

Fed, Treasury move again to help financial markets

WASHINGTON (MarketWatch) -- The Bush Administration and the Federal Reserve said Monday they are moving "with substantial force on a number of fronts" to shore up confidence in, and protect, the financial system.

The aggressive posture comes as global stock markets suffered fresh losses amid fear that the turmoil in financial markets and the squeeze on credit will spread to the broader economy.

The Fed said it would double the size of its emergency loan program to banks to a potential \$900 billion by the end of the year.

The Treasury announced steps to clarify to the market how it plans to coordinate the massive borrowing needs that will be required to fund the new emergency mortgage financing plan approved by Congress last week.

Anthony Ryan, the acting under secretary for domestic finance, went on television to stress that top-level officials are working rapidly to implement the mortgage rescue plan hatched by Treasury Secretary Henry Paulson.

"We're moving as quickly as we can," Ryan said in an interview on CNBC.

Greg Robb
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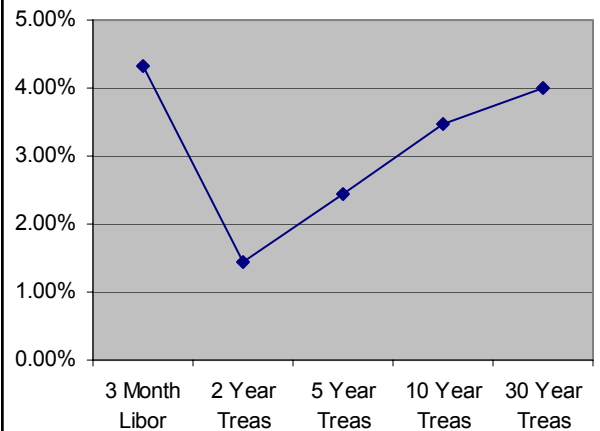
Market Indices

	October 7, 2008
Prime	5.00%
3 Month Libor	4.32%
5 Year Treasury	2.44%
10 Year Treasury	3.48%

Representative Spreads *

Project	Spread
Multi Family	180-225
Office	225-400
Industrial	225-400
Retail	225-400

October 7, 2008



Paragon Arranges \$1,700,000 Multifamily Refinance

Paragon Prime Funding recently arranged the \$1,700,000 refinancing of a 16 unit multifamily building located on Union Ave in Saratoga, New York.

Since acquiring the building in 2004, the borrower had invested significant funds into the project. Improvements included updates in all kitchens, baths, and common areas.

The borrower approached Paragon seeking monies to

refinance current debt as well as to cash-out based upon appreciation.

The financing included penalty-free prepayment allowing for a future refinance and possible conversion to condominiums.

The loan featured a 10 year fixed rate term, with payments amortized over 30 years at 70% loan to value.

The borrower was presented



with the option of locking rate at commitment at no additional cost.

* 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.