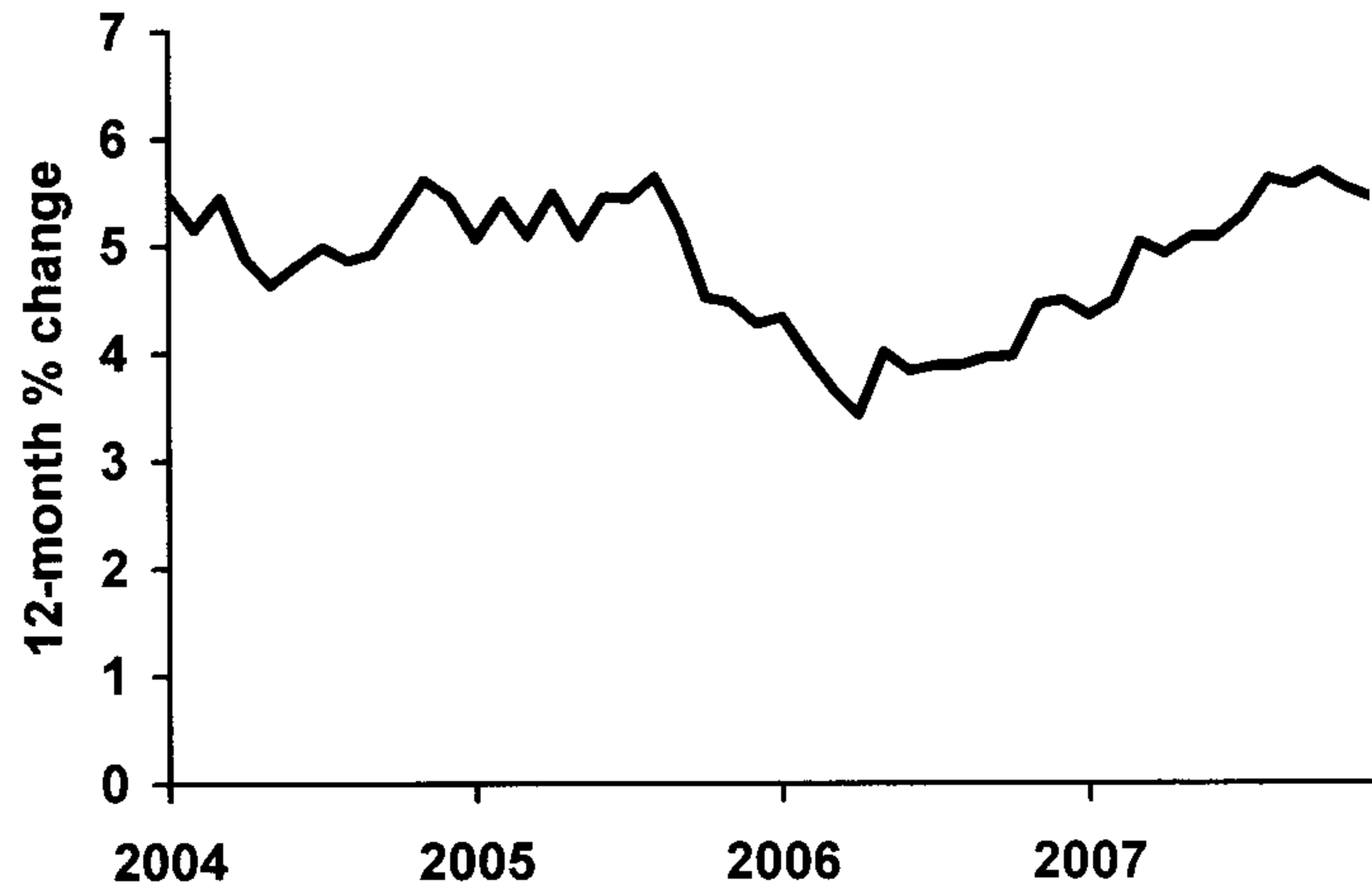
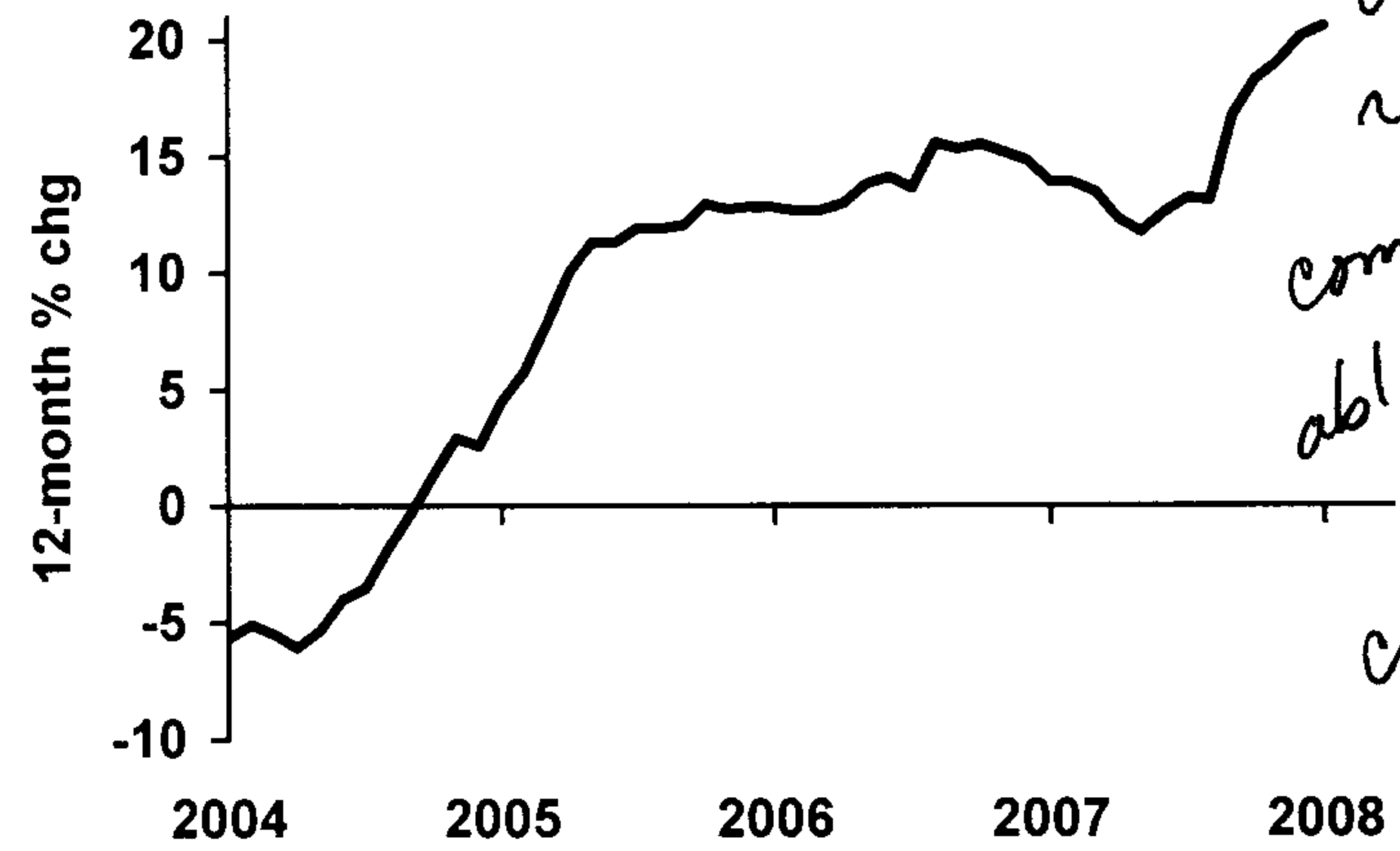


Consumer Credit Growth



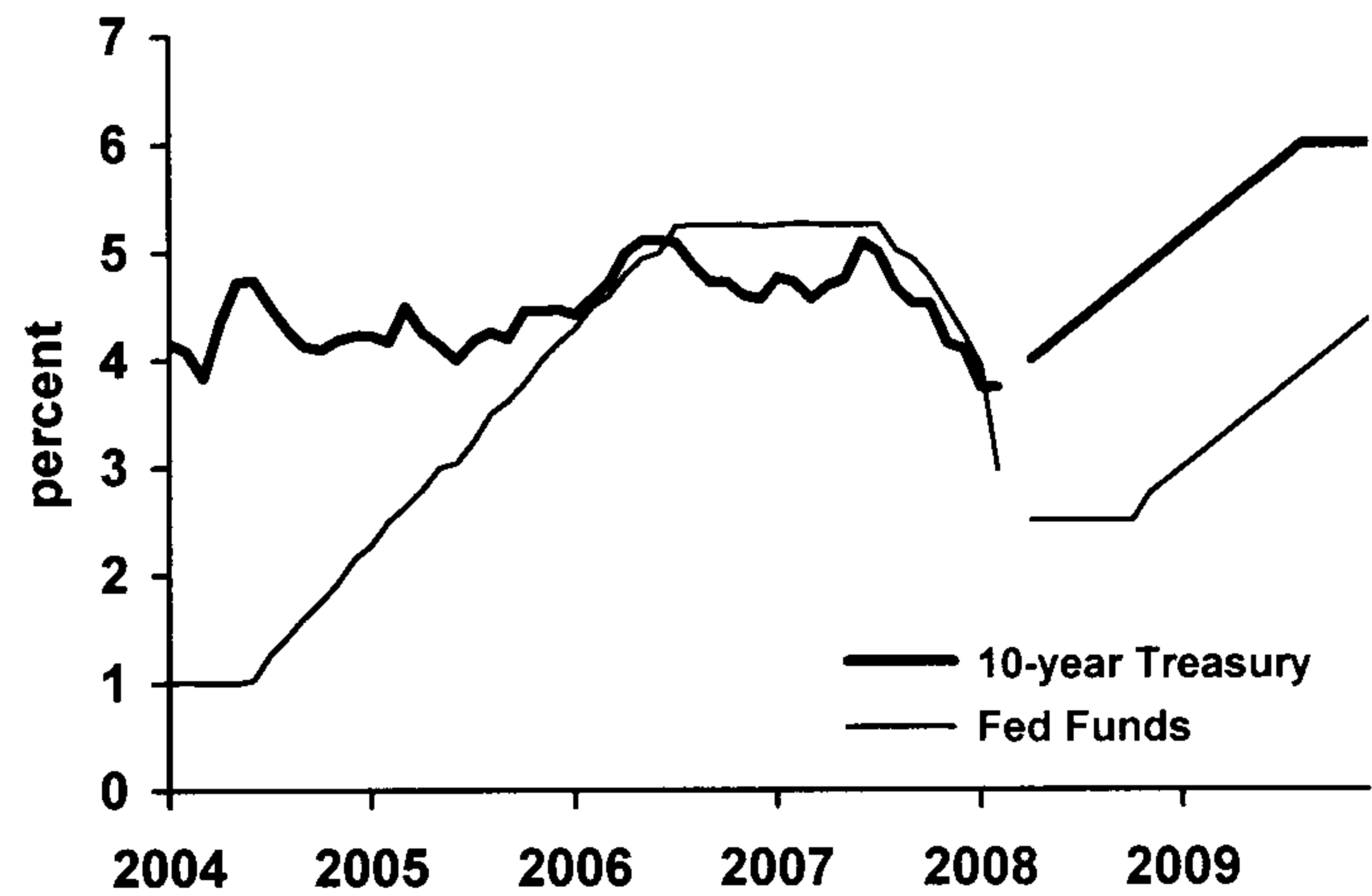
5 1/2% growth does not look like a credit crunch.

Bank Loan Growth
Commercial & Industrial



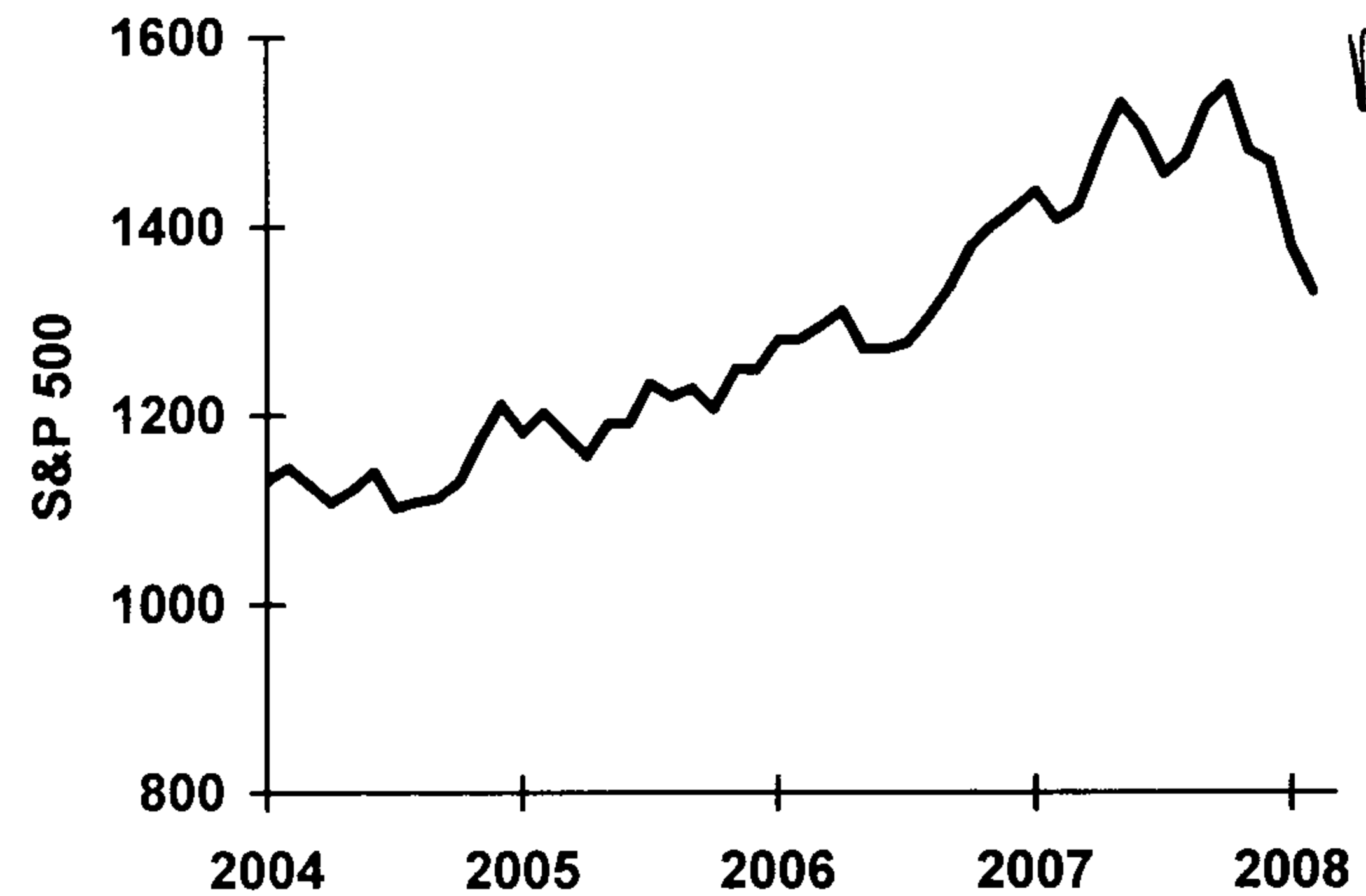
Outside real estate, companies able to borrow, so no credit crunch here, either.

Interest Rates



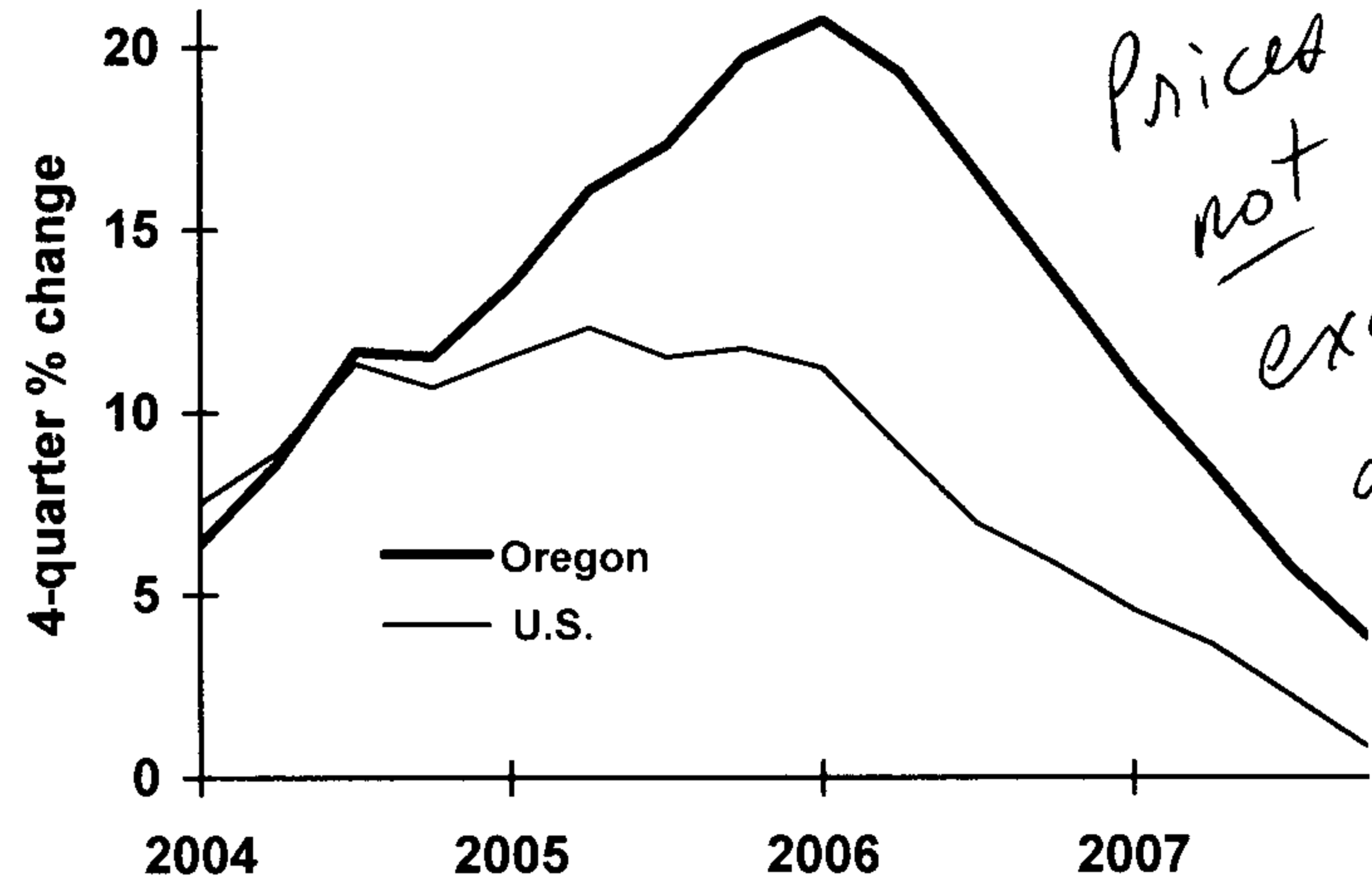
After one more cut, I expect the Fed will get ready to tighten.

Stock Market



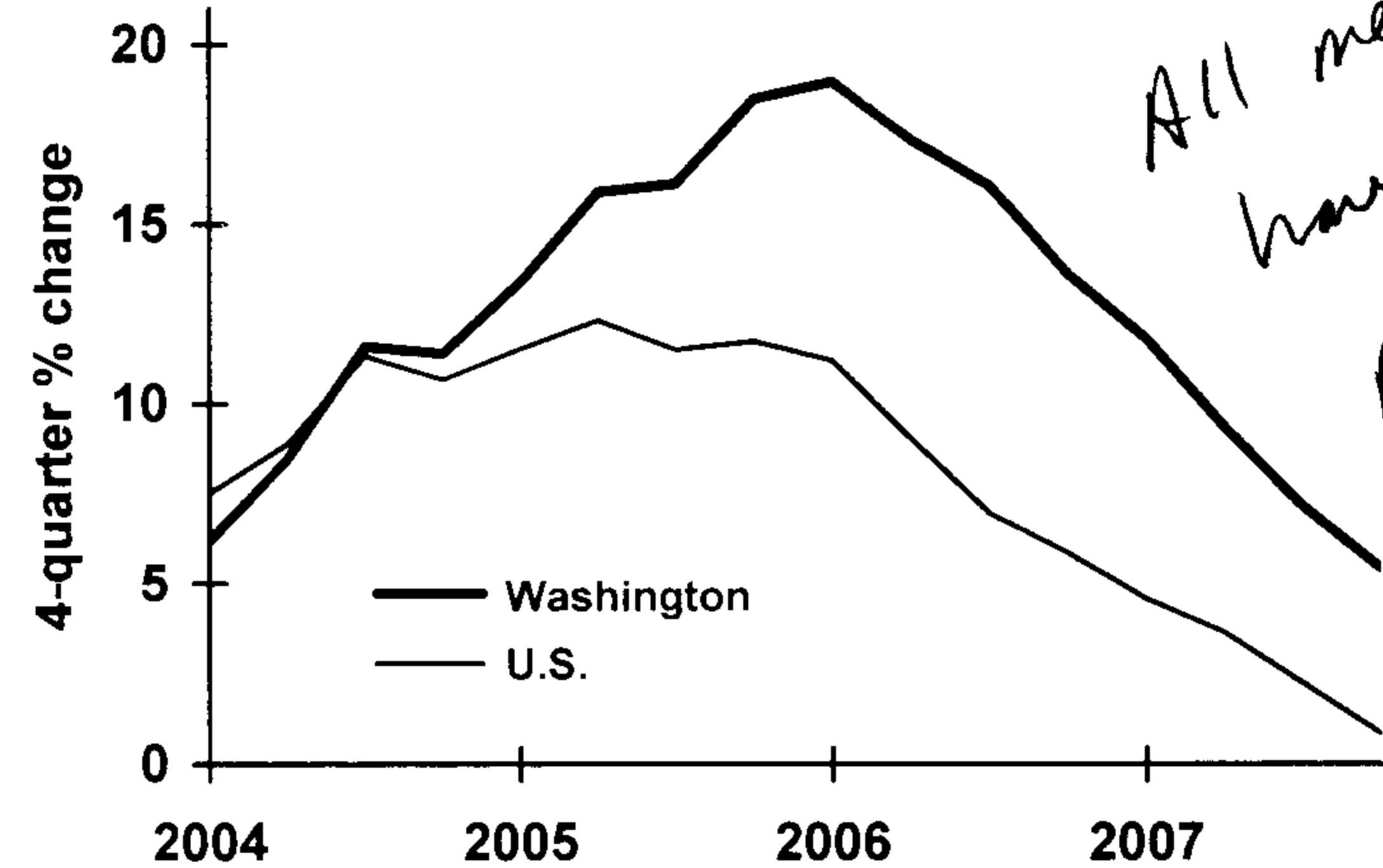
Market has priced in a mild recession.

Oregon Home Prices



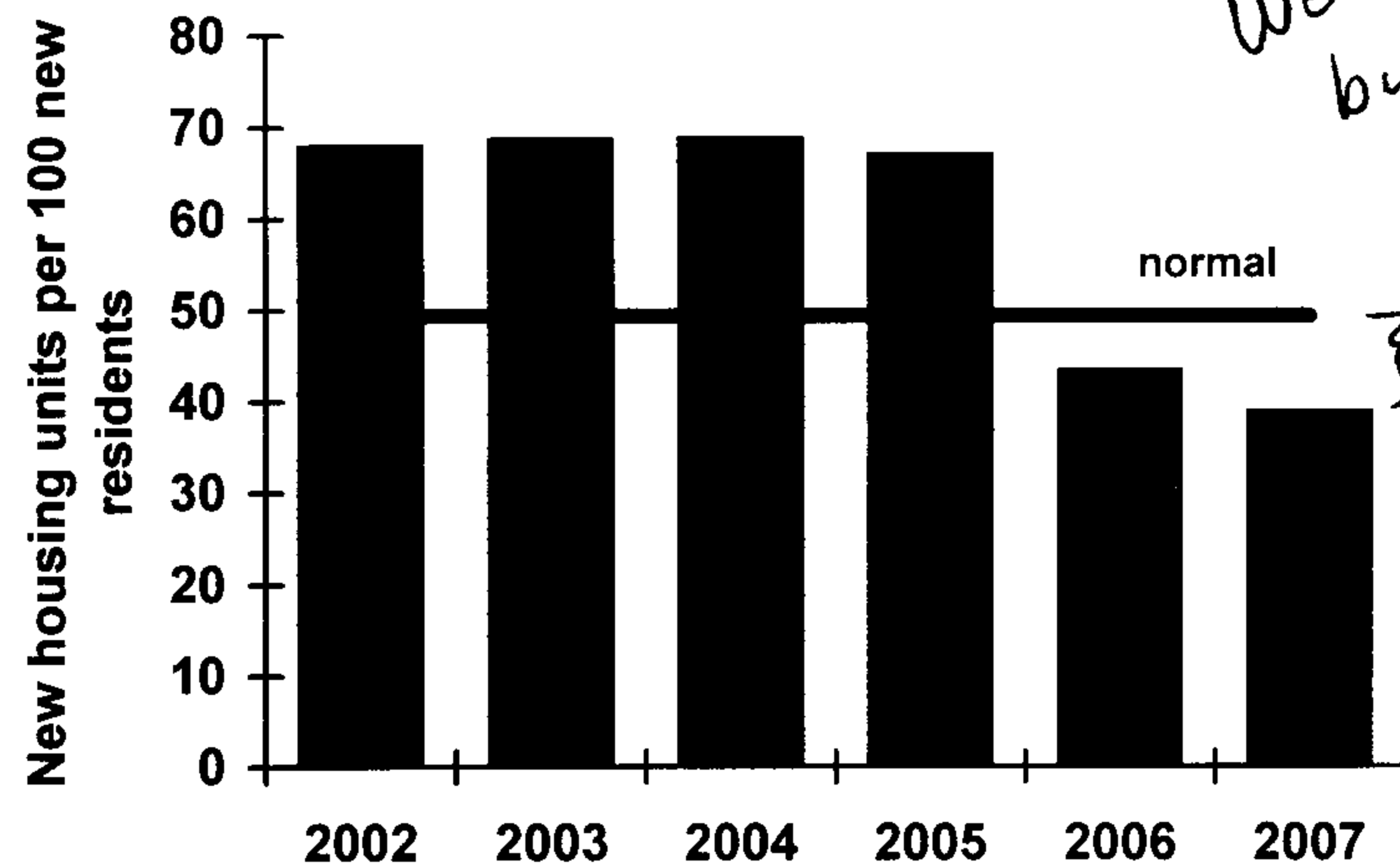
Prices are not falling, except in Bend and Medford.

Washington Home Prices



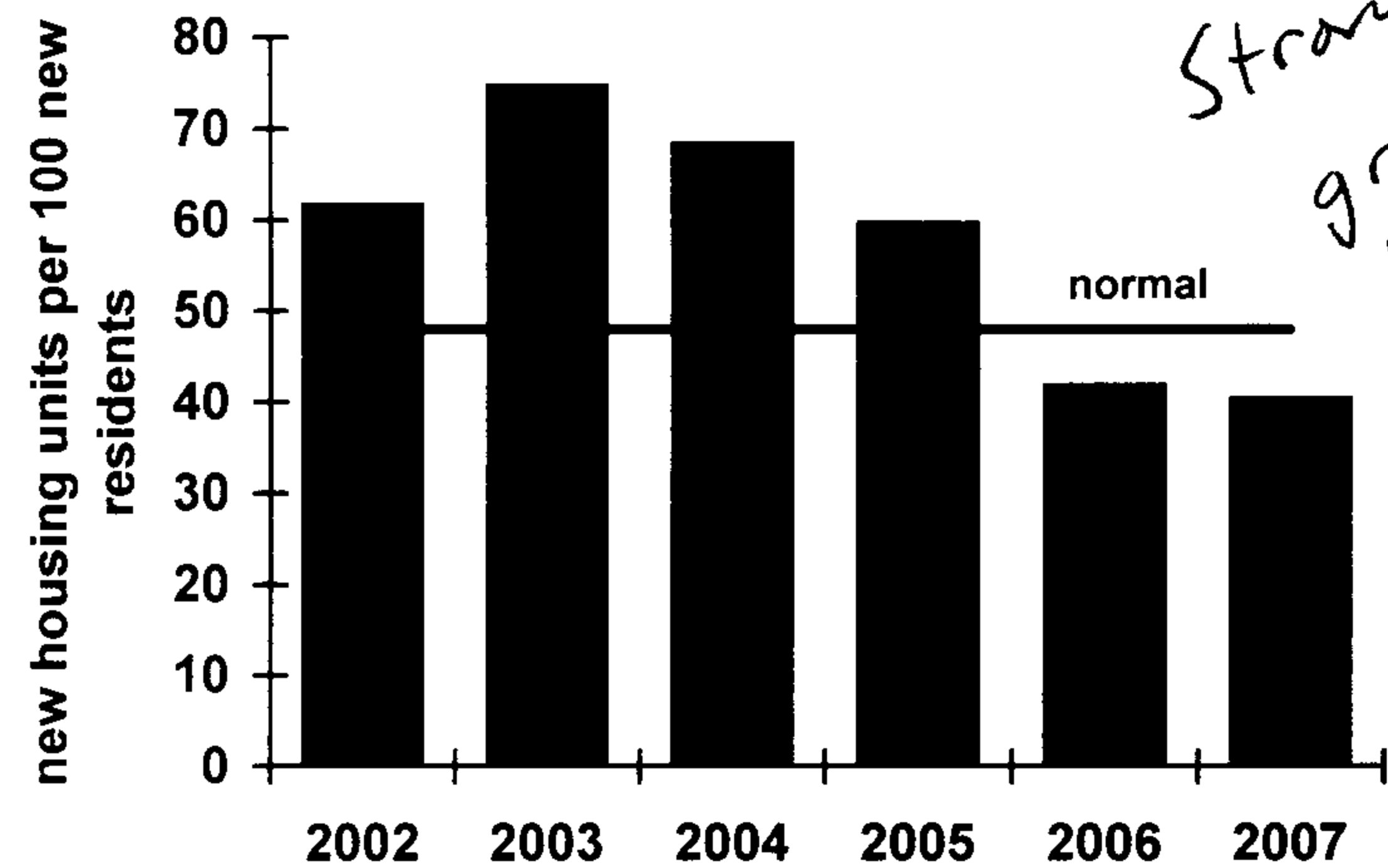
All metro areas have rising prices.

Oregon Housing Ratio



We are now building less than new demand. We will soon work off the past over-building.

Wash. Housing Ratio



Strong population growth is helping the market.