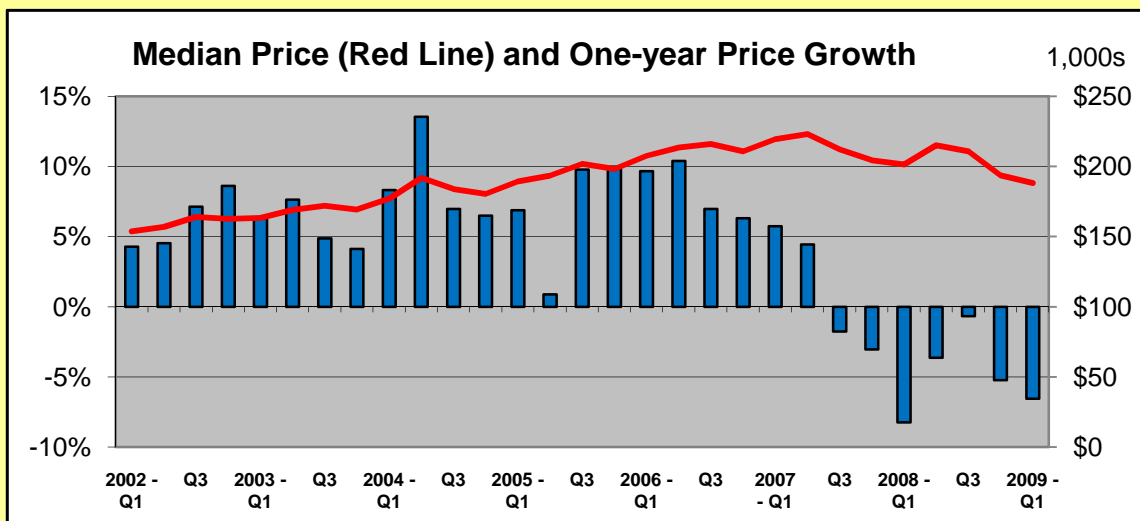


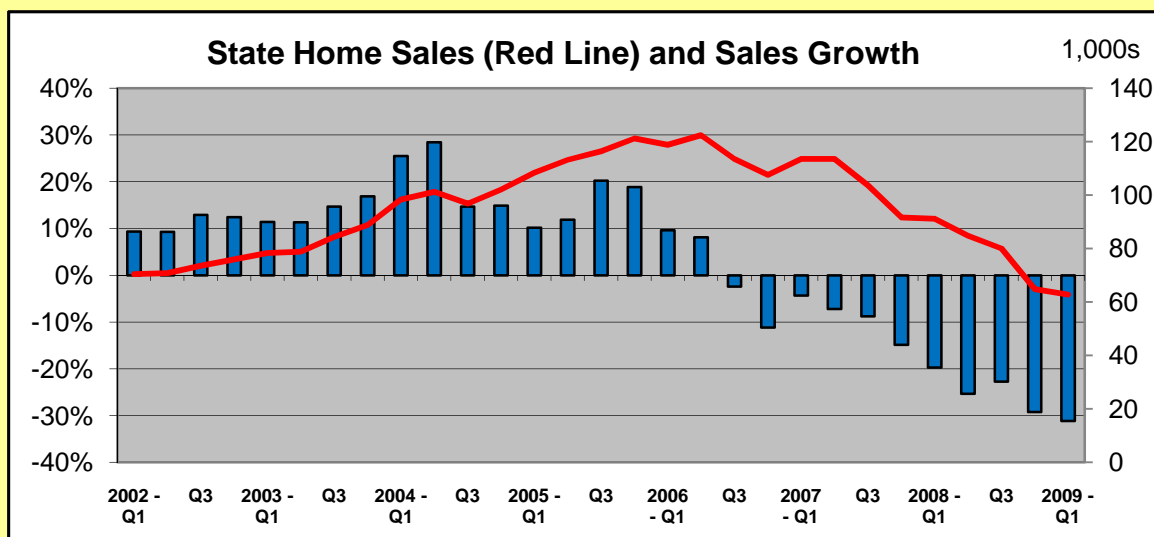


## Charleston-North Charleston Area Metro Market Report, First Quarter 2009

### Today's Market...



	Charleston	U.S.	Local Trend
<b>Price Activity</b>			
Current Median Home Price (2009 - Q1)	\$188,200	\$167,633	Prices are down compared to a year earlier and continue to weaken
1-year Appreciation (2009 - Q1)	-6.6%	-8.8%	
3-year Appreciation (2009 - Q1)	-9.3%	-22.7%	
3-year (12-quarter) Housing Equity Gain	-\$19,400	-\$49,267	Those who bought early in the boom still hold some equity
7-year (28 q) Housing Equity Gain	\$4,200	-\$31,367	
9-year (36 q) Housing Equity Gain	\$24,200	\$633	



Home Sales and Construction Growth	South Carolina	U.S.	
*State Existing Home Sales (2009 - Q1)	-31.1%	-8.2%	Weak compared to recent state average

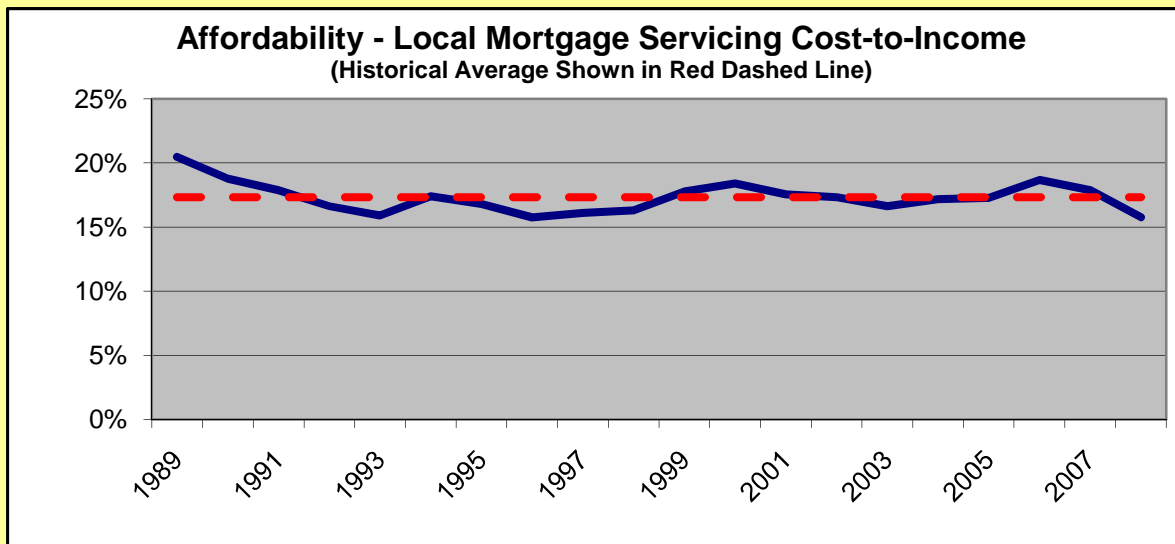
\*versus same quarter, year-ago

# Local Supply and Demand...

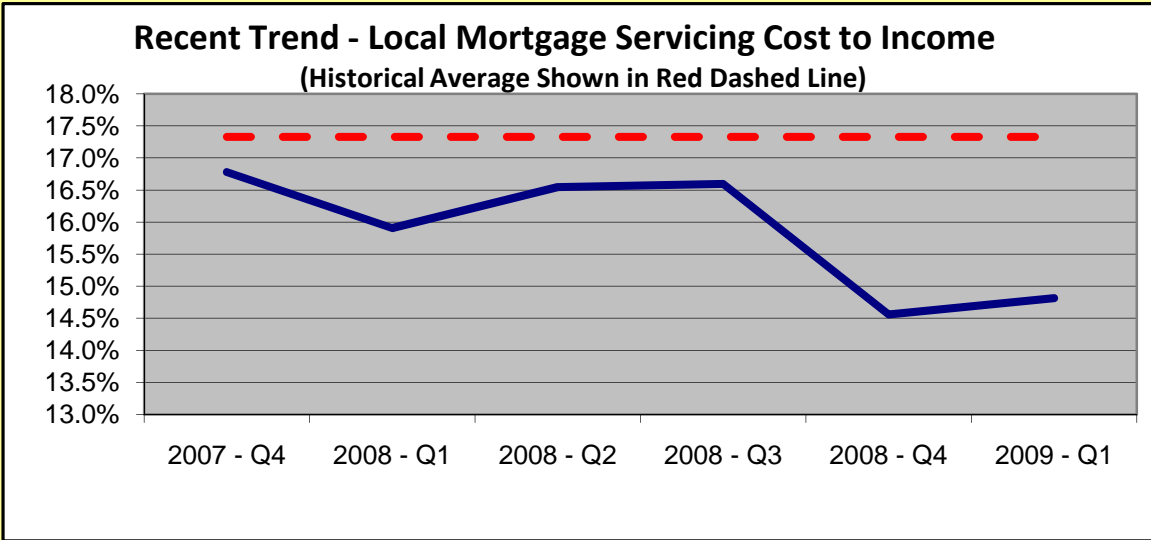
Local Economic Outlook	Charleston	U.S.	
1-year Job Additions (2009 - Apr)	-9,000	Not Comparable	Weak for this market and could impact demand
3-year Job Additions (2009 - Apr)	8,200	Not Comparable	
State Economic Activity Index	South Carolina	U.S.	
12-month change (2009 - Apr)	-8.4%	-3.2%	Contracting faster than the rest of the nation
36-month change (2009 - Apr)	-3.7%	0.9%	

Local Fundamentals	Charleston	U.S.	
1-year (12 month) Job Growth Rate	-3.0%	-1.6%	Weak compared to other markets
3-year (36 month) Job Growth Rate	2.9%	0.7%	Respectable relative to other areas
1-year Job Gain to New Single-Family Homes	-2.5	-0.1	Weak compared to the national average
3-year Job Gain to New Single-Family Homes	0.5	4.7	Weak compared to the nation
** Single-Family Housing Permits (2009 - Apr)	-39.4%	-42.2%	Important to reduce supply

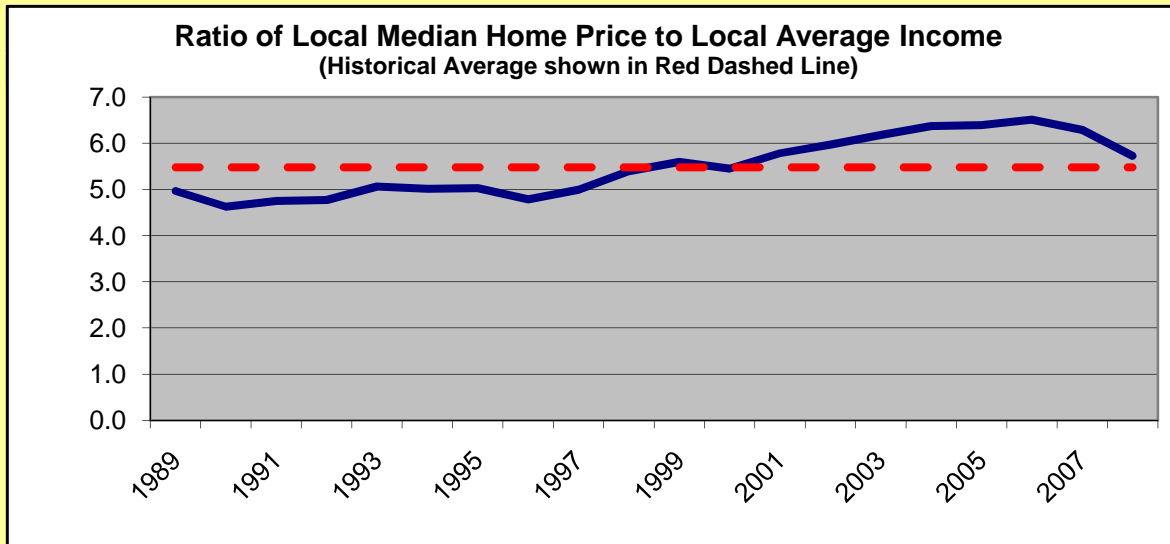
\*\*Rolling 12-month sum vs. a year ago



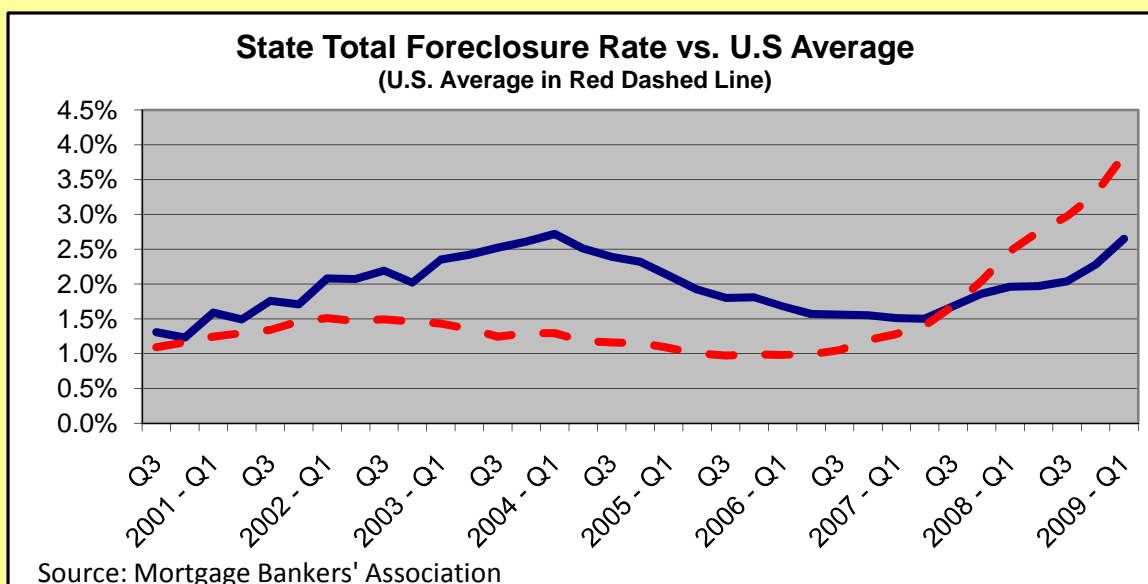
Monthly Mortgage Payment to Income	Charleston	U.S.	
Ratio for all of 2008	16.5%	20.7%	Good local affordability
Ratio for 2009 - Q1	14.8%	17.7%	Improving and historically strong
Historical Local Average	17.3%	23.2%	Good relative to the nation



Median Home Price to Income	Charleston	U.S.	
Ratio for 2008	5.8	7.2	Weak Relative to Local History
Historical Local Average	5.5	7.2	Good Compared to Nation Average



# Looking Deeper....



Monthly Market Data - February 2009	Charleston	U.S.	
<b>PRIME</b> Market Share	86.1%	84.5%	Lower subprime exposure than average
<b>SUBPRIME</b> and <b>Alt-A</b> Market Share	13.9%	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)	0.5%	0.8%	Compared to the national average, today's local rate is low
<b>SUBPRIME</b> Foreclosure + REO Rate	10.7%	14.6%	There has been a large local increase versus a year ago
<b>SUBPRIME</b> Foreclosure + REO Rate (same period, 1-year earlier)	7.6%	11.6%	Locally, today's foreclosure rate is low relative to the national average
<b>ALT-A</b> Foreclosure + REO Rate	6.1%	12.1%	A large local increase occurred compared to a year ago
<b>ALT-A</b> Foreclosure + REO Rate (same period, 1-year earlier)	2.3%	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

