

TRITON Companies

Capital Markets Update 7/15/2010



Market Commentary

Trepp reports that only 38.7% of the securitized loans that matured in June were repaid at maturity.

Triple A CMBS bonds continued to rally over the past two weeks. In the new issue market, conduit lenders are routinely quoting 10 year fixed rate loans in the 5.25 – 5.50% range and 5 year loans inside of 5%.

Good news for retail on the delinquency front. Shopping center and other retail delinquency rates actually dropped to 6.68% in June.

Unfortunately lodging, office, multi-family and industrial delinquency rates all climbed.

Personal balance sheets of Americans continued to climb. The Fed reported that Household Net Worth increased \$1.1 trillion in the first quarter.

Recent Closings – Debt

<u>Type</u>	<u>Lender</u>	<u>Rate</u>	<u>LTV</u>
Retail	Life Company	5%	60%
Multifamily	Agency	T+240	80%
Industrial	Debt Fund	7.75%	75%
Office	Life Company	S+220	50%
Hotel	Fund	8.25%	70%

Recent Closings – Equity

<u>Type</u>	<u>Investor</u>	<u>Contribution</u>	<u>Target</u>
Multifamily	Pension Fund	90%/10%	18%
Hotel	Private Equity	80%/20%	22%+
Office	Life Company	98%/2%	18%
Land	Opp Fund	95%/5%	25%

Base Rates

<u>Type</u>	<u>July 15, 2002</u>	<u>2 Wks Pr</u>	<u>1 Yr Pr</u>
30D LIBOR	0.34%	0.35%	0.29%
5Y Treas	1.74%	1.80%	2.43%
10Y Treas	2.98%	2.96%	3.55%
		<u>Spread</u>	
5Y Swap	2.00%	0.26%	
10Y Swap	3.02%	0.04%	