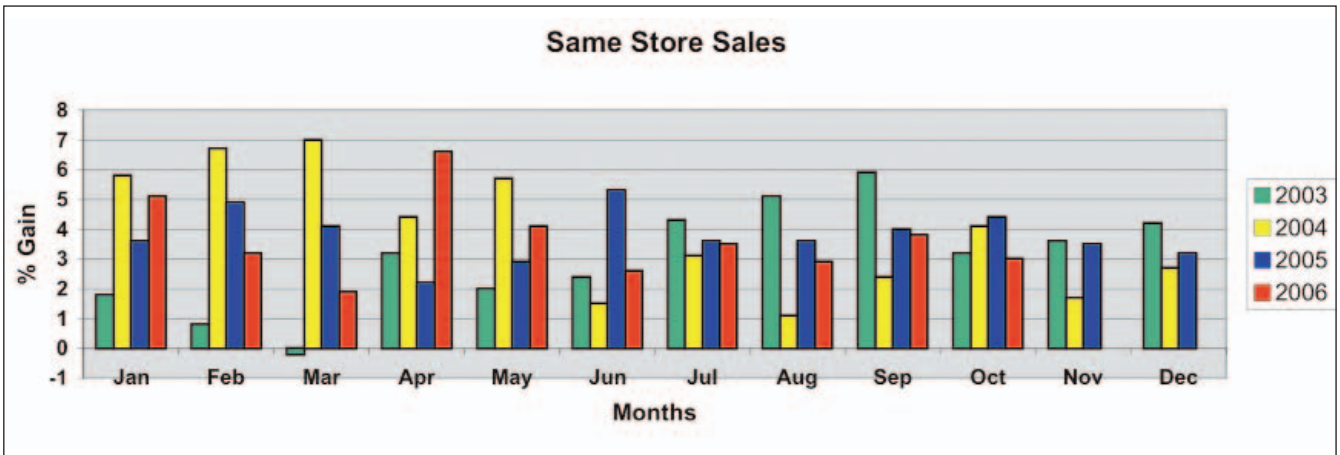
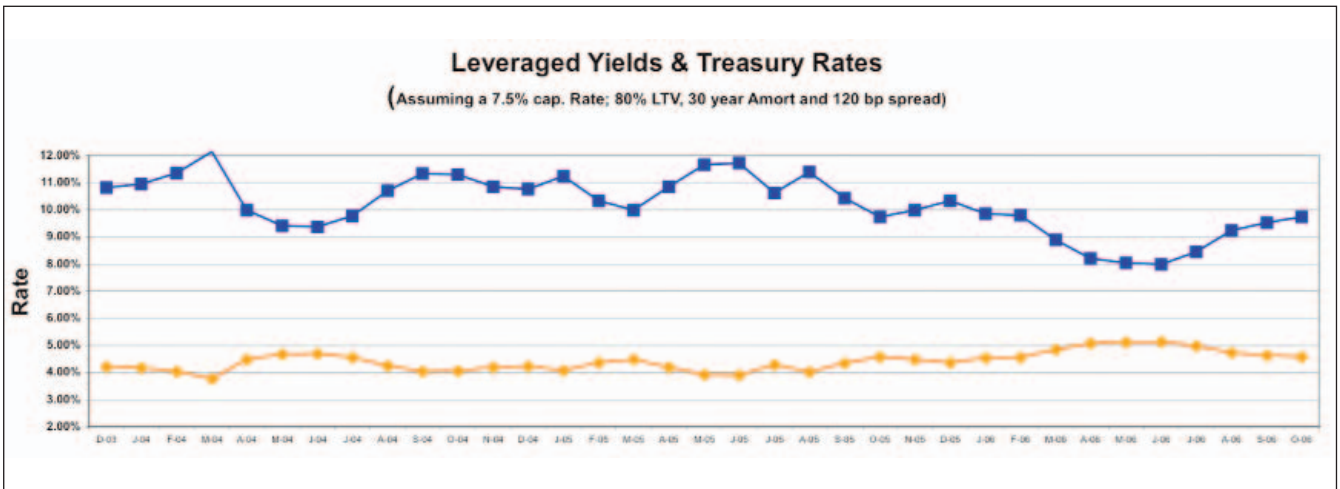


CAPITAL MARKETS REVIEW

Shopping Center Business presents Capital Markets Review compiled by Gary Saykaly and Van Barron. Based in Atlanta, Saykaly and Barron are managing partners of BridgePointe Advisors (a merger between NewBridge Retail Advisors and CREFunding). BridgePointe is an entity that creates wealth for its clients' real estate portfolios through innovative capital and investment solutions, including debt, equity, joint ventures and investment sales.

Debt & Equity Securities Market



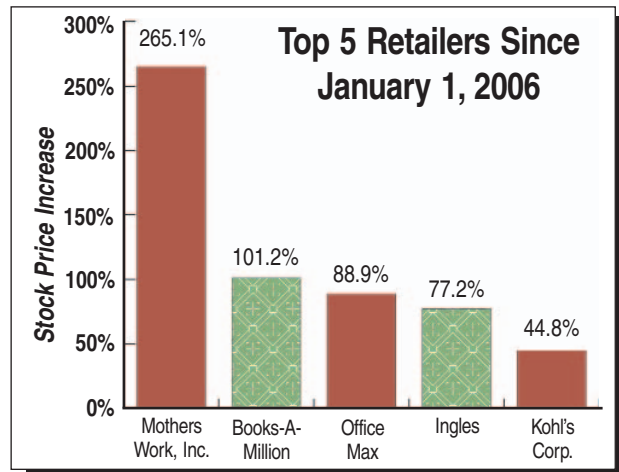
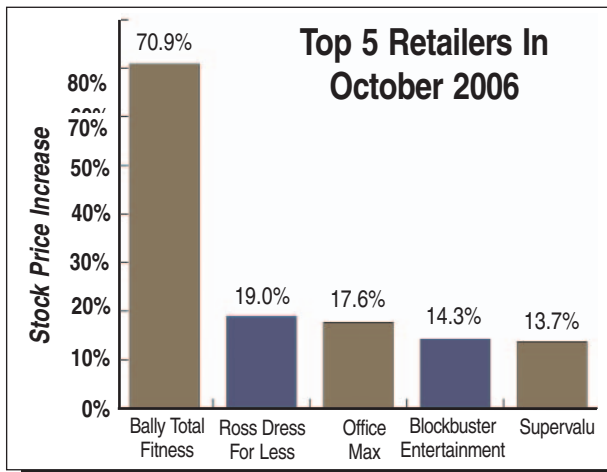
CAPITAL MARKETS REVIEW

This information was compiled by Gary T. Saykaly of BridgePointe Advisors.

Retailer Update

RETAILER NEWS

SuperValu	SuperValu closed an offering of \$500 million in senior notes due 2014. SuperValu said it will use net proceeds to buy 7.25% hybrid income term security units of its subsidiary New Albertson's Inc.
The Bon-Ton Stores	The Bon-Ton Stores completed its acquisition of four Parisian department stores and the rights for the construction of a fifth Parisian store. Bon-Ton paid approximately \$22.0 million for the assets.
Marsh Supermarkets	Marsh Supermarkets will close 16 sub-performing stores in Indiana by Thanksgiving. The grocery chain was recently sold to the Sun Capital Partners investment group.
Winn-Dixie Stores	Winn-Dixie Stores could be closer to coming out of bankruptcy with its reorganization plan securing the required approval of its creditors, including landlords and vendors. The next step will be for the U.S. Bankruptcy Judge to approve the plan. Winn-Dixie hoped to emerge from Chapter 11 by mid-November with a new board of directors.
Tops Markets	Tops Markets announced that it will sell 18 supermarkets in Northeastern Ohio to Giant Eagle. The deal, which is expected to close in the fourth quarter, involves stores in Cuyahoga, Summit, Lorain, Medina and Huron counties in Ohio. The sale is part of an overall restructuring effort by Dutch-based parent Royal Ahold. Tops' remaining 28 stores in Ohio are also for sale.
Ross Dress For Less	Ross Stores agreed to pay an undisclosed sum to acquire 46 store sites from privately held grocer Albertsons LLC. The sites are in California, Florida, Texas, Arizona, Colorado and Oklahoma. Ross is expected to spend \$1.5 million to \$2 million per store to convert them.
Tower Records	A federal bankruptcy judge approved the sale of Tower Records after a 2-day auction. Great American Group, which plans to liquidate the retailer, won with a bid of \$134.3 million.
Petco Animal Supplies	Petco Animal Supplies shareholders approved a \$1.8 billion deal to be bought by private equity firms Texas Pacific Group and Leonard Green & Partners.



CAPITAL MARKETS REVIEW

This information was compiled by Gary T. Saykaly of BridgePointe Advisors.

Retail REIT News

REIT NEWS	
Developers Diversified Realty	TIAA-CREF and Developers Diversified announced today a joint venture to purchase a portfolio of 67 community retail centers for approximately \$3 billion (Inland Retail).
Pan Pacific Retail Properties	Kimco Realty Corporation and Prudential Real Estate Investors completed previously announced acquisition of Pan Pacific Retail Properties for \$4.1 billion. PREI will contribute \$1.1 billion in equity on behalf of institutional investors in three of its portfolios.
Regency Centers Corp.	Regency Centers Corp. acquired Merchants Crossing shopping center in Englewood (35 miles south of Sarasota). The center is anchored by Publix, Beall's, Office Depot and Walgreen's. Regency Centers Corp. sold four developments to the company's joint venture with Macquarie CountryWide Trust of Australia for about \$70 million. Two of the properties are in Texas (one is in Houston and one is in Dallas); the third is in Columbia, S.C.; the fourth is in Tallahassee, Fla.
Weingarten Realty Investors	Weingarten Realty Investors has acquired seven retail centers in Florida for \$325 million: Alafaya Square in Orlando; Marketplace at Dr. Phillips in Orlando; East Lake Woodlands in Palm Harbor; International Drive in Orlando; Kendall Corners in Miami; Palm Lakes Plaza in Margate; and South Dade Shopping Center in Miami. The acquisition of these properties brings its portfolio in Florida to 34 shopping centers totaling 5.5 million square feet.
The Mills Corporation	Gazit-Globe (an Israeli investment firm) has acquired a 9% stake in The Mills Corporation and is discussing a recapitalization of Mills in lieu of an outright sale. Mills has been exploring strategic alternatives, including the possible sale of the company. Earlier this year, Mills obtained a \$2 billion loan from Goldman Sachs to help it stay afloat as it seeks a buyer.

CAPITAL MARKETS REVIEW

The information contained in this section was accurate as of November 3, 2006.

RETAIL REIT UPDATE

REIT	Stock Symbol	Dividend Yield	Current Price as of 11/3/06	Stock Price % Change From Previous Periods	
				10/6/06	1/3/06
SHOPPING CENTER					
Agree Realty Corp.	ADC	5.70%	\$34.20	1.79%	14.15%
Acadia Realty	AKR	3.00%	\$25.18	-2.67%	23.73%
AmREIT	AMY	6.40%	\$7.65	2.68%	10.87%
Cedar Shopping Centers	CDR	5.40%	\$16.64	4.72%	20.06%
Developers Diversified Realty	DDR	3.90%	\$59.90	6.02%	25.31%
Equity One, Inc.	EQY	4.70%	\$24.65	-0.24%	4.72%
Federal Realty Investment Trust	FRT	2.90%	\$78.34	4.80%	28.09%
Inland Real Estate Corp.	IRC	5.20%	\$18.00	0.56%	21.70%
Kimco Realty Corp.	KIM	3.20%	\$42.94	-1.49%	31.19%
Kite Realty Group	KRG	4.30%	\$17.95	2.05%	18.40%
New Plan Excel	NXL	4.40%	\$27.59	0.73%	17.91%
Ramco-Gershenson	RPT	5.40%	\$33.94	5.44%	24.64%
Regency Centers	REG	3.30%	\$70.35	3.08%	17.47%
Saul Centers	BFS	3.60%	\$46.93	1.06%	25.21%
Urstadt-Biddle Properties	UBA	4.90%	\$18.00	-1.10%	11.18%
Weingarten Realty	WRI	4.10%	\$45.23	4.55%	18.37%
ENCLOSED MALL					
CBL & Associates	CBL	4.20%	\$41.42	-1.71%	1.72%
Feldman Mall Properties, Inc.	FMP	8.20%	\$10.90	0.74%	-10.80%
General Growth Properties	GGP	3.50%	\$49.16	0.51%	2.65%
Glimcher Realty Trust	GRT	7.70%	\$24.70	-1.32%	-1.04%
The Macerich Company	MAC	3.60%	\$77.66	-0.31%	13.75%
The Mills Corporation	MLS	N/A	\$18.52	18.19%	-55.37%
PREIT	PEI	5.40%	\$39.83	-5.37%	6.02%
Simon Property Group	SPG	3.10%	\$94.11	0.29%	21.12%
Taubman Centers	TCO	2.60%	\$45.60	-0.87%	27.45%
FACTORY OUTLET					
Tanger Factory	SKT	3.70%	\$35.66	-1.90%	22.21%
OTHER RETAIL REITS					
Colonial Properties Trust	CLP	5.50%	\$48.00	-2.12%	12.70%
Cousins Properties	CUZ	4.20%	\$33.24	-6.73%	14.70%
Entertainment Properties Trust	EPR	5.10%	\$54.70	5.56%	34.73%
National Retail Properties	NNN	6.00%	\$21.90	0.83%	6.00%
Sizeler Property	SIZ	2.60%	\$15.20	0.86%	17.74%
PUBLICLY HELD COMPANIES					
CB Richard Ellis ¹	CBG	N/A	\$28.39	19.79%	41.24%
Forest City Enterprises	FCEA	N/A	\$53.60	0.21%	43.55%
Jones Lang LaSalle	JLL	0.60%	\$85.46	-2.28%	62.01%

¹ Price adjusted due to 3:1 stock split on June 2, 2006.

CAPITAL MARKETS REVIEW

This information was compiled by W. Van Barron of BridgePointe Advisors.

RETAILER STOCK AND CREDIT SUMMARY

Tenant	Stock Symbol	Moody's Credit Rating as of 8/11/06	Current Price as of 11/01/06	Stock Price	
				% Change From Previous Periods 9/29/06	1/1/06
DISCOUNTERS					
BJ's Wholesale Club	BJ	NR	\$28.23	-3.26%	-4.50%
Big Lots, Inc.	BIG	NR	\$20.61	4.04%	71.61%
Costco	COST	A2	\$52.97	6.62%	7.07%
T.J. Maxx	TJX	A3	\$28.33	1.07%	21.95%
Target	TGT	A2	\$56.96	3.10%	3.62%
Wal-Mart	WMT	Aa2	\$48.33	-2.01%	3.27%
SPECIALTY STORES					
AutoZone	AZO	Baa2	\$109.99	6.48%	19.88%
Barnes & Noble	BKS	WR	\$40.84	7.64%	-4.29%
Bed Bath & Beyond	BBBY	NR	\$38.83	1.49%	7.41%
Best Buy	BBY	Baa2**	\$52.96	-1.12%	21.80%
Books-A-Million	BAMME	NR	\$19.50	9.24%	101.24%
Borders Books	BGP	NR	\$20.52	0.59%	-5.31%
Circuit City	CC	NR	\$26.10	3.94%	15.54%
Dollar General	DG	Ba1	\$13.84	1.54%	-27.43%
Family Dollar	FDO	NR	\$27.83	-4.82%	12.26%
Foot Locker	FL	NR	\$23.09	-8.55%	-2.12%
Gateway Computer	GTW	WR	\$1.63	-13.76%	-35.06%
Gap, Inc.	GPS	Baa3+	\$19.55	3.17%	10.83%
Hancock Fabrics	HKF	NR	\$2.95	2.79%	-27.52%
Hibbett Sporting Goods	HIBB	NR	\$28.56	9.09%	0.28%
The Home Depot	HD	Aa3	\$37.07	2.21%	-8.42%
Limited	LTD	Baa2	\$29.72	12.19%	32.98%
Lowe's***	LOW	A2	\$29.46	4.99%	-11.61%
Mothers Work, Inc.	MWRK	NR	\$46.66	-3.03%	265.10%
Office Depot	ODP	Baa3**	\$41.32	4.08%	31.59%
Office Max	OMX	Ba2	\$47.90	17.57%	88.88%
Payless Shoe Source	PSS	B2	\$27.25	9.44%	8.57%
Pep Boys	PBY	B1+	\$13.78	7.24%	-7.45%
PetSmart	PETM	Ba2+	\$28.27	1.84%	10.17%
Pier 1 Imports	PIR	B1	\$6.17	-16.85%	-29.32%
RadioShack	RSH	Baa2**	\$17.58	-8.91%	-16.41%
Regis Corporation	RGS	NR	\$37.51	4.63%	-2.75%
Ross Dress For Less	ROST	NR	\$30.23	18.97%	4.60%
Sherwin-Williams	SHW	A3	\$58.51	4.89%	28.82%
Staples	SPLS	Baa2	\$25.59	5.18%	12.68%
West Marine	WMAR	NR	\$16.14	15.29%	15.45%

All ratings are senior unsecured unless otherwise noted.

+ Senior Implied 1 On review for possible upgrade

Rating decreased ▼ Rating increased ▲

NR No rated issues

2 Rating lowered

WR Withdrawn

3 On review for possible downgrade

* Senior Subordinate

** Issuer Rating

4 Bank credit facility

*** Lowe's Home Improvement Centers underwent a 2:1 stock split.

CAPITAL MARKETS REVIEW

This information was compiled by W. Van Barron of BridgePointe Advisors.

RETAILER STOCK AND CREDIT SUMMARY

Tenant	Stock Symbol	Moody's Credit Rating as of 8/11/06	Current Price as of 11/01/06	Stock Price % Change From Previous Periods	
				9/29/06	1/1/06
DEPARTMENT STORES					
JC Penney Federated***	JCP	Baa3	\$77.13	12.78%	38.72%
Kohl's Corp.	FD	Baa1	\$41.39	-4.21%	24.80%
Dillard's	KSS	A3	\$70.38	8.41%	44.81%
Nordstrom	DDS	B2	\$29.33	-10.39%	18.17%
Saks Inc.	JWN	Baa1	\$46.74	10.50%	24.97%
Sears	SKS	B2	\$19.50	12.85%	15.66%
Stein Mart, Inc.	S	Ba1**	\$18.86	9.97%	-19.26%
	SMRT	NR	\$16.22	6.64%	-10.63%
DRUG STORES					
CVS	CVS	Baa2	\$28.84	-10.21%	9.16%
Longs Drugs	LDG	NR	\$42.51	-7.61%	16.82%
Rite-Aid	RAD	Caa1	\$4.66	2.64%	33.91%
Walgreens	WAG	Aa3**	\$42.32	-4.66%	-4.38%
GROCERY STORES					
A&P	GAP	Caa1	\$27.04	12.29%	-14.92%
Bi-Lo	AHO	NR	\$10.53	-0.57%	39.84%
Food Lion	DEG	NR	\$80.75	-3.52%	23.34%
Ingles	IMKTE	B3*	\$27.73	5.12%	77.19%
Kroger	KR	Baa2	\$21.75	-6.03%	15.17%
Pathmark	PTMK	Caa2*	\$10.00	0.50%	0.10%
Safeway	SWY	Baa2**	\$28.76	-5.24%	21.56%
Smart & Final	SMF	NR	\$18.11	6.09%	40.61%
Supervalu	SVU	B2	\$33.72	13.73%	3.82%
Weis Markets	WMK	NR	\$39.41	-0.98%	-8.43%
Whole Foods	WFMI	Ba1	\$60.70	2.14%	-21.57%
LEISURE & RECREATION					
Bally Total Fitness	BFT	Caa1	\$2.58	70.86%	-58.92%
Blockbuster Entertainment	BBI	Caa3*	\$4.39	14.32%	17.07%
Regal Entertainment Group	RGC	B3	\$20.35	2.67%	6.99%
United Artists	MGM	WR	\$43.54	10.26%	18.73%

All ratings are senior unsecured unless otherwise noted.
 + Senior Implied 1 On review for possible upgrade
 Rating decreased ▼ Rating increased ▲

NR No rated issues WR Withdrawn * Senior Subordinate ** Issuer Rating
 2 Rating lowered 3 On review for possible downgrade 4 Bank credit facility

*** Federated Department Stores underwent a 2:1 stock split.

CAPITAL MARKETS REVIEW

This information was compiled by Tim Radomski of BridgePointe Advisors.

RATE WATCH

DECEMBER
2006

FROM BRIDGEPOINTE ADVISORS

To receive a quote for your transaction, please visit
www.crefunding.com or call toll-free at (866) 671-CREF

MARKET PULSE

The information below is compiled on a monthly basis by BridgePointe Advisors (BPA) and represents actual quotes on properties represented by BPA, from lenders representing a cross-section of the lending community. BPA reaches hundreds of commercial lenders offering a very comprehensive sample of the finance landscape. All spreads are for 10-year fixed-rate loans using the 10-year Treasury Index unless otherwise designated. The indicated rate is based upon the 10-year Treasury Index (4.59%) on November 2, 2006.

PROPERTY TYPE	LEVERAGE	DSCR	SPREAD	INDICATED RATE
Grocery Anchored Retail	80% LTV	1.20X	105	5.64%
Strong Anchored Retail	80% LTV	1.30X	95	5.54%
Weak Anchored Retail	75% LTV	1.30X	115	5.74%
Unanchored Retail	75% LTV	1.30X	125	5.84%
Single Tenant Retail—A+ credit (1)	90% LTV	1.01X	95	5.54%
Single Tenant Retail—A+ credit	80% LTV	1.01X	95	5.54%
Single Tenant Retail—A credit drug	80% LTV	1.01X	110	5.69%
Single Tenant Retail—BBB- credit drug	75% LTV	1.15X	125	5.84%
Single Tenant Retail—Non-investment	75% LTV	1.40X	150	6.09%
High End Specialty Retail	75% LTV	1.30X	105	5.64%
High End Urban Retail	80% LTV	1.40X	105	5.64%
Mixed Use Urban Office / Retail	80% LTV	1.40X	115	5.74%

CAPITAL SOLUTION — YEAR-END FINANCING?

As I write this, it is already November and the holidays are just around the corner. If you are purchasing a property or looking to refinance before the end of the year, you are almost at the point of no return.

A typical closing period is 45 to 60 days and this is if nothing atypical pops up. To make matters worse, we are in the holiday season and lenders, brokers, appraisers, engineers, inspectors and the like take more time off during this

time than any other time during the year.

If you need to close before the end of the year, get the ball rolling as soon as possible and let everyone know your deadline. The key to this process is to find the right lender who is willing to devote the time and effort to close inside your deadline. Then you need to make the decision whether or not to put a rush on the third-party reports needed to close. Most lenders will offer

a premium to have the reports finished within the timeline needed. This cost is passed on to the borrower and you should be notified of the options at hand.

If you wish to start financing in December but do not need to close by year-end, be aware of the time constraints and plan accordingly. If you are going to rate-lock your loan during this time, you might want to consider a 90-day lock instead of 60 days.