

## February 21, 2012

### Week in Review

- Deutsche Bank AG sold \$625 million of CMBS securities backed by a single loan on an office building in New York this past week. The 9 West 57th Street office tower has some of the highest rents in Manhattan. Deutsche Bank priced the AAA rated issue at 110 basis points over swaps, which is lower than the last single borrower issue in December priced at 195 basis points over swaps. The better pricing is indicative of the demand rising for CMBS issues.
- Amazon.com Inc., is planning to build three commercial towers in Seattle based on the company's preliminary development plans. In a deal set to close later this year, Amazon has agreed to buy three contiguous blocks from Clise Properties Inc. Seattle's downtown office market is one of the strongest performing markets in the U.S. with 42.7 million square feet of space. Amazon's project could increase that figure by approximately 7% as preliminary documents show the three towers would have as much as 3 million square feet of space. The terms of the deal have not been disclosed.
- Mission West Properties Inc., the leading office landlord in Silicon Valley, is preparing to sell itself to the highest bidder. Mission owns more than 100 office buildings from San Jose to Cupertino, including R&D campuses that house Microsoft and Apple. However, their vacancy rate is above average for the area at 30% because a large chunk of the portfolio still has not recovered from the technology bust ten years ago. Mission West is taking bids from interested buyers until February 22.
- Yields on the 10 year treasury ended the week at 2.012%. A deal for Greece is expected sometime this week which is easing fears in the market. January's producer price index showed a hint of inflation. Yields on the 10 year continue to remain at historic lows, trading between 1.787% and 2.167% since the start of November.

### Current Commercial Loan Rates

#### Owner Occupied / Investor Starting at

Type	Rate*	Term	Am	Max LTV
Apartment	4.56%	10 Yr	30 YR	80%
Apartment	4.02%	5 YR	30 YR	80%
Industrial	5.25%	5 Yr	25 YR	75%
Office	5.25%	5 Yr	25 YR	75%
Retail	5.25%	5 Yr	25 YR	75%

\*Rate based on current market conditions and loan strength and is subject to change.

#### Owner Occupied \$1,000,000 +

Acquisition, Refinance, or Development Rates starting at 3.27%

#### Acquisition and Development

Rates starting at 5.75%, LTV dependant on property type / location and borrower strength.

#### SBA 504 and 7a

Up to 90% LTV  
504 rates starting at 4.50% construction / 3.75% long term  
20 / 25 Year Fixed Rate available for 504  
25 Year Fixed Rate available for 7a

#### Bridge Loans

Available on most property types nationwide  
Rates 9.00% - 14.00%, LOW POINTS

### Economic Events Calendar Week of 2/13/12

Monday 2/20/12

Tuesday 2/21/12

Wednesday 2/22/12  
-Existing Home Sales

Thursday 2/23/12  
-Initial Claims  
-Continuing Claims

Friday 2/24/12  
-Michigan Sentiment  
-New Home Sale

#### Information Presented By

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This information has been obtained from sources believed to be reliable. Metro Commercial Finance does not guarantee the accuracy of the information provided herein. Rates are subject to change without notice.