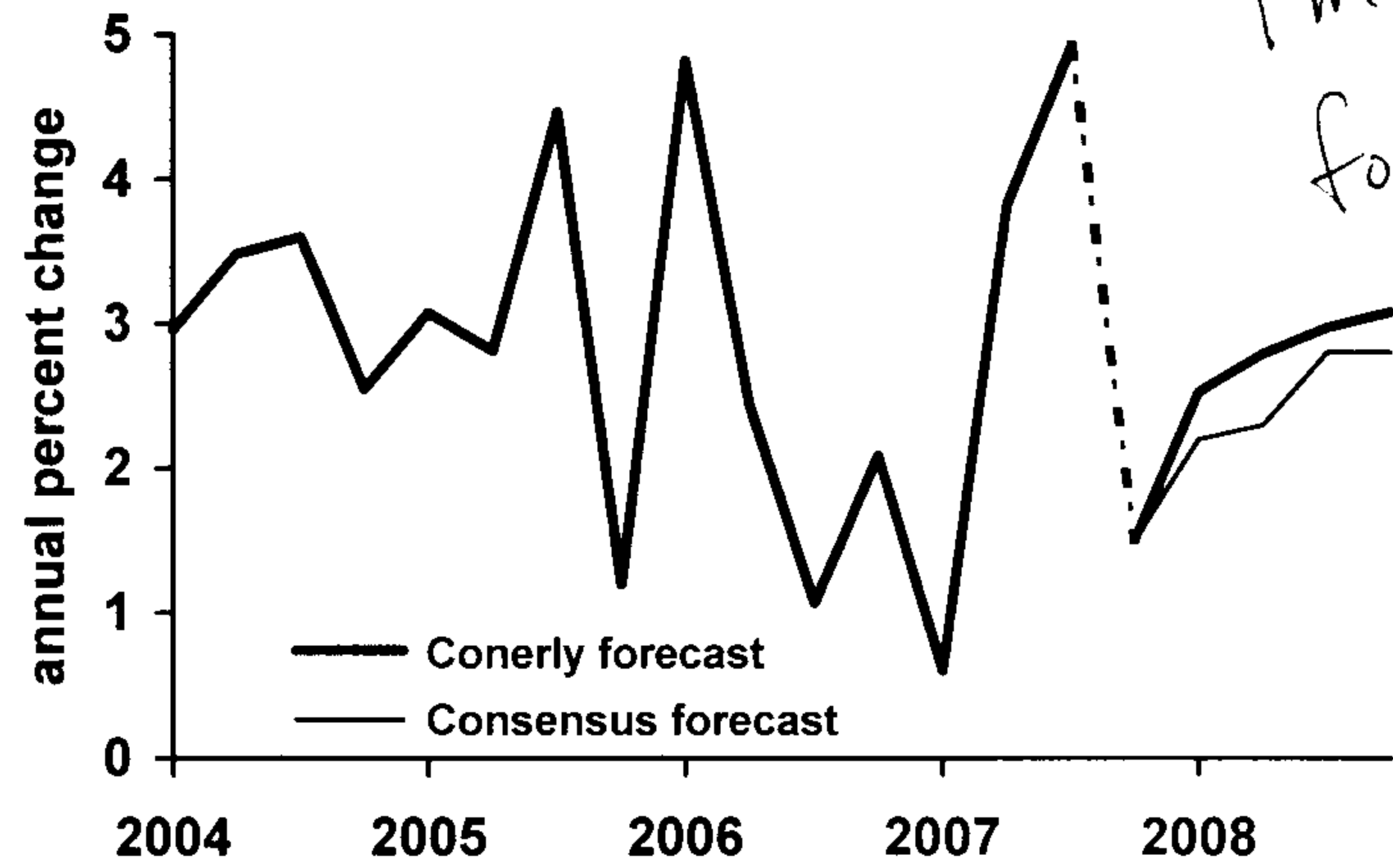
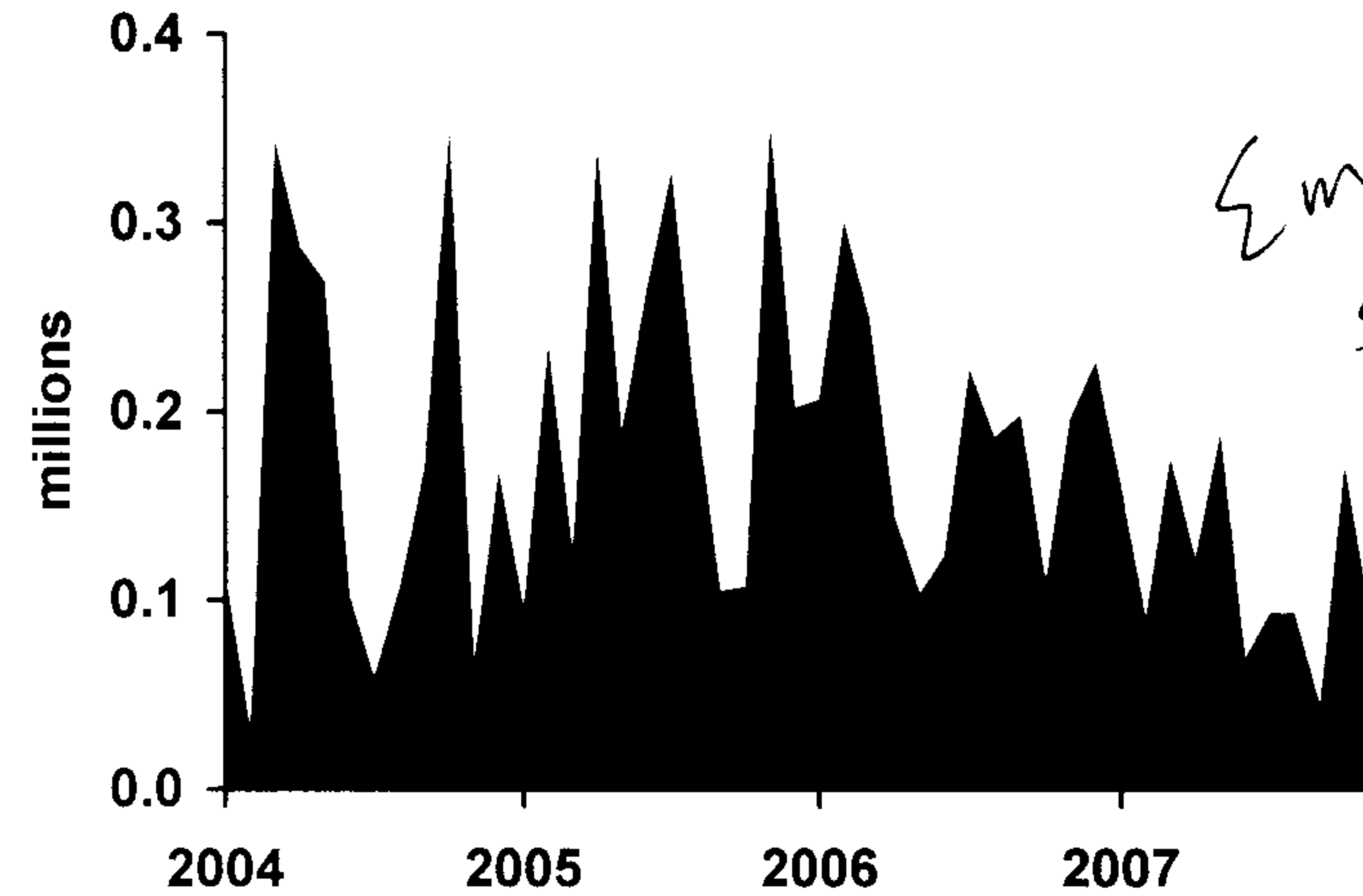


Real GDP Growth



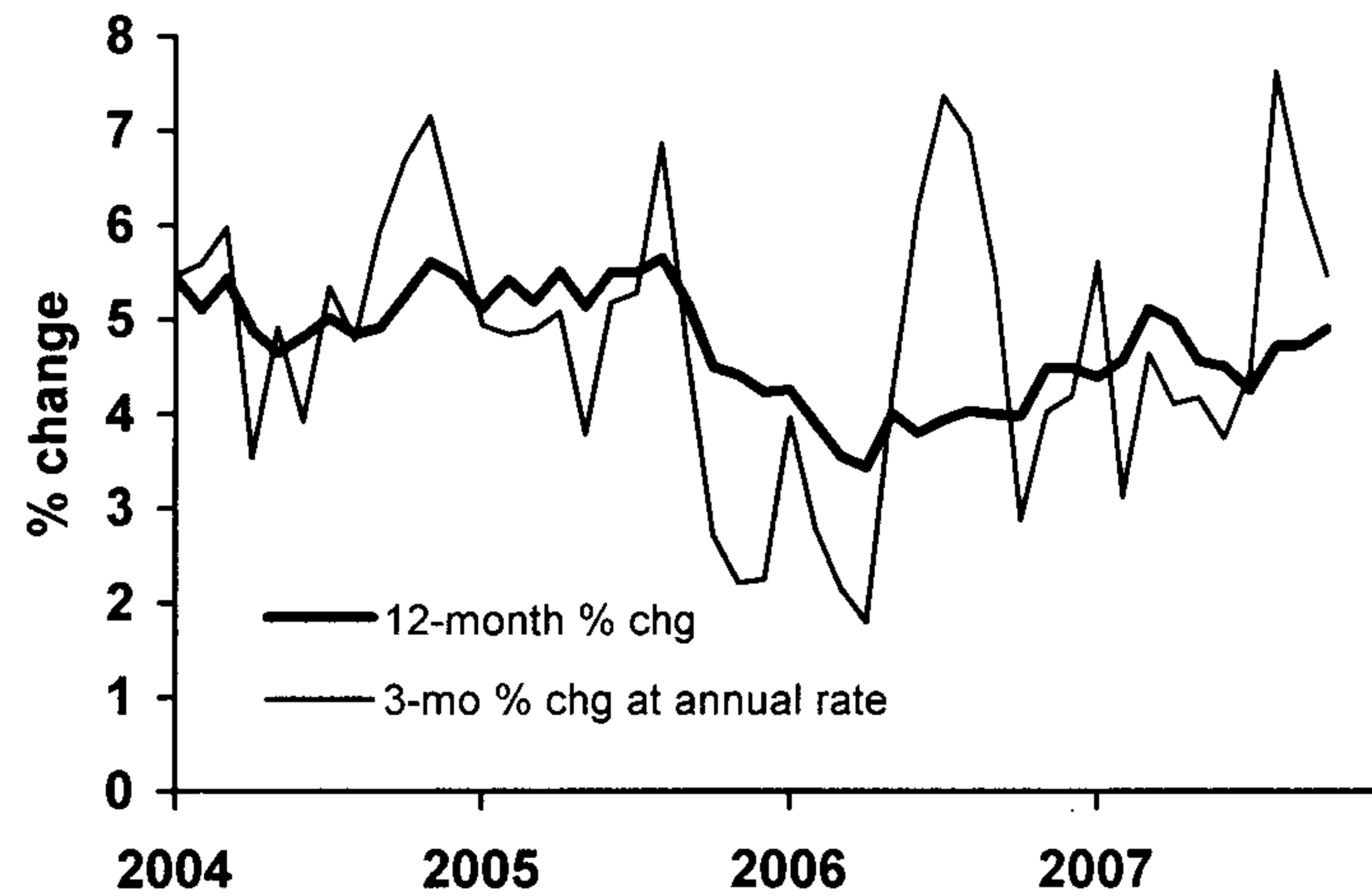
I'm not forecasting recession, but the risk is real.

Net New Jobs



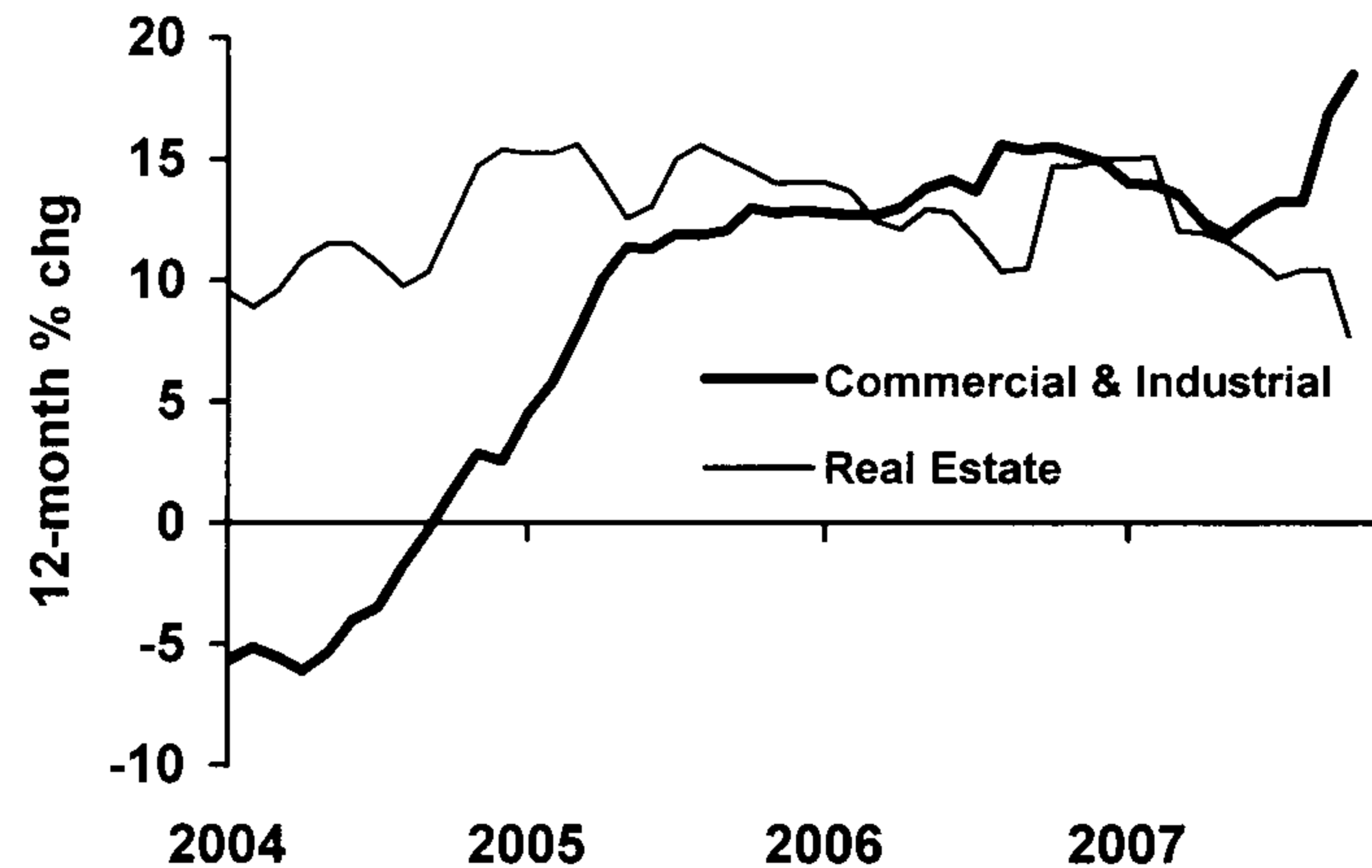
Employment still on the increase, but at a slow pace.

Consumer Credit
Growth of \$ Outstanding



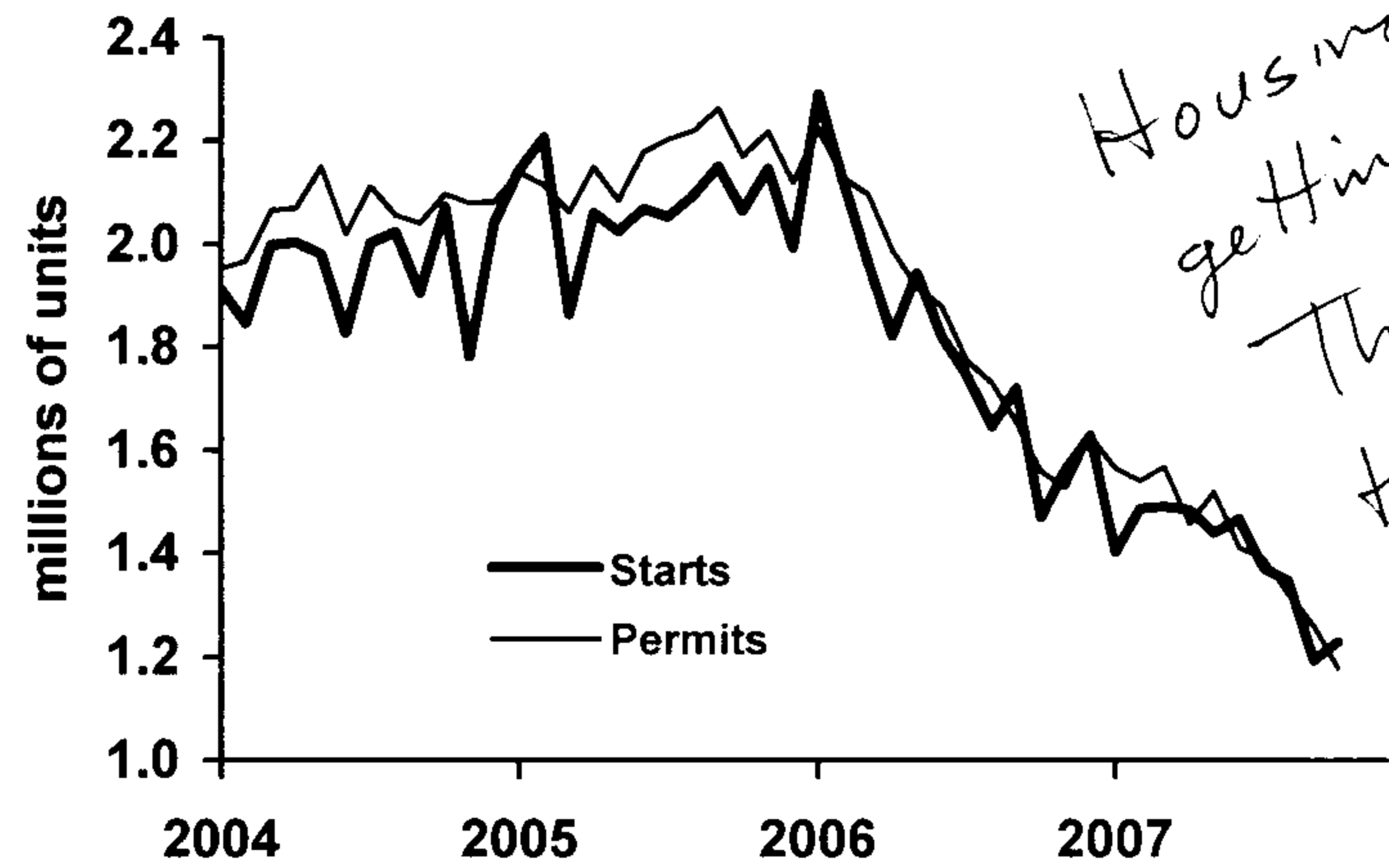
Consumers still have access to credit...

Bank Loan Growth



... as do businesses outside of real estate.

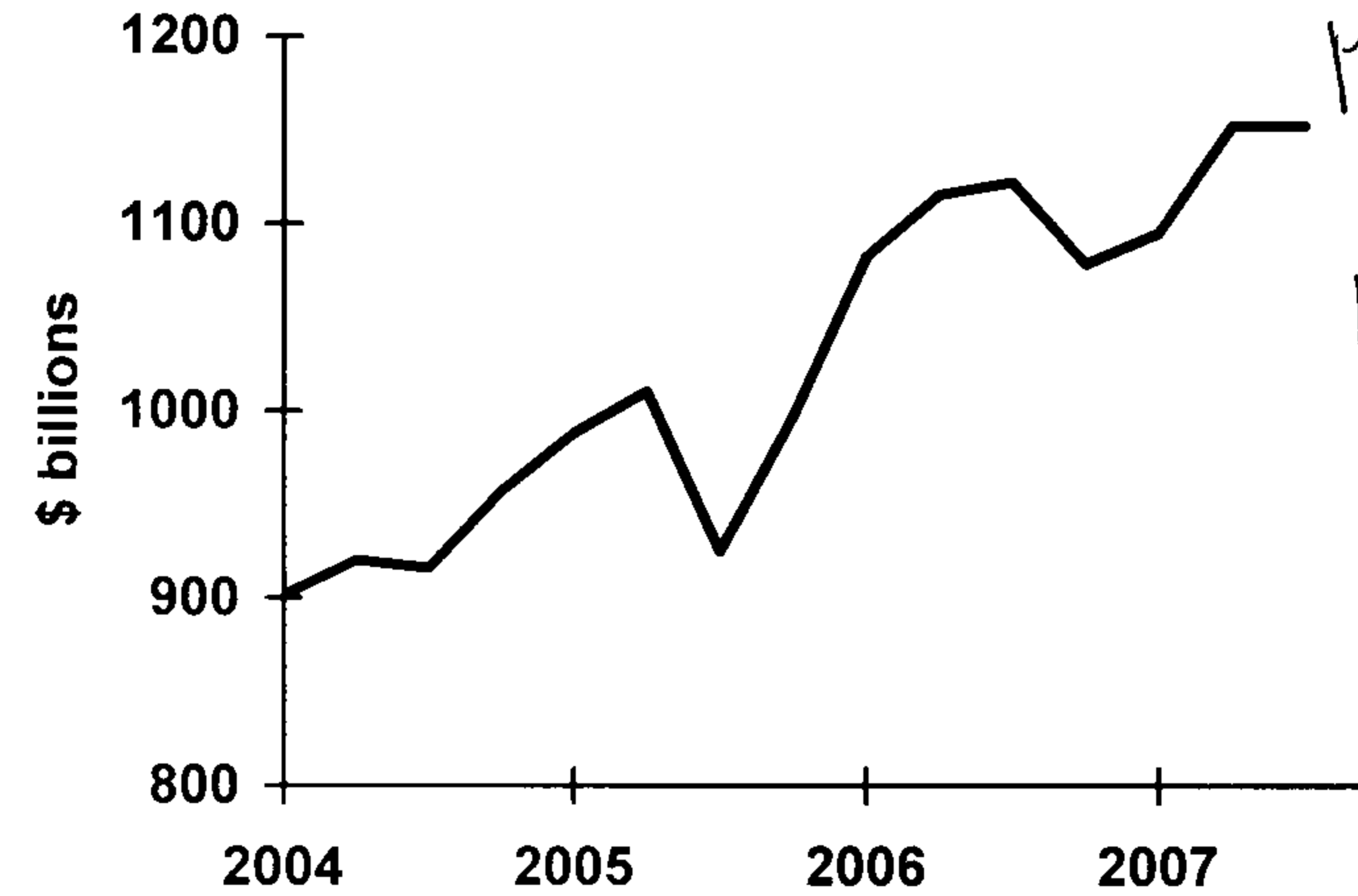
Housing Starts & Permits



Housing keeps getting weaker. That continues through 2008

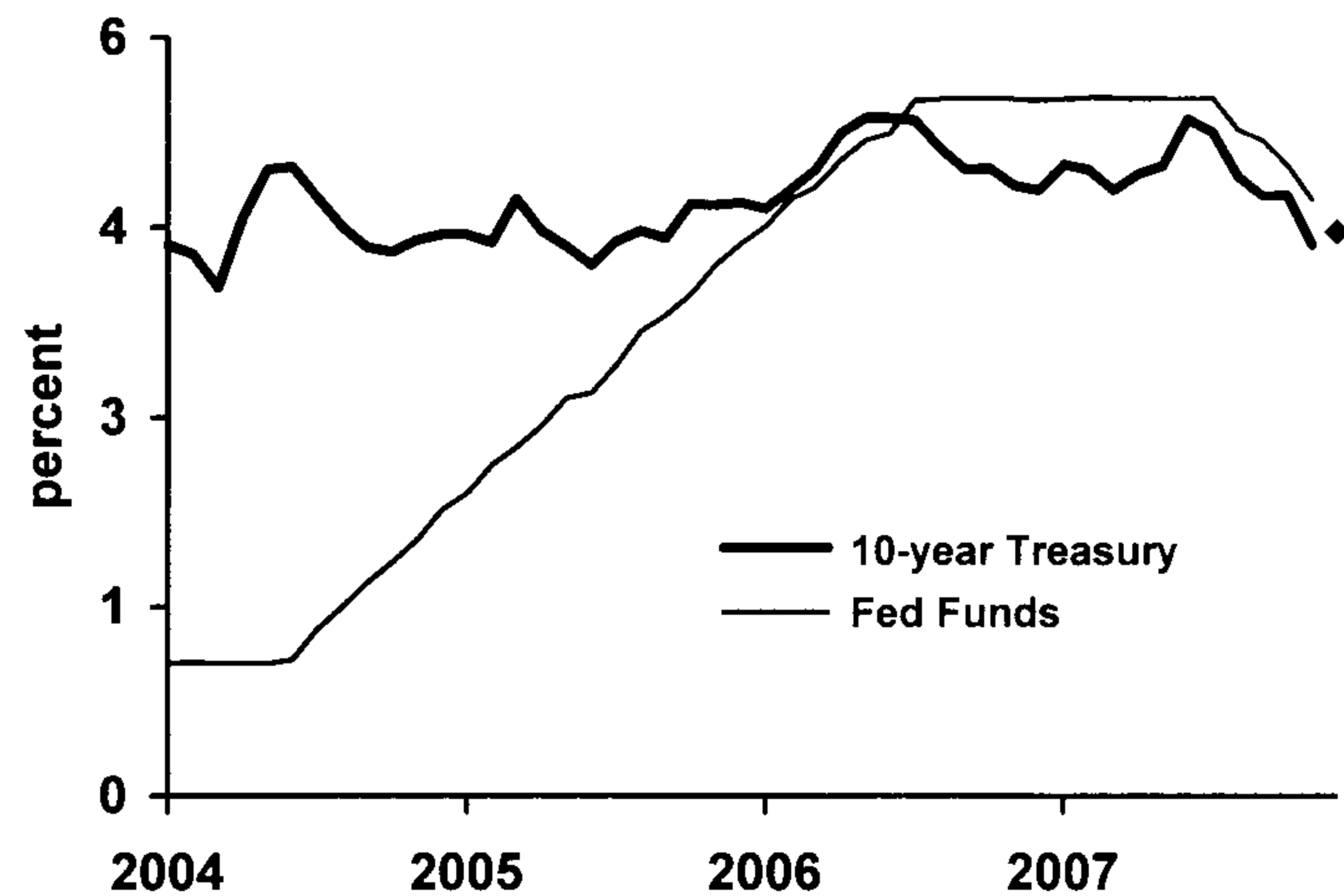
Corporate Profits After-Tax

based on tax data



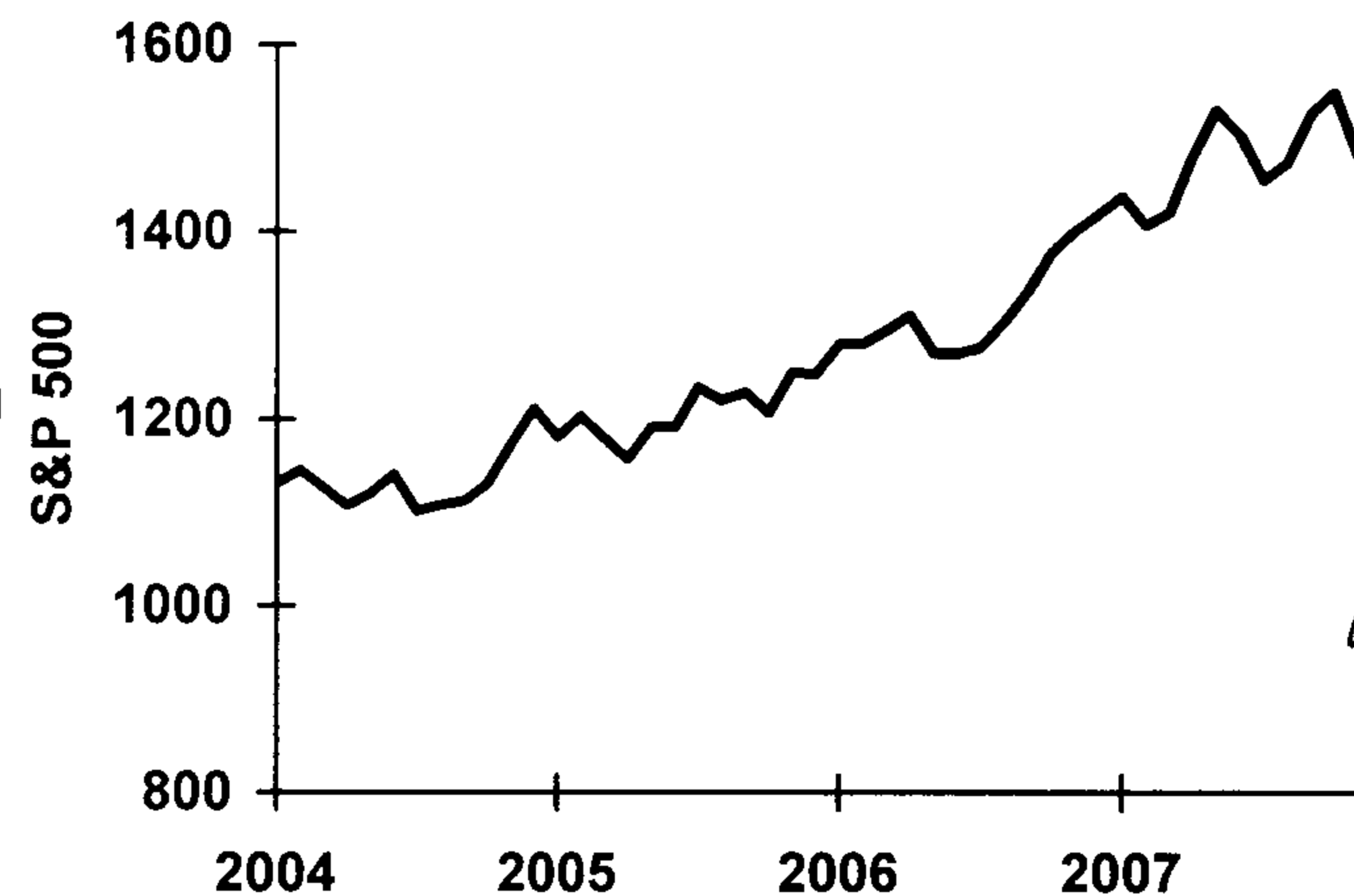
Profits leveled off last quarter, and will probably dip in Q4.

Interest Rates



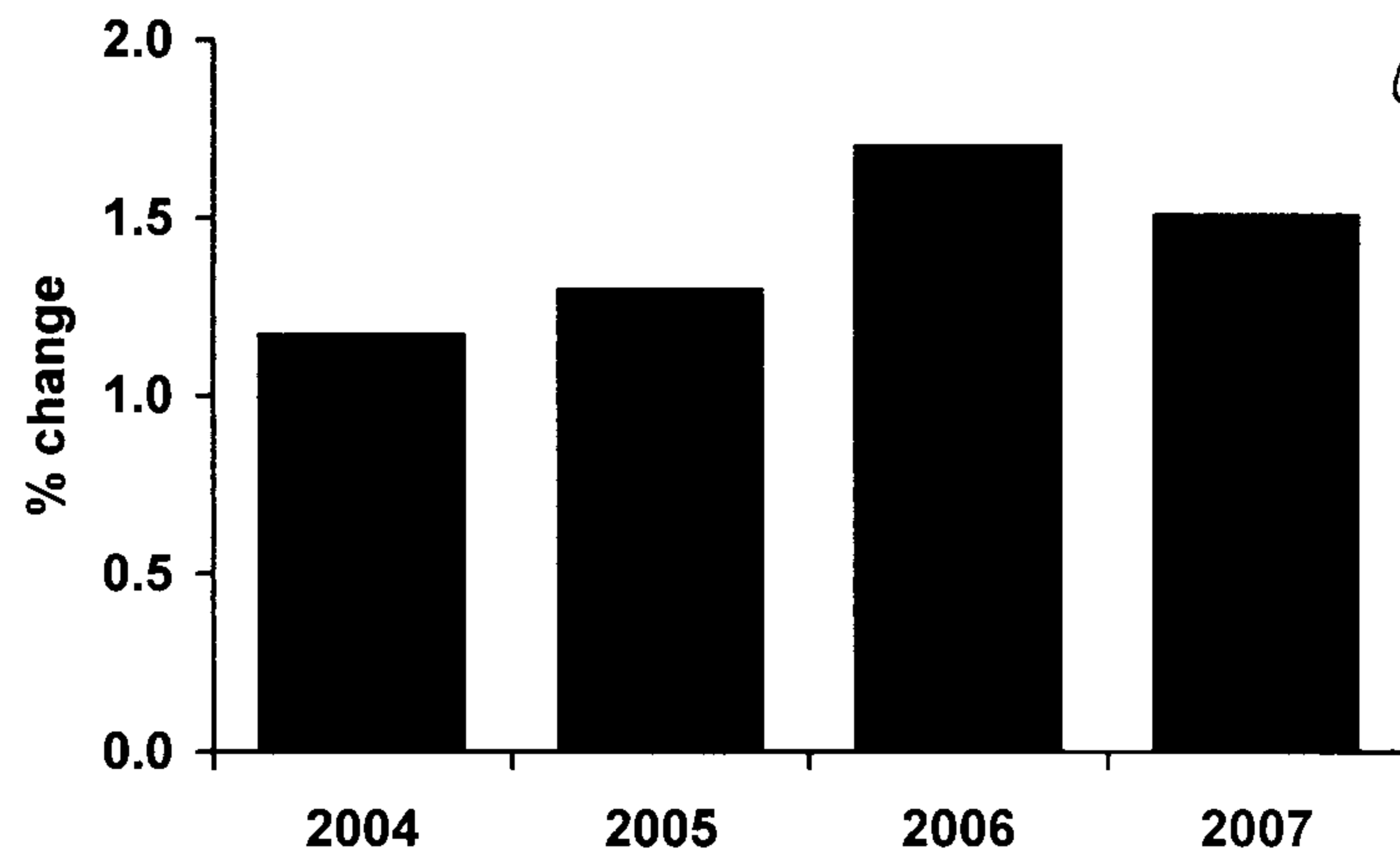
A little Fed rate cut. Not shown: a widening spread on risky bonds

Stock Market



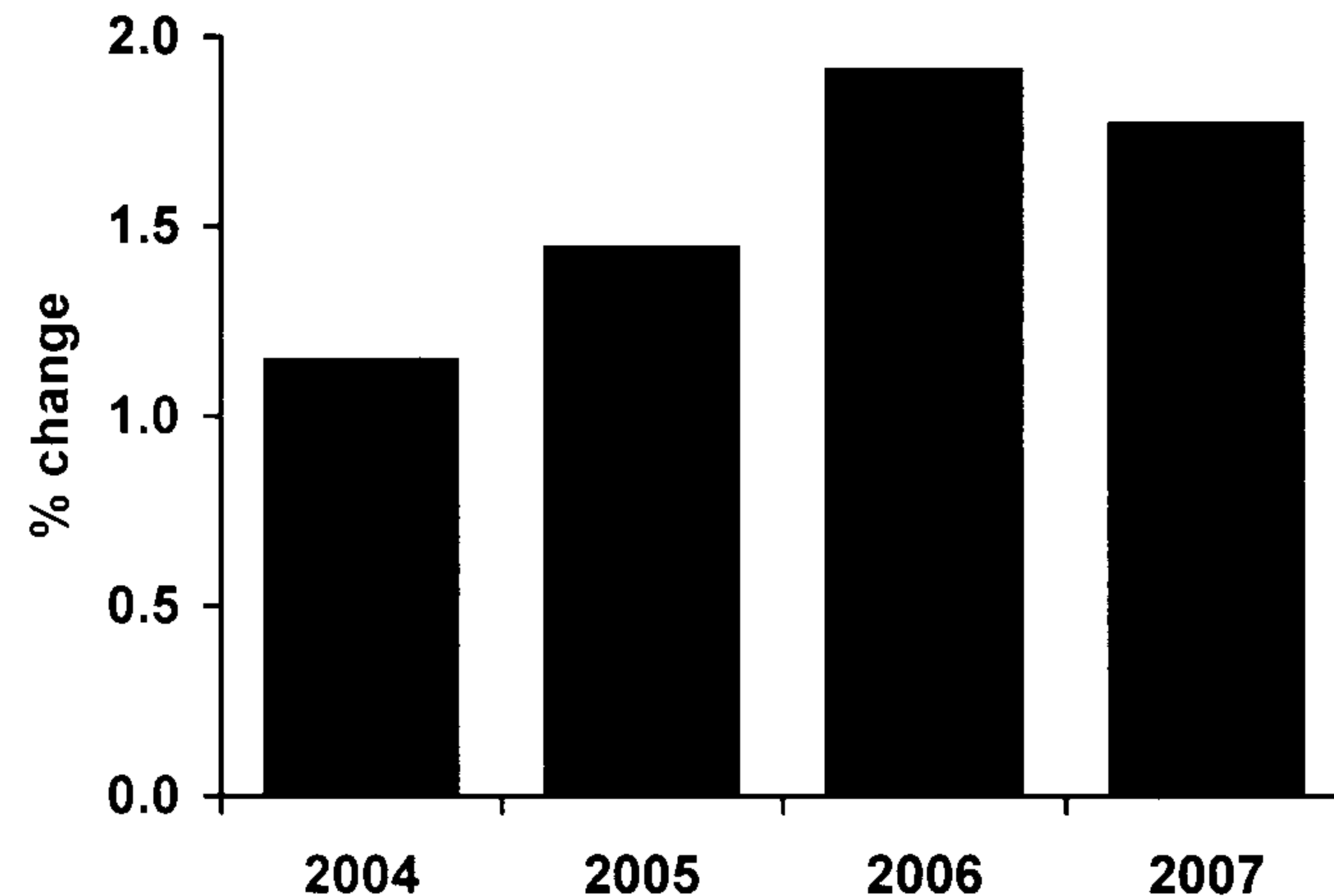
Holding up surprisingly well, given all the doom and gloom.

Oregon Population Growth



Still solid migration into the state.

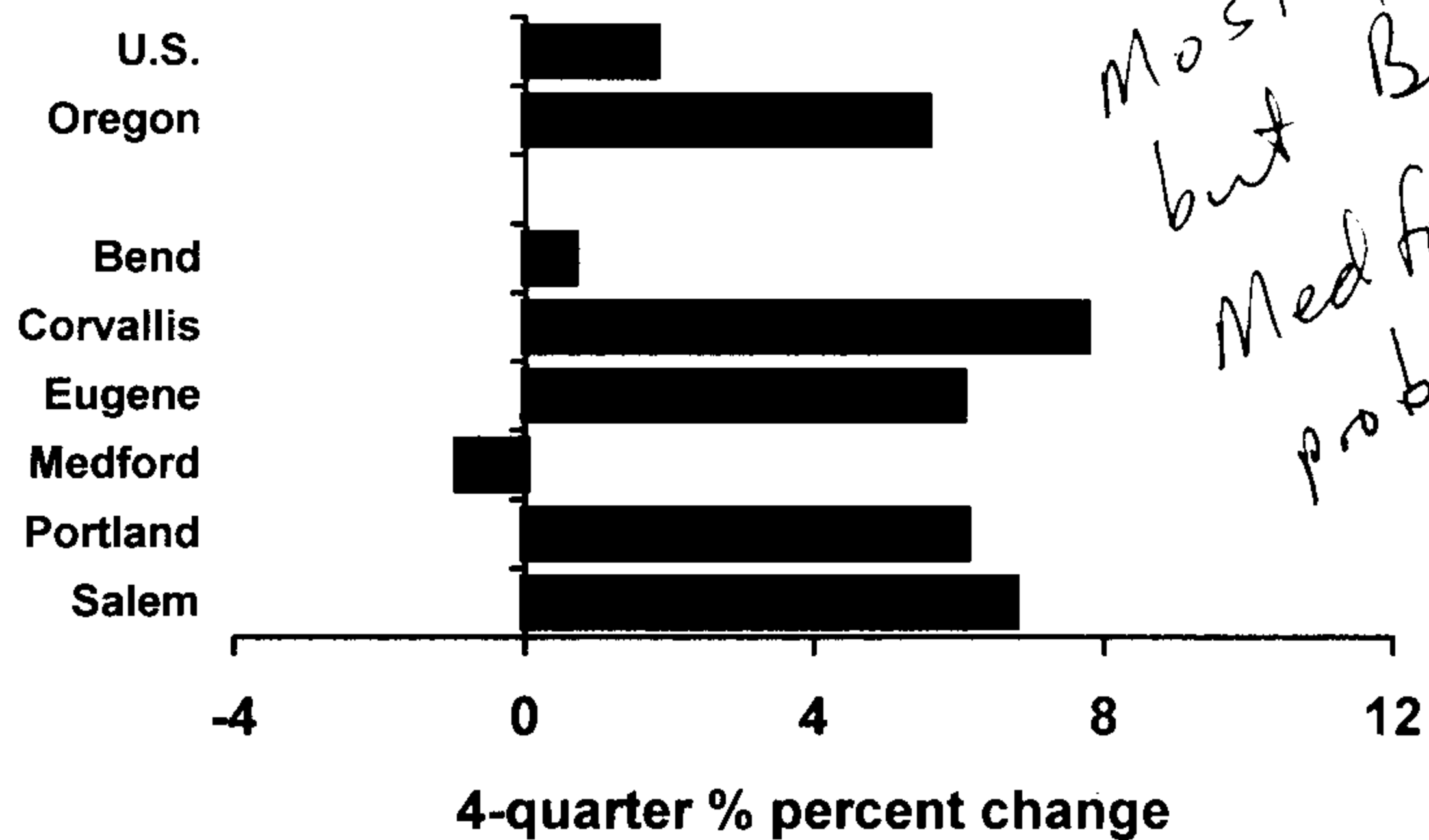
Washington Population Growth



Strong population growth.

Home Price Appreciation

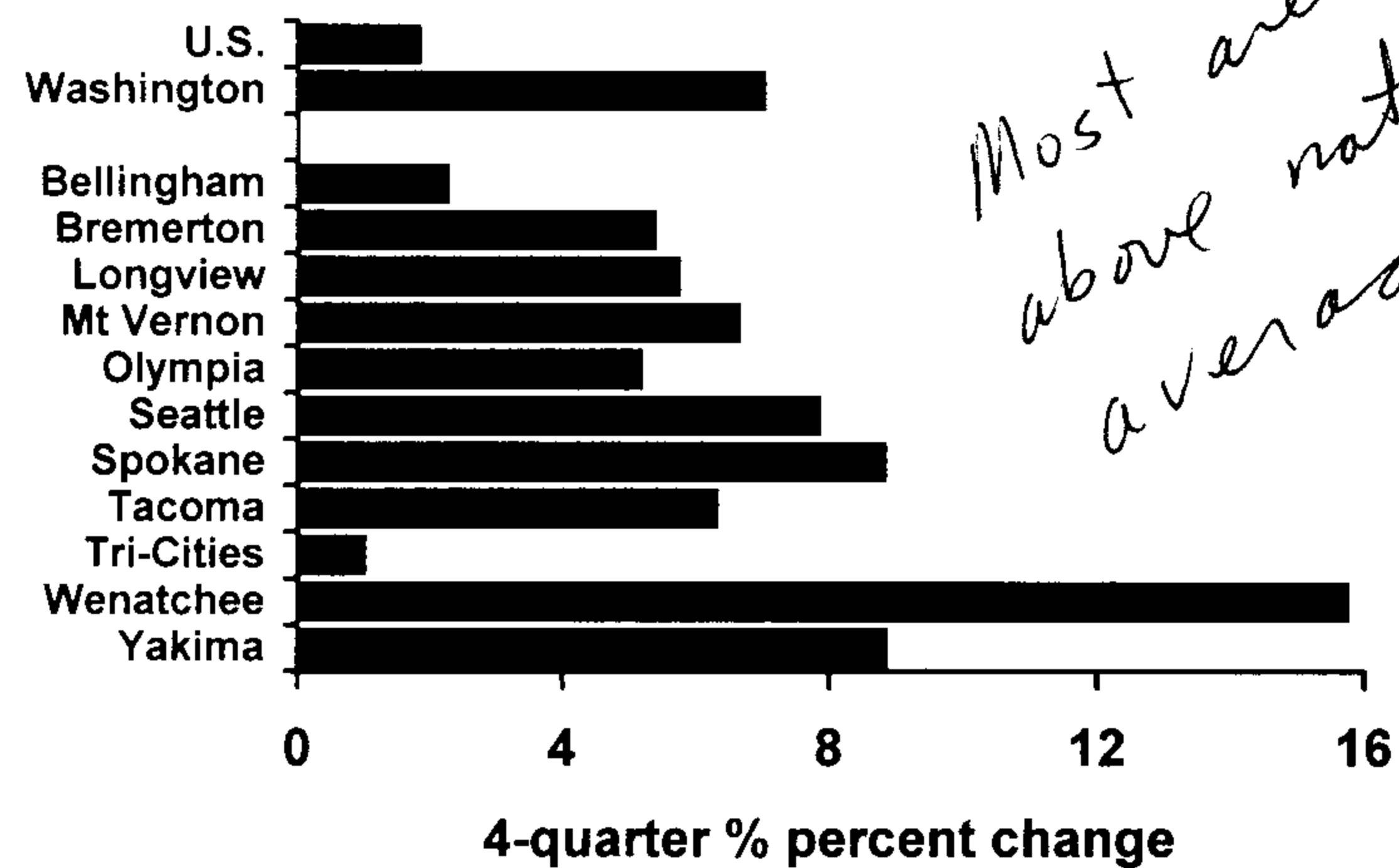
through 3rd quarter 2007



Mostly strong, but Bend and Medford are problem areas.

Home Price Appreciation

through 3rd quarter 2007



Most areas solidly above national average.