

August's jobs growth at 128,000, in line with expectations

WASHINGTON (MarketWatch) -- U.S. firms continued to hire workers at a steady, if lackluster, pace in August, as wage growth moderated, the Labor Department said Friday.

U.S. nonfarm payrolls grew by 128,000 jobs in August, in line with expectations and with the recent trend. The unemployment rate inched lower to 4.7% in August from 4.8% in July.

Average hourly earnings rose by 2

cents, or 0.1%, to \$16.79.

A survey of some 400,000 business establishments showed private payrolls increased by 111,000. Government added 17,000 jobs. Jobs in manufacturing industries fell by 11,000, the third decline in the past four months.

The construction sector added 17,000 jobs in August, the strongest pace since February. Service producing jobs rose by 118,000, led by the hiring of teach-

ers for the upcoming school year.

Education and health services employment grew by 60,000, the fastest pace since October 2004. Jobs in the retail sector fell by 14,000. This was the fourth decline in the past five months in the sector. Leisure and hospitality industries added 10,000 jobs.

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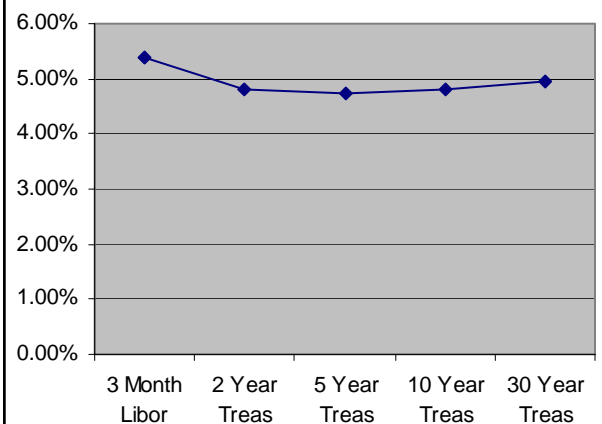
Market Indices

	9/7/06
Prime	8.25%
3 Month LIBOR	5.39%
5 Year Treasury	4.73%
10 Year Treasury	4.79%

Representative Spreads *

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

September 7, 2006



Paragon Arranges \$25,480,000 Permanent Loan

Paragon Prime Funding recently arranged a \$25,480,000 permanent loan for Oak Hill Apartments, a 220 unit luxury apartment complex located in North Greenbush, NY.

Having secured a \$19.1 million construction loan for Oak Hill 24-months prior, Paragon was asked to arrange permanent financing. In doing so, Paragon was instrumental in securing a 12-month forward rate lock such that the borrower was

able to lock a rate of 5.5% twelve-months prior to construction completion.

Paragon was also able to structure the loan to provide proceeds equal to 100% of costs and 80% of value. The loan further allowed for Tenant In Common (TIC) syndication post-closing which provides the borrower with additional cash-out opportunities.

Additional highlights of the



deal include a 10 year term, 30 year amortization, and non-recourse to all members of the borrowing entity.

* 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.