

## SPECIAL REPORT

### Opportunities in the Storm

*As we have been covering in the last few weeks, the Capital Markets are under siege and there is no clear timetable to a stabilized environment. Each day the newspapers highlight the problems causing even more panic. However, even in this perfect financial storm, there are **solutions** and even **opportunities**.*

**Conduit Deals Gone South:** Last week generated a significant number of inquiries as to what options we have for failed conduit deals. First, we still have conduit investors in the market and in selective cases, we think lower leverage, plain vanilla deals can get done with our conduit investors even though the deals may have been kicked out of other conduits. Generally the better solution is a **portfolio program**. The rates are comparable, the prepayment penalties are much more favorable and the underwriting is less stringent. Borrowers that have concerns about being locked into a fixed 10 year deal with defeasance should consider a 3 year fixed rate portfolio deal with a very small pre-pay. We have lots of program options with our portfolio products.

**Land, Condos and Construction Financing:** It seems as if I get at least one call a day from someone trying to finance a housing or condo development deal. A good half of these are in Florida where values are in free-fall. Sorry, no chance on these deals for the moment. We **do not** have money for land without full entitlements. We **do** have money for some housing deals but it really has to be a special deal in a stable, proven

Interest Rates	
Index	Current Rates
Prime	8.25%
2 Year T	4.62%
5 Year T	4.62%
10 yr. T	4.75%
30 yr. T	5.00%
1 Mo. Libor	5.33%
3 Mo. Libor	5.36%
1 year Swap	5.20%
30 year Swap	5.68%

#### Best Video I Have Ever Seen...

I received this video with the above subject line and of course I was skeptical. Wow! This is something to see. It is mesmerizing and actually quite thought provoking. For me it is a metaphor about the power of teamwork to overcome what appear to be insurmountable odds. Am I overstating it? You be the judge. [AOL Video Blog](#) (Make sure you watch it all the way to the end.)

#### Join Team Bond Street

We are looking for experienced commercial loan originators that want to help service our growing customer base. We also offer Branch Office opportunities for select companies.

Please contact **Ned Hosken** at **818-336-4107** for information.

market. Money is much easier to come by for solid commercial deals with pre-leasing. We have an **excellent construction loan program** for income producing properties of all kinds including assisted living.

***BOND STREET CAPITAL***

**888.270.4100**

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**Quick Close Opportunities:** In this kind of a market, there will be opportunities. Lender liquidations, failed sales and we have just established a relationship with an Investor that specializes in quick closes. Closings for the right deal can be achieved in less than two weeks. Pricing is 12% to 13% and 3 -4 points. Call for further details.

**Bridge and JV funds:** We still have funds available for the right retail and mixed used properties including parking lots. The terms are excellent and decisions can be made very quickly.

**Loan Sales:** A number of our Investors are actively looking to acquire performing and non-performing commercial real estate loans. Lenders looking to sell loans should contact us to discuss their needs.

**Final Comment:** The sub 6%, interest only conduit loan is over for the time being and possibly forever. It's time to get realistic and not focus on what could have been. The smartest guy I know once told me that "every day is a new investment decision." Do you keep that stock or sell it. What you paid for it is irrelevant. The loan you could have had is irrelevant. We have solid programs for good deals. Close a loan now before the credit crunch impacts our banks and credit unions.