

# EMPYREAN

FUNDING AND MANAGEMENT

Good Morning,

It certainly appears the free-fall has ended for now! What a relief as conditions were deteriorating so rapidly at one point with no end in sight. Signs of life are sprouting up throughout the global economy. Closer to home, New Home Sales surged 9.6% in July from June's reading, signaling that the housing market is stabilizing. Adding to the positive tone of the report was a drop in inventories, which now stands at a 7.5 month supply from last month's 8.8 month reading. This is very encouraging but must be viewed with a grain of salt as the massive increase in actual loan delinquencies and foreclosures we experienced a few months ago has yet to hit the "for-sale" market. Additionally, the increase in sales activity is predominately in the lower end of home prices which have readily available financing through Fannie Mae and Freddie Mac.

One area of major concern remains to be the "Consumer." Recent consumer sentiment figures still show that consumers continue to pull in the reigns with retailers feeling the pinch. As unemployment continues to be a problem and lack of access to liquidity and capital continue to be the case, consumers just aren't running out in droves to spend on anything that isn't absolutely necessary or heavily subsidized by the Government like the "cash for clunkers." It will be interesting to see how many cars will sell now that the program has ended after a \$3B cost.

On a lighter note, we have closed some very attractive loans recently that I thought may be of interest:

Multi-Family (apartment building) \$3,500,000 cash out loan, fixed for 10 years at 5.97%  
Multi-Family \$1,250,000, Cash out Loan, fixed for 10 years at 6.07%  
Multi-Family \$16,500,000, cash out loan, variable rate at 4.25%

Home Purchase - \$3,750,000 loan, 5.25% fixed for 10 years, Interest only, No prepayment penalty  
Home refinance - \$417,000 loan, 4.875% fixed for 30 years no prepayment penalty.

Retail commercial - \$1,750,000, 5.80% fixed for 3 years  
Retail commercial - \$19,500,000, 6.125% fixed for 7 years

Loans are still being made and available albeit more difficult and cumbersome. Feel free to contact us for any property type as we can pretty much handle it all!

Have a wonderful day and remember, slow and steady is still the mantra as there are too many risks still lurking to the global economy.

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Your referrals are the lifeblood of our business!