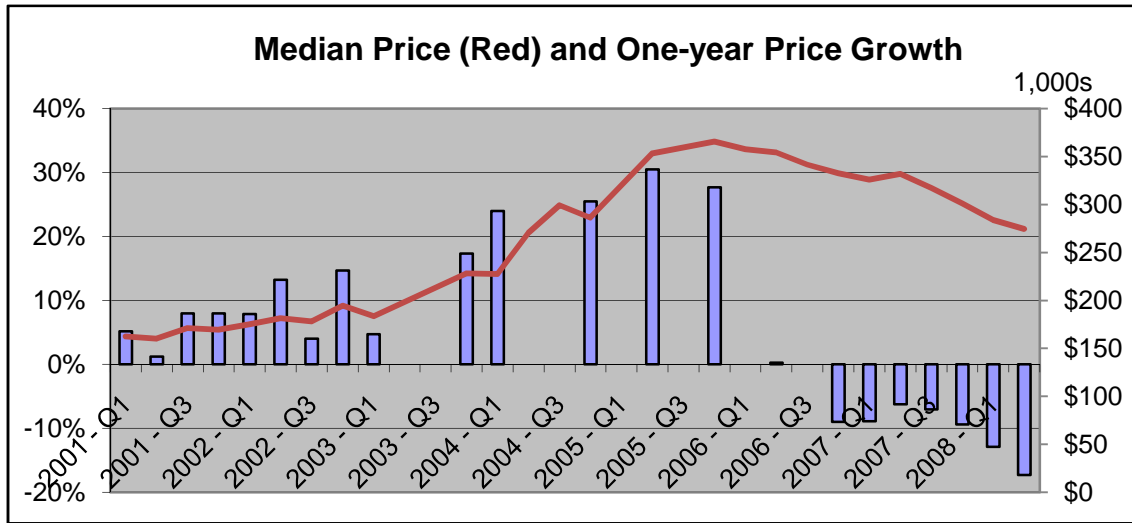
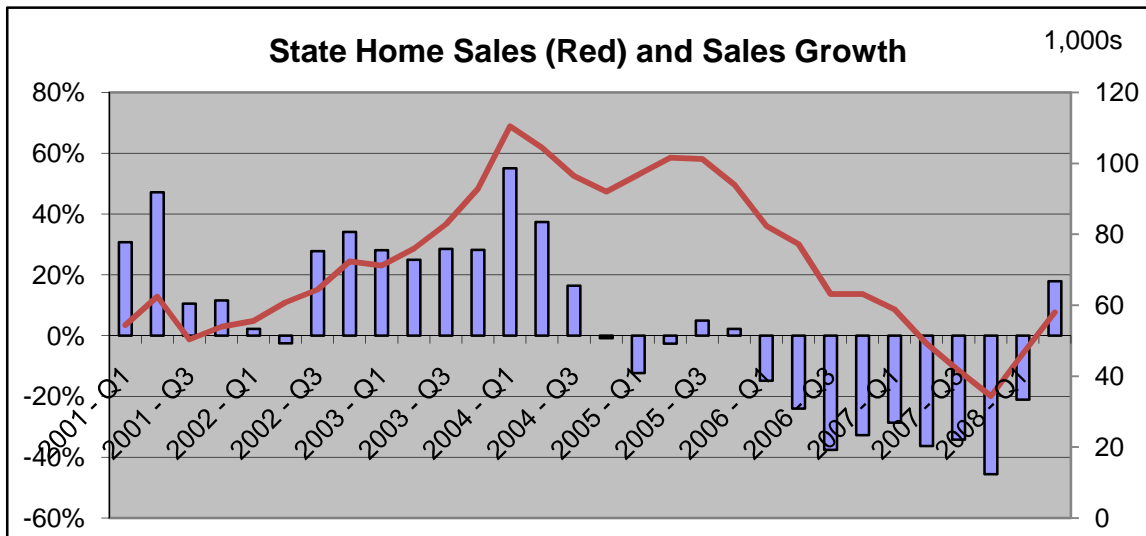




Reno-Sparks Area Metro Market Report



	Reno	U.S.	Local Trend
Price Activity			
1-year Appreciation (2008 Q2)	-17.3%	-7.1%	Weak for this metro area
3-year Appreciation (2008 Q2)	-22.2%	-5.6%	Weak for this market
3-year Housing Equity Gain	-\$78,500	-\$12,333	
7-year Housing Equity Gain	\$114,400	\$56,500	
9-year Housing Equity Gain	\$274,500	\$67,900	



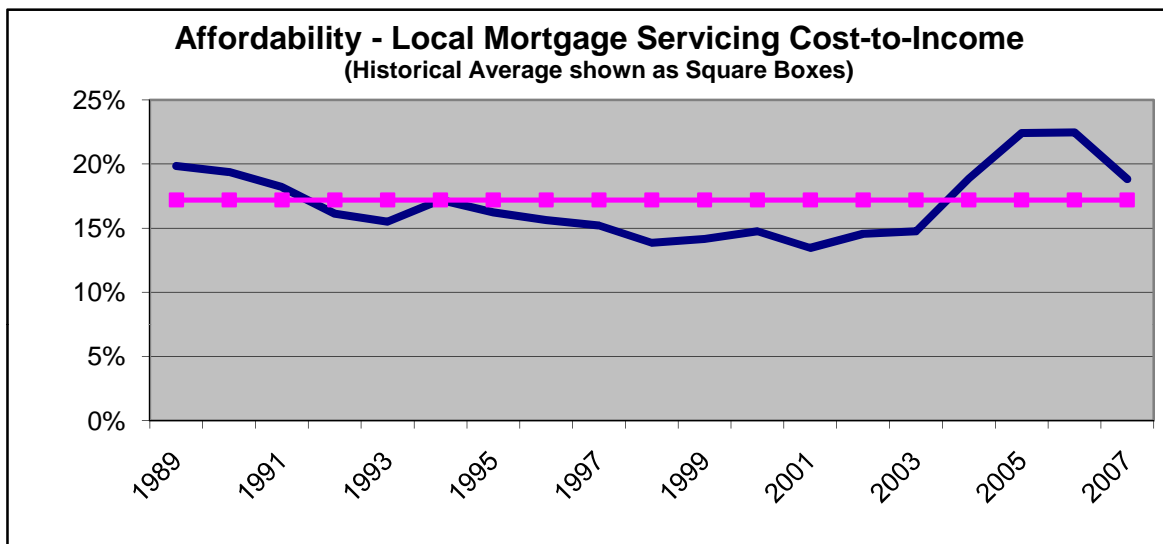
	Reno	U.S.	
Home Sales and Construction Growth			
*State Existing Home Sales(2008 Q2)	17.9%	-16.3%	Weak, but improving
** Single-Family Housing Permits (2008 July)	-41.6%	-38.2%	Important to reduce supply

*versus same quarter, year-ago

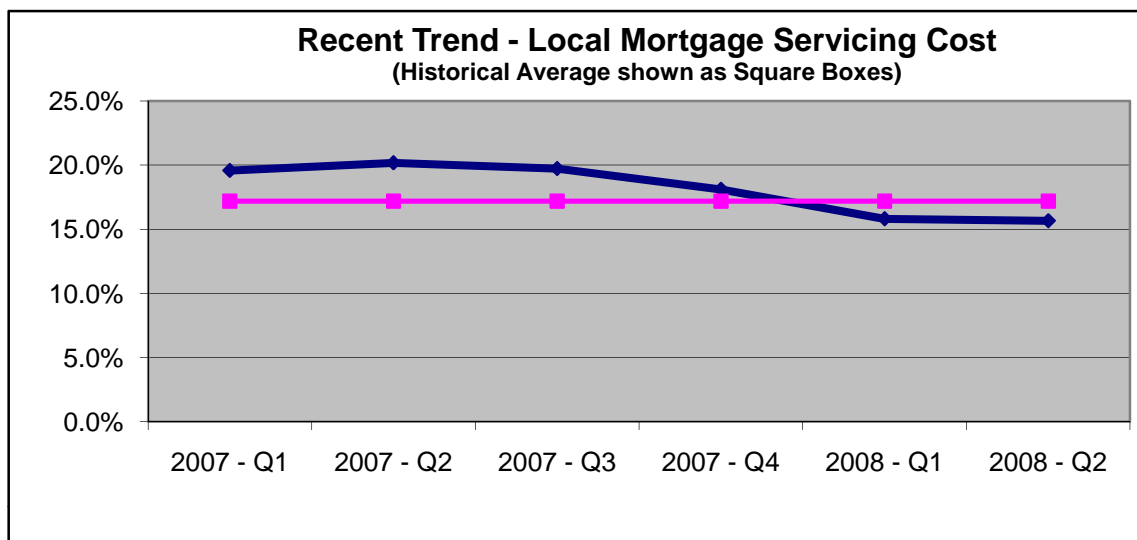
**Rolling 12-month sum vs. a year ago

Local Economic Outlook	Reno	U.S.	
1-year Job Additions (2008 July)	-4,500	Not Comparable	Very weak
3-year Job Additions (2008 July)	2,200	Not Comparable	Weaker than local average
State Economic Activity Index	Nevada	U.S.	
12-month change (2008 July)	-3.5%	1.0%	Weak compared with nation
36-month change (2008 July)	2.5%	7.4%	Respectable relative to the nation

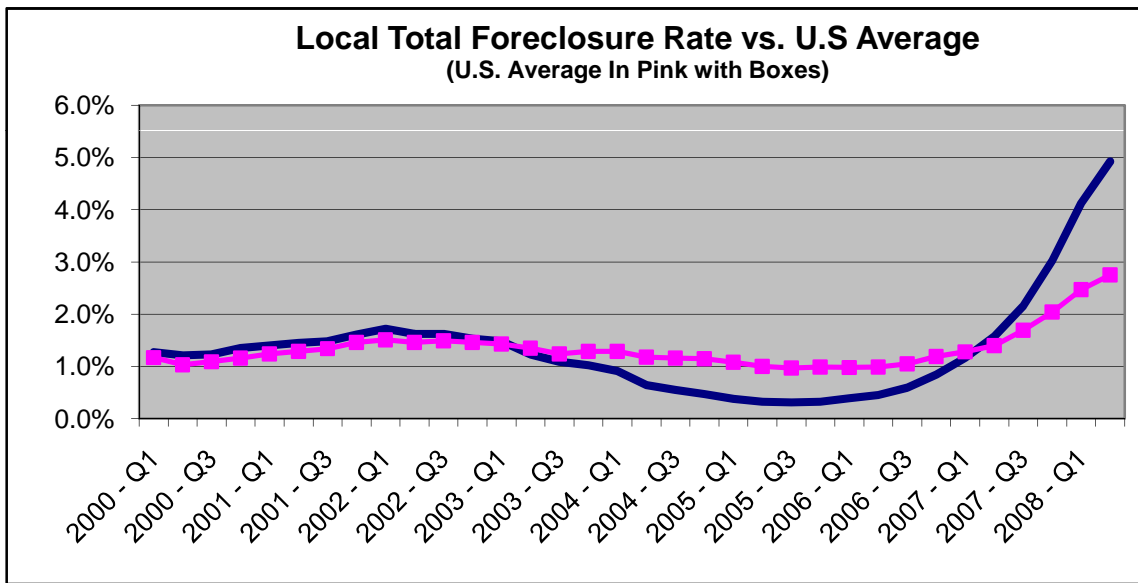
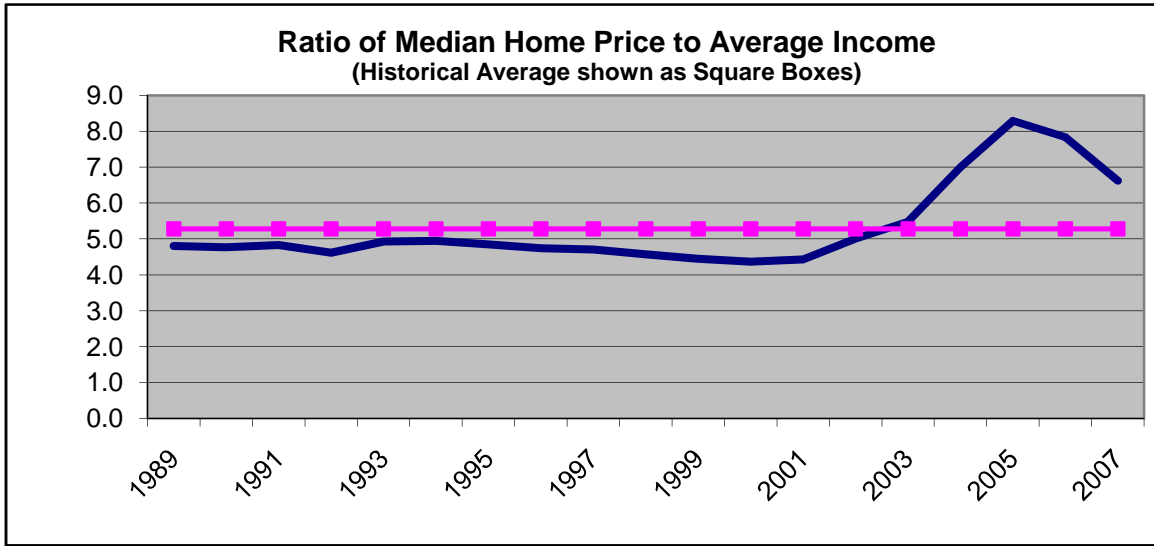
Local Demand Fundamentals	Reno	U.S.	
1-year Job Growth Rate	-2.0%	-0.1%	Weak compared to other markets
3-year Job Growth Rate	1.0%	2.7%	Lower than most metro areas
1-year Job Gain to New Single-Family Homes	-3.1	-0.1	Weak compared to the national average
3-year Job Gain to New Single-Family Homes	0.2	0.7	Soft compared to the nation



Monthly Mortgage Payment to Income	Reno	U.S.	
Ratio for all of 2007	18.8%	22.4%	Weak by local standards
Ratio for Q2 2008	15.7%	20.8%	Improving and historically strong
Historical Local Average	17.2%	22.8%	Good relative to the nation



Median Home Price to Income	Reno	U.S.	
Ratio for 2007	6.6	7.9	Weak Relative to Local History
Historical Local Average	5.3	7.2	Good Compared to Nation Average



Monthly Market	Nevada	U.S.	
State Foreclosure Rate (2008 Q2)	4.9%	2.8%	Very worrisome local increase
State Foreclosure Rate (2007 Q2)	1.6%	1.4%	Worrisome
State: Total Foreclosure Volume	27,816	Not Comparable	
State: Total Mortgages Serviced	565,369	Not Comparable	
State Prime Foreclosure Rate (2008 Q2)	2.5%	1.4%	Worrisome for this state
State Subprime Foreclosure Rate (2008 Q2)	21.8%	19.4%	Very high relative to local history

30-year Fixed Mortgage Rate

