

Closing Thoughts

on Multifamily Finance 08.25.09

Key Interest Rates

	Terms	Change*	Terms	Change*	Terms	Change*
Maximum Loan-to-Value	80%		65%		55%	
Minimum Debt Service Coverage	1.25		1.35		1.55	
Five-Year	N/A	N/A	4.69%	UP .08%	4.52%	UP .07%
Seven-Year	5.34%	UP .10%	5.17%	UP .10%	5.01%	UP .10%
10-Year	5.64%	UP .11%	5.47%	UP .11%	5.31%	UP .11%

*Change from last newsletter dated July 13, 2009. 10-year U.S. Treasury is 3.52% and is down 18 basis points or .18% from July 13, 2009.

WE are the Lender!

High school football chant: "WE are the team! We ARE the team! We are THE team! We are the TEAM! WE ARE THE TEAM!"

Grandbridge Real Estate Capital, LLC is a Fannie Mae DUS® (Delegated Underwriting and Servicing) lender; a Freddie Mac Program Plus® Seller/Servicer and Targeted Affordable Housing lender; and a MAP- and LEAN-approved participant in multifamily products insured by the Federal Housing Administration (FHA).

Apartments all day and all night, it is still the main food group that has adequate capital priced at the lowest levels available for all borrowers. Commercial real estate, for a comparable term of 10 years, is priced as much as 2.00% to 2.50% above multifamily pricing. We may begin to see commercial rates come in, but today multifamily has the best pricing with leverage up to 80 percent versus most commercial transaction maximum loan-to-value capping out around 65 to 70 percent.

For acquisition and refinances, Fannie Mae, Freddie Mac and FHA/HUD are available as possible lenders for your transaction. For new construction, please consider FHA/HUD for a fixed rate construction-permanent nonrecourse loan.

We are capturing more market share as we expand our national footprint with a recent addition of producers in the Washington, D.C. market. We are also doing more deals locally.

Please consider us a resource for real estate capital and let us size up your potential transactions prior to issuing your letter of intent to purchase multifamily.

It is more than rate and term. We make the market for you through understanding and prioritizing your objectives and matching your needs with the right capital provider.

Grandbridge Real Estate Capital LLC

Grandbridge's broad investor base includes leading insurance companies, capital markets sources, pension fund advisors, and commercial banks as well as proprietary products. The company is a Fannie Mae DUS® (Delegated Underwriting and Servicing) lender, a Freddie Mac Program Plus® Seller/Servicer and a MAP- and LEAN-approved participant in multifamily products insured by the Federal Housing Administration (FHA).

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Loans are subject to credit approval.