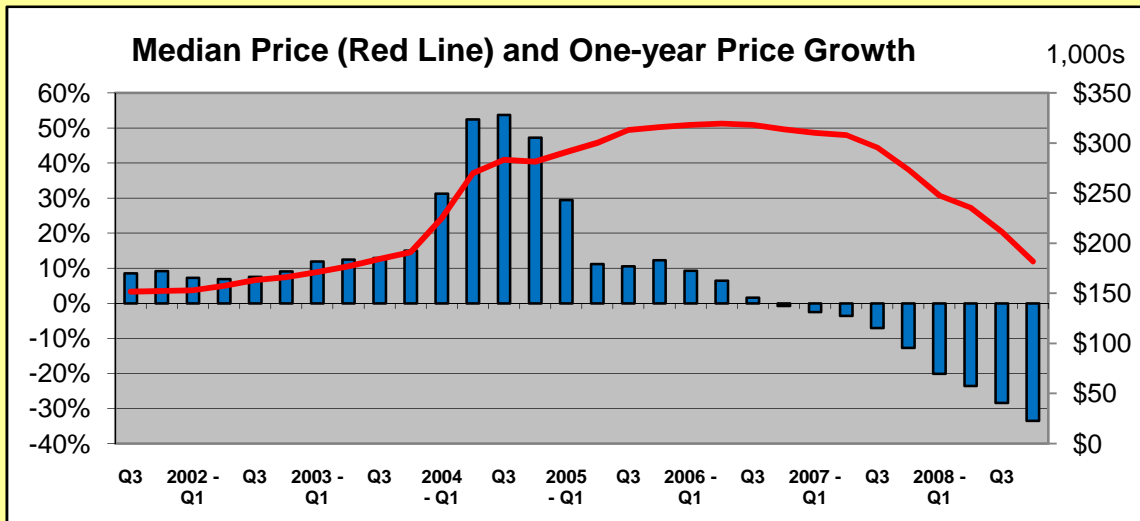


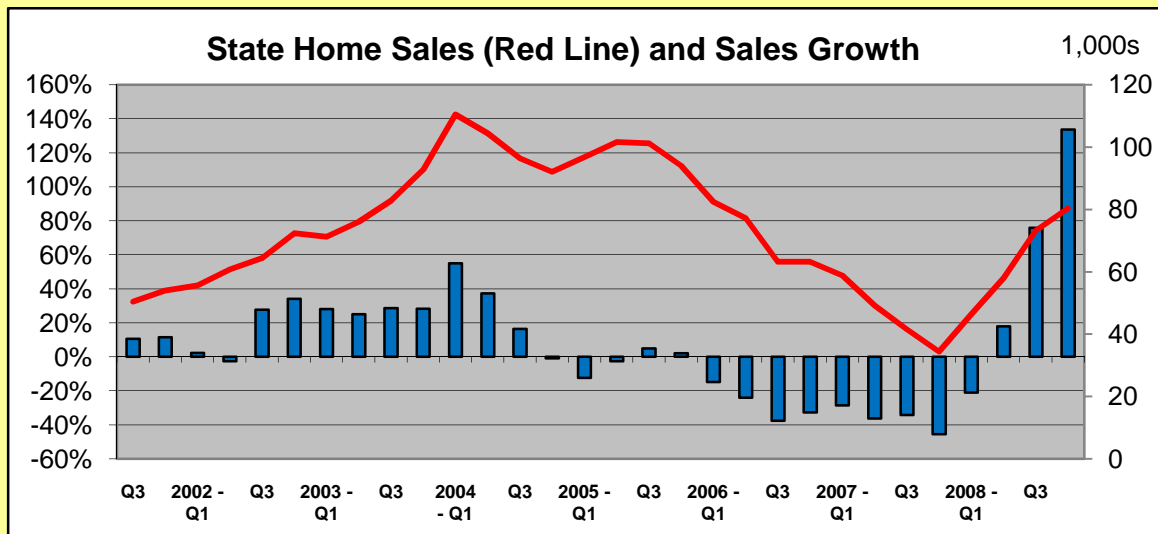


## Las Vegas-Paradise Area Metro Market Report, Fourth Quarter 2008

### Today's Market...



	Las Vegas	U.S.	Local Trend
<b>Price Activity</b>			
Current Median Home Price (2008 - Q4)	\$181,700	\$180,800	
1-year Appreciation (2008 - Q4)	-33.6%	-7.0%	Weak for this metro area
3-year Appreciation (2008 - Q4)	-42.5%	-19.8%	Weak for this market
3-year (12-quarter) Housing Equity Gain	-\$134,200	-\$44,567	
7-year (28 q) Housing Equity Gain	-\$88,200	-\$13,167	
9-year (36 q) Housing Equity Gain	\$24,200	\$16,967	



Home Sales and Construction Growth	Nevada	U.S.	
*State Existing Home Sales (Q4)	133.7%	-16.4%	Stable

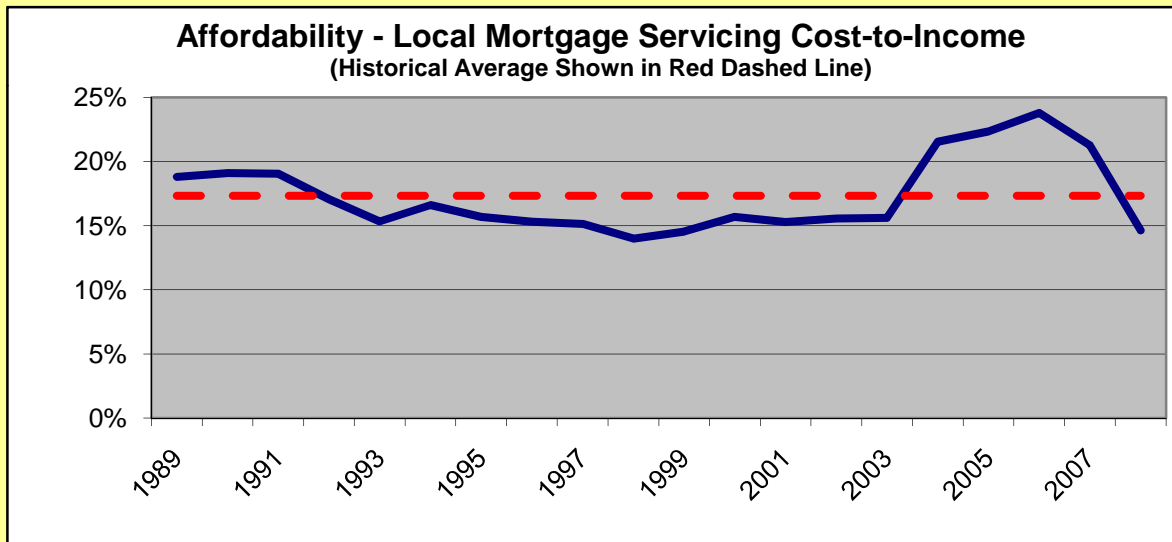
\*versus same quarter, year-ago

# Local Supply and Demand...

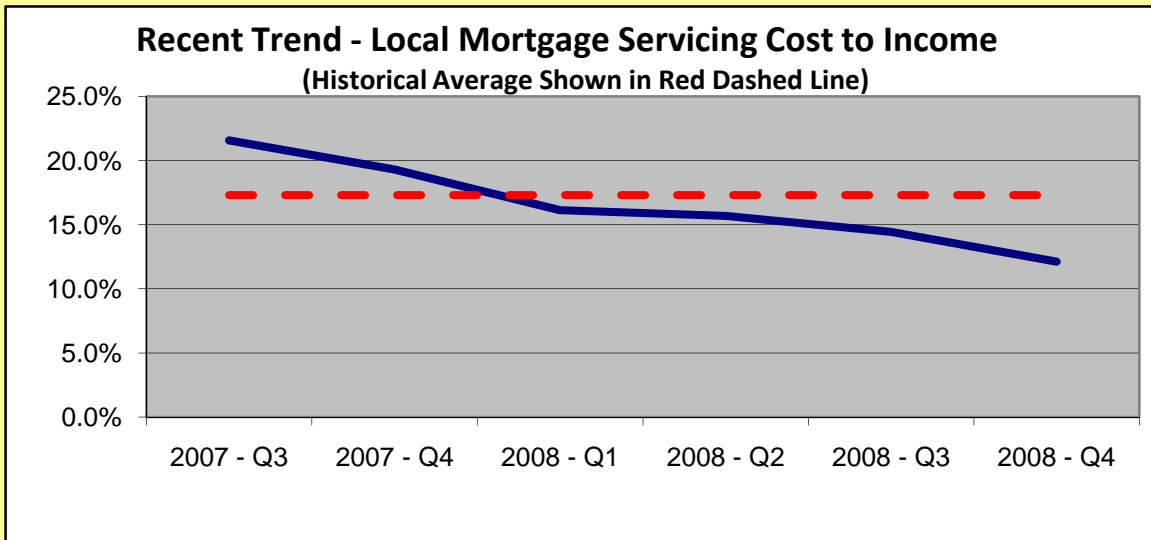
Local Economic Outlook	Las Vegas	U.S.	
1-year Job Additions (2008 - Dec)	-15,500	Not Comparable	Soft for this market
3-year Job Additions (2008 - Dec)	14,100	Not Comparable	Weaker than local average
State Economic Activity Index	Nevada	U.S.	
12-month change (2008 - Dec)	-10.0%	-0.9%	Weak compared with nation
36-month change (2008 - Dec)	-8.1%	4.5%	Weak relative to the nation

Local Fundamentals	Las Vegas	U.S.	
1-year (12 month) Job Growth Rate	-1.7%	-0.4%	Weak compared to other markets
3-year (36 month) Job Growth Rate	1.6%	2.5%	Weaker than most metro areas
1-year Job Gain to New Single-Family Homes	-1.2	0.0	Weak compared to the national average
3-year Job Gain to New Single-Family Homes	0.2	13.9	Weak compared to the nation
** Single-Family Housing Permits (2008 - Dec)	-56.7%	-41.3%	Important to reduce supply

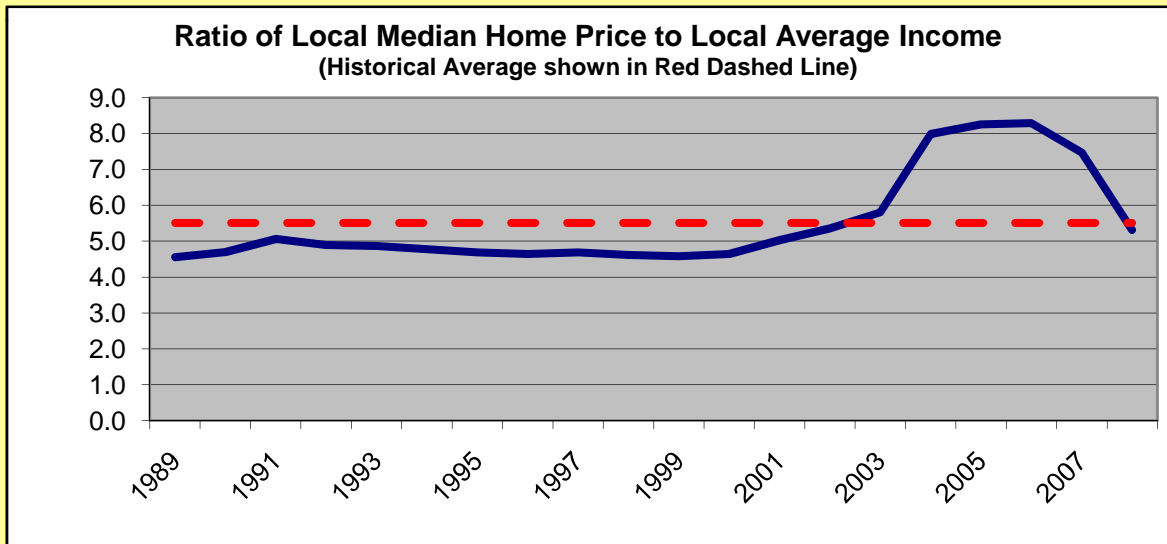
\*\*Rolling 12-month sum vs. a year ago



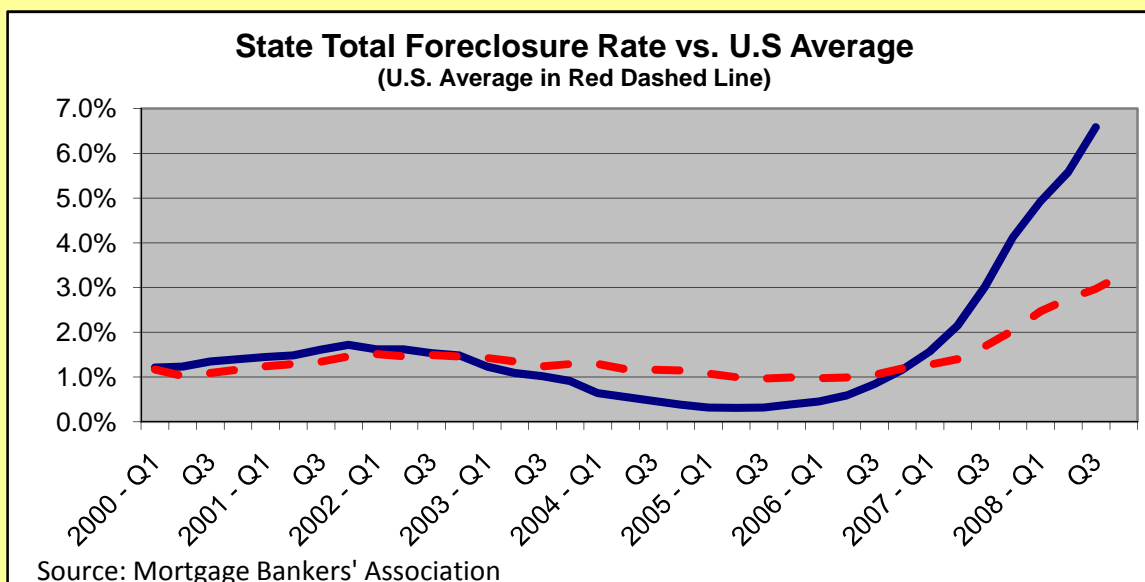
Monthly Mortgage Payment to Income	Las Vegas	U.S.	
Ratio for all of 2008	17.9%	21.4%	Weak affordability
Ratio for 2008 - Q4	12.1%	20.6%	Improving and historically strong
Historical Local Average	17.3%	23.2%	Good relative to the nation



Median Home Price to Income	Las Vegas	U.S.	
Ratio for 2008	5.9	7.4	Weak Relative to Local History
Historical Local Average	5.5	7.2	Good Compared to Nation Average



# Looking Deeper....



Monthly Market Data - October 2008	Las Vegas	U.S.	
<b>PRIME</b> Market Share	67.3%	84.2%	Higher subprime exposure than average
<b>SUBPRIME</b> and <b>Alt-A</b> Market Share	32.7%	15.8%	Worrisome
<b>TOTAL</b> Foreclosure + REO Rate	3.3%	1.2%	There has been a large local increase versus a year ago
<b>TOTAL</b> Foreclosure + REO Rate (same period, 1-year earlier)	0.8%	0.5%	The current local rate is high compared with the current U.S. average
<b>SUBPRIME</b> Foreclosure + REO Rate	16.6%	14.0%	There has been a large local increase versus a year ago
<b>SUBPRIME</b> Foreclosure + REO Rate (same period, 1-year earlier)	6.4%	7.2%	Locally, today's foreclosure rate is low relative to the national average
<b>ALT-A</b> Foreclosure + REO Rate	13.2%	9.0%	A large local increase occurred compared to a year ago
<b>ALT-A</b> Foreclosure + REO Rate (same period, 1-year earlier)	4.0%	2.5%	The current local rate is high compared with the up-to-date U.S. average

Monthly Foreclosure data provided by First American CoreLogic, LoanPerformance data

# The Mortgage Market

