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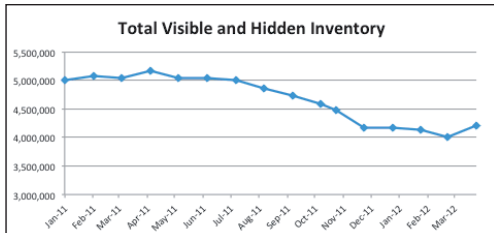
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Commercial Corp Finance,
d/b/a of Gary Meyers Realty, Inc., founded 1977.
Provides Real Estate Consulting and Lending Service.

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THE MEYERS REPORT Economic Notes



Data Source: CoreLogic, San Francisco

Warning Signs In An Improving Housing Market

According to data provided by San Francisco-based CoreLogic, the total visible and hidden inventory (seriously delinquent, pending and mid foreclosure) has risen over 5% in April, after falling for 11 straight months. While an uptick is seasonally normal in April, it does pose a question.

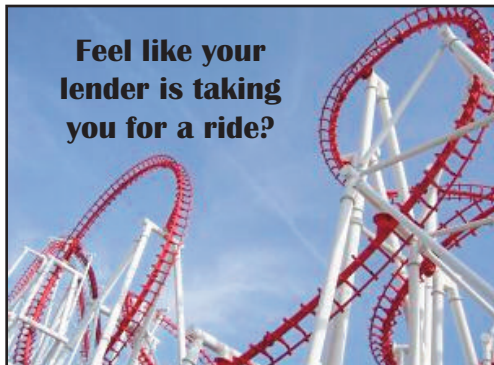
Delinquency rates. While the 90+ day delinquency rate on home mortgages in almost all categories continues to fall, there have been some counter trends worth watching. Jumbo-conforming prime loan 90+ day rates rose to 1.08%, up from 0.86% in May of 2011. FHA/VA loan rates also rose to 8.86%, up from 7.31% in May last year.

HUMOR



The drill sergeant making his morning announcements to a group of newcomers in training camp, stated: "Today, gentlemen, I have some good news and some bad news. First, the good news. Private Peters will be setting the pace on our morning run."

The platoon was overjoyed, as Private Peters was overweight and terribly slow. But then the drill sergeant finished his statement: "Now for the bad news. Private Peters will be driving a truck."



Feel like your lender is taking you for a ride?

Have commercial real estate in distress leaving you feeling really stressed?
Is your lender asking for the impossible?
Feel like you're out of options?

We take problems and make them possibilities. Although we may sometimes use unconventional solutions, we always plan for results and recovery. Give us a call.

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Commercial Corp Finance, Chicago, IL

THE MEYERS REPORT

by Gary S. Meyers and Robert Genetski, Ph. D.

Black Gold Is Really White and Comes In Layers



The best crude on earth is Bonny light, out of Nigeria. It "looks like Wesson Oil," said energy expert Paul Valente. "It isn't black, it's gold. And, because it is that clear, clean, light and sweet, it is cheaper to refine; and produces less emissions when refined and eventually burned as fuel." The really good news is: "This is what we have in the Bakken Field, and we have more than the Saudis."

Deluxe layered cake. The latest from the Bakken is the discovery of layers, meaning more oil reservoirs (in layers) have been found under the original Bakken. "It appears that the Bakken Field alone has 2.5 times as much oil as all of Saudi Arabia," said Valente."

And, the Bakken reserves do not include other major fields: Marcellus (Pennsylvania), Eagle Ford (south Texas), Barnett (north Texas), Haynesville-Bossier (Louisiana, Texas and Mississippi), Woodford (Oklahoma), Fayetteville (Arkansas) fields—and of course Alaska. We also have others in Wyoming, Montana, Utah, Idaho, Colorado, Nebraska, Kansas, New Mexico, California, Illinois, Indiana, Kentucky, Michigan, Tennessee, Ohio, Alabama, West Virginia, Virginia and New York. In short, we are not short on oil—if we drill for it. (See the February 28, 2011, July 25, 2011, August 22, 2011, and October 3, 2011 editions of this newsletter. Request gratis copies by email.)

Then there is Canada. "The Canadian tar sands alone account for as much oil as Saudi Arabia," said Valente. "And we haven't discussed Mexico. The U.S. and the rest of North America should never be held hostage to oil ever again."

The bottom line: If we are allowed to do so safely, the U.S. can and should be a mass producer and world exporter of petro-chemical products, energy and technology. And, we must find alternative renewable fuels, because we should plan ahead for humanity. In the end, there must be an accommodation between the open market, the EPA and politics that won't kill us one way or the other.

Resurging U.S. petrochemical industry. The U.S. is poised to be a major producer of even more consumer and capital goods—all derived from oil. Below is a partial list of products with oil origins.

- | | | |
|--------------------|--------------------|---------------------|
| Solvents | TV Cabinets | Guitar Strings |
| Diesel fuel | Shag Rugs | Luggage |
| Motor Oil | Electrician's Tape | Aspirin |
| Bearing Grease | Tool Racks | Safety Glasses |
| Ink | Car Battery Cases | Antifreeze |
| Floor Wax | Epoxy | Football Helmets |
| Ballpoint Pens | Paint | Awnings |
| Football Cleats | Mops | Eyeglasses |
| Upholstery | Slacks | Clothes |
| Sweaters | Insect Repellent | Toothbrushes |
| Boats | Oil Filters | Ice Chests |
| Insecticides | Umbrellas | Footballs |
| Bicycle Tires | Yarn | Combs |
| Sports Car Bodies | Fertilizers | CD's & DVD's |
| Nail Polish | Hair Coloring | Paint Brushes |
| Fishing lures | Roofing | Detergents |
| Dresses | Toilet Seats | Vaporizers |
| Tires | Fishing Rods | Balloons |
| Golf Bags | Lipstick | Sun Glasses |
| Perfumes | Denture Adhesive | Tents |
| Cassettes | Linoleum | Heart Valves |
| Dishwasher parts | Ice Cube Trays | Crayons |
| Tool Boxes | Synthetic Rubber | Parachutes |
| Shoe Polish | Speakers | Telephones |
| Motorcycle Helmet | Plastic Wood | Enamel |
| Caulking | Electric Blankets | Pillows |
| Petroleum Jelly | Glycerin | Dishes |
| Transparent Tape | Tennis Rackets | Cameras |
| CD Player | Rubber Cement | Anesthetics |
| Faucet Washers | Fishing Boots | Artificial Turf |
| Antiseptics | Dice | Artificial limbs |
| Clothesline | Nylon Rope | Bandages |
| Curtains | Candles | Dentures |
| Food Preservatives | Trash Bags | Model Cars |
| Basketballs | House Paint | Folding Doors |
| Soap | Water Pipes | Hair Curlers |
| Vitamin Capsules | Hand Lotion | Cold cream |
| Antihistamines | Roller Skates | Movie film |
| Purses | Surf Boards | Soft Contact lenses |
| Shoes | Shampoo | Drinking Cups |
| Dashboards | Wheels | Fan Belts |
| Cortisone | Paint Rollers | Car Enamel |
| Deodorant | Shower Curtains | Shaving Cream |
| Footballs | Percolators | Ammonia |
| Putty | Life Jackets | Refrigerators |
| Dyes | Rubbing Alcohol | Golf Balls |
| Panty Hose | Linings | Toothpaste |
| Refrigerant | Skis | Gasoline |

Robert Genetski's Weekly Financial Update & Stock Impact Gauge

	Fundamental	Actual	Immediate Outlook
Fixed-income: 10-yr Treas.	5.0	1.58	neutral
Equities: S&P 500	2000	1329	negative
Equities: Dow Jones	16,000	12,602	negative

Stock futures are sharply higher Friday morning in response to European leaders plans to recapitalize its troubled banks. While this is a positive development, it is not a solution to EU's weak economy. Here in the US, the Court's decision on health-care has some positive features.

Market Outlook Stock prices continue to search for direction. Most of the major indexes again spent last week going up and down before ending close to where they were the week before.

Although the market appears to be developing an upward channel, it's highly tentative. Rather, the market's performance continues to exhibit a lack of any meaningful trend.

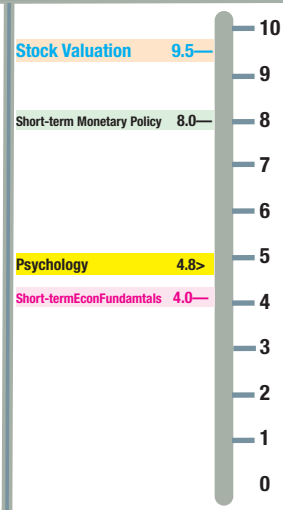
So long as the market lacks direction, technical indicators remain negative. The 10-day average remains below the 50 for all indexes. In addition, trading volume has been slightly negative, with higher volume on days when the market is down.

In spite of the market's negative position, recent stability has brought the 10-day average closer to the 50-day. As a result, we are coming closer to recommitting to stocks. I'll wait for the market's behavior to provide a guide as to when to shift from a defensive position regarding stocks.

The stability in stocks was also evident in bonds. Yields remained fairly stable this past week. Speculation the Fed will extend its horizon for low rates into 2015 is likely to keep long-term interest rates close to current levels.

UPDATE Monday, July 02, 2012 6:46 AM: move from defensive to neutral

Market activity after releasing the information above shows Friday's stock market action was significant. All of the major indexes moved above their 50-day moving averages. Trading volume was well-above average volume. These are all positive technical signs. My reading on investor psychology is now 5.0 or neutral. As a result, I'm recommending a shift in stock portfolios from defensive to a neutral position.



Ratings for 10 is best
forces — means no change
impacting > change for better
stocks < the other direction