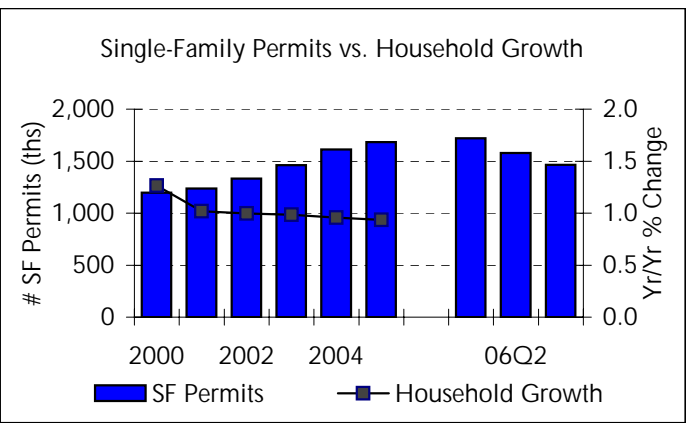
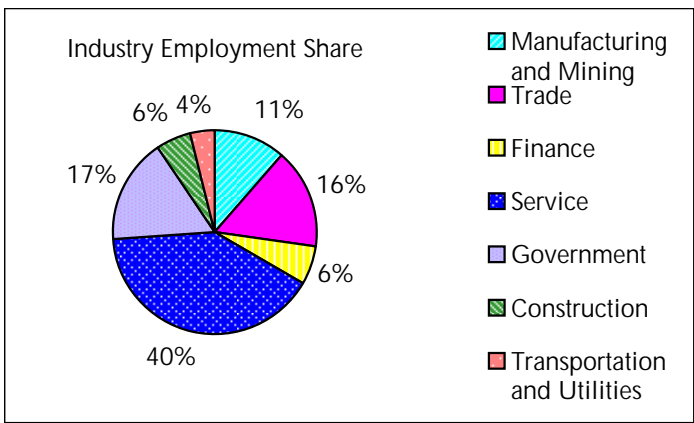
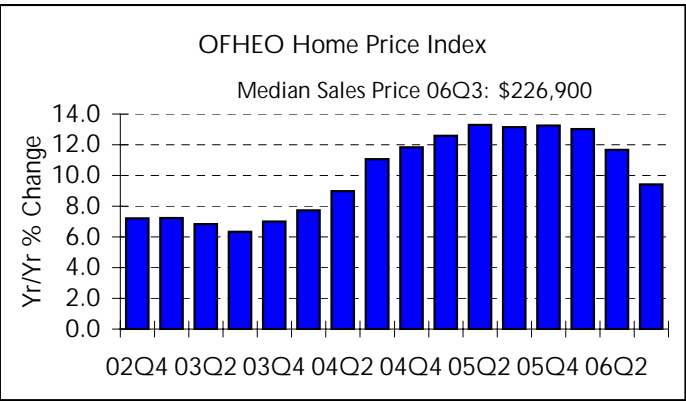
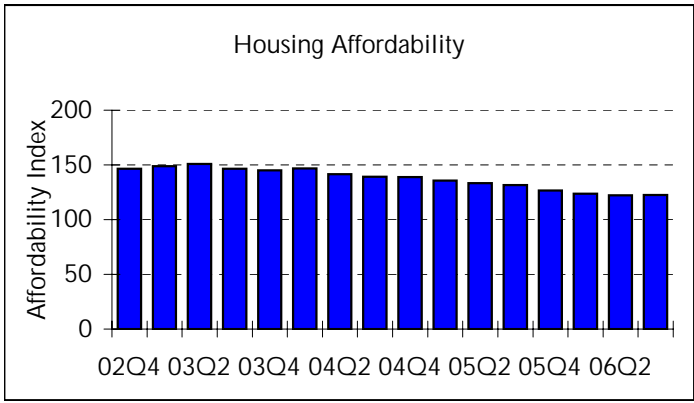
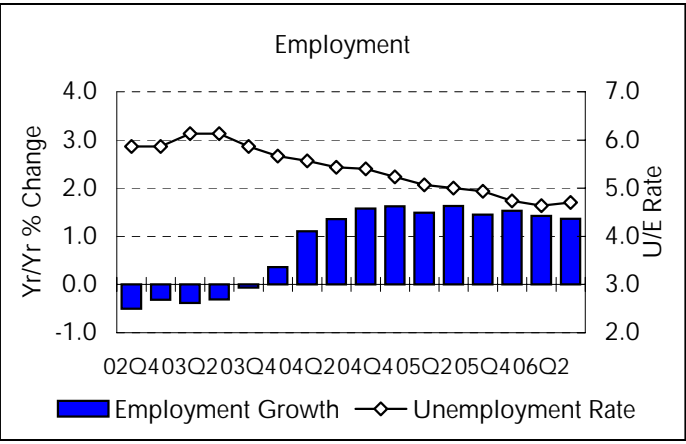
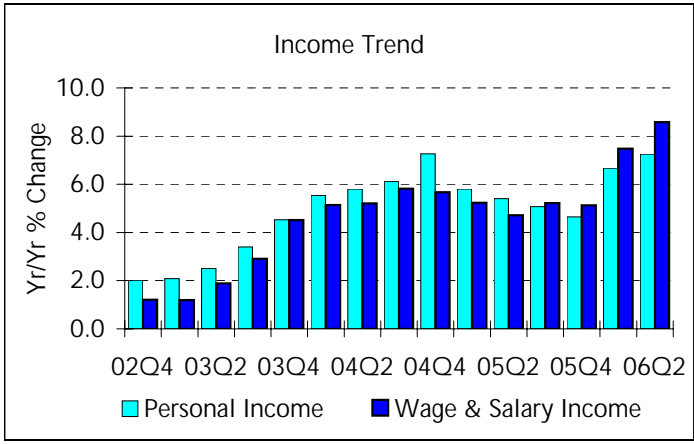


National Overview
Economic & Housing Indicators



Housing Market Condition:

Current:
STABLE

Short-Term Projection:
SOFTENING

Observations: The national economic fundamentals are still positive, including affordable interest rates, job creation and low unemployment. However, the slowdown in the housing market is impacting economic growth. Year-over-year employment grew 1.4% as the unemployment rate held at 4.7%. Some experts insist the worst may be over in the housing sector, resulting in a soft landing. Still, there are projections for new and existing home sales to fall in 2007, with limited home price appreciation. The current supply of single-family homes and condominiums is 7.1 and 8.5 months, respectively, up from a year ago. Single-family permits are down 13% from last year's total.