

Commercial Monthly Newsletter

Commercial Real Estate: Safe Haven Investment

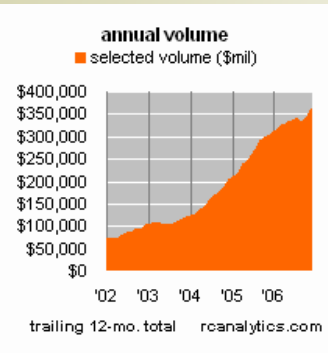


Ask about our:

- 100% Commercial Financing
- 85% Cash-Out Loans
- Our 5.9% Fixed Apartment Financing
- And more...

Key Market Indicators:

Total Annual Commercial Volume



While economic uncertainty and the credit crunch have led to investor anxiety in many markets, commercial real estate remains comparatively attractive, according to Deloitte LLP's recently released report, 2008 Real Estate Capital Markets Industry Outlook.

"In prior boom cycles, commercial real estate has responded by overbuilding. The industry has clearly learned its lesson because this time commercial real estate is enduring a credit crunch, not a crisis, partially because it resisted this urge," said Dennis Yeskey of Deloitte's Real Estate Capital Markets practice.

"No doubt the industry is in a strong position to withstand a recession, should one occur, and commercial real estate remains a viable investment option for those seeking to diversify and insulate their portfolios from market volatility."

The Deloitte report discloses that commercial real estate (CRE) has "evolved from an asset class characterized by steadfast returns and low volatility to a 'Best in Show' asset class providing investors with both high yield and high stability . . .

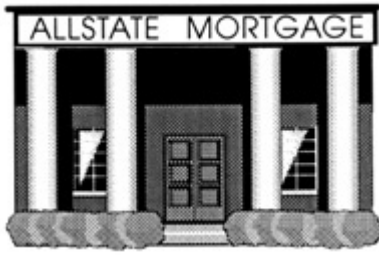
"Despite several stock market run-ups in the last few years, CRE has shined, outpacing stocks and bonds on a 1-year, 5-year and 10-year basis."

According to the report from Deloitte's Real Estate Group, which has offices across the U.S. and in Europe and Asia, CRE "has been a clear winner in terms of performance and stability, in addition to offering diversification for investors.

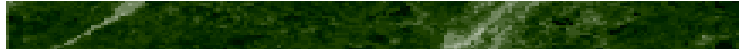
"Early in 2007, the story that appeared to be developing was the emergence of asset class parity, as rebounding stocks as well as private equity and hedge funds emerged as more significant competition. During the first three quarters of 2007, however, private CRE returns held steady as stocks endured significant and repeated volatility."

The report makes a number of positive observations regarding commercial real estate, including:

- Over the 3-year period from 2004 to 2006, core private commercial real estate had annual returns of more than 17 percent, while the S&P had an average annual return of 10.44 percent over that period, NASDAQ returned less than 7 percent, and bonds returned less than 5 percent.
- Due to the weak U.S. dollar, commercial real estate in the U.S. is relatively attractive to foreign investors compared to other international markets.



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I hope this letter has enlightened you and helped you. Give us a call if we can ever be of assistance. WITH RATES AT HISTORICALLY LOW LEVELS and the ECONOMY POISED FOR IMPROVEMENT there has NEVER been a better time to buy commercial property! I wish you the best.

Yours for prosperity,
Tom Azimi, General Manager



Commercial Real Estate: Safe Haven Investment (cont.)

- Overall vacancies in commercial real estate remains stable, and rent continues to increase.

The "Bottom Line," according to the report: "Going forward, investors would do well to stop comparing commercial real estate returns to the previous few years' performance, and to take a closer look at how these returns fit into the big picture.

". . . when compared to other investment categories (stocks, bonds, etc.), commercial real estate remains an attractive investment vehicle due to its stability and opportunity for diversification."

A Government Agency that Helps Small Businesses

I know, hard to believe. We just bought an office condo and the fire marshal came in and told us

we needed to hang our Certificate of Occupancy at the front door along with our City Occupational License. Now, to get our occupational license we had to show our Certificate of Occupancy so the fact that we have the one proves the other. But alas, we must hang both – at the front door no less – for the fire marshal to sign off on our building. Huh? And that protects from a fire how?

But though many times it seems government is determined to undermine small business there is a government agency that SUPPORTS small business. The SBA or Small Business Administration. Through their loan programs, borrowers can get loans to buy a business, lines of credit for expansion, and more. And though these loans have a "bad" rap as being heavy on paperwork and long to close; it is not that bad anymore. Especially when dealing with a specialist in SBA like Allstate Mortgage. We have multiple SBA sources for everything from

business lines to loans to buy a restaurant to loans to purchase land and build an office for your business and so much more. Quick answers, less paperwork and easier closings can be found with an Allstate Mortgage loan rep. Give us a call today to get the cash you need for your small business. We have non-SBA, "stated" products as well including unsecured, stated, business lines of credit for good credit score clients. Whenever you need money for your business...think Allstate Mortgage Services.

Recent Closings:

- ◆ 20-Unit Multifamily – Cash-out Refinance - \$1.237 mil – Dania Beach, FL
- ◆ Multifamily Refinance - \$650,000 – Indianapolis, IN
- ◆ Business Acquisition - \$815,000 – Gilbert, AZ
- ◆ Commercial Property Refinance - \$409,900 – Hallandale Beach, FL