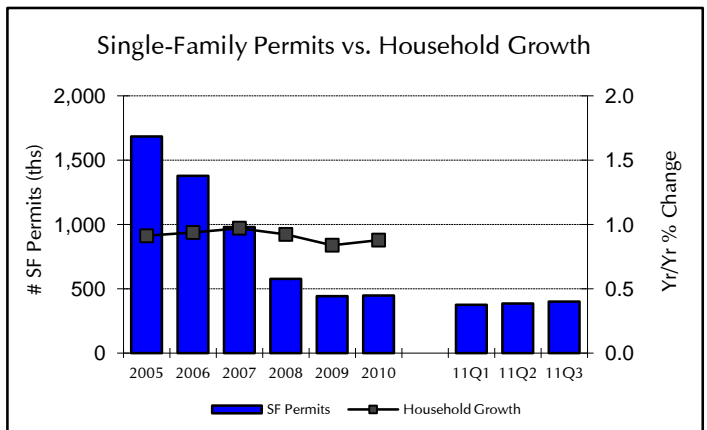
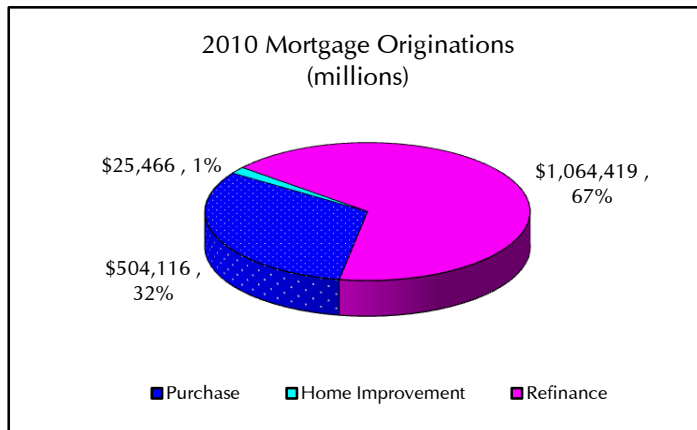
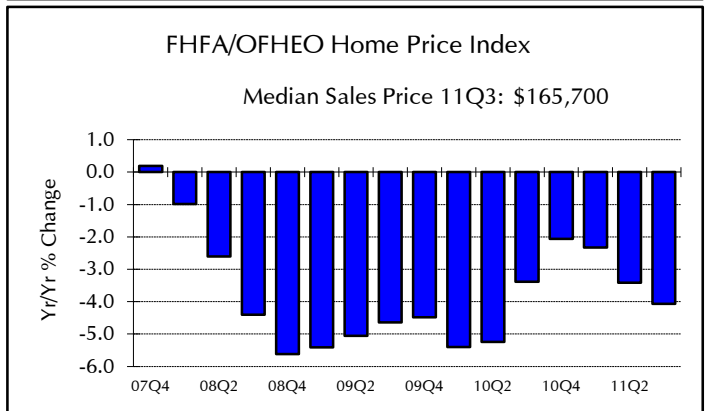
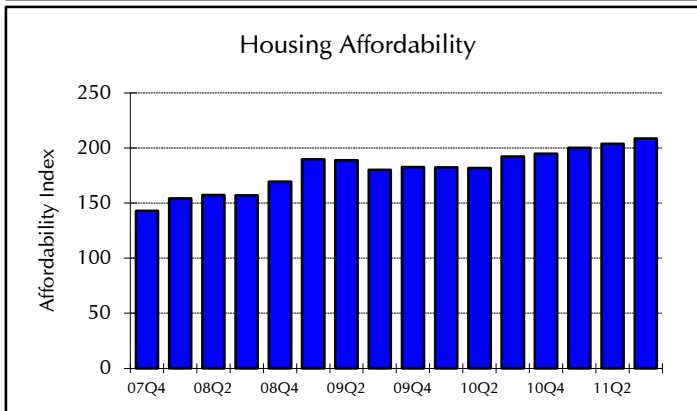
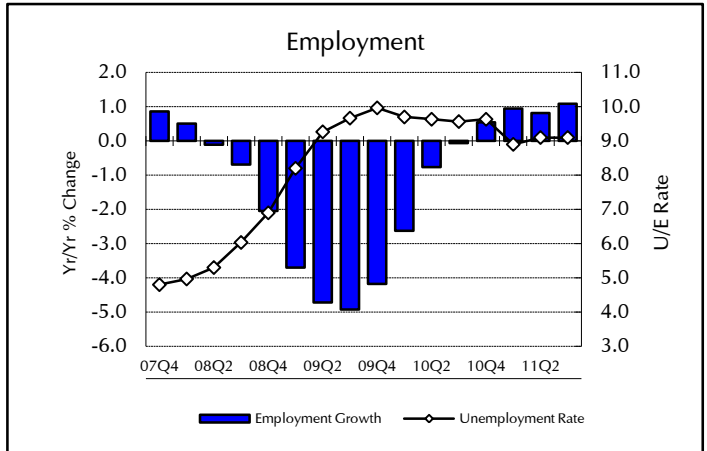
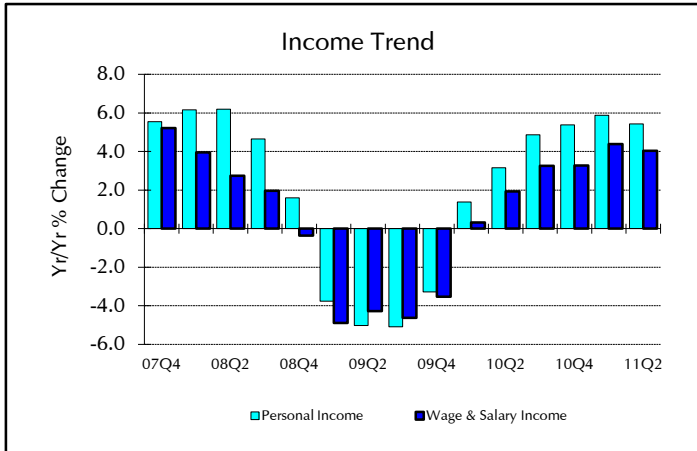


National Overview Economic & Housing Indicators



Housing Market Condition:

Current:
SOFT

Short-Term Projection:
NO CHANGE

Observations: The U.S. economic growth is forecast to remain sluggish, where most of 2012 may look like 2011. Employment has been slow to recover as 1.2 million jobs were created during the first nine months of the year. A recent survey showed that slightly more businesses plan on adding to their workforce versus reducing payrolls; however, a strong majority plan no change. It appears that housing faces a long road to recovery as home prices depreciated 4%. Despite a decline in foreclosure starts and lower delinquency rates, there is still a large number of borrowers considered seriously delinquent on their mortgages. The current supply of distressed homes is estimated at 10 months.