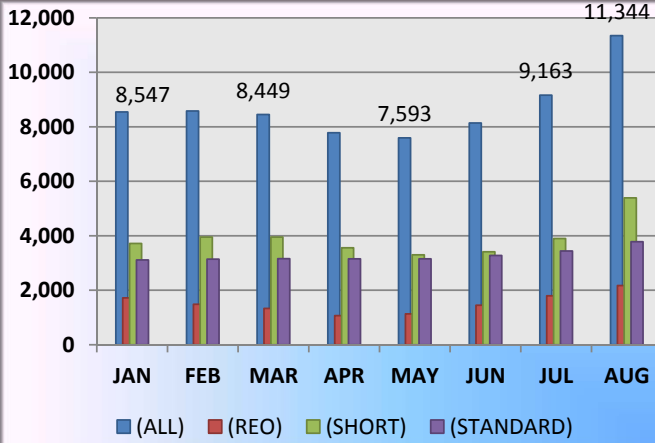


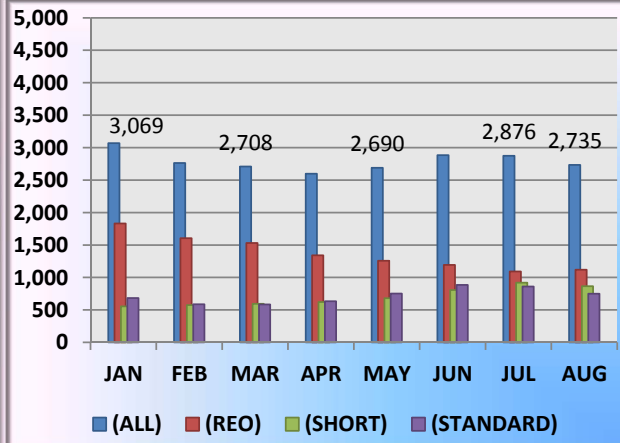
**SEPTEMBER 2010**

**SUPPLY (ON MARKET)**



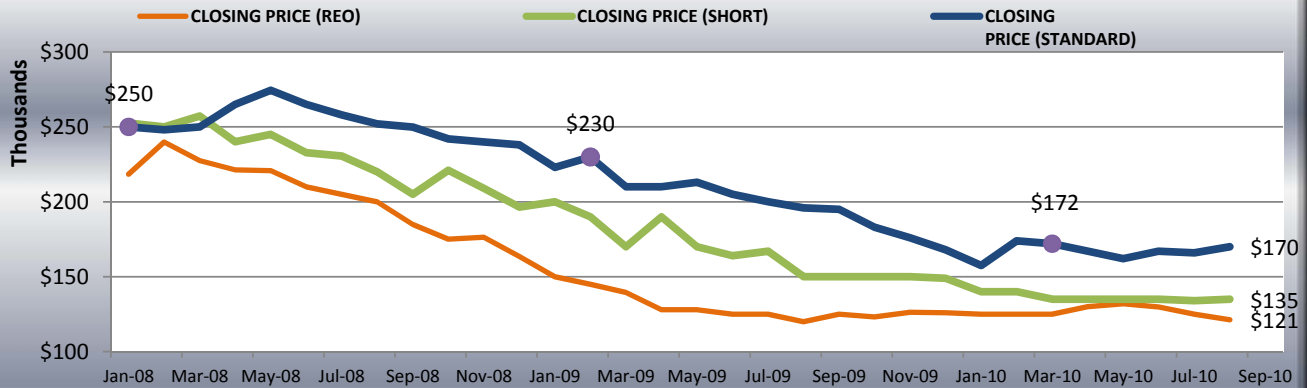
Supply is on the rise especially for REO.

**DEMAND (SALES PER MONTH)**



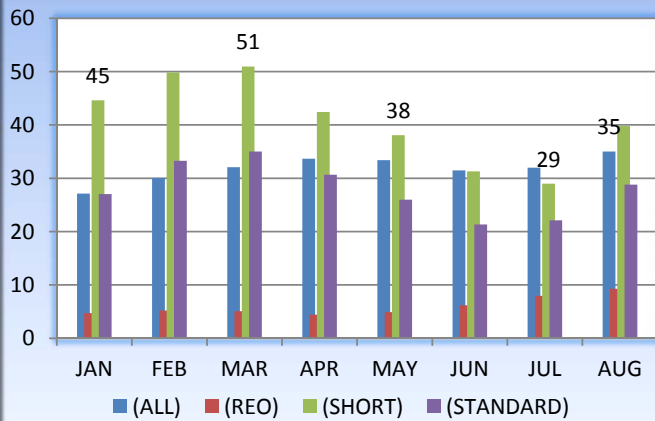
REO demand has stabilized; Shorts and Standards steady.

**MEDIAN PRICE HISTORY JANUARY 2008 TO EARLY AUGUST 2010**



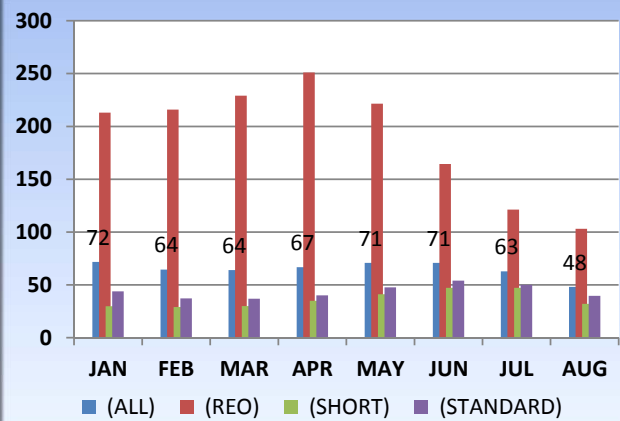
OVERALL PRICES ARE WEAK--REO LEADING MARKET DOWNWARD

**WEEKS OF SUPPLY AT CURRENT DEMAND (ABSORPTION RATE)**



Weeks Supply (Absorption Rate) beginning to rise. The market is slowing.

**HOW QUICKLY DOES SUPPLY CONVERT TO CLOSED DEMAND?**



Notice the pronounced decline in REO speed (conversion of listings to close). While REO speed is relatively fast, it is definitely slowing.