

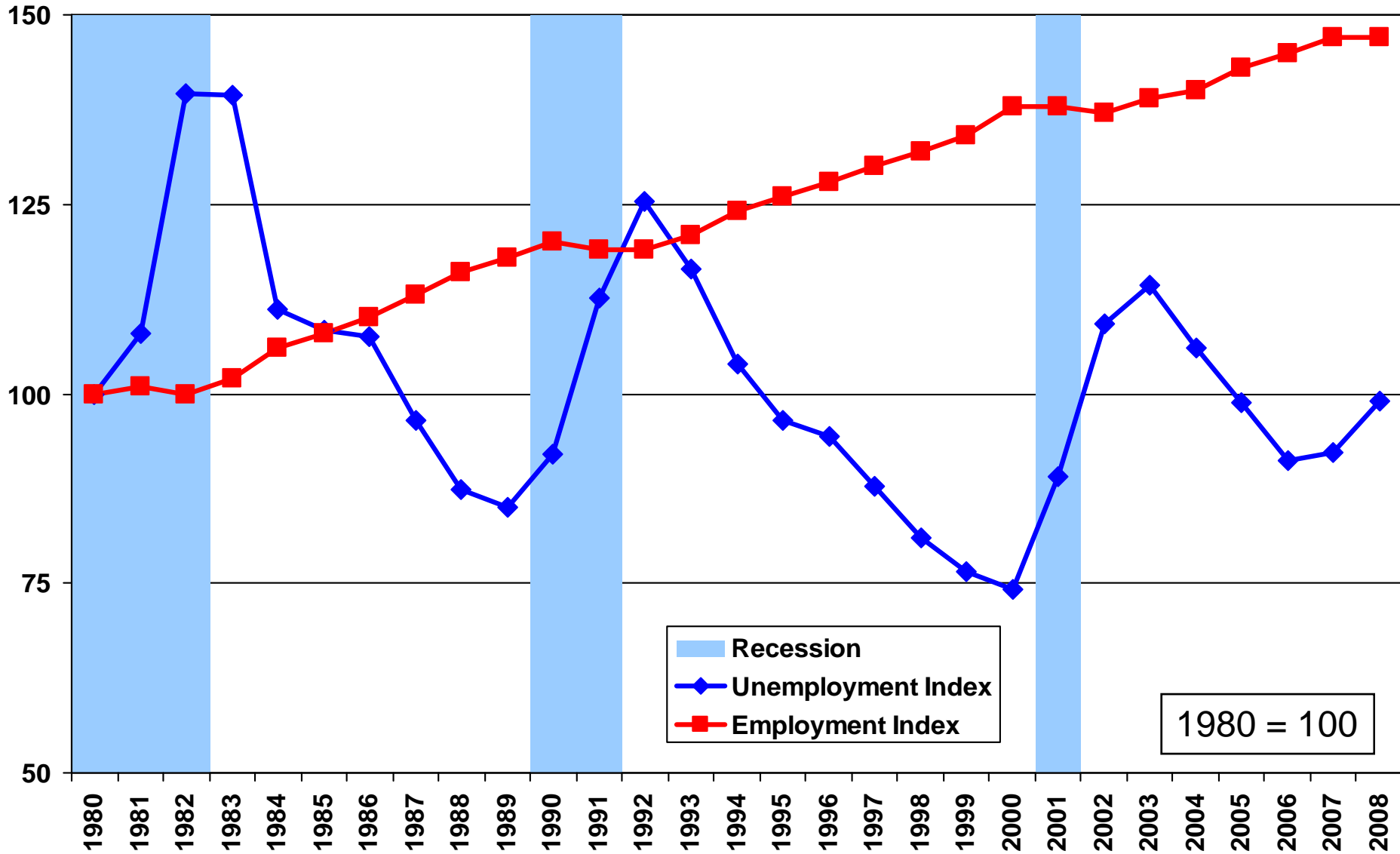
Report from Chief Economist

Alan N. Nevin, Chief Economist



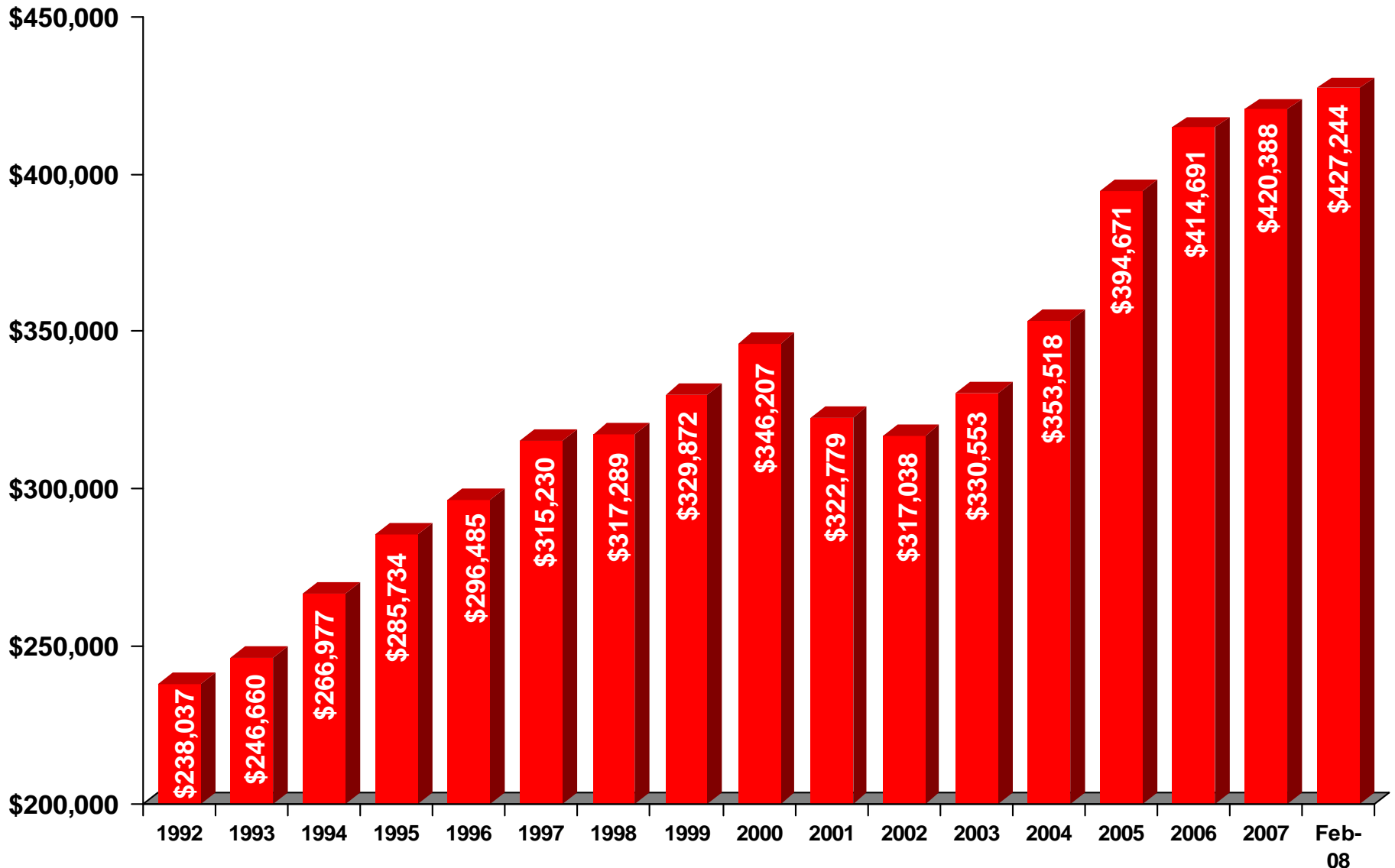
U.S. Employment and Unemployment Index

1980 – February 2008



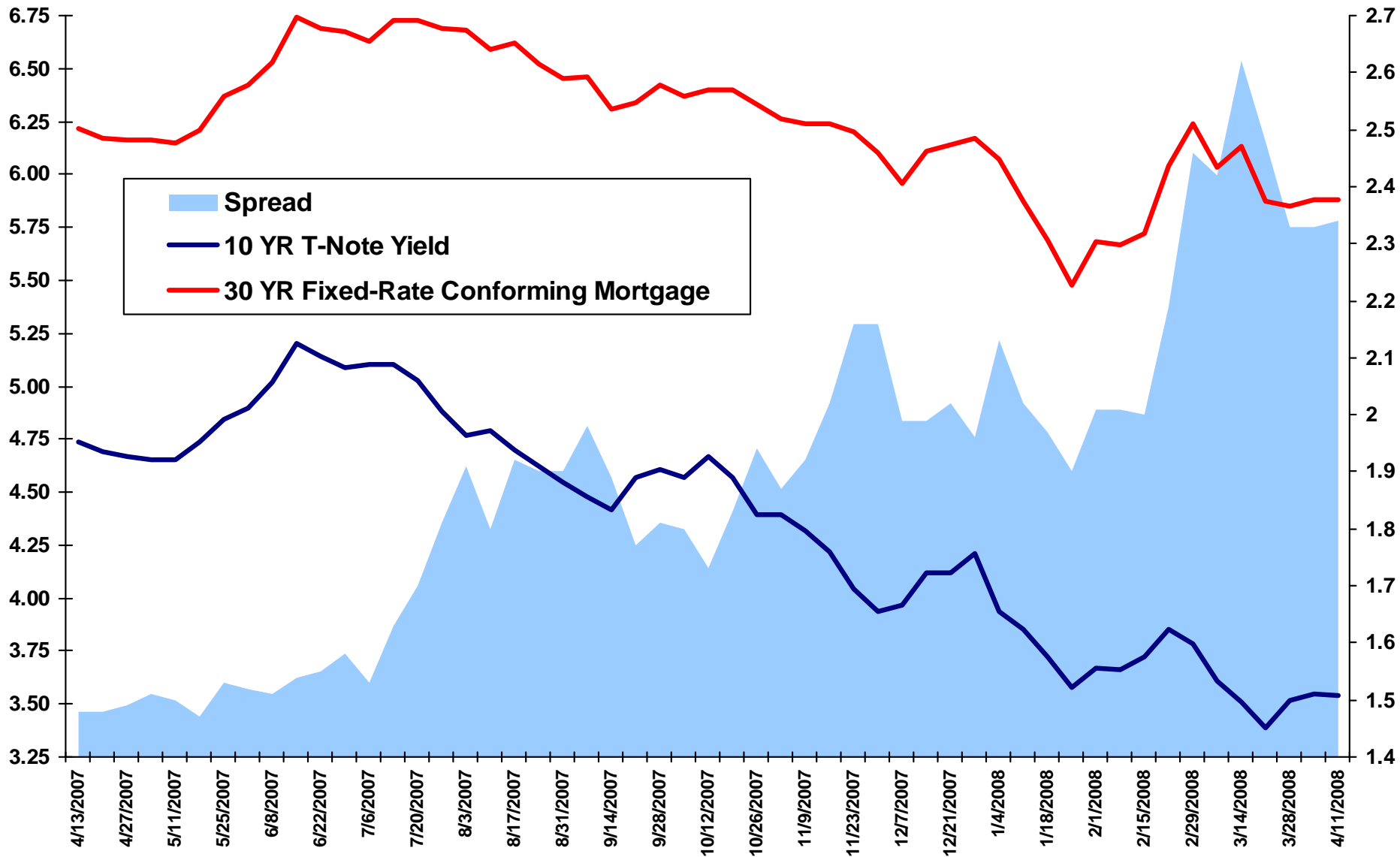
U.S. Average Monthly Manufacturing Output for New Orders

1992 – February 2008 (in Million \$'s)

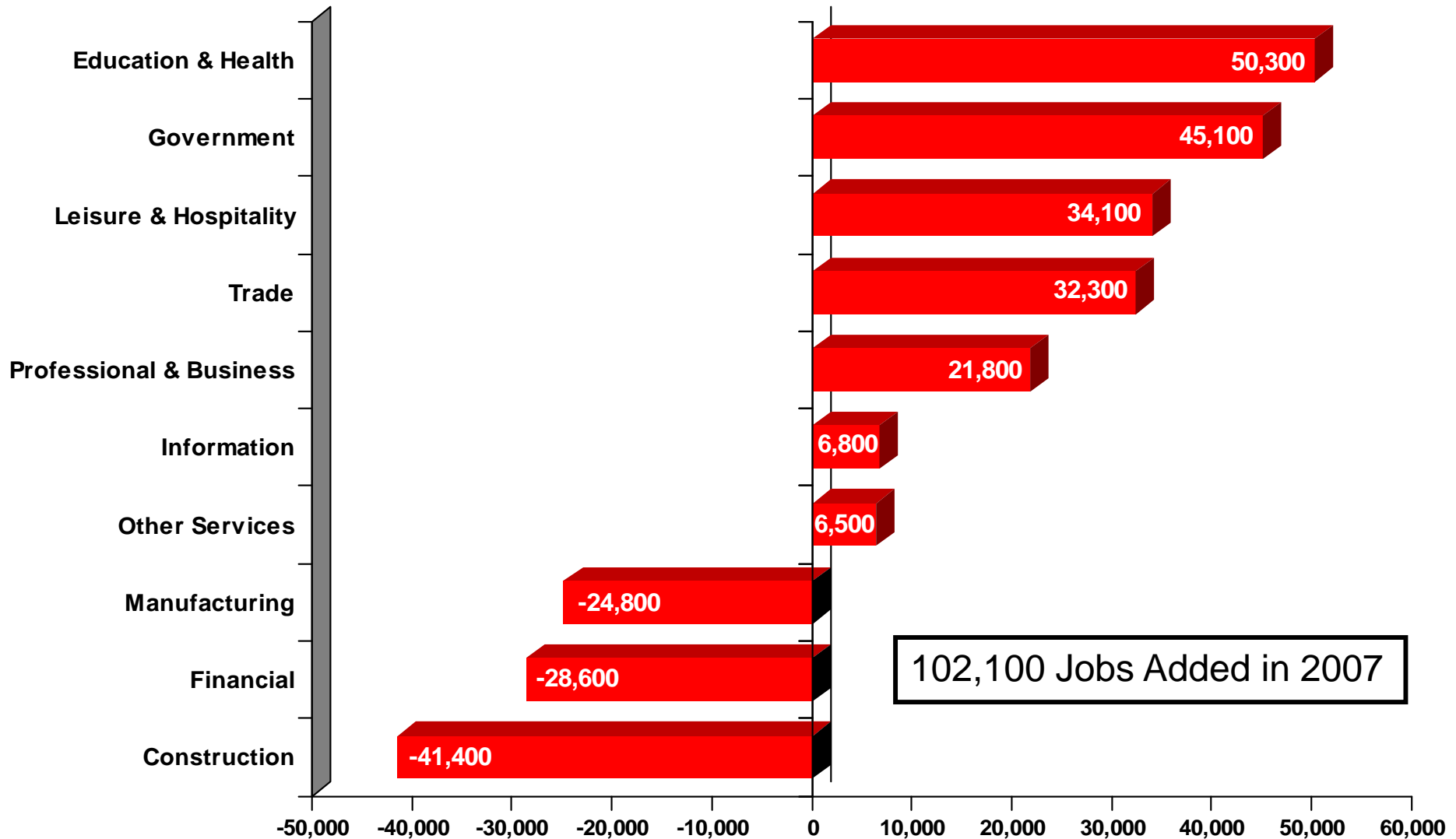


Source: U.S. Census Bureau

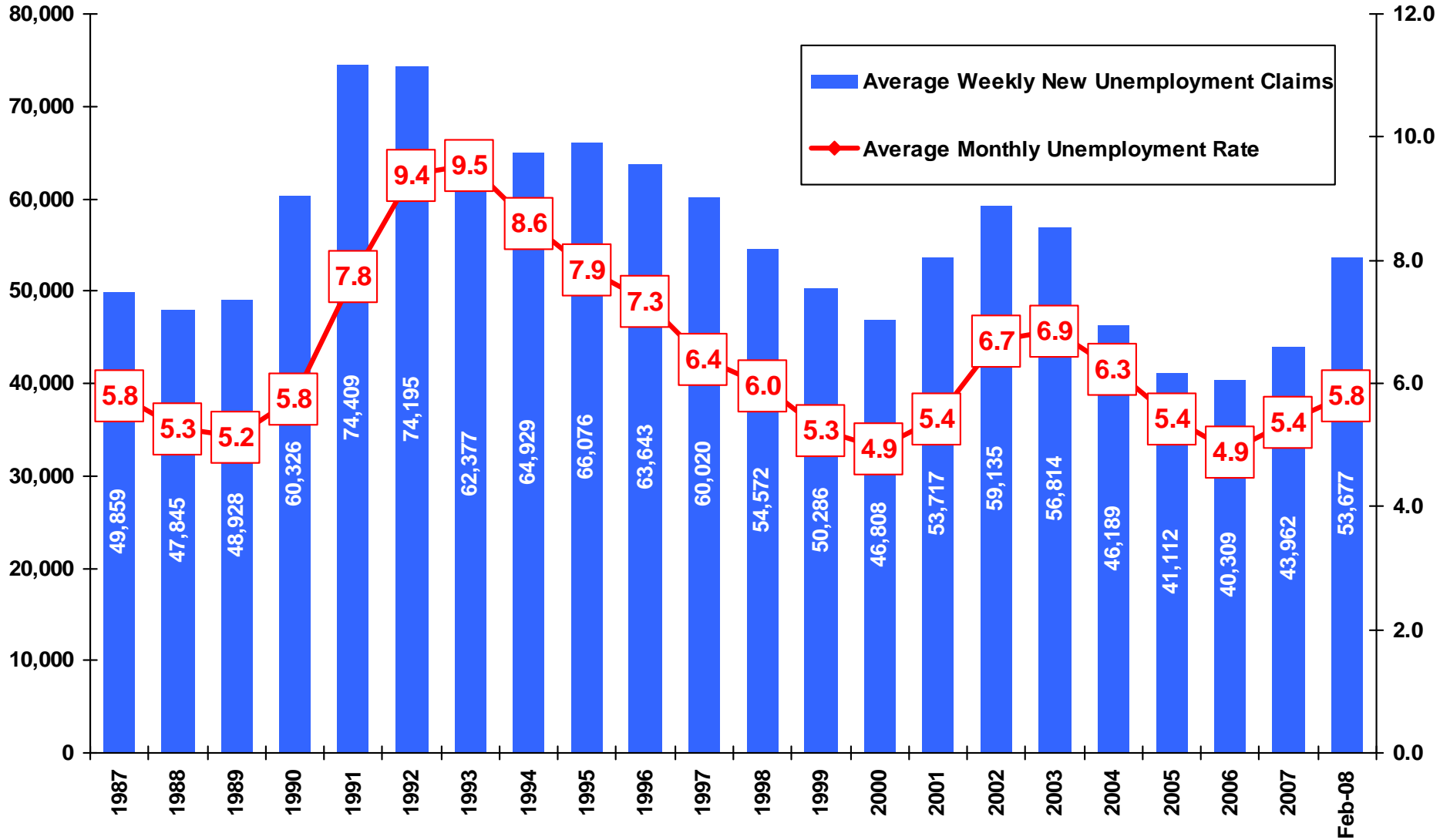
The Spread Between the 30 Year Fixed-Rate Mortgage and the 10 Year T-Note Has Come Down in Recent Weeks



California Job Growth by Industry in 2007

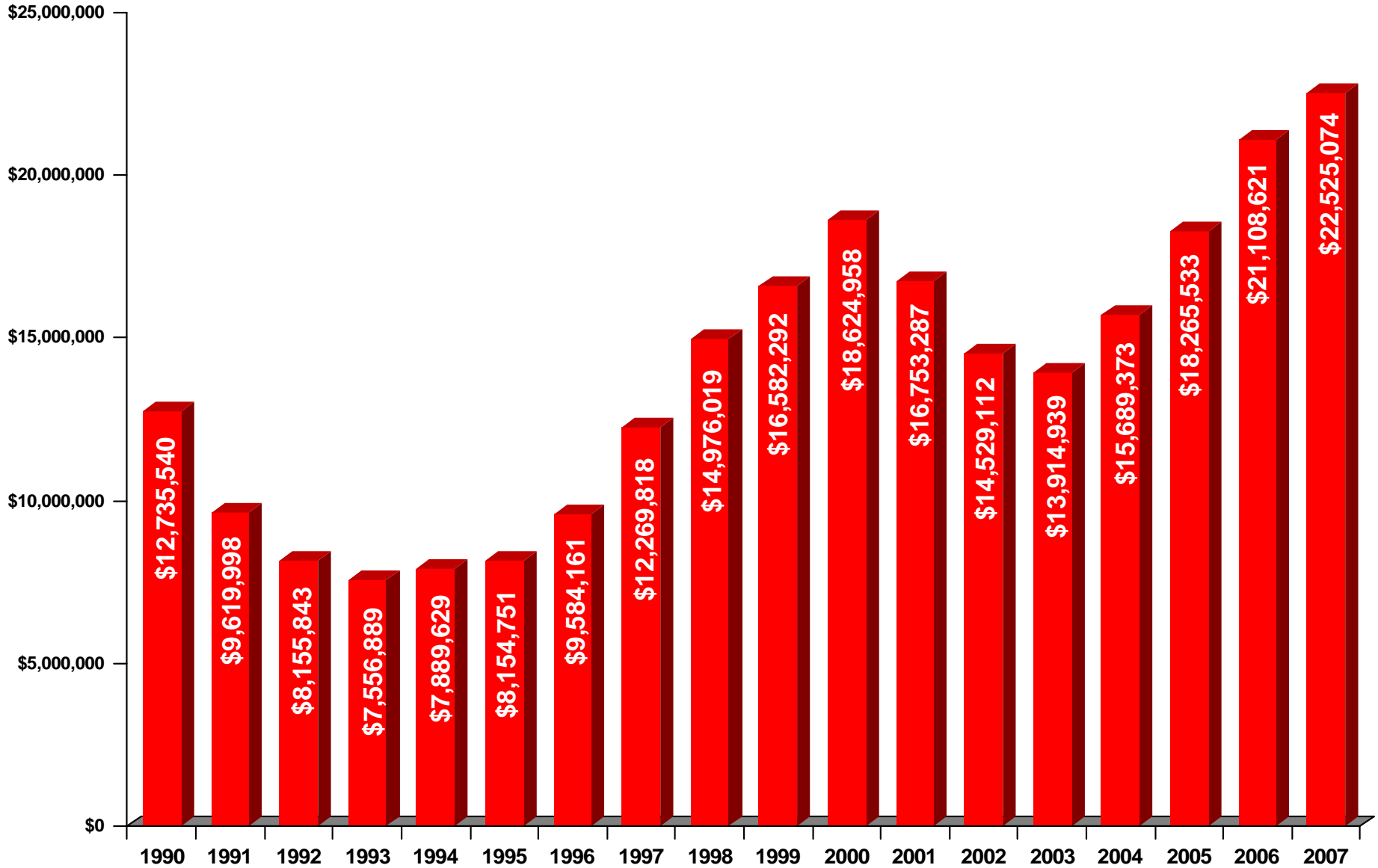


California Unemployment Claims and Unemployment Rate 1987 – February 2008



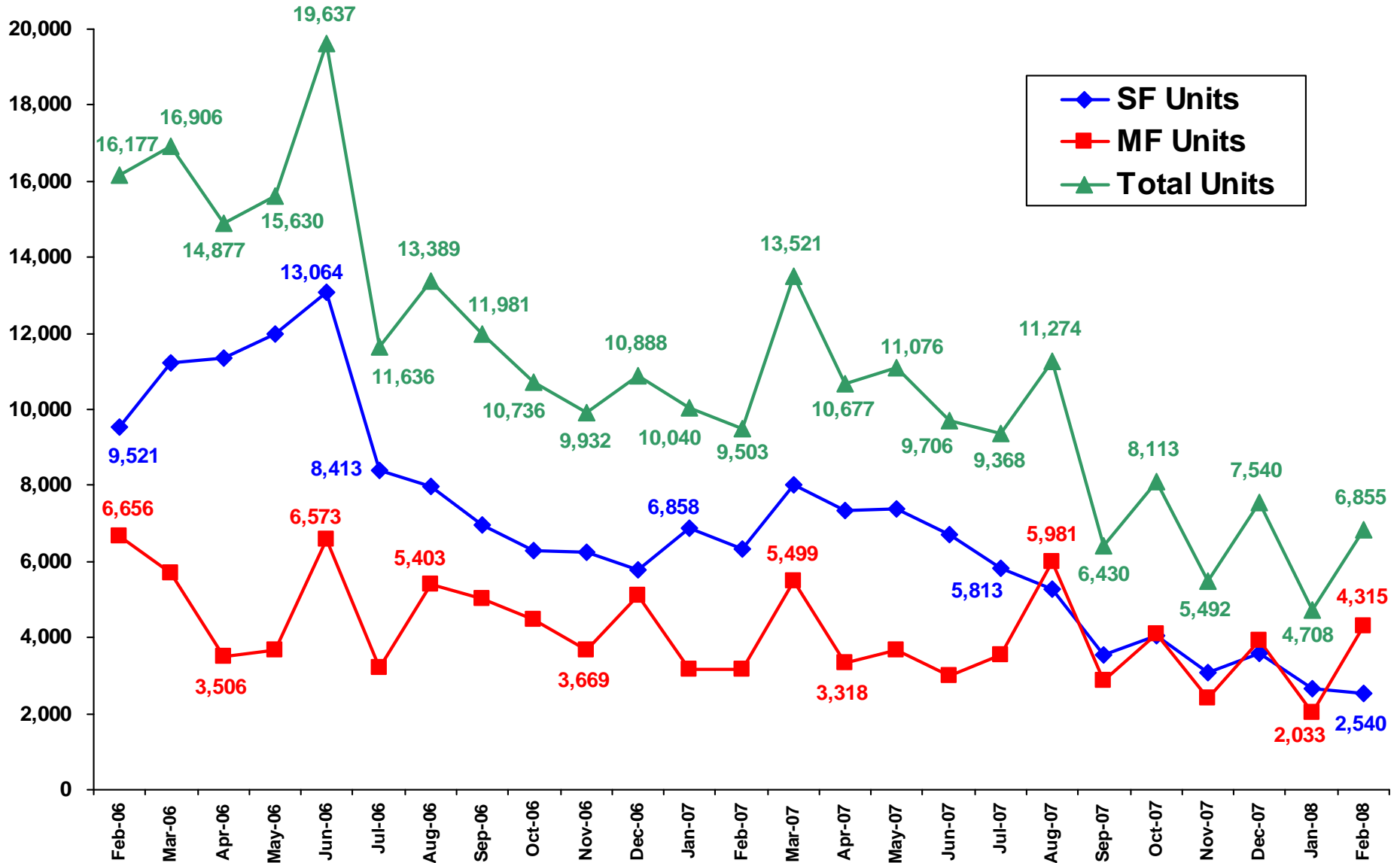
California Non-Residential Permit Valuations (in \$1,000's)

1990 - 2007



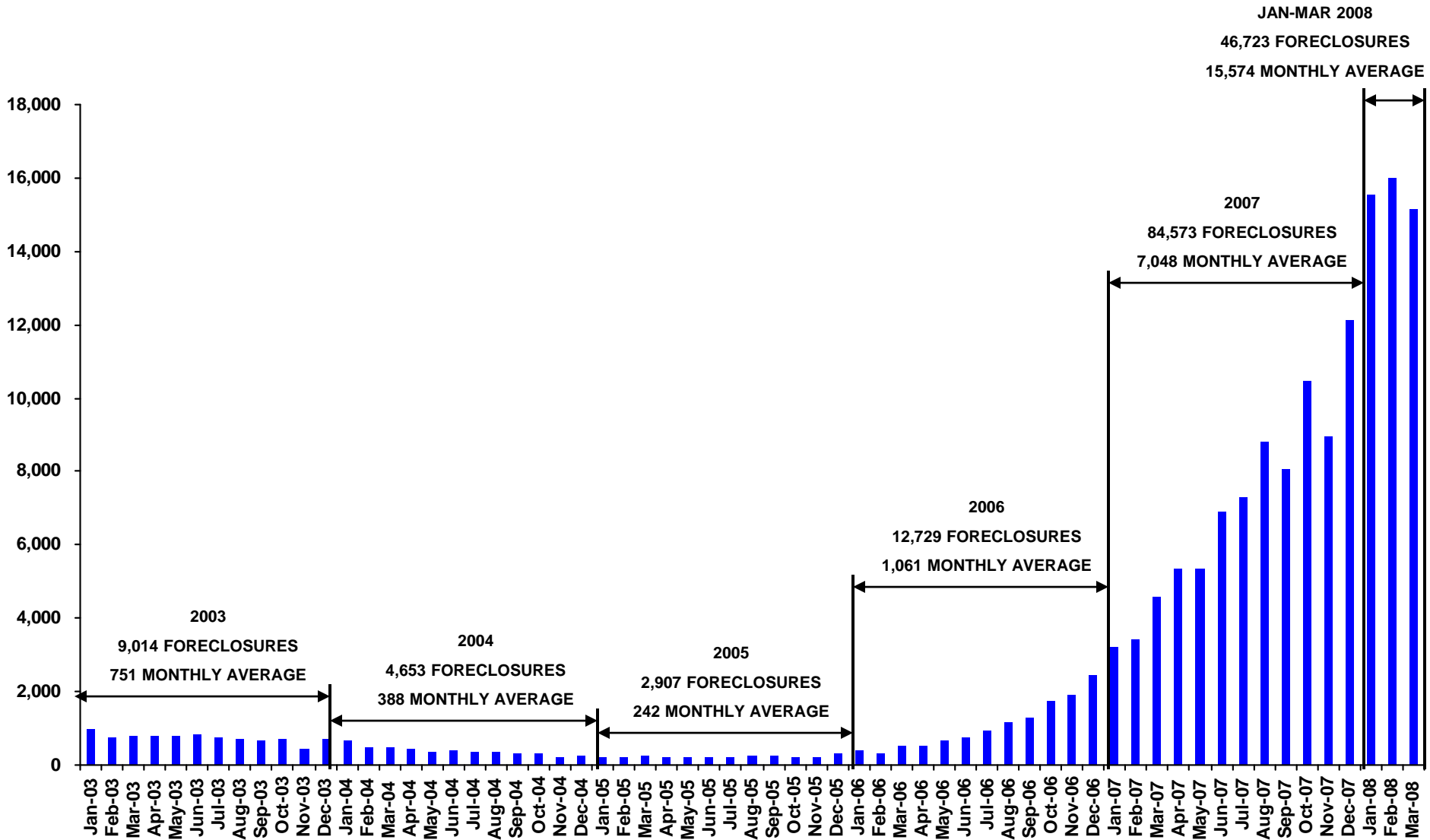
California Monthly Building Permits

February 2006 – February 2008



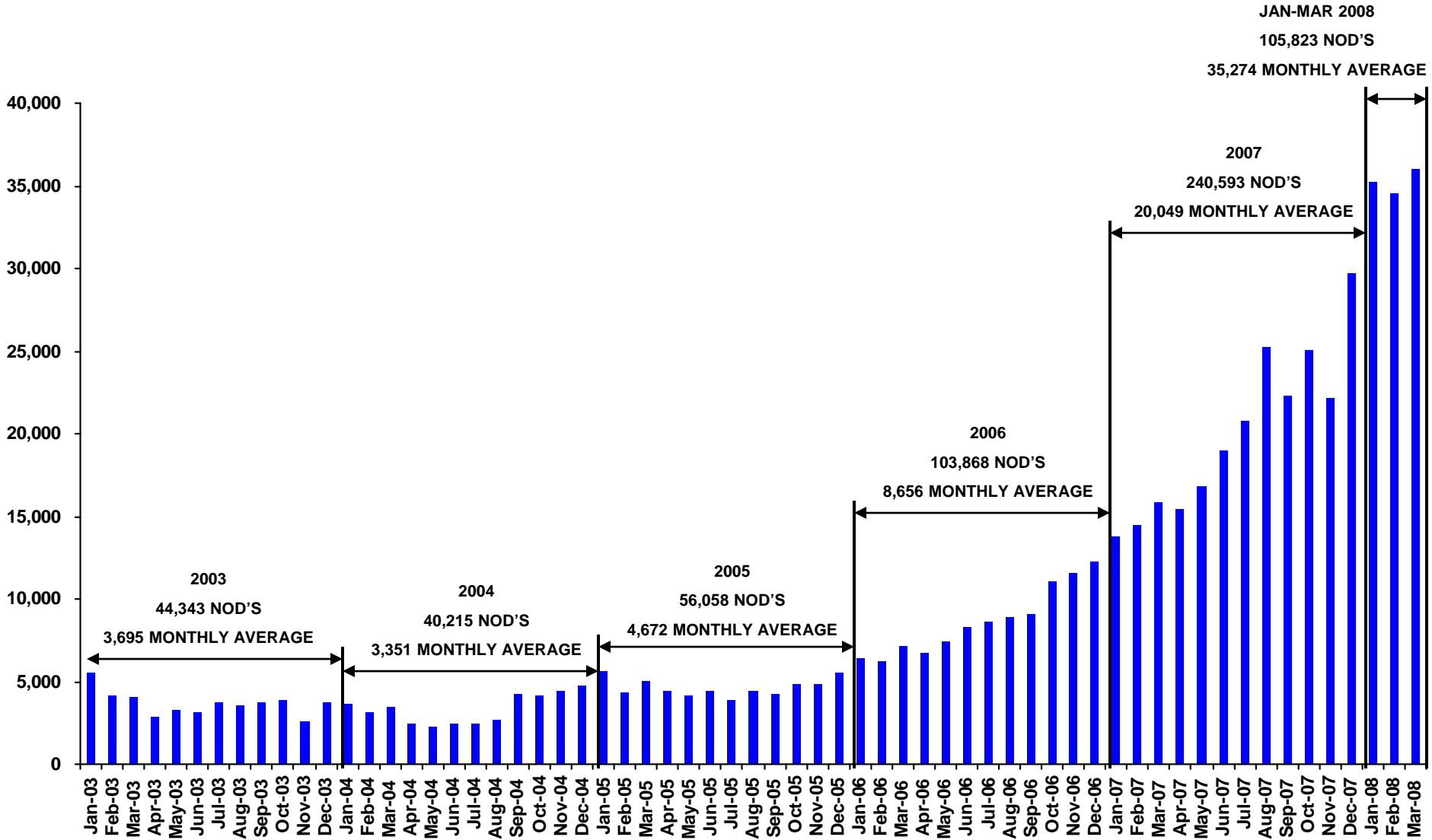
California Monthly Foreclosures

January 2003 – March 2008

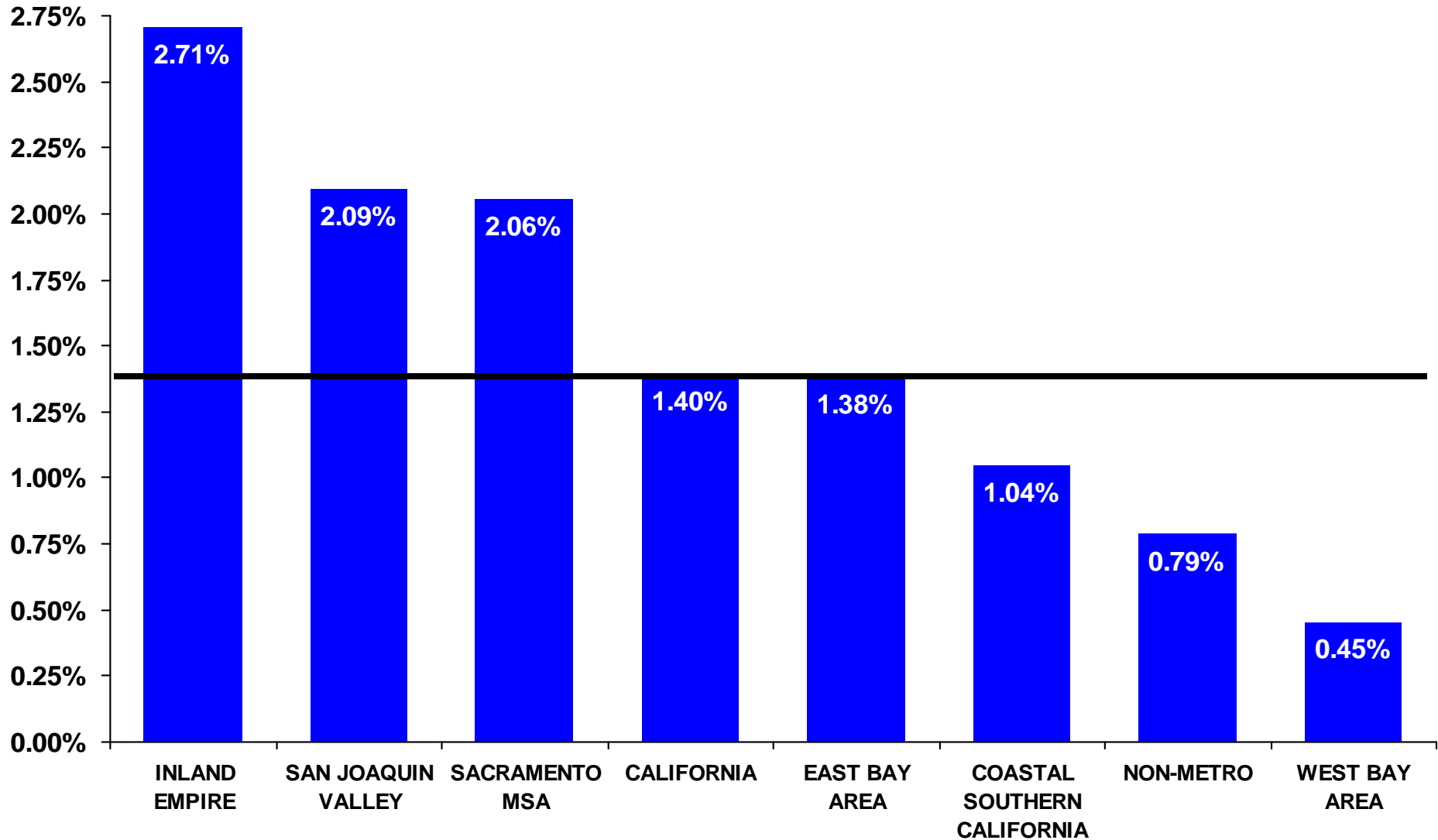


California Monthly Notice of Defaults

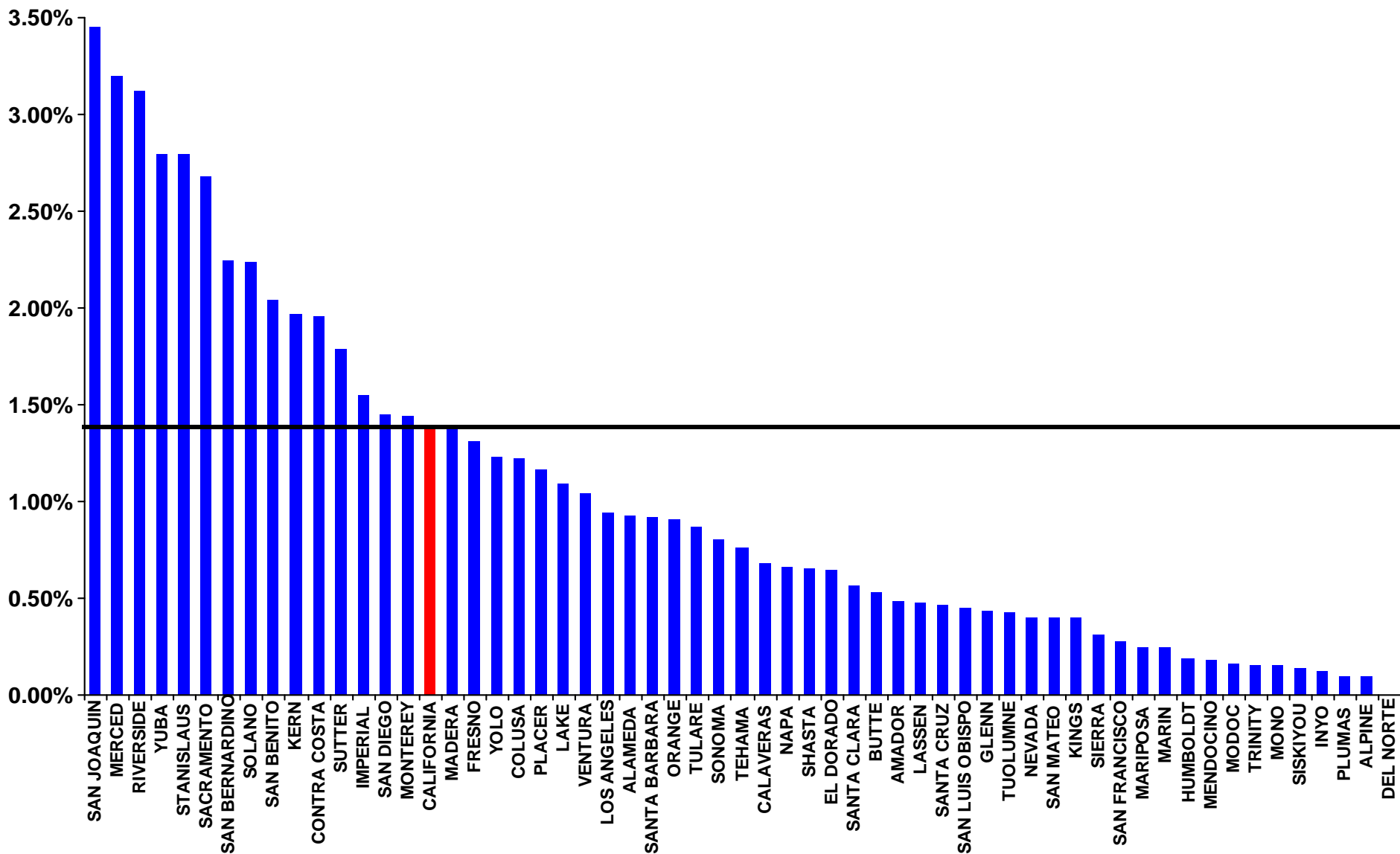
January 2003 – March 2008



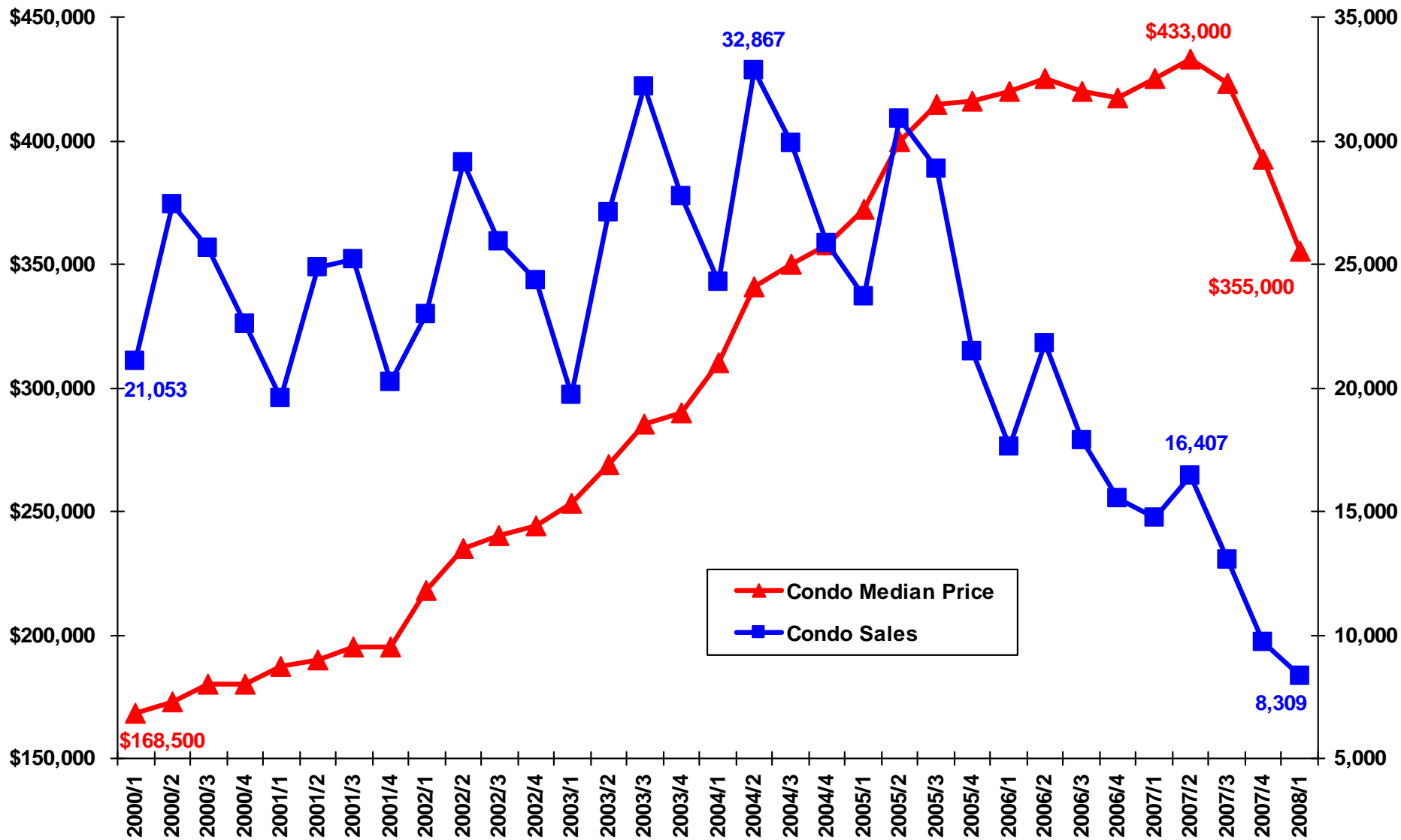
California Foreclosures in the Last 12 Months (April 2007 – March 2008) as a Percent of Single-Family Housing Stock in 2007



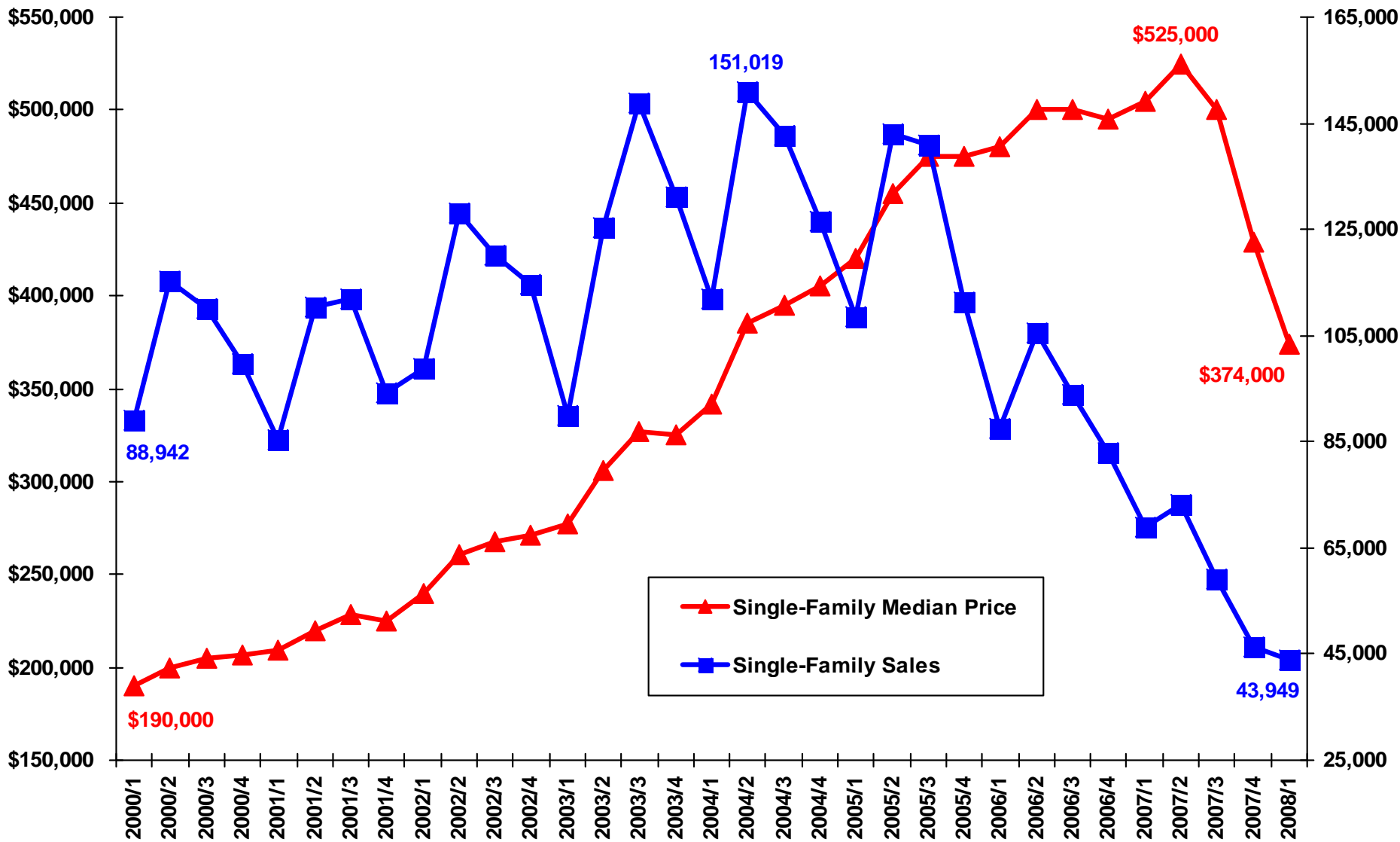
Only 15 of California's 58 Counties Had a Foreclosure Rate Higher than the State's in the Last 12 Months (April 2007 – March 2008)



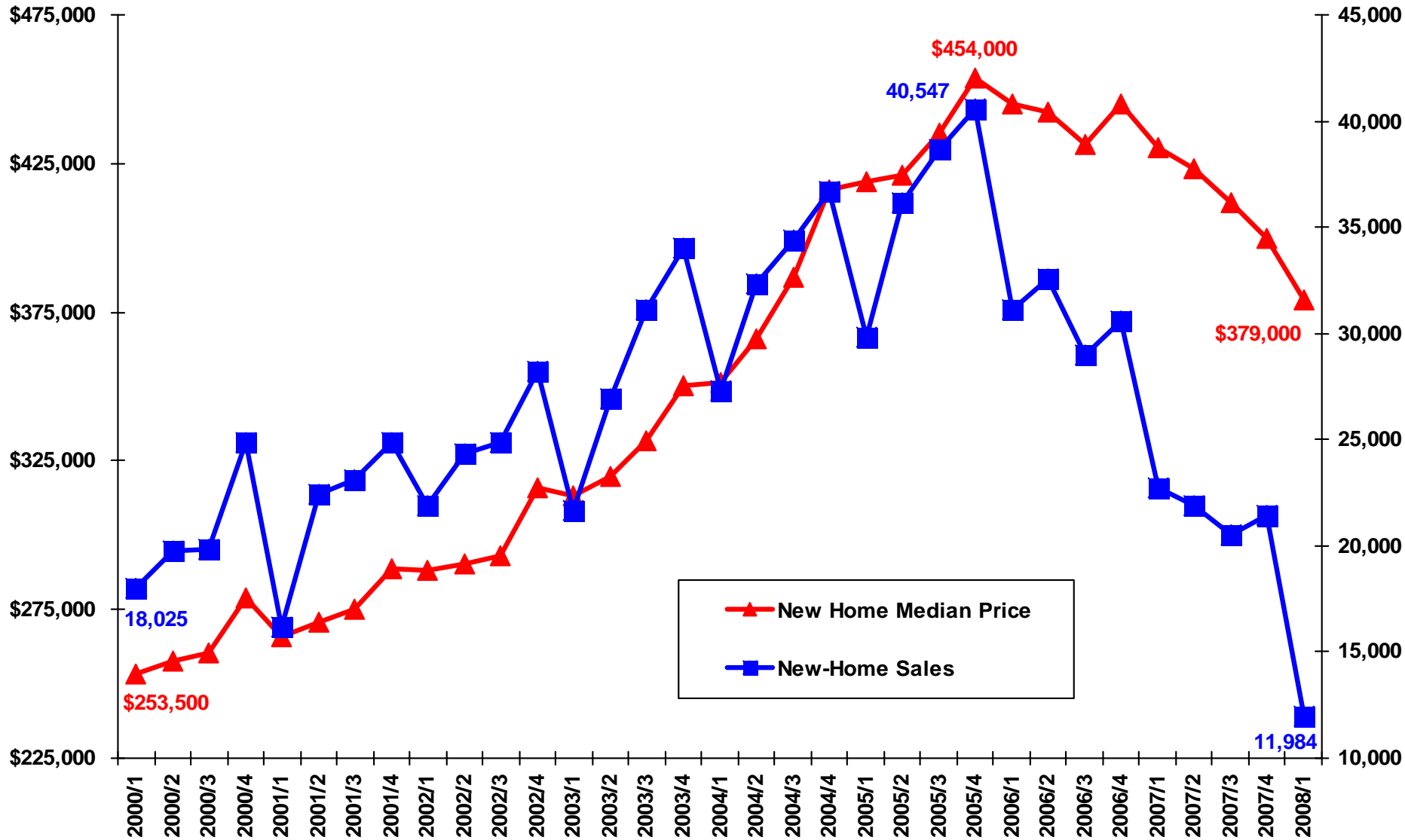
California Quarterly Existing Condominium Sales and Pricing Trends 2000/1 – 2008/1



California Quarterly Existing Single-Family Sales and Pricing Trends 2000/1 – 2008/1



California Quarterly New Home Sales and Pricing Trends 2000/1 – 2008/1



Southern California Under-Construction Offered & Unsold New Home Inventory is on the Decline

