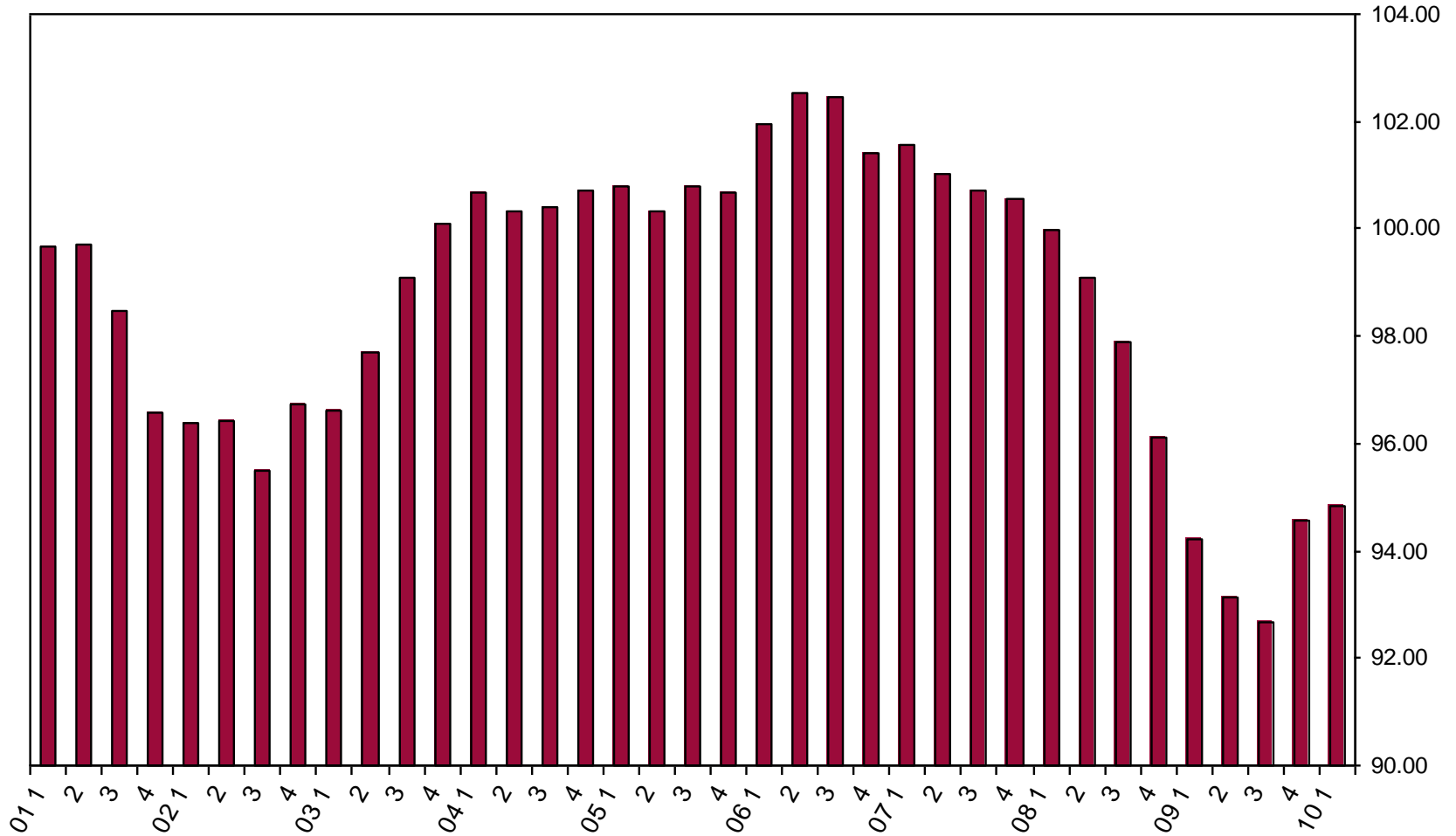

Kirkland Business Roundtable

Prepared by Hebert Research

April 12, 2010

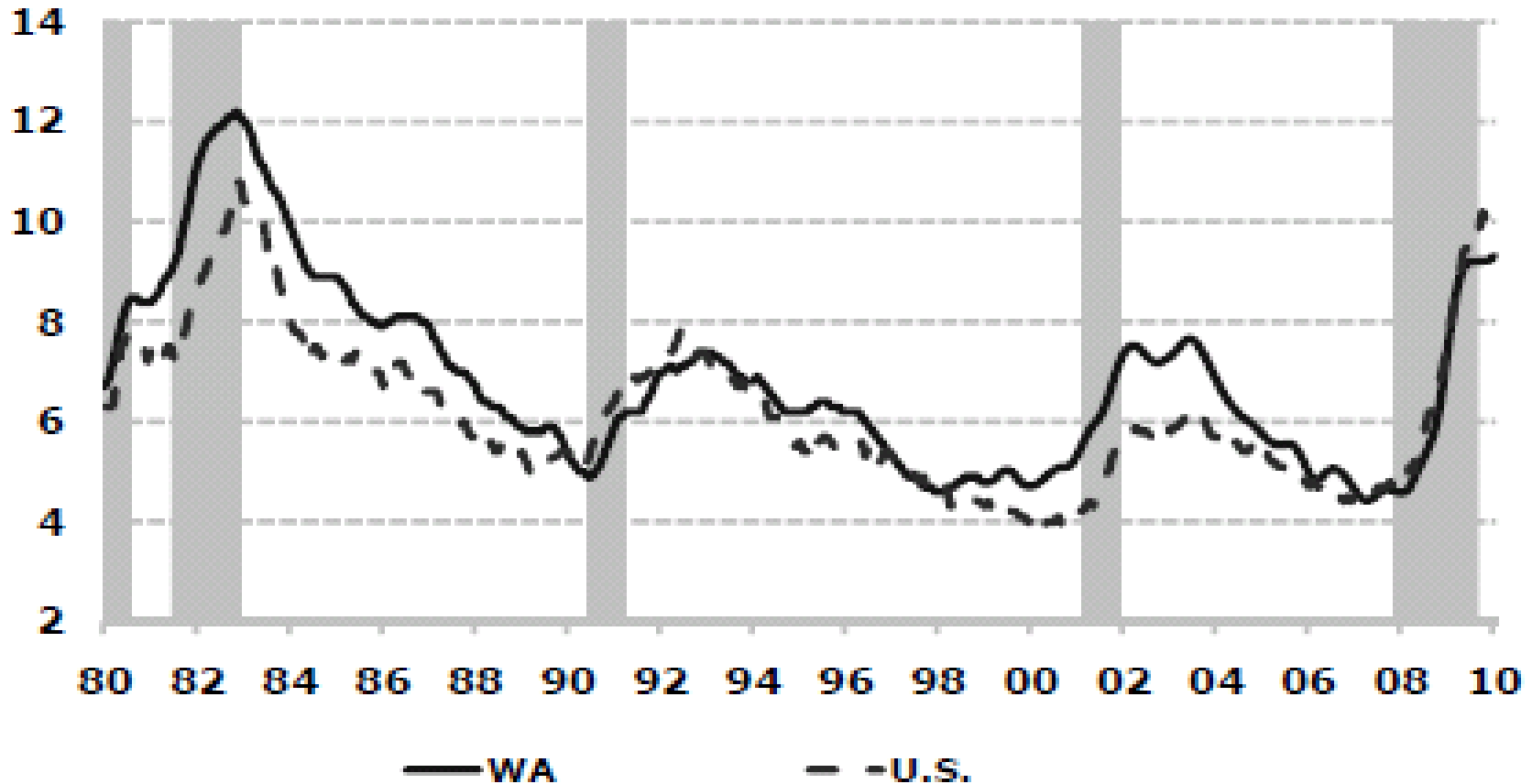


Recent Economic Barometer Index Values



Washington State Jobs Report

Unemployment Rate, Percent, SA



Source: WA ESD, BLS; data through January 2010

Unemployment Rates

Seattle-Everett-Bellevue

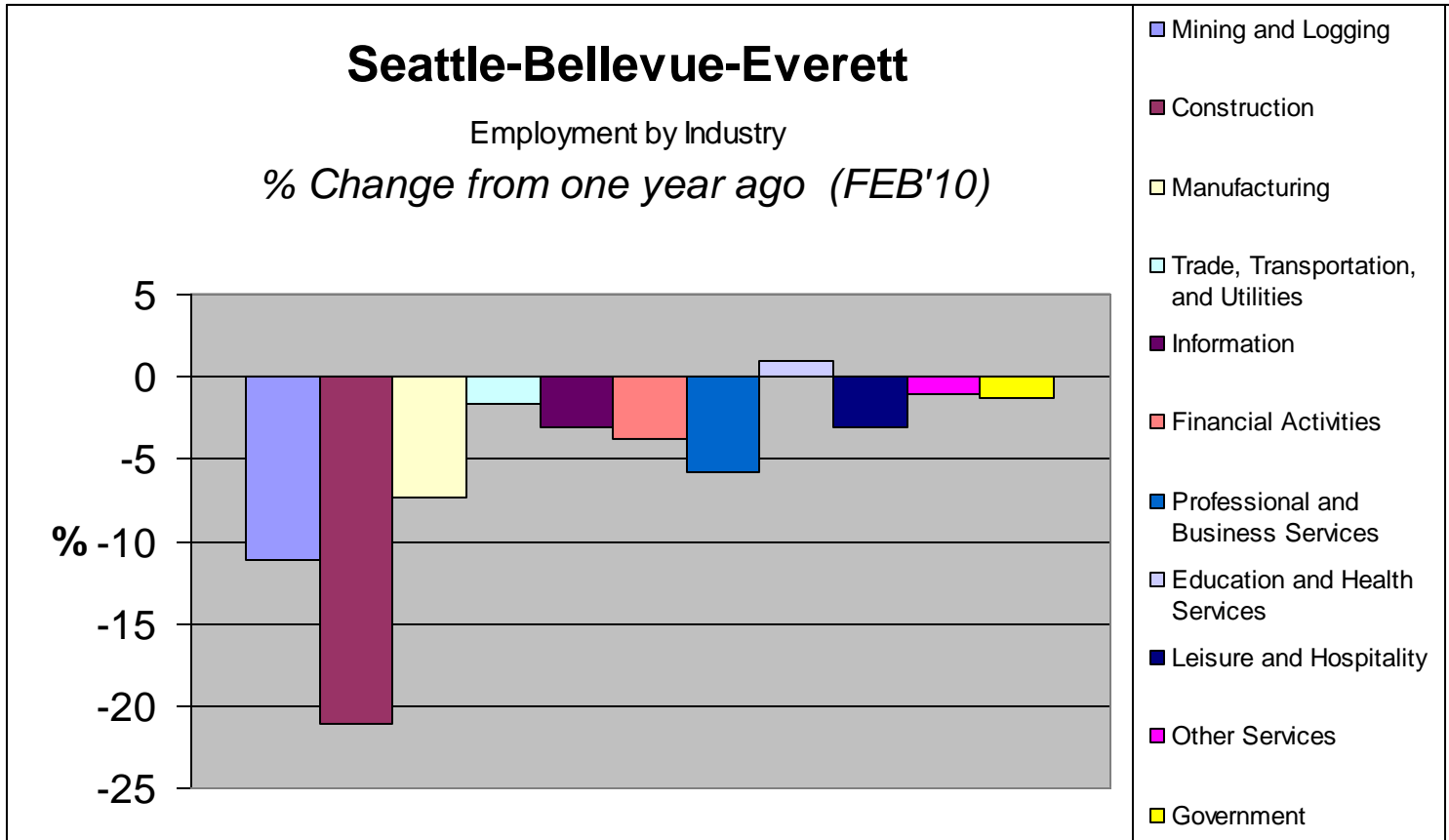
Year	Period	labor force	employment	unemployment	unemployment rate
2009	Jan	1870606(C)	1731114(C)	139492(C)	7.5(C)
2009	Feb	1900075(C)	1738443(C)	161632(C)	8.5(C)
2009	Mar	1895309(C)	1730245(C)	165064(C)	8.7(C)
2009	Apr	1891802(C)	1742445(C)	149357(C)	7.9(C)
2009	May	1901090(C)	1739232(C)	161858(C)	8.5(C)
2009	Jun	1906956	1731185	175771	9.2
2009	Jul	1914465	1747248	167217	8.7
2009	Aug	1909838	1744722	165116	8.6
2009	Sep	1913219	1742810	170409	8.9
2009	Oct	1903283	1732484	170799	9
2009	Nov	1891142	1729721	161421	8.5
2009	Dec	1889346(P)	1717720(P)	171626(P)	9.1(P)
2010	Jan	1889840	1710054	179786	9.5
2010	Feb	1882405(P)	1701417(P)	180988(P)	9.6(P)

C : Corrected.

P : Preliminary.

Source: BLS.gov

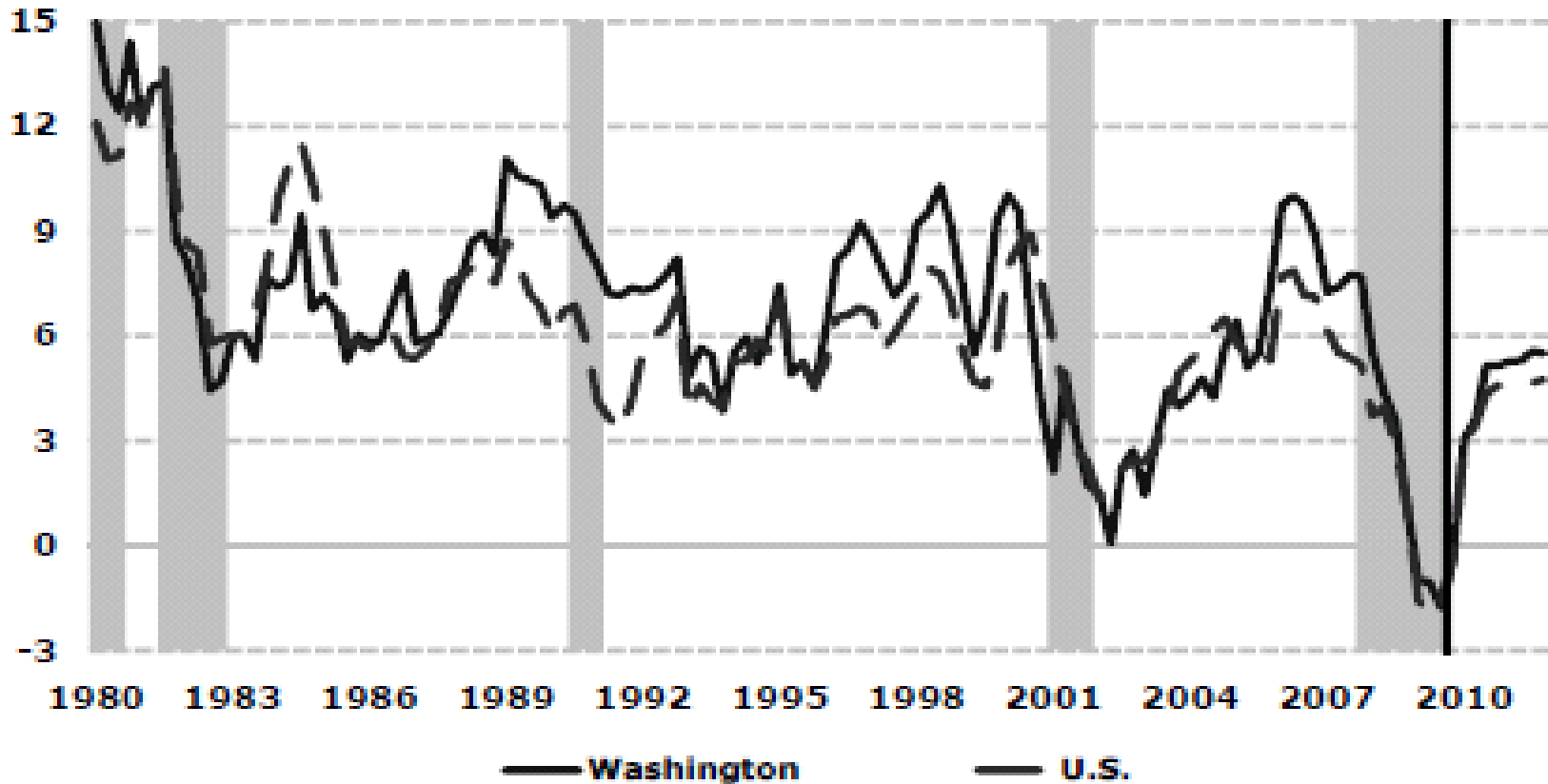
Employment in the Seattle-Bellevue-Everett MSA, 2009



Source: BLS.gov

Washington State Personal Income

Percent change, year ago

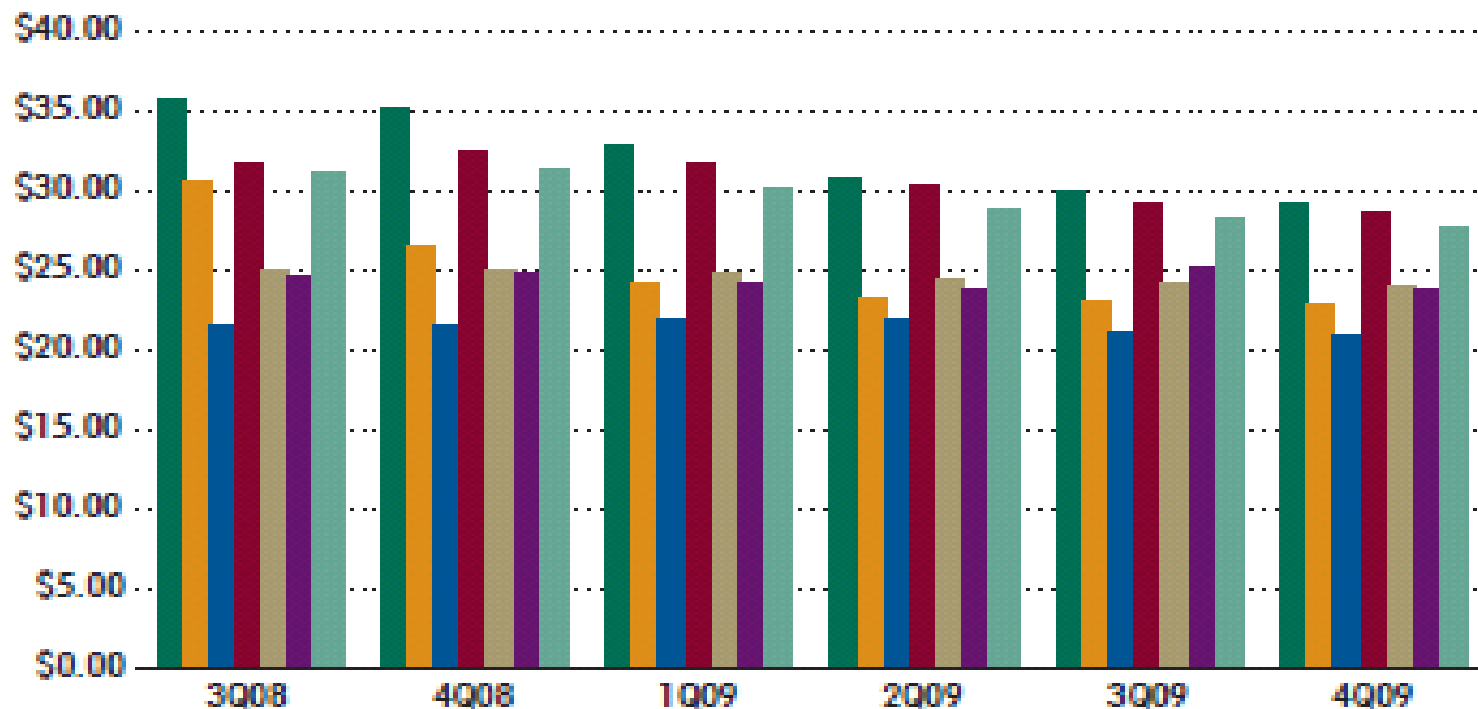


Source: ERFC February 2010 forecast; actual data through 2009Q3

Puget Sound Office Market

Total Asking Rental Rates

Downtown	\$29.26	Northend	\$24.08
Seattle Close-In	\$22.77	Tacoma/Fife	\$23.94
Southend	\$20.86	Regional Avg.	\$27.71
Eastside	\$28.64		

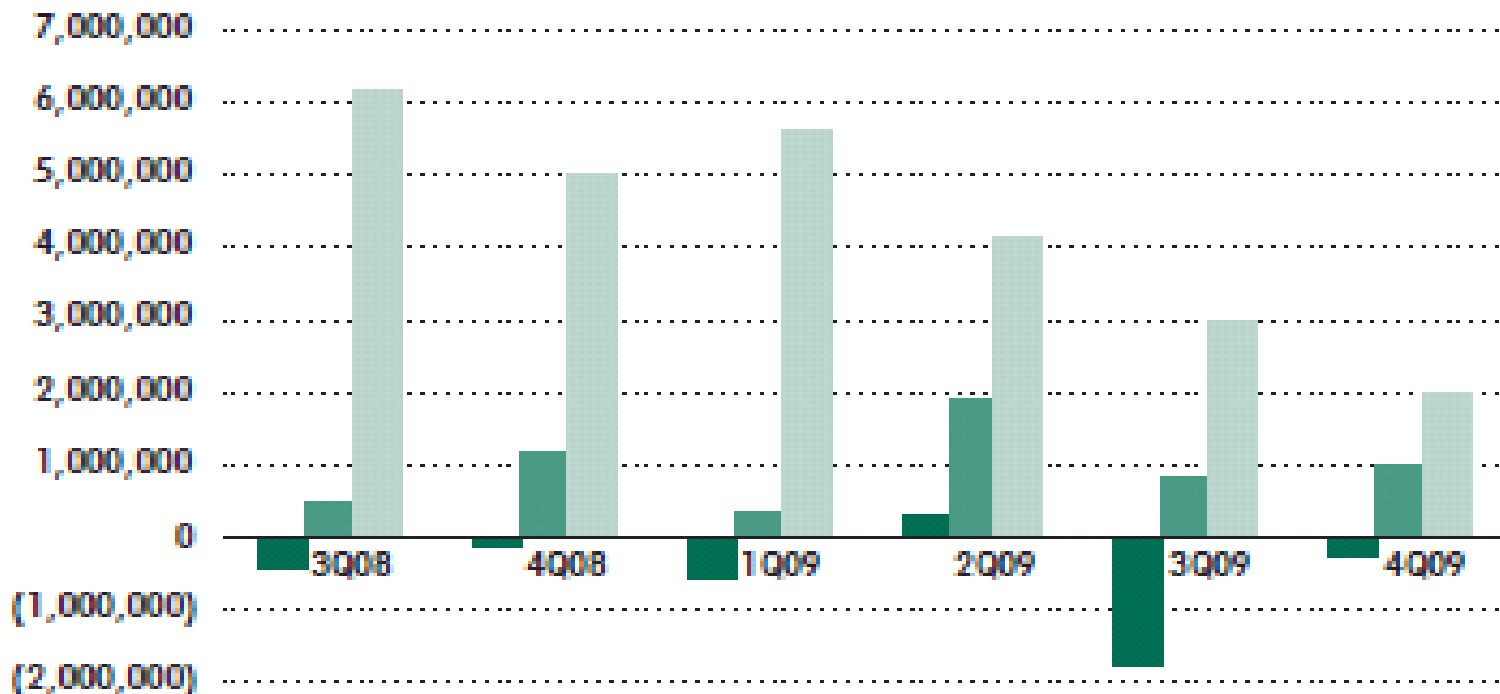


Source: CB Richard Ellis

Puget Sound Office Market

Under Construction, Absorption & Construction Completions

Total Absorption (262,830)
Construction Completions 995,177
Under Construction 2,007,845



Source: CB Richard Ellis

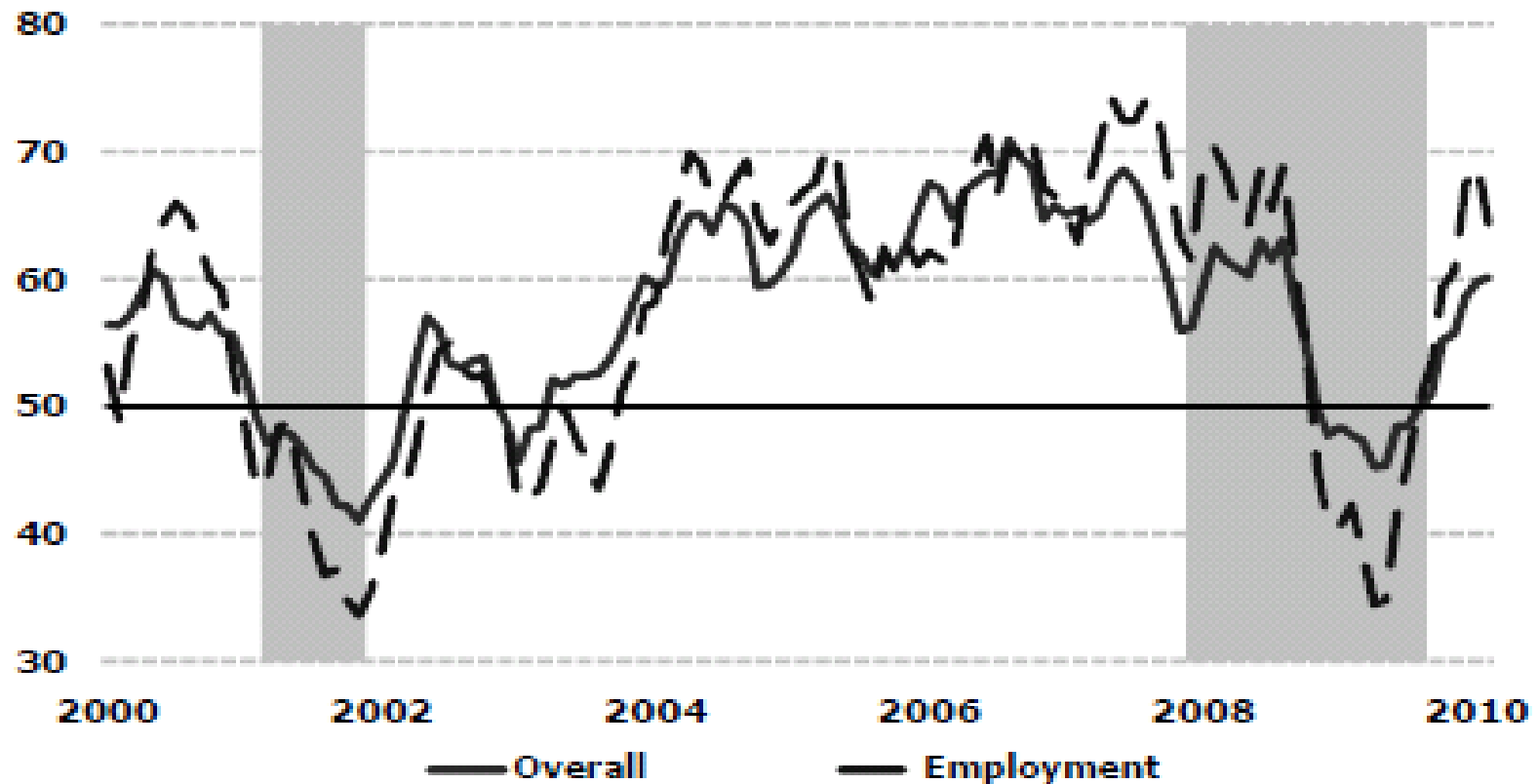
Puget Sound Industrial Space

Submarket	Building SF	Total Vacant	Total Vacancy %	Total Availability %	Direct Asking Rate (NNN PSF/Mo)	Last 4 Qtrs Net Absorption	Under Construction
Seattle Close-In	62,403,279	2,268,271	3.6%	5.6%	\$0.55	(988,555)	26,850
Ware/Manuf/Bus Pk	60,710,748	2,265,513	3.7%	5.6%	\$0.55	(993,625)	26,850
Flex/Tech	1,692,531	2,758	0.2%	5.5%	\$1.00	5,070	—
Kent Valley	111,855,861	9,764,274	8.7%	13.1%	\$0.40	(2,842,752)	—
Ware/Manuf/Bus Pk	108,966,623	9,334,350	8.6%	12.9%	\$0.37	(2,858,947)	—
Flex/Tech	2,889,238	429,924	14.9%	18.2%	\$1.00	16,195	—
Tacoma/Fife	30,832,472	2,507,718	8.1%	11.2%	\$0.34	1,181,480	299,307
Ware/Manuf/Bus Pk	30,121,818	2,507,718	8.3%	10.3%	\$0.34	1,181,480	299,307
Flex/Tech	710,654	—	—	—	—	—	—
Eastside	24,106,523	3,274,739	13.6%	17.4%	\$0.83	(740,359)	—
Ware/Manuf/Bus Pk	18,657,656	2,093,336	11.2%	15.2%	\$0.60	(596,467)	—
Flex/Tech	5,448,867	1,181,403	21.7%	24.9%	\$1.30	(143,892)	—
Northend	14,328,698	1,877,110	13.1%	17.7%	\$0.61	(100,573)	—
Ware/Manuf/Bus Pk	13,669,358	1,777,256	13.0%	17.9%	\$0.58	(118,220)	—
Flex/Tech	659,340	99,854	15.1%	15.1%	\$1.10	17,647	—
Market Total	243,526,833	19,692,112	8.1%	11.6%	\$0.51	(3,490,759)	326,157
Ware/Manuf/Bus Pk	232,126,203	17,978,173	7.7%	11.1%	\$0.44	(3,385,779)	326,157
Flex/Tech	11,400,630	1,713,939	15.0%	21.5%	\$1.21	(104,980)	—

Source: CB Richard Ellis

NAPW-WW Index

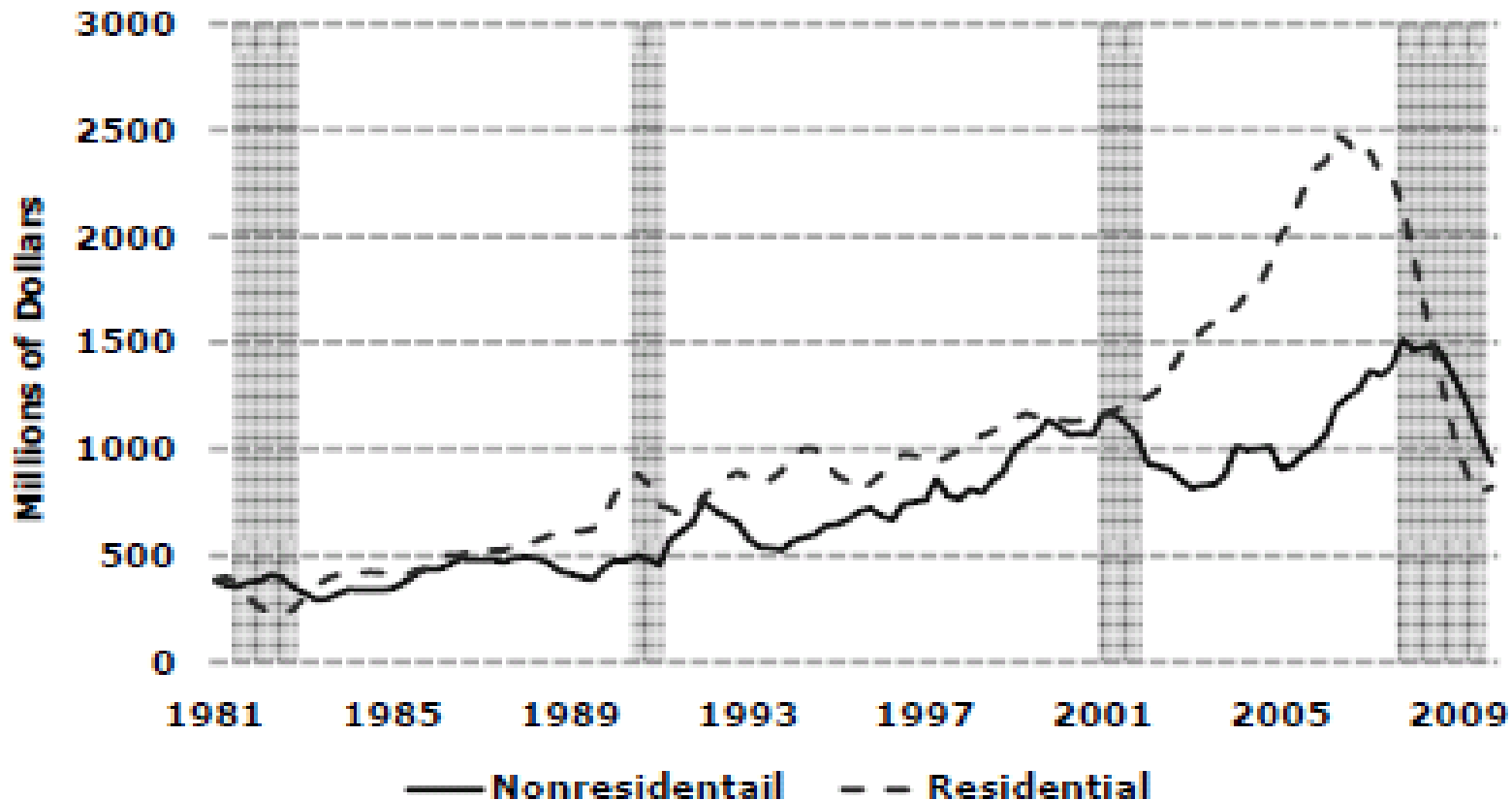
Index (>50 = Growth), 3MMA



Source: National Association of Purchasing Managers – Western Washington (NAPM-WW); data through February 2010

Washington State Housing

Value of Construction Projects Contracts, SA, 4Q MA



Source: McGraw-Hill Construction, ERFC; data through 2009 Q4

King County Single Family Residential

Active Listings:	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	% Change vs yr ago
King County	9,857	9,491	9,360	8,869	8,218	6,918	7,523	8,115	8,794	-8%
Closed Sales:	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	% Change vs yr ago
King County	1727	1609	1618	1758	1574	1462	956	997	1,596	65%

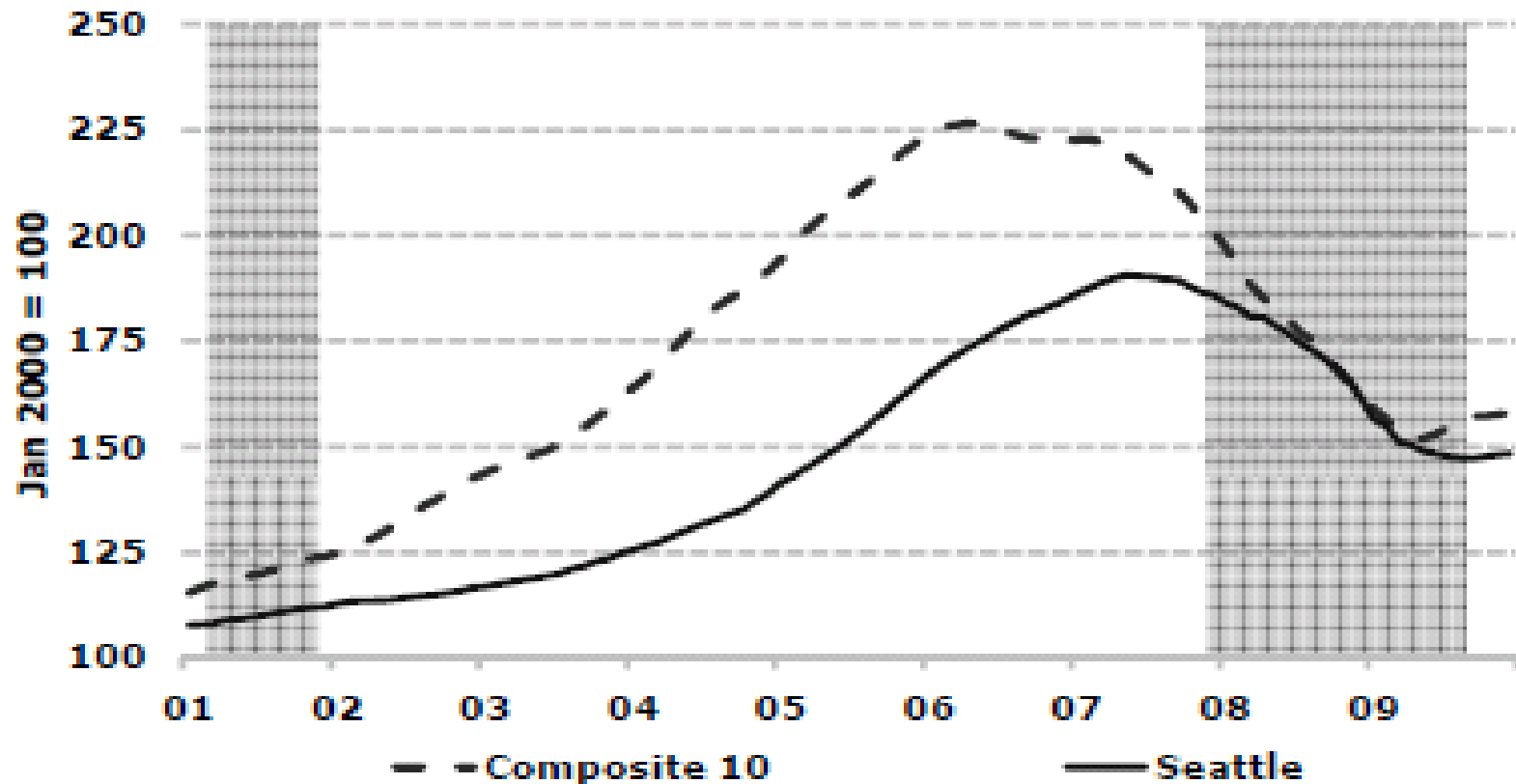
Months Supply:	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	% Change vs yr ago
King County	5.71	5.90	5.78	5.04	5.22	4.73	7.87	8.14	5.51	-44%

Median Sale Price:	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Avg. 12months	% Change vs yr ago
King County	\$384,000	\$375,000	\$382,160	\$377,500	\$370,000	\$380,000	\$375,000	\$373,010	\$367,250	\$377,348	-1%

Source: Multiple Listing Service

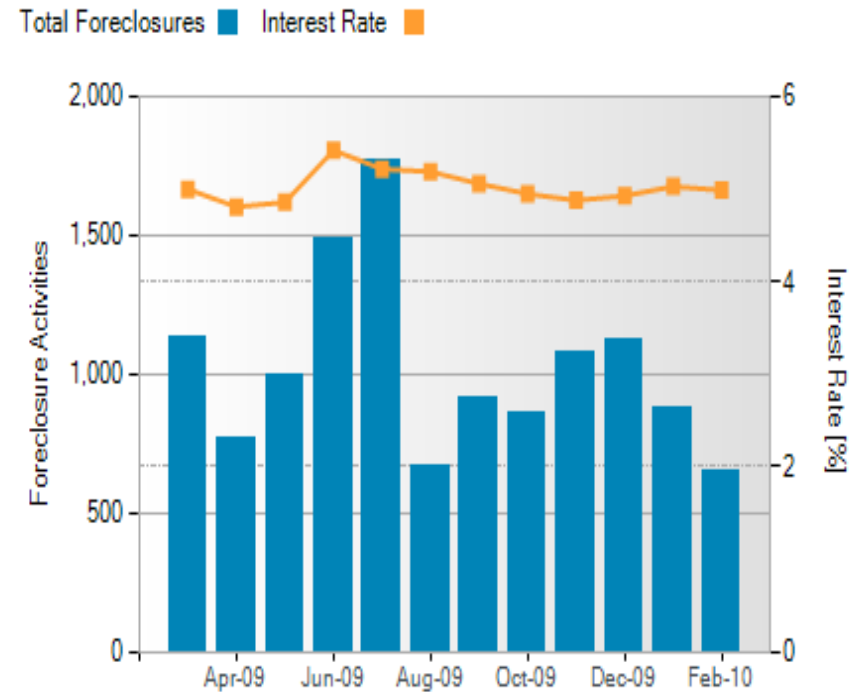
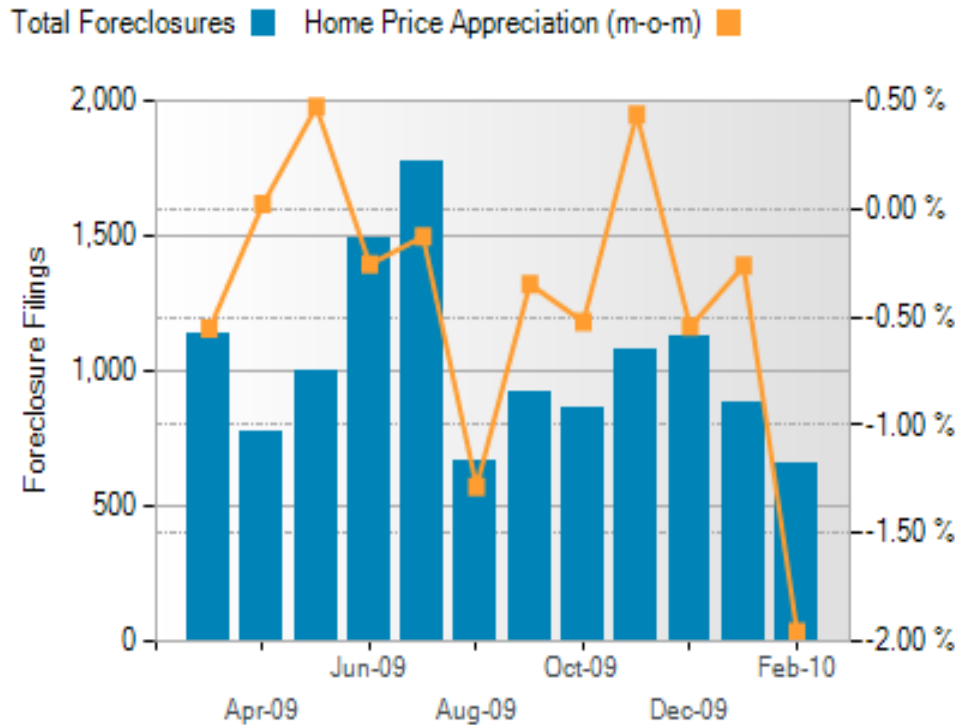
Home Prices in King County

Case Shiller Seattle House Price Index, SA



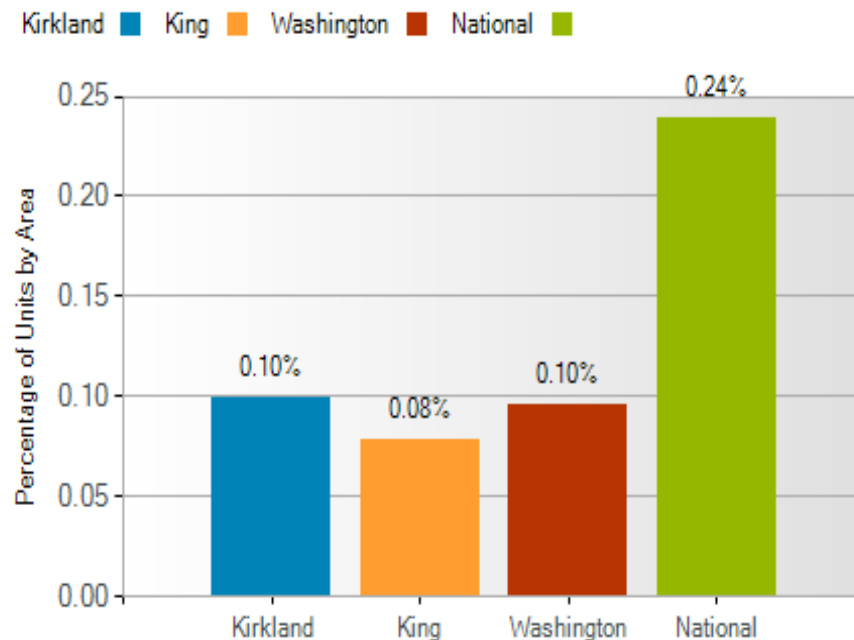
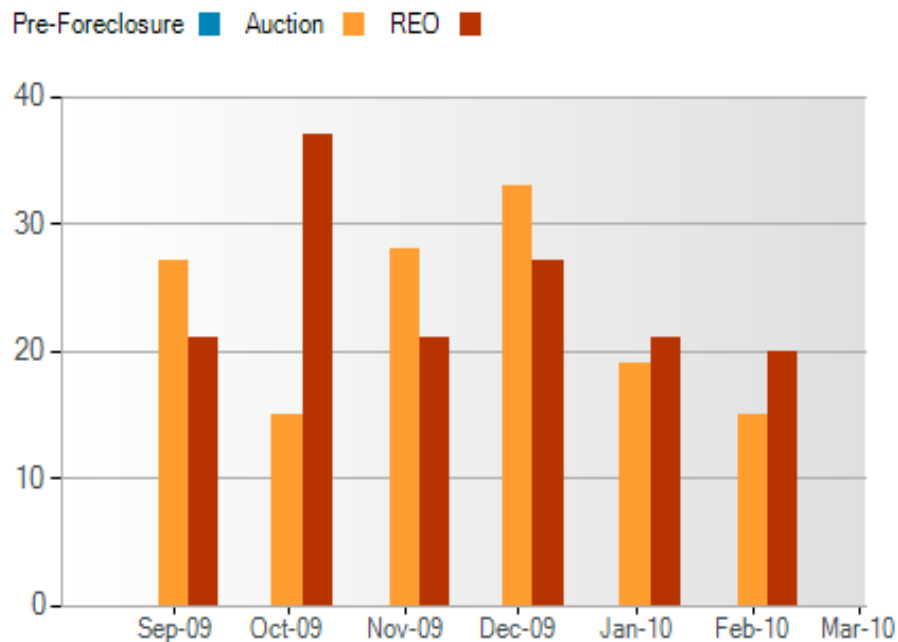
Source: S&P/Case-Shiller; data through December 2009

King County Foreclosure Trends (Single Family and Condo)



Source: RealtyTrac

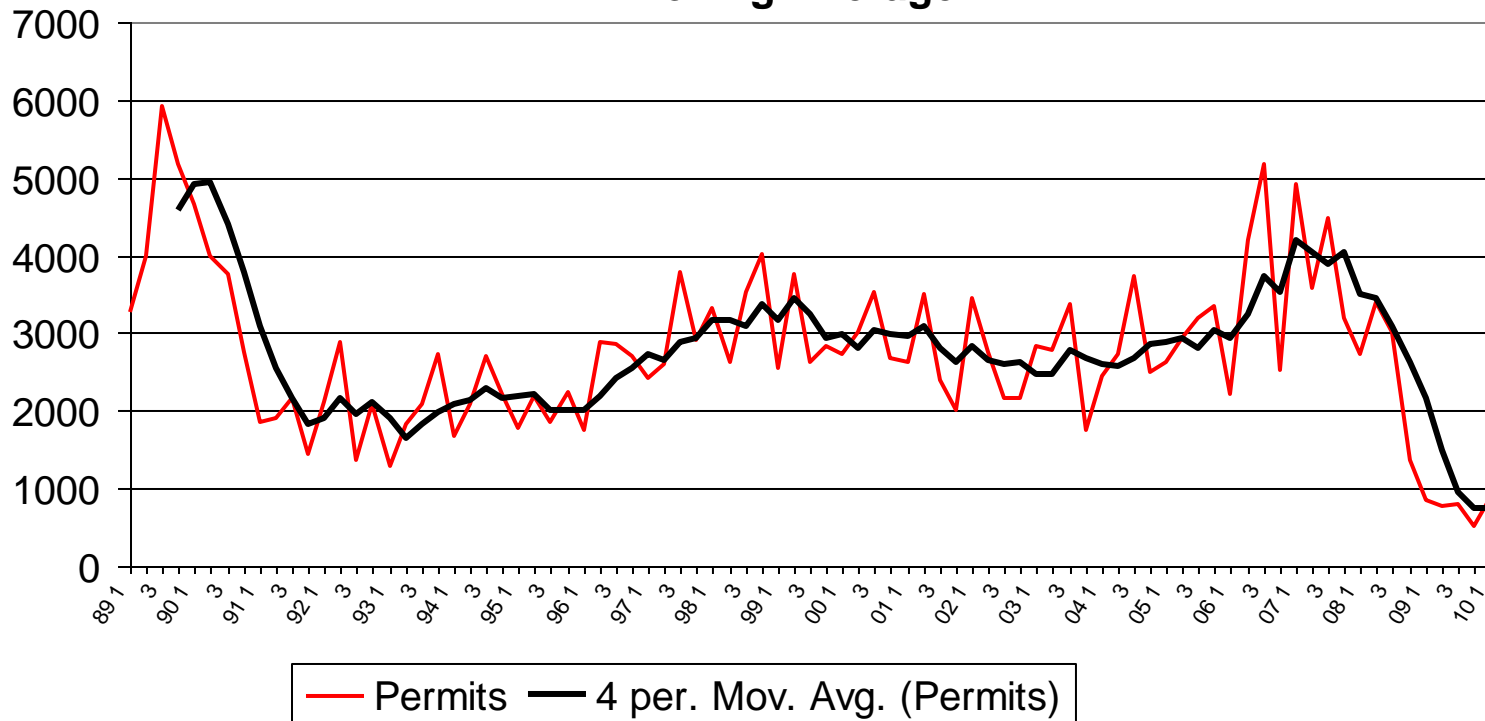
King County REO Properties - % of Total Active Listings (Single Family and Condo)



Source: RealtyTrac

King County Housing Permits

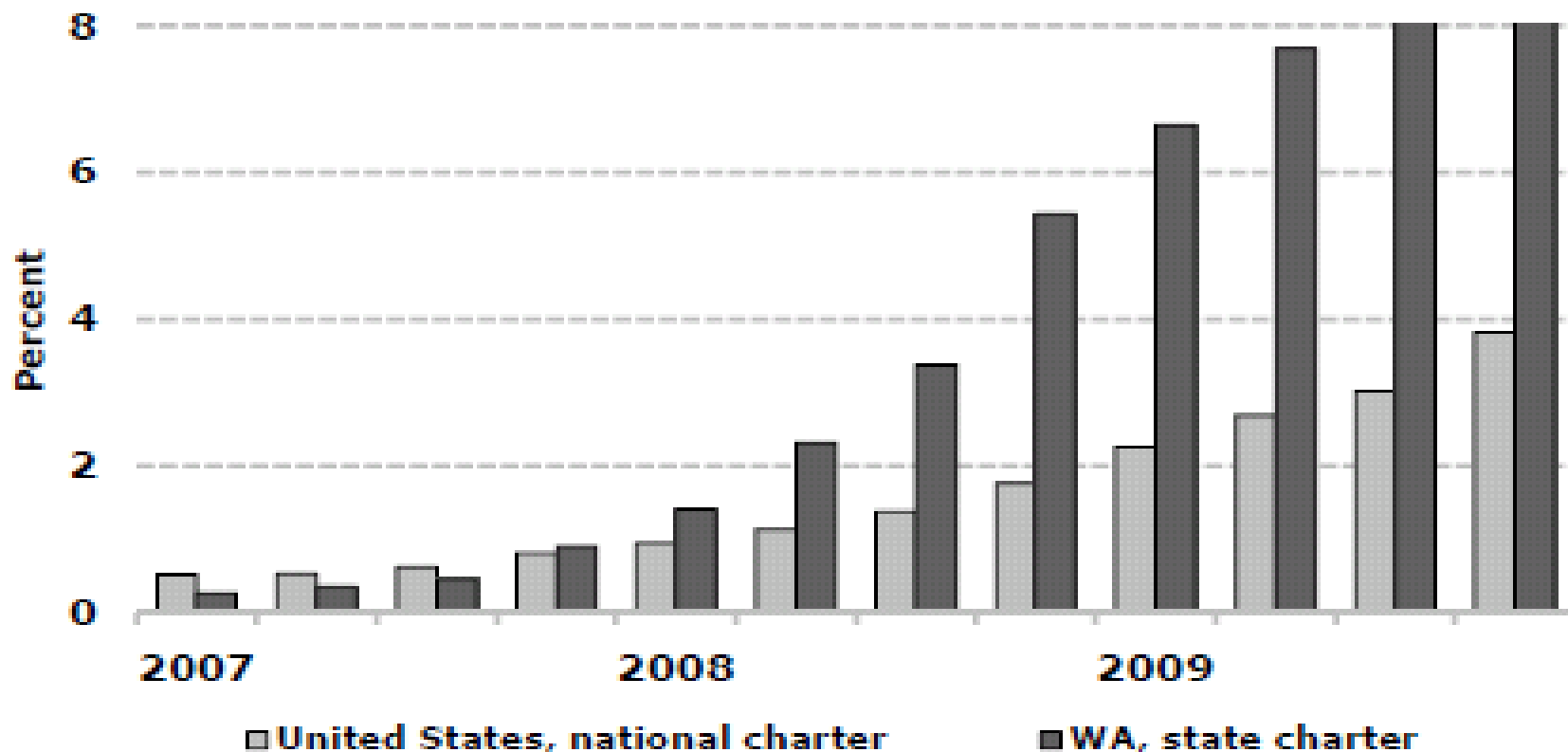
Total Housing Permits Authorized - Actual and 4-Quarter Moving Average



Source: King County DDES

Regional Bank Asset Quality

Ratio of Non-Performing to Total Assets

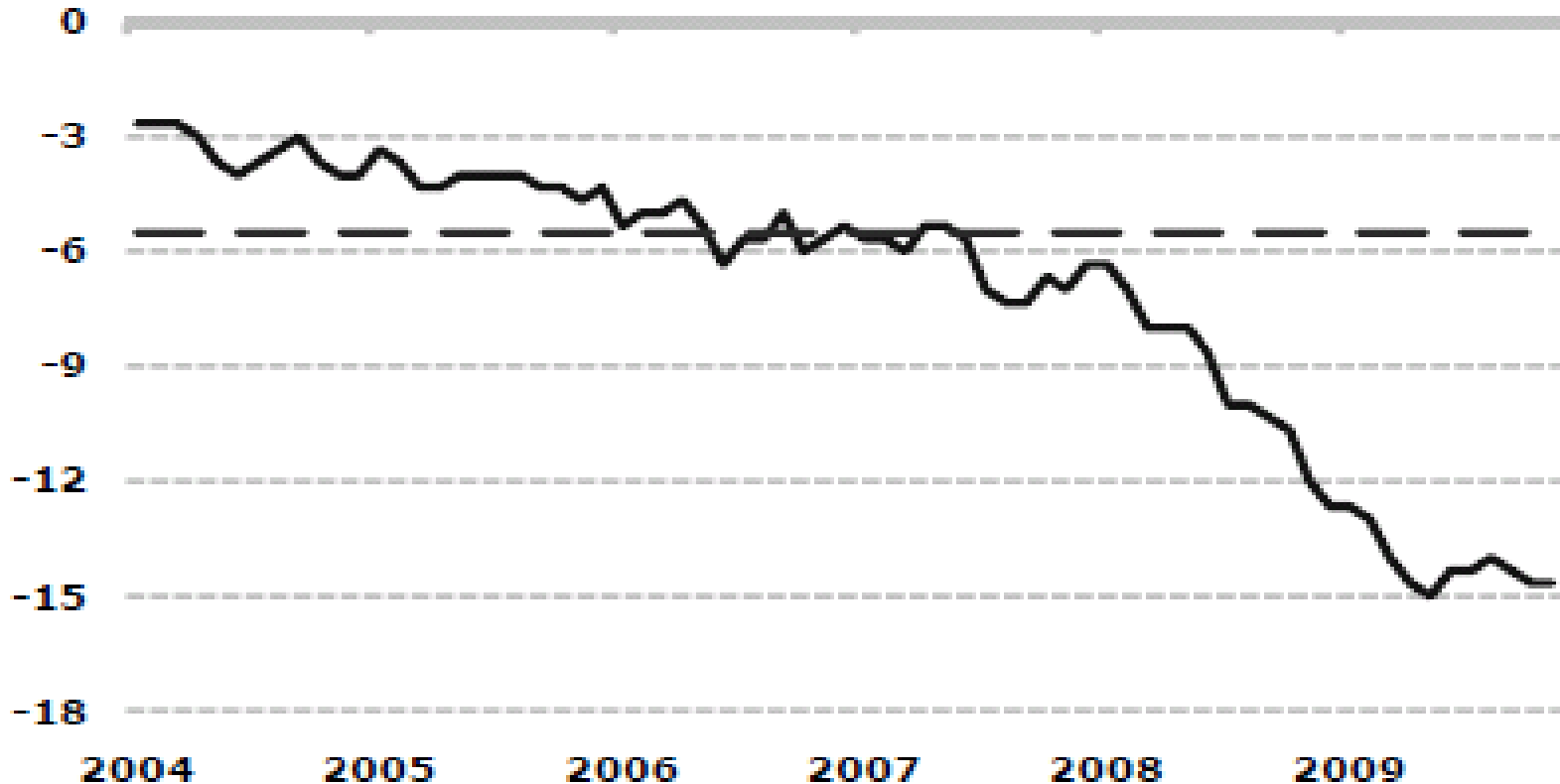


Source: FDIC, data through 2009 Q4

Small Business Credit Conditions

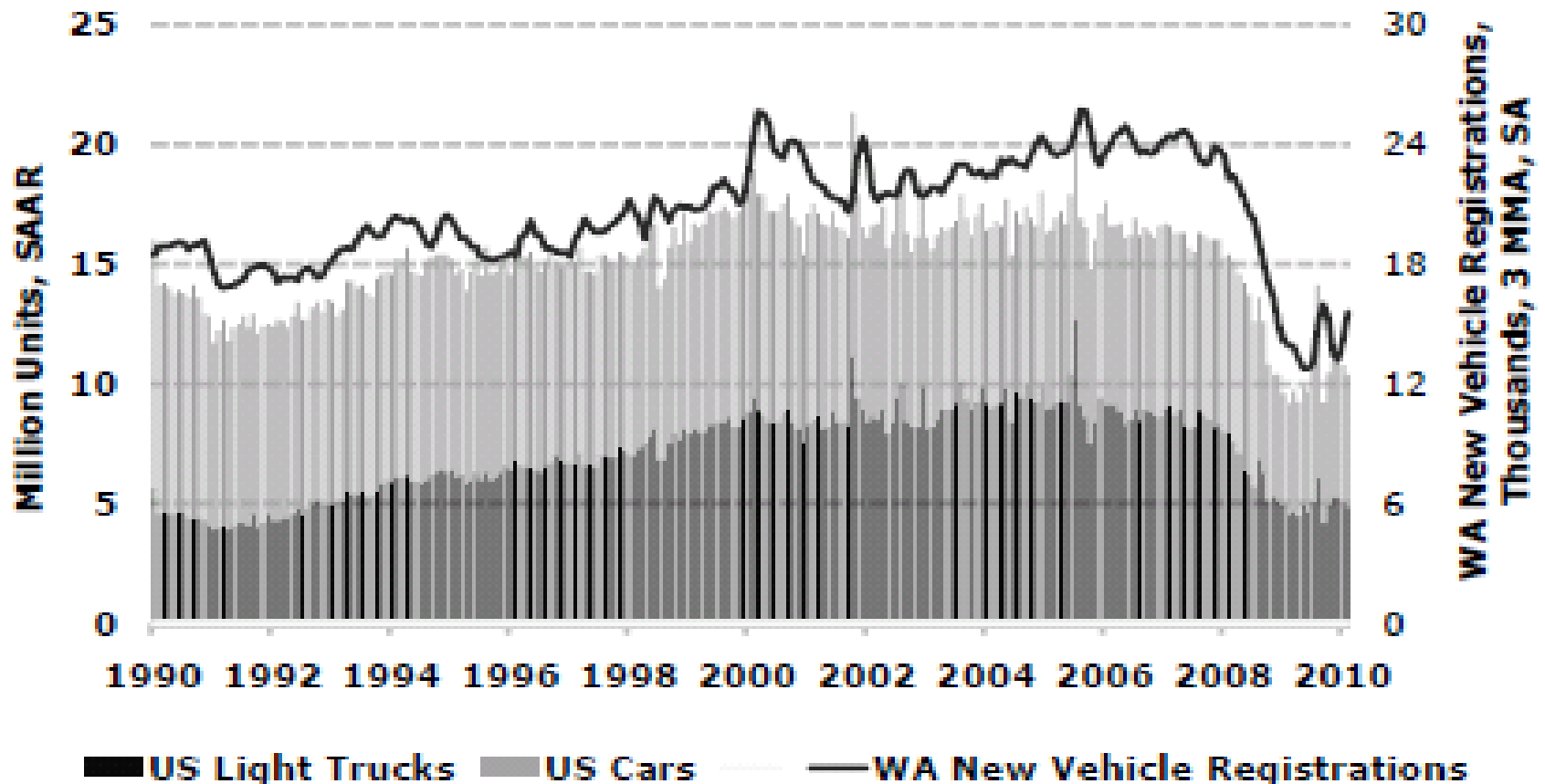
Availability of Loans

Net Percent ("Easier" minus "Harder"), 3mma



Source: National Federation of Independent Business; data through January 2010

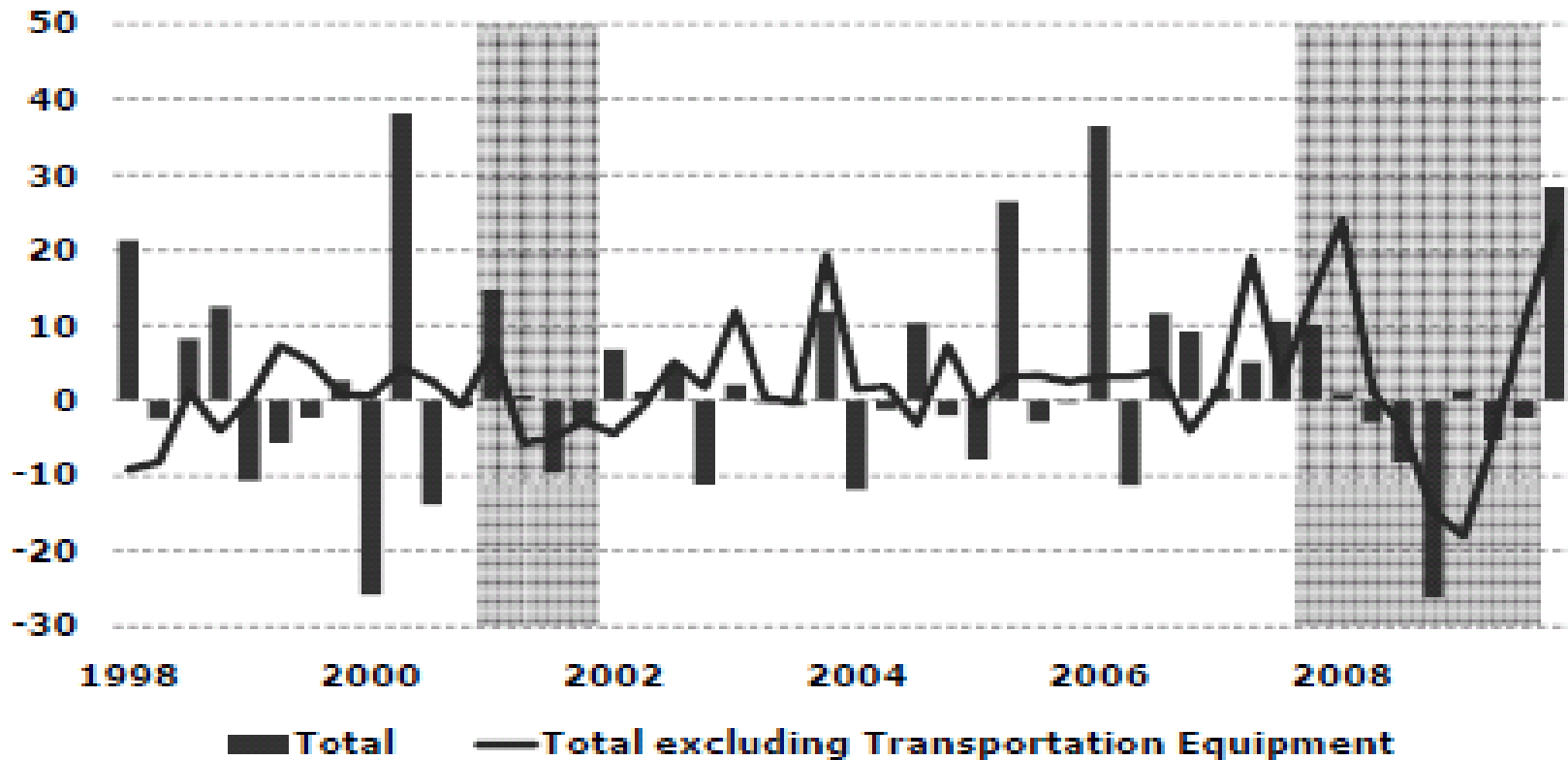
Washington State Automobile Sales



Source: Autodata Corporation, WA DOL; data through Feb 2010

Export Growth

Exports, SA
Percent Change, quarter ago



Source: Wisser Trade Data; through 2009 Q4

Conclusion....