

Payrolls Rise 121,000

WASHINGTON (MarketWatch) -- U.S. firms continued to hire in June, but at a slower pace than in the first few months of the year, while wage growth was the fastest in five years, the Labor Department said Friday.

U.S. nonfarm payrolls grew by 121,000 jobs in June, the department said. In the second quarter, firms added an average 108,000 jobs, down from 176,000 in the first quarter. The unemployment rate remained at 4.6%.

Job growth was weaker than expected by Wall Street economists, who were forecasting gains of about 174,000, according to a survey conducted by MarketWatch.

Despite the moderation in job growth, there were some signs of inflationary pressure.

Average hourly earnings rose 8 cents, or 0.5%, to \$16.70. Average wages were expected to rise 0.3%. Hourly

earnings have increased 3.9% in the past year, the fastest pace since June 2001.

The increase in wages could put pressure on the Fed to continue to hike interest rates at the next policy meeting.

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MarketWatch
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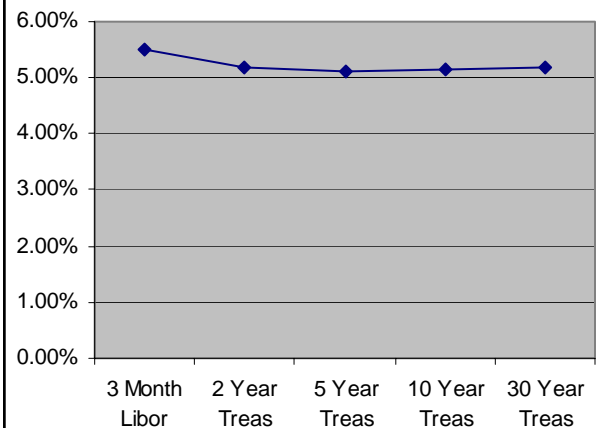
Market Indices

	7/10/06
Prime	8.25%
3 Month LIBOR	5.50%
5 Year Treasury	5.11%
10 Year Treasury	5.15%

Representative Spreads *

Project	Spread
Multi Family	95-150
Office	110-150
Industrial	110-150
Retail	100-130

July 10, 2006



Paragon Arranges \$8,225,000 Construction-to-Permanent Loan

Paragon Prime Funding recently arranged a \$8,225,000 construction-to-permanent loan on a new 100 key Holiday Inn Express & Suites located in Bethlehem, PA. The hotel, currently under construction, will be completed by May of 2007.

Paragon Prime Funding has been integrally involved in the project since the predevelopment stage; assisting with preconstruction feasibility and market analysis, franchise selection and appli-

cation, construction budget development, as well as cash flow modeling.

Paragon solicited and evaluated lender proposals from local, regional, and national institutions and secured financing that allowed for multiple rate options upon conversion to the permanent facility.

Paragon will continue to work with the borrowers post closing in order to provide requisition and disbursement management.



* Representative spreads are indicative of class A properties with 75% loan to value on a 20 to 30 year amortization. Lower leveraged loans will result in a spread reduction.