Bills						LIBOR				
	3-Years	5-Years	7-Years	10-Years	% Gain/Loss	20-Years	30-Years	Prime	1-month	3-month	6-month
01/12/09	1.09	1.45	1.81	2.34	-3.85%	3.30	2.99	3.25	0.34	1.16	1.51
01/13/09	1.07	1.44	1.80	2.33	-0.43%	3.30	3.00	3.25	0.33	1.09	1.47
01/14/09	1.03	1.36	1.71	2.24	-4.02%	3.17	2.89	3.25	0.33	1.08	1.47
01/15/09	1.01	1.36	1.71	2.23	-0.45%	3.16	2.86	3.25	0.33	1.09	1.50
01/16/09	1.05	1.47	1.83	2.36	5.51%	3.22	2.89	3.25	0.36	1.14	1.59

Date	Treasury Bonds, Notes, & Bills						LIBOR				
	3-Years	5-Years	7-Years	10-Years	% Gain/Loss	20-Years	30-Years	Prime	1-month	3-month	6-month
01/19/09								3.25	0.36	1.13	1.56
01/20/09	1.06	1.48	1.85	2.40	1.67%	3.30	2.97	3.25	0.35	1.12	1.55
01/21/09	1.12	1.60	1.99	2.56	6.25%	3.51	3.15	3.25	0.36	1.13	1.56
01/22/09	1.11	1.61	2.02	2.62	2.29%	3.61	3.25	3.25	0.39	1.16	1.62
01/23/09	1.16	1.64	2.05	2.65	1.13%	3.65	3.32	3.25	0.40	1.17	1.63

Date	Treasury Bonds, Notes, & Bills						LIBOR				
	3-Years	5-Years	7-Years	10-Years	% Gain/Loss	20-Years	30-Years	Prime	1-month	3-month	6-month
01/26/09	1.21	1.67	2.09	2.70	1.85%	3.71	3.39	3.25	0.41	1.18	1.67
01/27/09	1.15	1.59	1.99	2.59	-4.25%	3.57	3.26	3.25	0.41	1.18	1.68
01/28/09	1.22	1.70	2.10	2.71	4.43%	3.73	3.44	3.25	0.41	1.17	1.63
01/29/09	1.34	1.87	2.28	2.87	5.57%	3.85	3.57	3.25	0.41	1.17	1.63
01/30/09	1.32	1.85	2.27	2.87	0.00%	3.86	3.58	3.25	0.42	1.18	1.66

Date	Treasury Bonds, Notes, & Bills						LIBOR				
	3-Years	5-Years	7-Years	10-Years	% Gain/Loss	20-Years	30-Years	Prime	1-month	3-month	6-month
02/02/09	1.27	1.75	2.16	2.76	-3.99%	3.75	3.47	3.25	0.44	1.23	1.76
02/03/09	1.37	1.88	2.28	2.89	4.50%	3.88	3.64	3.25	0.45	1.23	1.78
02/04/09	1.42	1.91	2.32	2.95	2.03%	3.88	3.65	3.25	0.45	1.24	1.77
02/05/09	1.40	1.89	2.32	2.95	0.00%	3.86	3.63	3.25	0.45	1.24	1.77
02/06/09	1.44	1.97	2.40	3.05	3.28%	3.94	3.70	3.25	0.45	1.24	1.75

Date	Treasury Bonds, Notes, & Bills						LIBOR				
	3-Years	5-Years	7-Years	10-Years	% Gain/Loss	20-Years	30-Years	Prime	1-month	3-month	6-month
02/09/09	1.50	1.99	2.42	3.07	0.65%	3.91	3.69	3.25	0.45	1.23	1.70
02/10/09	1.31	1.79	2.23	2.90	-5.86%	3.77	3.54	3.25	0.45	1.22	1.69
02/11/09	1.32	1.76	2.17	2.78	-4.32%	3.69	3.45	3.25	0.45	1.23	1.73
02/12/09	1.28	1.73	2.14	2.75	-1.09%	3.71	3.47	3.25	0.46	1.23	1.72
02/13/09	1.37	1.88	2.29	2.89	4.84%	3.91	3.68	3.25	0.46	1.24	1.74

Date	Treasury Bonds, Notes, & Bills						LIBOR				
	3-Years	5-Years	7-Years	10-Years	% Gain/Loss	20-Years	30-Years	Prime	1-month	3-month	6-month
02/16/09											
02/17/09	1.22	1.65	2.05	2.64	-9.47%	3.70	3.47	3.25	0.47	1.25	1.77
02/18/09	1.33	1.81	2.18	2.74	3.65%	3.77	3.54	3.25	0.47	1.25	1.78
02/19/09	1.37	1.88	2.26	2.84	3.35%	3.86	3.63	3.25	0.47	1.25	1.79
02/20/09											

Swap	
2 yrs	67.25
5 yrs	66.50
7 yrs	59.11
10 yrs	27.50
15 yrs	31.19
30 yrs	-30.87
1y Fwd	15.00

Markets & Commodities	
DJIA	7,560.09
Gold	979.90
Copper	3,196.50
Und. Gas	106.52
Nat. Gas	4.21
US Steel	475.00
Nymex Oil	34.62

CMBS	Spread	Yield
AAA	1028.00	13.12%
AA	4292.00	45.76%
A	5087.25	53.71%
BBB	6665.70	69.49%
BBB-	7560.70	78.44%



Neither Colliers Meredith & Grew nor its Capital Markets Group is responsible for the accuracy of the information above. Fixed-Income yields are volatile and can change on short notice. Colliers Meredith & Grew also assumes no liability for errors or omissions.



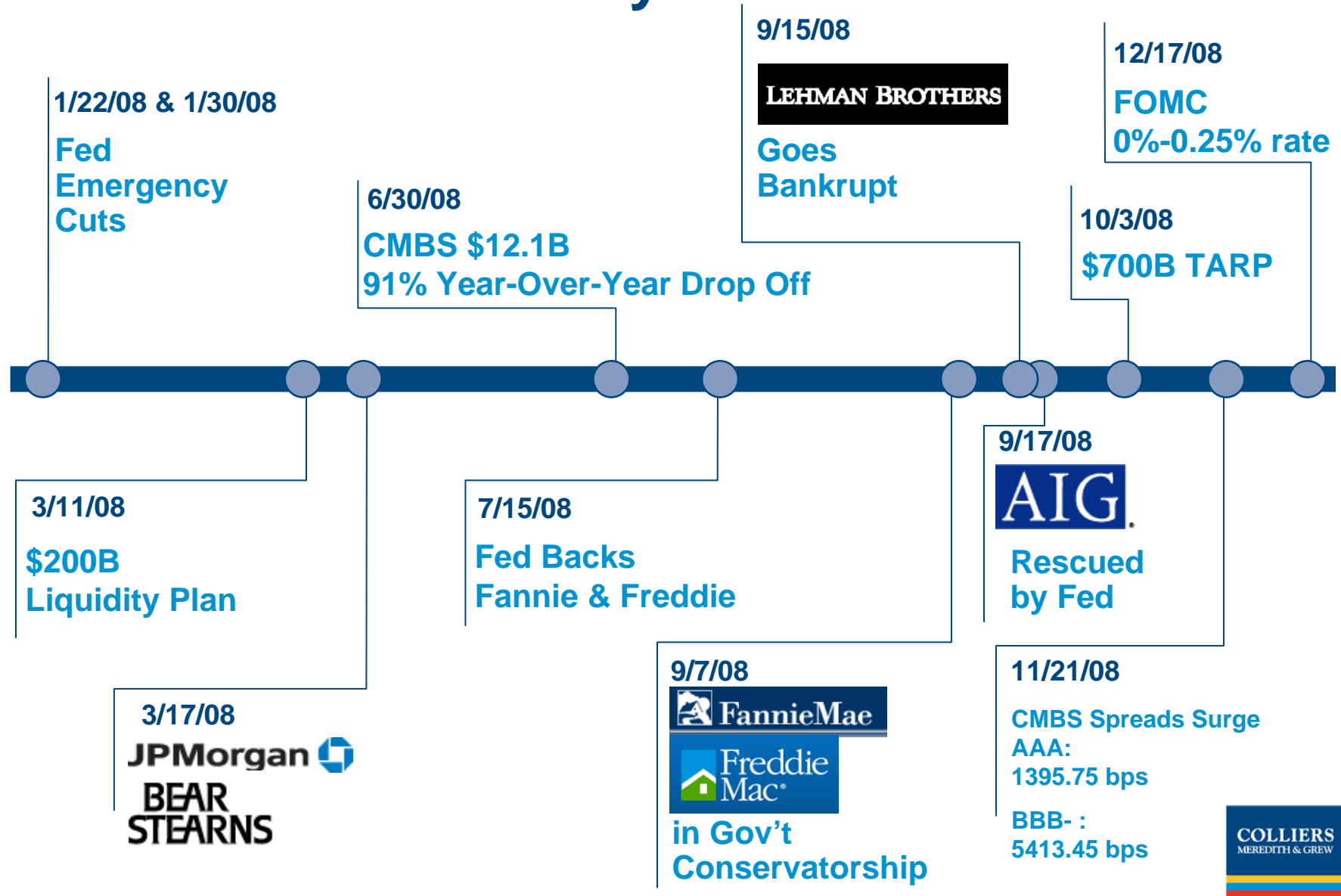
The Capital Markets

David M. Douvadjian
Executive Vice President

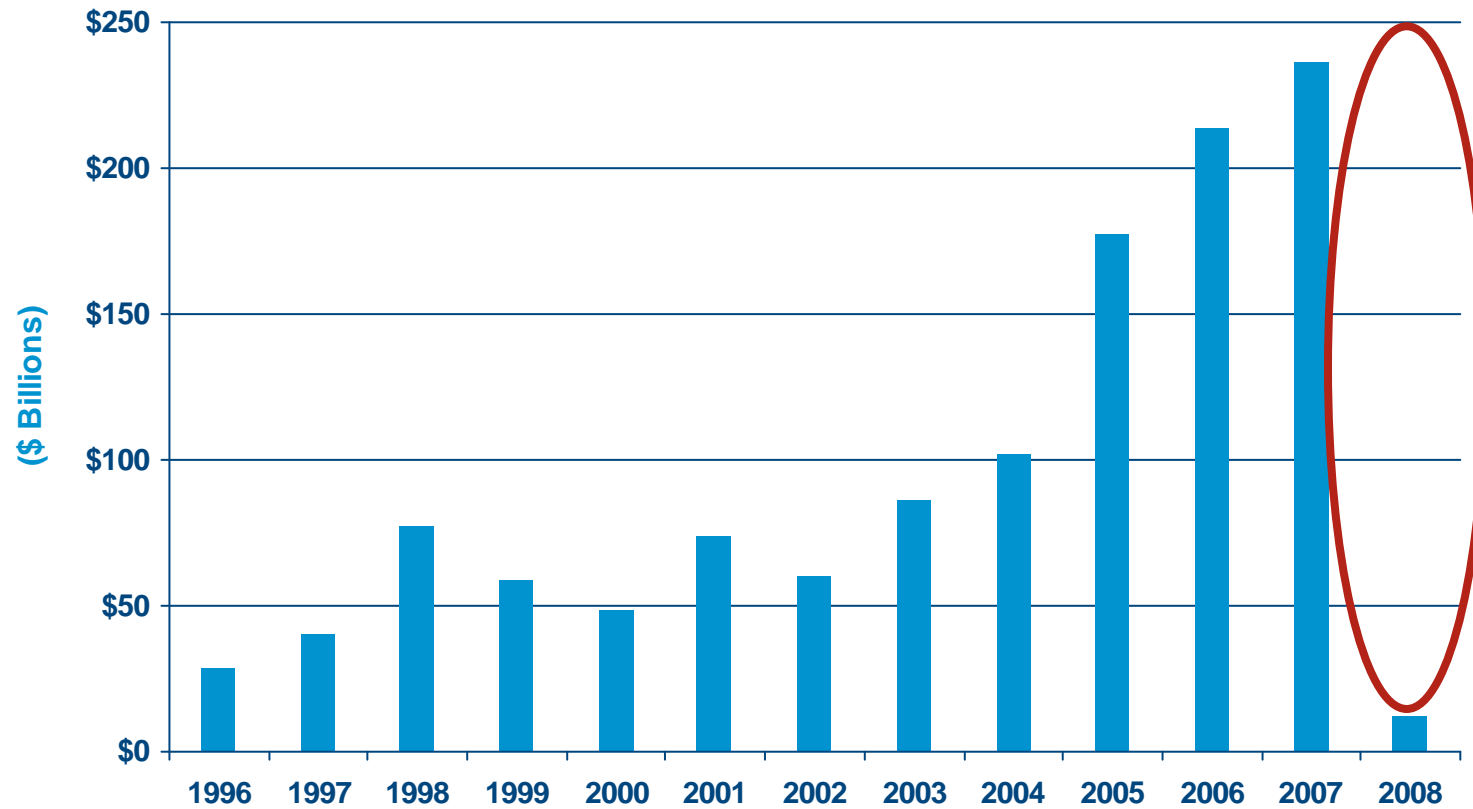


Our Knowledge is your Property

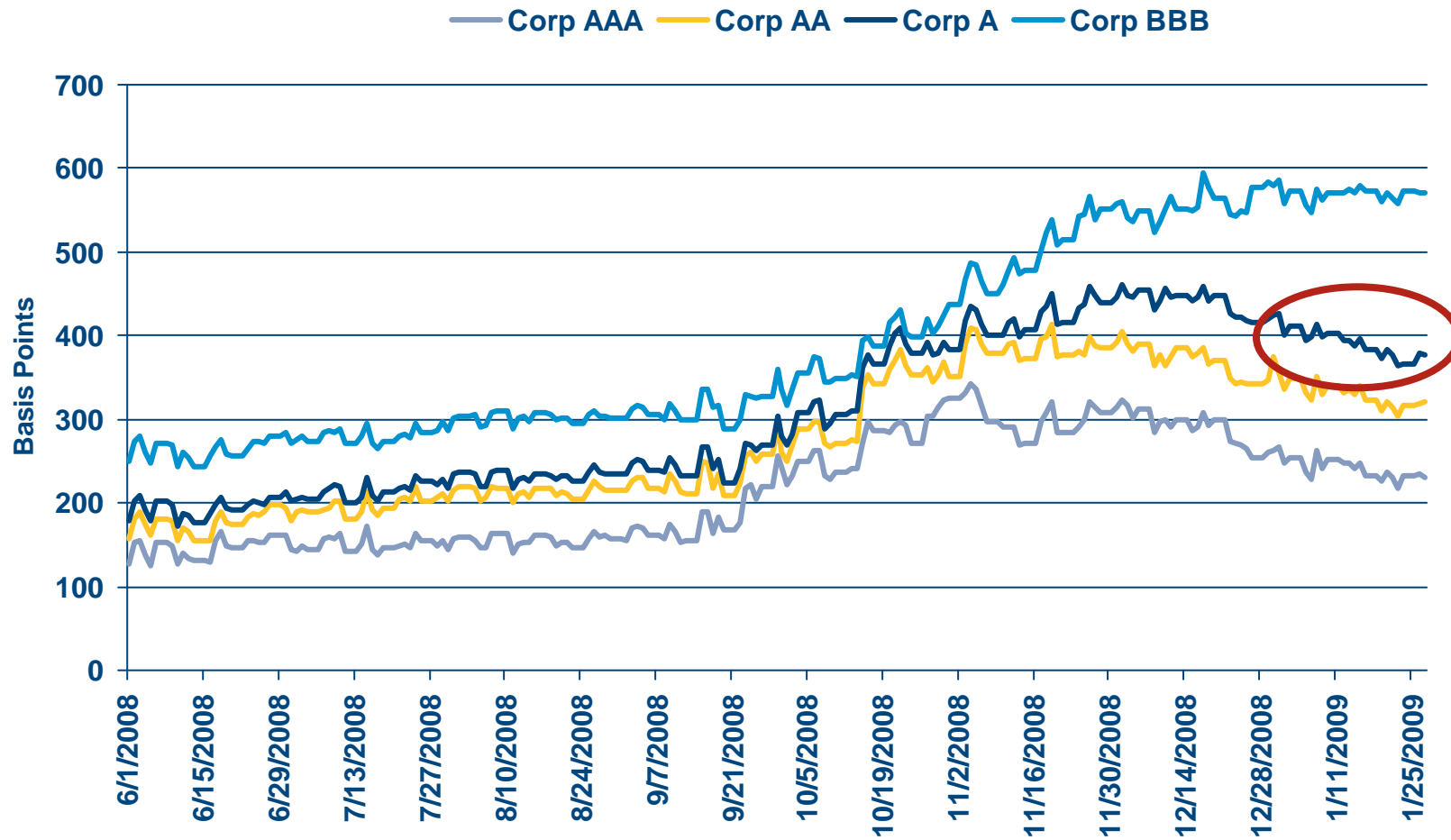
A Walk Down Memory Lane:



US CMBS Issuance (\$ Billions)



Corporate Bond Spreads



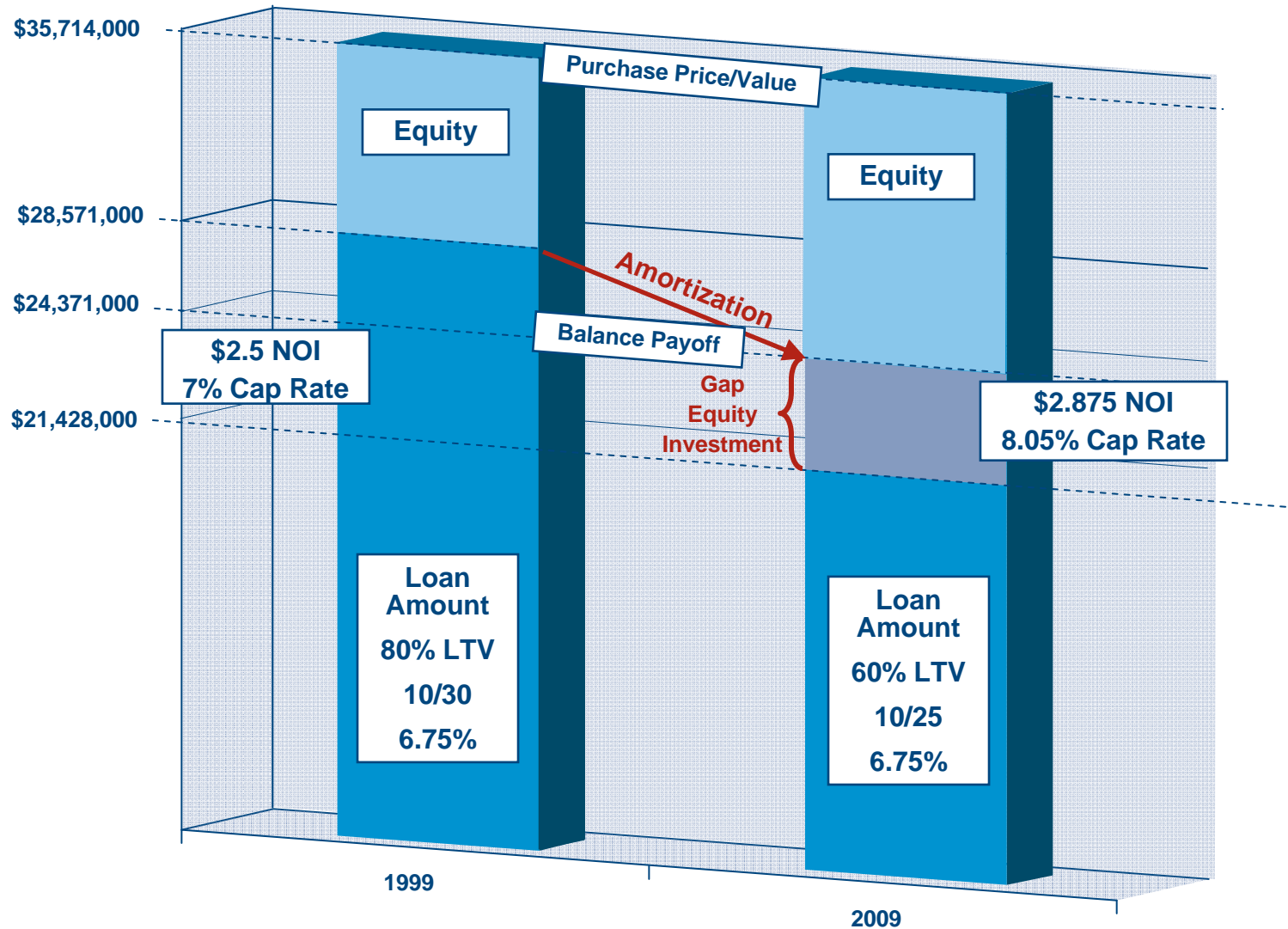
Bank & Life Insurance Co. Underwriting

	Commercial Bank Underwriting	Life Insurance Company Underwriting
Loan Amts:	Most need to syndicate with another bank for loans above \$15M on a single asset	Most life companies will lend between \$2 -20M or more on a single asset
Spreads:	200 - 300 bps over internal cost of funds; Floor rates more common	400 - 500 bps over corresponding Treasury; Floor rates are becoming the norm
LTV/LTC:	65 - 70% for most product types; can increase up to 75% for the right deal	50 - 65% for most core product types; ability to get more aggressive on multi-family
Term:	Typically rate resets every 5 years; Fixed or Floating usually available	5 - 25 years (longer term preferred)
Amortization:	20 - 25 year schedules	25 year schedules most common; Will consider 30 years schedules selectively
DSCR:	1.25x minimum	1.25 - 1.35x minimum
Structure:	I/O may be available; Typically some portion of recourse is required; Covenants	I/O typically not available; Mostly non-recourse lenders; No covenants
Comments:	More scrutiny over market vacancy, management fees, proforma rent growth and rollover risk	More scrutiny over market vacancy, management fees, proforma rent growth and rollover risk

Opportunity Knocks

- ▶ **Note Purchases:** Opportunity to take advantage of cash-strapped note holders at discounted prices; discount driven by the quality of the underlying asset.
- ▶ **Note Acquisition Finance:** Primarily for better quality, longer term debt; financed by life insurance companies & debt funds.
- ▶ **Hypothecation of Mortgage:** Lenders can increase their capital position by pledging its mortgage asset for a loan.
- ▶ **Gap Equity Investments:** Collateral impaired loans that are maturing will need additional money to bridge the gap between the required payoff amount and the lower new loan proceeds.

Gap Equity Investment Opportunity



Opportunity Knocks

▶ Relationship Opportunities:

- ▶ *Waivers of Prepayment:* Balance sheet lenders have the ability to modify loan provisions allowing for an early payoff; raises the lender's capital position and allows the borrower to refinance at better terms.
- ▶ *Discounted Note Payoffs:* Borrowers may be able to buy back their debt at a discount; need to consider tax implications resulting from forgiveness of debt.
- ▶ *Workouts:* Lender reluctance to take back properties allow for the opportunity to facilitate an alternate business plan