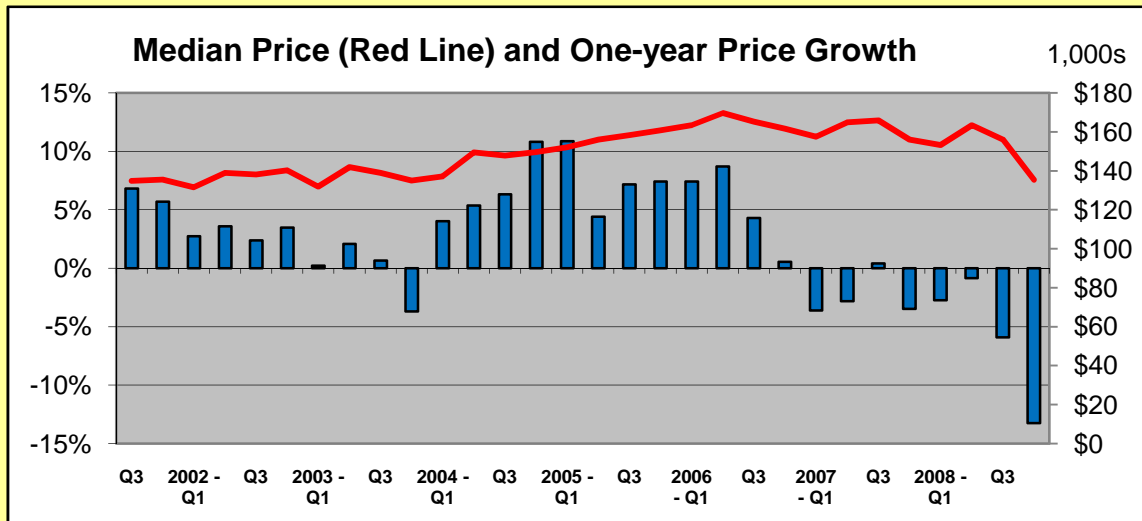


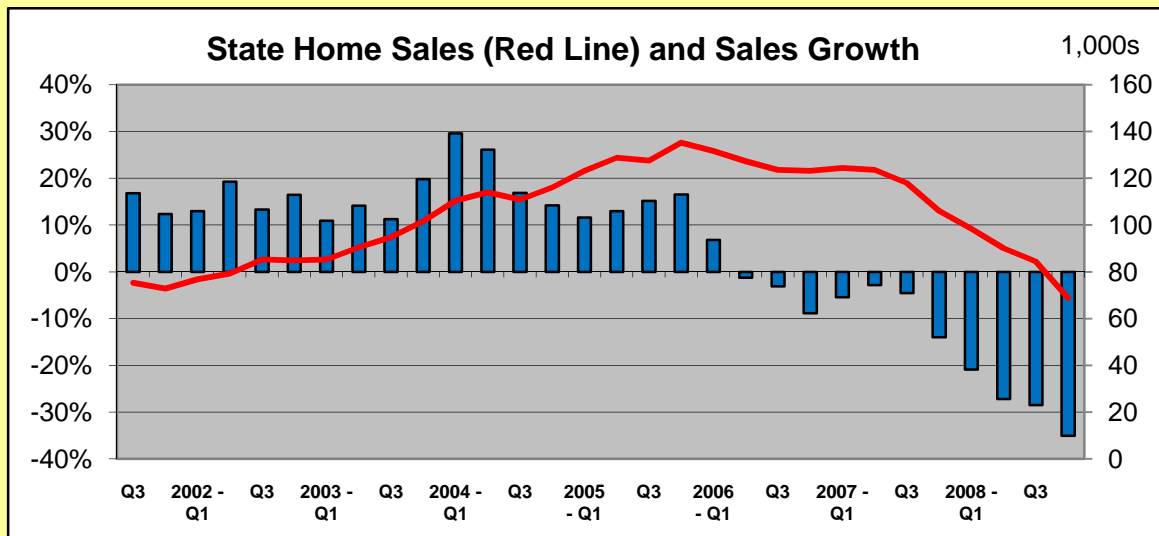


Birmingham-Hoover Area Metro Market Report, Fourth Quarter 2008

Today's Market...



	Birmingham	U.S.	Local Trend
Price Activity			
Current Median Home Price (2008 - Q4)	\$135,400	\$180,800	
1-year Appreciation (2008 - Q4)	-13.3%	-7.0%	Weak for this metro area
3-year Appreciation (2008 - Q4)	-15.8%	-19.8%	Weak for this market
3-year (12-quarter) Housing Equity Gain	-\$25,400	-\$44,567	
7-year (28 q) Housing Equity Gain	-\$14,100	-\$13,167	
9-year (36 q) Housing Equity Gain	-\$3,600	\$16,967	



Home Sales and Construction Growth	Alabama	U.S.	
*State Existing Home Sales (Q4)	-35.1%	-16.4%	Weak compared to local average

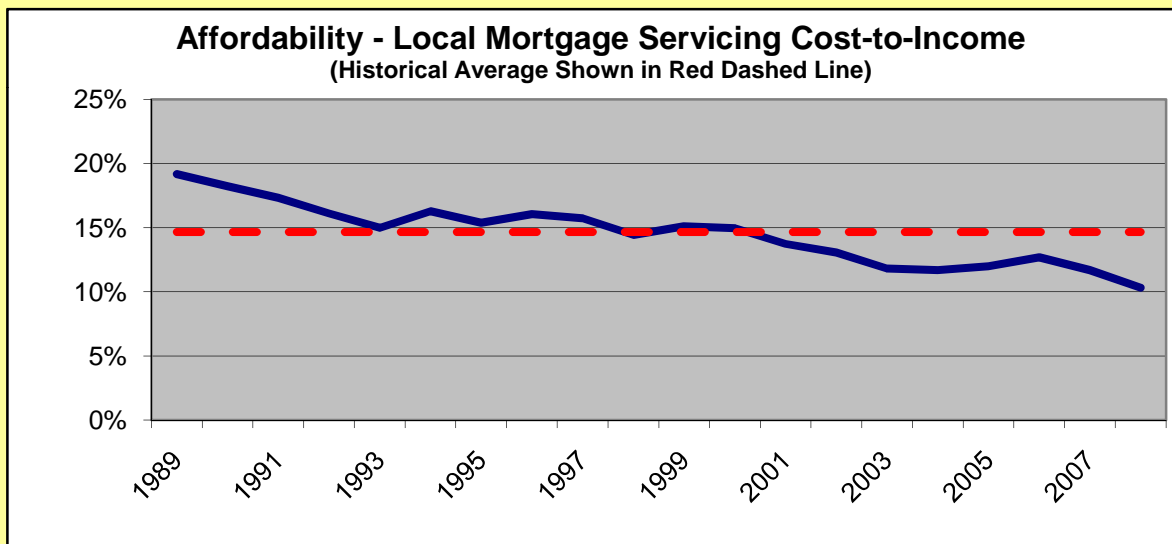
*versus same quarter, year-ago

Local Supply and Demand...

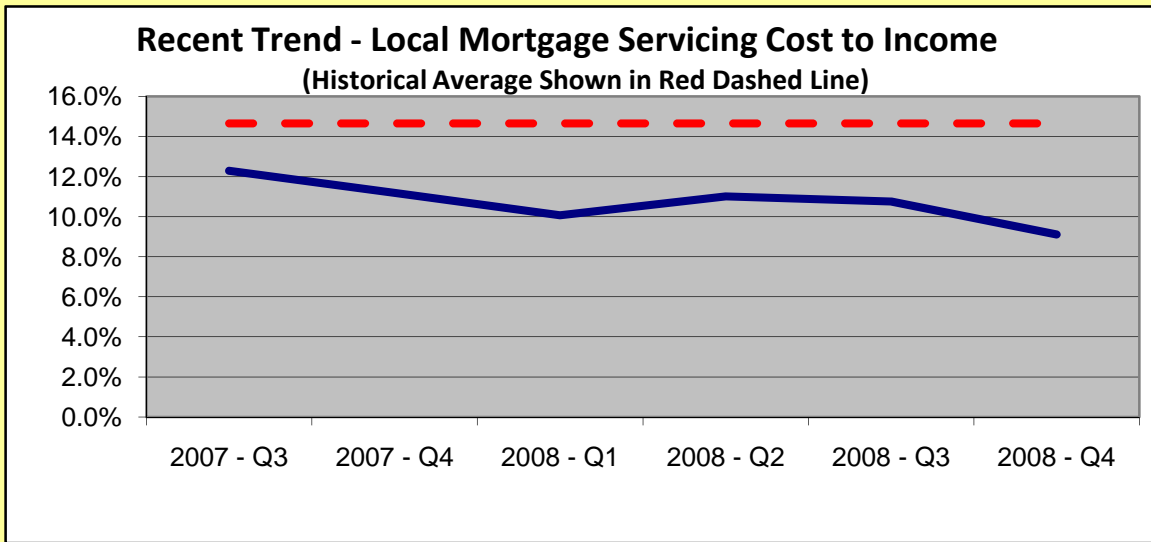
Local Economic Outlook	Birmingham	U.S.	
1-year Job Additions (2008 - Dec)	-10,300	Not Comparable	Soft for this market
3-year Job Additions (2008 - Dec)	800	Not Comparable	Weaker than local average
State Economic Activity Index	Alabama	U.S.	
12-month change (2008 - Dec)	-4.8%	-0.9%	Weak compared with nation
36-month change (2008 - Dec)	-0.1%	4.5%	Weak relative to the nation

Local Fundamentals	Birmingham	U.S.	
1-year (12 month) Job Growth Rate	-1.9%	-0.4%	Weak compared to other markets
3-year (36 month) Job Growth Rate	0.2%	2.5%	Weaker than most metro areas
1-year Job Gain to New Single-Family Homes	-2.9	0.0	Weak compared to the national average
3-year Job Gain to New Single-Family Homes	0.1	13.9	Weak compared to the nation
** Single-Family Housing Permits (2008 - Dec)	-49.3%	-41.3%	Important to reduce supply

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



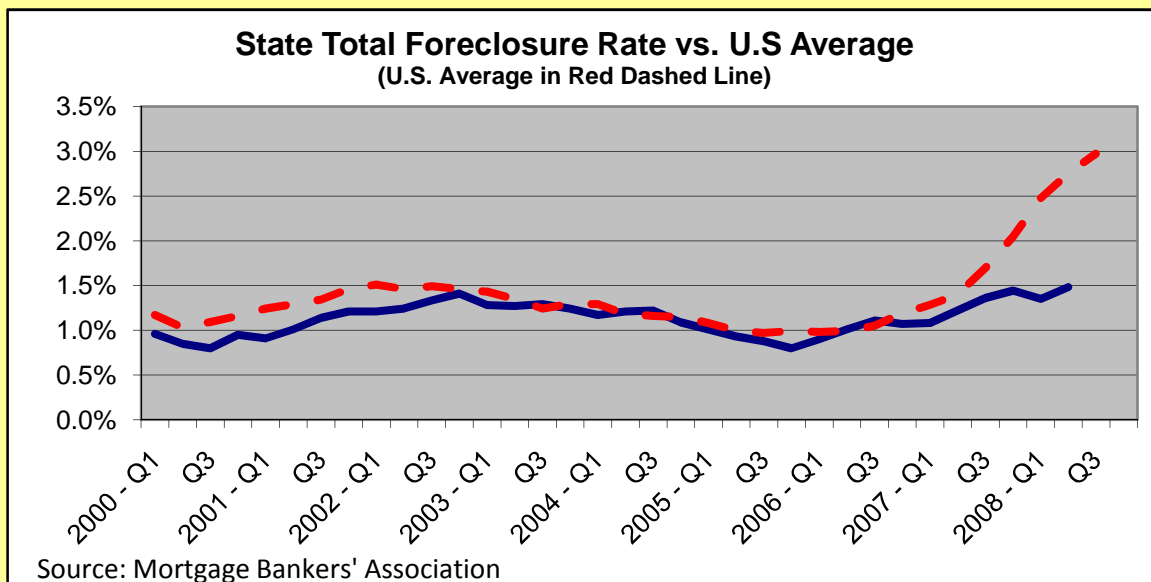
Monthly Mortgage Payment to Income	Birmingham	U.S.	
Ratio for all of 2008	11.0%	21.4%	Good local affordability
Ratio for 2008 - Q4	9.1%	20.6%	Improving and historically strong
Historical Local Average	14.7%	23.2%	Good relative to the nation



Median Home Price to Income	Birmingham	U.S.	
Ratio for 2008	3.9	7.4	Good Relative to Local History
Historical Local Average	4.5	7.2	Good Compared to Nation Average



Looking Deeper....



Monthly Market Data - October 2008	Birmingham	U.S.	
PRIME Market Share	86.6%	84.2%	Lower subprime exposure than average
SUBPRIME and Alt-A Market Share	13.4%	15.8%	Strong Compared to the Nation
TOTAL Foreclosure + REO Rate	0.8%	1.2%	There has been a large local increase versus a year ago
TOTAL Foreclosure + REO Rate (same period, 1-year earlier)	0.6%	0.5%	The current local rate is high compared with the current U.S. average
SUBPRIME Foreclosure + REO Rate	7.8%	14.0%	There has been a large local increase versus a year ago
SUBPRIME Foreclosure + REO Rate (same period, 1-year earlier)	5.4%	7.2%	Locally, today's foreclosure rate is low relative to the national average
ALT-A Foreclosure + REO Rate	4.6%	9.0%	A large local increase occurred compared to a year ago
ALT-A Foreclosure + REO Rate (same period, 1-year earlier)	2.7%	2.5%	Today's local rate is low compared to the national average

Monthly Foreclosure data provided by First American CoreLogic, LoanPerformance data

The Mortgage Market

