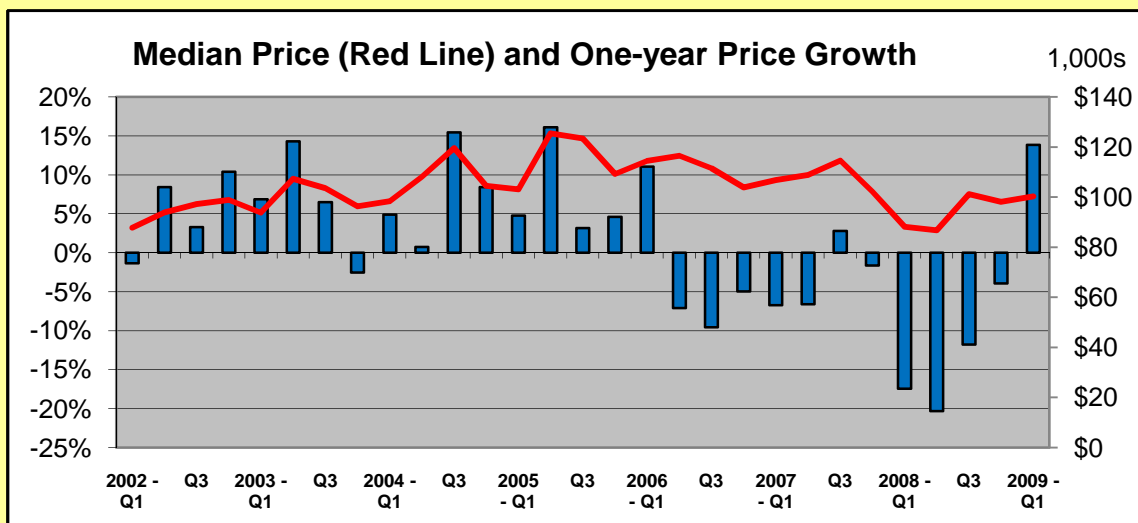


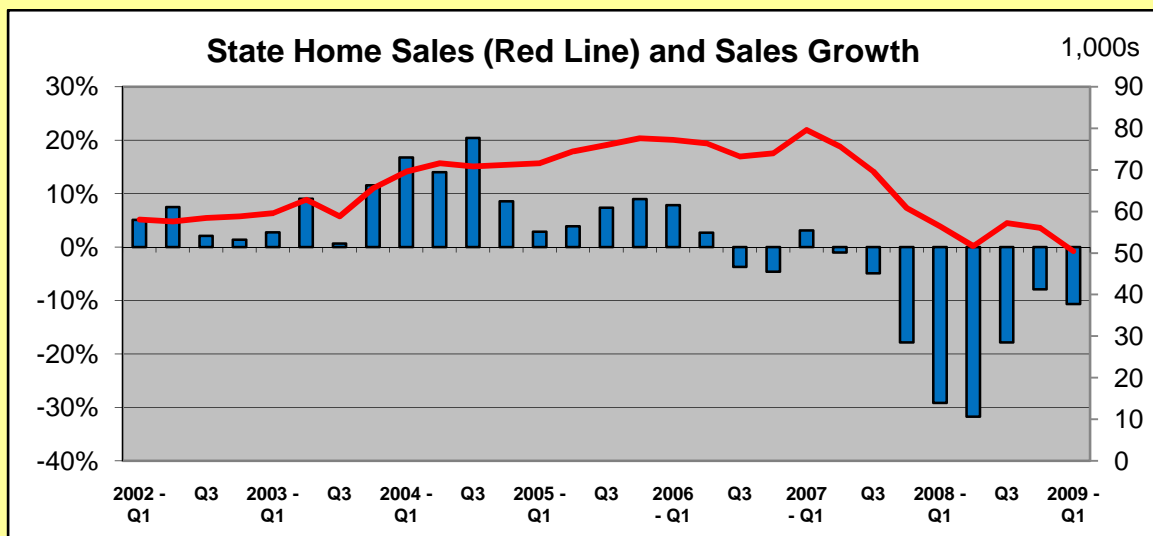


## Davenport-Moline-Rock Island Area Metro Market Report, First Quarter 2009

### Today's Market...



	Davenport	U.S.	Local Trend
<b>Price Activity</b>			
Current Median Home Price (2009 - Q1)	\$100,300	\$167,633	Prices are down from a year ago, but appear to have stabilised
1-year Appreciation (2009 - Q1)	13.8%	-8.8%	
3-year Appreciation (2009 - Q1)	-12.3%	-22.7%	
3-year (12-quarter) Housing Equity Gain	-\$14,100	-\$49,267	The decline has wiped out most of the equity gained during the housing boom
7-year (28 q) Housing Equity Gain	-\$19,200	-\$31,367	
9-year (36 q) Housing Equity Gain	\$3,100	\$633	



Home Sales and Construction Growth	Iowa	U.S.	
*State Existing Home Sales (2009 - Q1)	-10.6%	-8.2%	Weak compared to recent state average

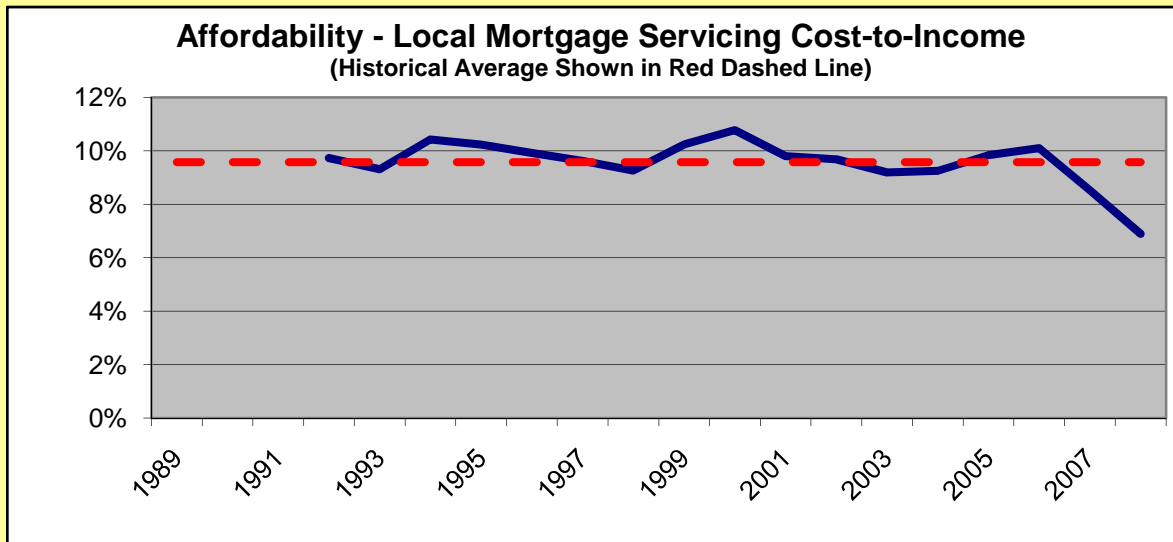
\*versus same quarter, year-ago

# Local Supply and Demand...

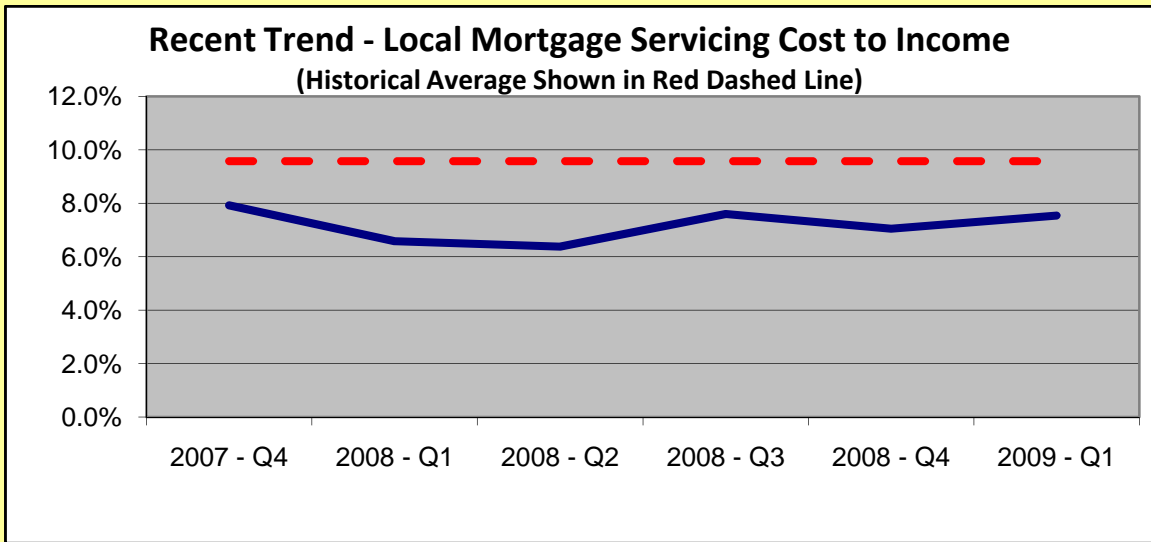
Local Economic Outlook	Davenport	U.S.	
1-year Job Additions (2009 - Mar)	-900	Not Comparable	Weak for this market and could impact demand
3-year Job Additions (2009 - Mar)	1,700	Not Comparable	
State Economic Activity Index	Iowa	U.S.	
12-month change (2009 - Mar)	-2.0%	-2.8%	Weak, but more resilient than most of the nation
36-month change (2009 - Mar)	2.4%	1.6%	

Local Fundamentals	Davenport	U.S.	
1-year (12 month) Job Growth Rate	-0.5%	-1.3%	Respectable compared to other markets
3-year (36 month) Job Growth Rate	0.9%	1.2%	Weaker than most metro areas
1-year Job Gain to New Single-Family Homes	-2.6	0.0	Weak compared to the national average
3-year Job Gain to New Single-Family Homes	1.0	7.5	Weak compared to the nation
** Single-Family Housing Permits (2009 - Mar)	-35.0%	-41.6%	Important to reduce supply

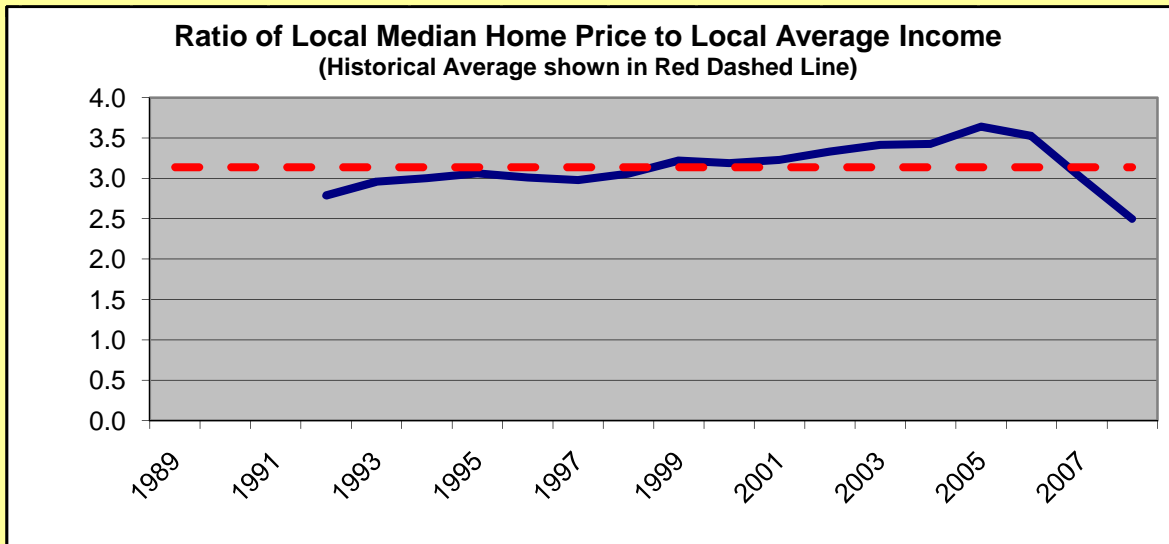
\*\*Rolling 12-month sum vs. a year ago



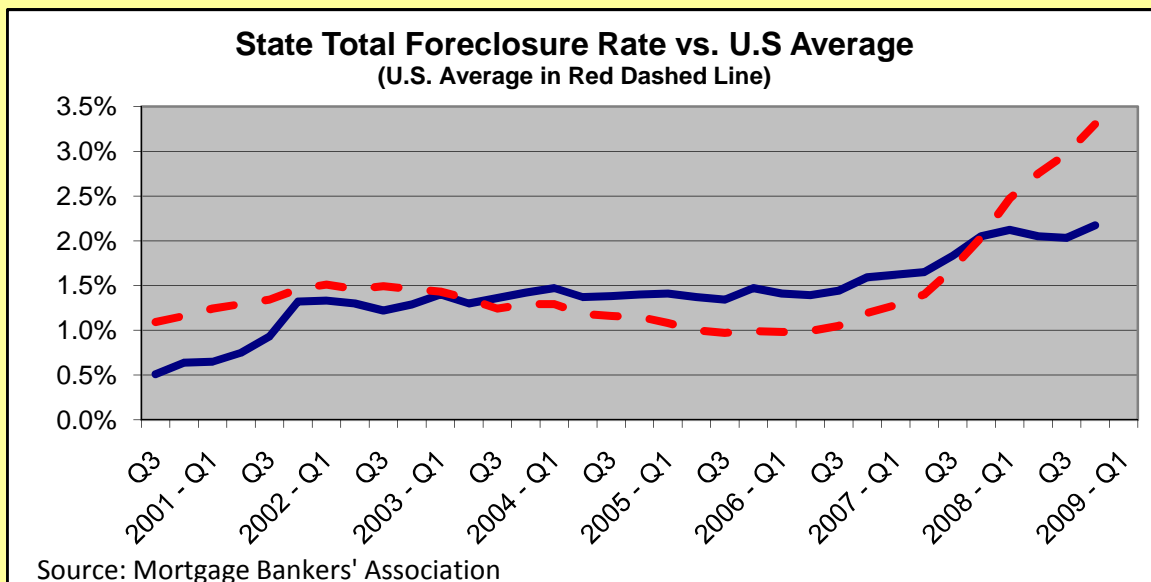
Monthly Mortgage Payment to Income	Davenport	U.S.	
Ratio for all of 2008	7.6%	20.7%	Good local affordability
Ratio for 2009 - Q1	7.5%	17.7%	Improving and historically strong
Historical Local Average	9.6%	23.2%	Good relative to the nation



Median Home Price to Income	Davenport	U.S.	
Ratio for 2008	2.5	7.2	Good Relative to Local History
Historical Local Average	3.1	7.2	Good Compared to Nation Average



# Looking Deeper....



Monthly Market Data - February 2009	Davenport	U.S.	
<b>PRIME</b> Market Share	92.5%	84.5%	Lower subprime exposure than average
<b>SUBPRIME</b> and <b>Alt-A</b> Market Share	7.5%	15.5%	Strong Compared to the Nation
<b>TOTAL</b> Foreclosure + REO Rate	1.2%	1.7%	There has been a large local increase versus a year ago
<b>TOTAL</b> Foreclosure + REO Rate (same period, 1-year earlier)	0.8%	0.8%	Compared to the national average, today's local rate is low
<b>SUBPRIME</b> Foreclosure + REO Rate	11.2%	14.6%	There has been little change locally compare to year ago
<b>SUBPRIME</b> Foreclosure + REO Rate (same period, 1-year earlier)	12.7%	11.6%	The current local rate is high given the current U.S. average
<b>ALT-A</b> Foreclosure + REO Rate	6.3%	12.1%	A large local increase occurred compared to a year ago
<b>ALT-A</b> Foreclosure + REO Rate (same period, 1-year earlier)	4.1%	5.5%	Today's local rate is low compared to the national average

Monthly Foreclosure data provided by First American CoreLogic, LoanPerformance data

# The Mortgage Market

