

### Fourth Quarter 2011

#### ECONOMIC INDICATORS

##### Employment Growth Rates (change from year ago, unless noted)

	Q4-11	Q3-11	Q4-10	2011	2010
Total Nonfarm (share of trailing four quarter employment in parentheses)	1.3%	1.5%	0.5%	1.2%	-1.3%
Manufacturing (10%)	6.0%	4.9%	0.9%	4.3%	-2.8%
Other (non-manufacturing) Goods-Producing (5%)	-0.6%	-0.8%	-5.7%	-2.1%	-11.4%
Private Service-Producing (66%)	1.7%	2.1%	1.3%	1.9%	-0.6%
Government (19%)	-1.8%	-1.7%	-0.3%	-1.5%	0.1%
Unemployment Rate (% of labor force)	8.7%	9.2%	9.7%	9.2%	9.9%

##### Other Indicators (change from year ago, unless noted)

	Q4-11	Q3-11	Q4-10	2011	2010
Single-Family Home Permits	-2.8%	0.6%	-6.8%	-7.6%	12.7%
Multifamily Building Permits	12.4%	29.6%	146.0%	39.9%	70.8%
Home Price Index	-4.7%	-6.3%	-4.1%	-5.9%	-6.1%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	4.03	4.50	4.58	4.48	4.88

#### BANKING TRENDS

##### General Information

	Q4-11	Q3-11	Q4-10	2011	2010
Institutions (#)	72	73	79	72	79
Total Assets (in millions)	63,547	63,582	66,063	63,547	66,063
New Institutions (# < 3 years)	1	1	2	1	2
Subchapter S Institutions	11	11	13	11	13

##### Asset Quality

	Q4-11	Q3-11	Q4-10	2011	2010
Past-Due and Nonaccrual Loans / Total Loans (median %)	3.79	4.12	5.05	3.79	5.05
Noncurrent Loans / Total Loans (median %)	2.78	3.14	3.54	2.78	3.54
ALLL/Total Loans (median %)	2.03	2.08	2.24	2.03	2.24
ALLL/Noncurrent Loans (median multiple)	0.70	0.69	0.61	0.70	0.61
Net Loan Losses / Total Loans (median %)	0.72	0.83	1.39	0.96	1.29

##### Capital / Earnings

	Q4-11	Q3-11	Q4-10	2011	2010
Tier 1 Leverage (median %)	10.18	10.27	9.75	10.18	9.75
Return on Assets (median %)	0.40	0.41	-0.10	0.31	0.08
Pretax Return on Assets (median %)	0.44	0.46	-0.17	0.38	0.05
Net Interest Margin (median %)	3.94	4.05	4.01	4.03	3.90
Yield on Earning Assets (median %)	4.80	4.93	5.09	4.89	5.16
Cost of Funding Earning Assets (median %)	0.85	0.90	1.20	0.93	1.37
Provisions to Avg. Assets (median %)	0.33	0.32	0.76	0.44	0.84
Noninterest Income to Avg. Assets (median %)	0.41	0.43	0.39	0.42	0.41
Overhead to Avg. Assets (median %)	3.43	3.37	3.48	3.47	3.43

##### Liquidity/Sensitivity

	Q4-11	Q3-11	Q4-10	2011	2010
Net Loans to Assets (median %)	65.90	66.84	70.95	65.90	70.95
Noncore Funding to Assets (median %)	19.98	20.29	22.92	19.98	22.92
Long-term Assets to Assets (median %, call filers)	20.89	18.81	17.00	20.89	17.00
Brokered Deposits (number of institutions)	37	42	49	37	49
Brokered Deposits to Assets (median % for those above)	2.19	2.56	4.13	2.19	4.13

##### Loan Concentrations (median % of Total Risk-Based Capital)

	Q4-11	Q3-11	Q4-10	2011	2010
Commercial and Industrial	86.46	87.56	97.42	86.46	97.42
Commercial Real Estate	326.38	339.69	376.64	326.38	376.64
Construction & Development	48.00	53.56	64.52	48.00	64.52
Multifamily Residential Real Estate	22.62	25.07	26.53	22.62	26.53
Nonresidential Real Estate	227.51	225.14	246.68	227.51	246.68
Residential Real Estate	96.37	100.68	115.99	96.37	115.99
Consumer	10.44	10.95	11.04	10.44	11.04
Agriculture	8.22	9.82	10.15	8.22	10.15

#### BANKING PROFILE

##### Largest Deposit Markets (from 2011 Summary of Deposits)

	Institutions in Market	Deposits (\$ millions)	Asset Distribution	Institutions
Seattle-Tacoma-Bellevue, WA	66	70,266	< \$100 million	17 (23.6%)
Portland-Vancouver-Beaverton, OR-WA	40	40,451	\$100 million to \$250 million	21 (29.2%)
Spokane, WA	18	6,365	\$250 million to \$1 billion	21 (29.2%)
Olympia, WA	20	2,984	\$1 billion to \$10 billion	12 (16.7%)
Bellingham, WA	15	2,968	> \$10 billion	1 (1.4%)