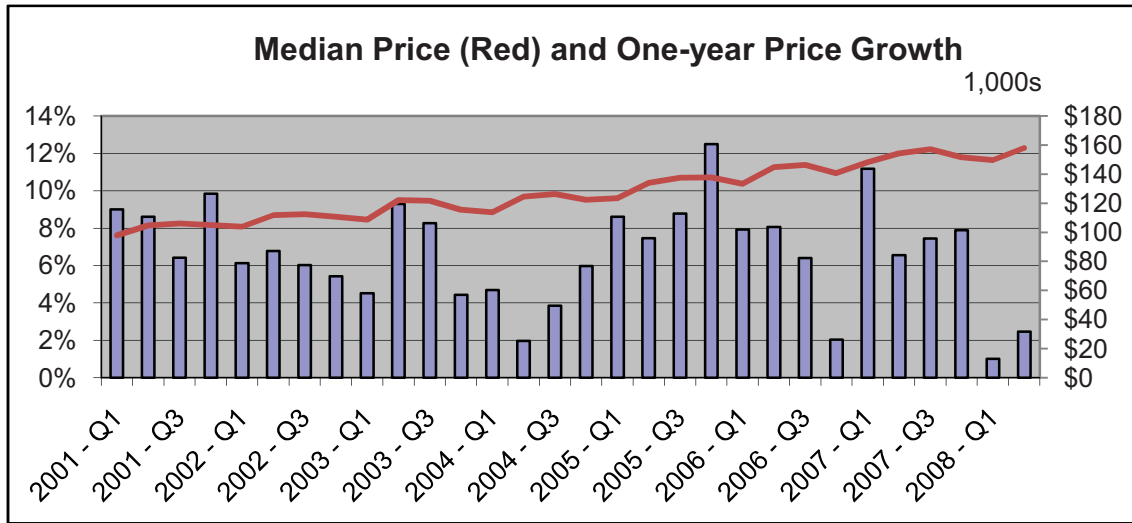
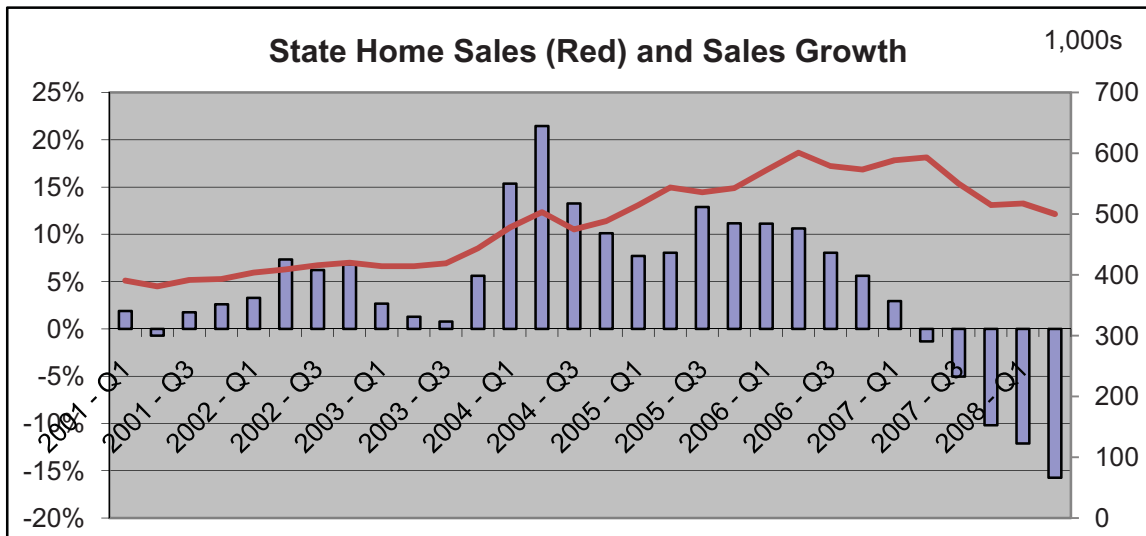




San Antonio Area Metro Market Report



	San Antonio	U.S.	Local Trend
Price Activity			
1-year Appreciation (2008 Q2)	2.5%	-7.1%	Good for this metro area
3-year Appreciation (2008 Q2)	18.0%	-5.6%	Good for this market
3-year Housing Equity Gain	\$24,100	-\$12,333	
7-year Housing Equity Gain	\$53,300	\$56,500	
9-year Housing Equity Gain	\$64,900	\$67,900	



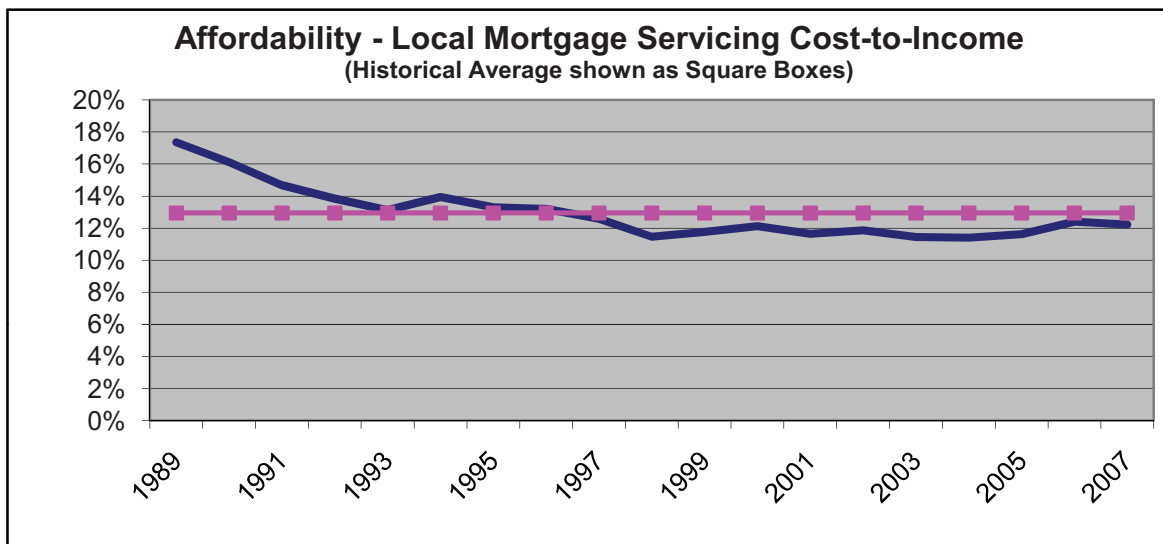
	San Antonio	U.S.	
Home Sales and Construction Growth			
*State Existing Home Sales(2008 Q2)	-15.7%	-16.3%	Weak compared to local average
** Single-Family Housing Permits (2008 July)	-39.3%	-38.2%	Important to reduce supply

*versus same quarter, year-ago

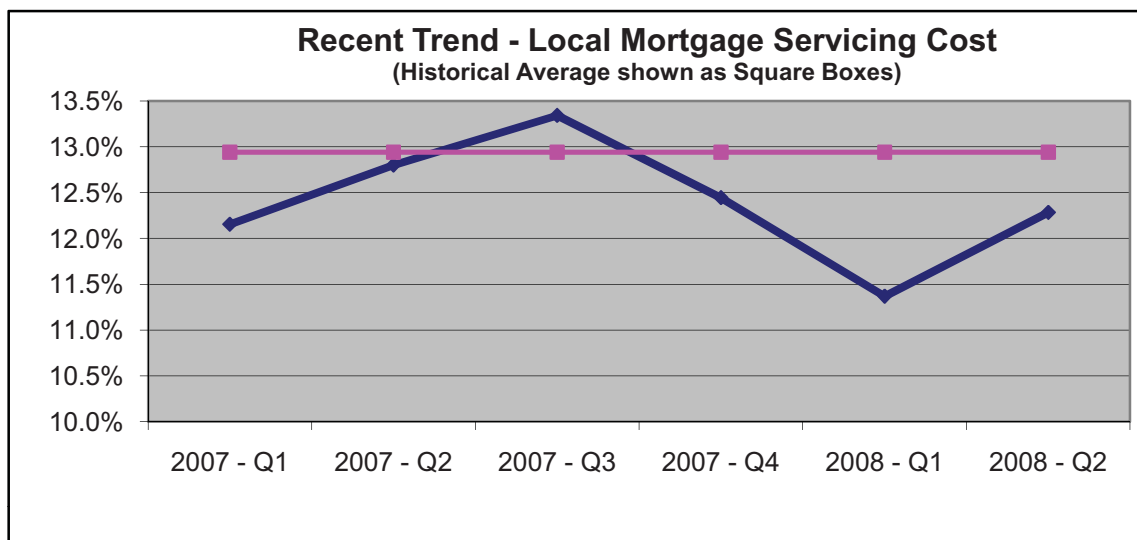
**Rolling 12-month sum vs. a year ago

Local Economic Outlook	San Antonio	U.S.	
1-year Job Additions (2008 July)	17,700	Not Comparable	Soft for this market
3-year Job Additions (2008 July)	67,300	Not Comparable	Good compared to local average
State Economic Activity Index	Texas	U.S.	
12-month change (2008 July)	3.6%	1.0%	Good compared with nation
36-month change (2008 July)	14.3%	7.4%	Good relative to the nation

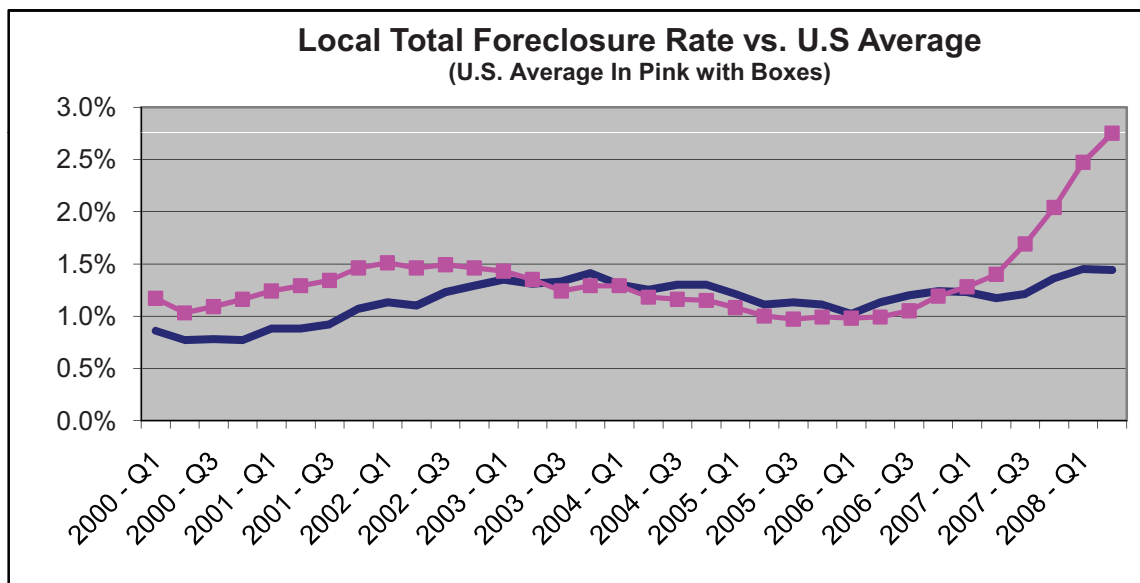
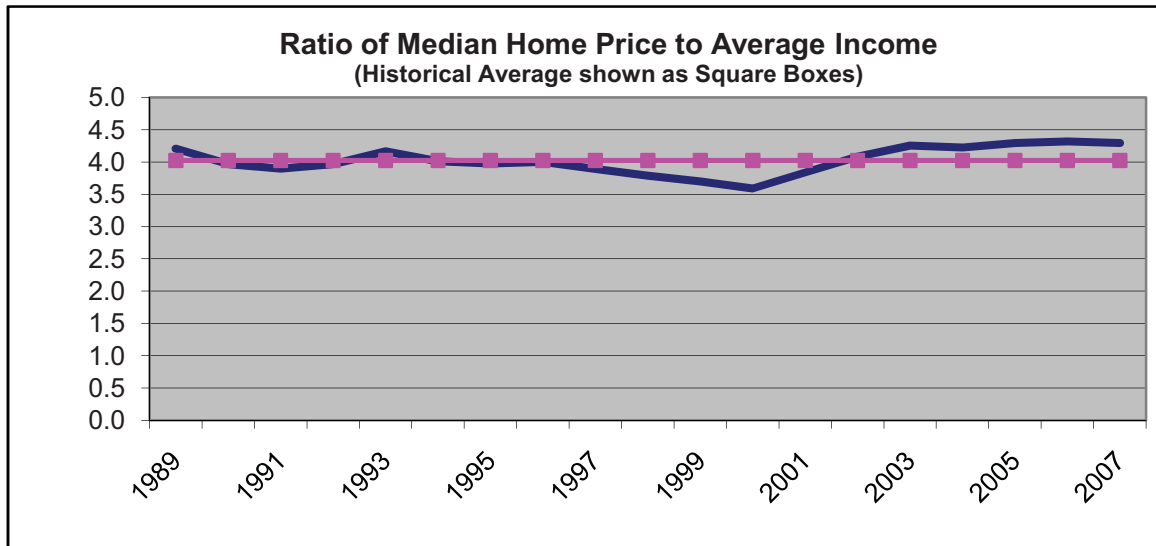
Local Demand Fundamentals	San Antonio	U.S.	
1-year Job Growth Rate	2.1%	-0.1%	Strong compared to other markets
3-year Job Growth Rate	8.6%	2.7%	Stronger than most metro areas
1-year Job Gain to New Single-Family Homes	1.5	-0.1	Good compared to the nation
3-year Job Gain to New Single-Family Homes	1.3	0.7	Good compared to the national average



Monthly Mortgage Payment to Income	San Antonio	U.S.	
Ratio for all of 2007	12.2%	22.4%	Good local affordability
Ratio for Q2 2008	12.3%	20.8%	Good, but softening locally
Historical Local Average	12.9%	22.8%	Good relative to the nation



Median Home Price to Income	San Antonio	U.S.	
Ratio for 2007	4.3	7.9	Weak Relative to Local History
Historical Local Average	4.0	7.2	Good Compared to Nation Average



Monthly Market	Texas	U.S.	
State Foreclosure Rate (2008 Q2)	1.4%	2.8%	Stable compared to other markets
State Foreclosure Rate (2007 Q2)	1.2%	1.4%	Strong Compared to the Nation
State: Total Foreclosure Volume	44,704	Not Comparable	
State: Total Mortgages Serviced	3,104,456	Not Comparable	
State Prime Foreclosure Rate (2008 Q2)	0.7%	1.4%	Low for this area
State Subprime Foreclosure Rate (2008 Q2)	10.6%	19.4%	Worrisome relative to local history

30-year Fixed Mortgage Rate

