

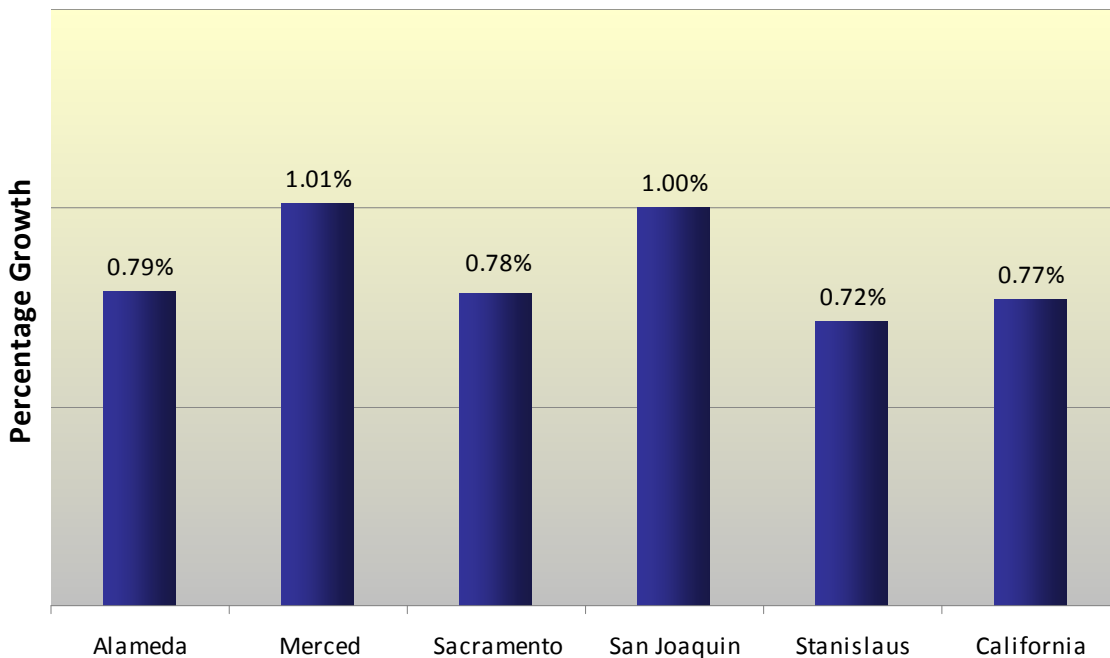
COMMUNITY PROFILE

Stanislaus County is located in Central California. With over 517,000 people calling this area home, its communities reflect a region rich in diversity and a strong sense of community. Stanislaus County is within 90 minutes of the San Francisco Bay Area, the Silicon Valley, Sacramento, the Sierra Mountains and California's Central Coast. It is also within a five-hour drive to Los Angeles. Two of California's north-south routes intersect the area: Interstate 5 and Highway 99. The mild Mediterranean climate, rich soils, and ample water make this County one of the best agricultural areas in the world, positioning it as a global center for agribusiness. Established in 1854, its total land area is 1,494 square miles. Temperatures range from an average low of 38 degrees Fahrenheit in the winter, to an average high of 85 degrees Fahrenheit during the spring and fall, and to an average high in the 90's during the summer months.

COUNTY POPULATION

Stanislaus County has experienced 15% growth between 2000 and 2010. While the growth trend has slowed over the past several years during the economic downturn, it is expected the trend will begin to increase as the economy improves. Dealing with growth represents an ongoing challenge for our area. Water, job availability, affordable housing, farmland preservation, air quality, transportation and school capacity are all infrastructure elements tied to growth issues.

Population Growth 2009 - 2010



COUNTY POPULATION BY CITY

Within Stanislaus County, there are nine incorporated cities: Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock, and Waterford. Additionally, there are 13 unincorporated communities within the County. Based on State Department of Finance data, from 2009 to 2010, the County's population increased nearly 1%. All cities grew at nearly the same rate.

Population by City

City	Jan. 2006	Jan. 2007	Jan. 2008	Jan. 2009	Jan. 2010
Ceres	40,868	41,787	42,813	42,998	43,219
Hughson	6,112	6,054	6,187	6,193	6,240
Modesto	207,738	208,150	209,936	210,088	211,536
Newman	10,120	10,254	10,586	10,739	10,824
Oakdale	17,824	18,538	19,337	19,608	19,854
Patterson	19,231	20,773	21,229	21,168	21,251
Riverbank	21,176	21,384	21,757	21,805	22,201
Turlock	67,757	68,984	70,158	70,256	71,181
Waterford	8,201	8,547	8,763	8,816	8,860
Unincorporated	114,414	114,467	115,137	114,712	115,418
County Total	513,441	518,938	525,903	526,383	530,584

Source is California Department of Finance

** City numbers have not been adjusted for 2010 US Census.

ECONOMY

Manufacturing continues to be an important employer sector in Stanislaus County. The top ten employers within the manufacturing industry are listed in the following chart.

Major Manufacturing Employers - 2010

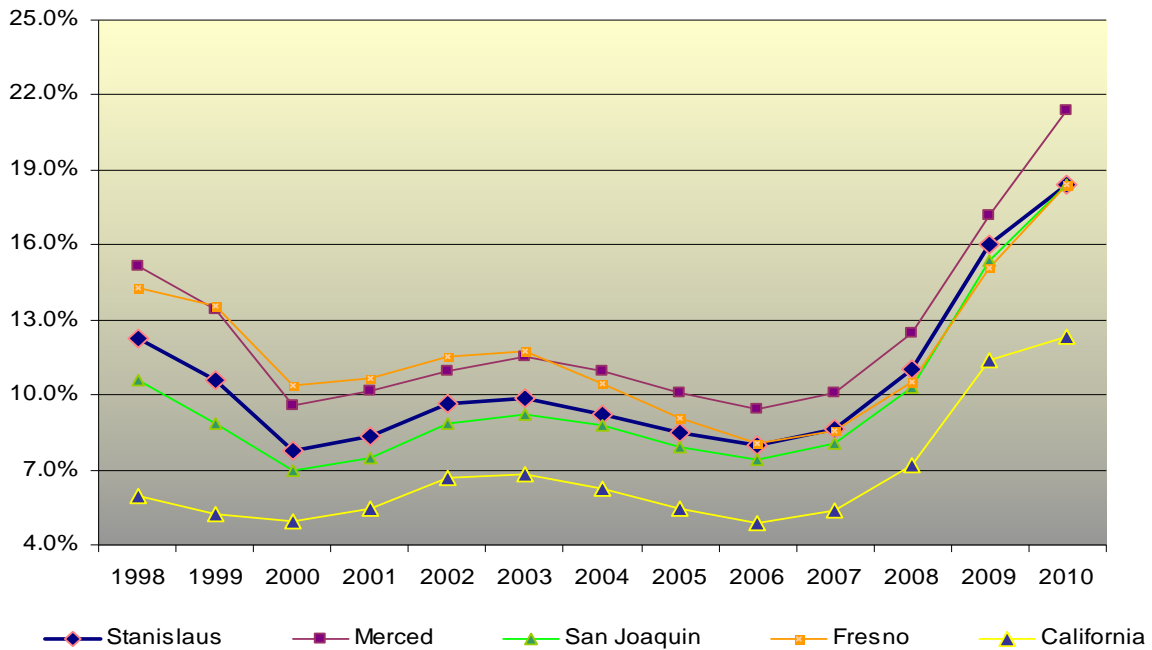
Employer	Description	Employees*
E&J Gallo Winery	Winery	3,181
Seneca Foods	Fruit Products	2,100
Del Monte Foods	Fruit Products	1,700
Foster Farms	Poultry Processor	1,632
Stanislaus Food Products	Fruit & Vegetable Processor	1,500
ConAgra	Food Processing	1,200
Frito-lay	Snack Food Products	684
Racor	Filtration Products	680
Foster Farms Dairy	Dairy Products	644
Patterson Vegetable Company	Frozen Food Products	600

* Reflects peak seasonal levels where applicable.

UNEMPLOYMENT RATE COMPARISON

The County's unemployment rate rose to 18.4% for March 2010. The County has now endured multiple years of some of the highest unemployment rates in the nation, with parts of Stanislaus experiencing greater than 40% unemployment rates. High unemployment rates place a greater strain on local resources, even as government budgets are reduced.

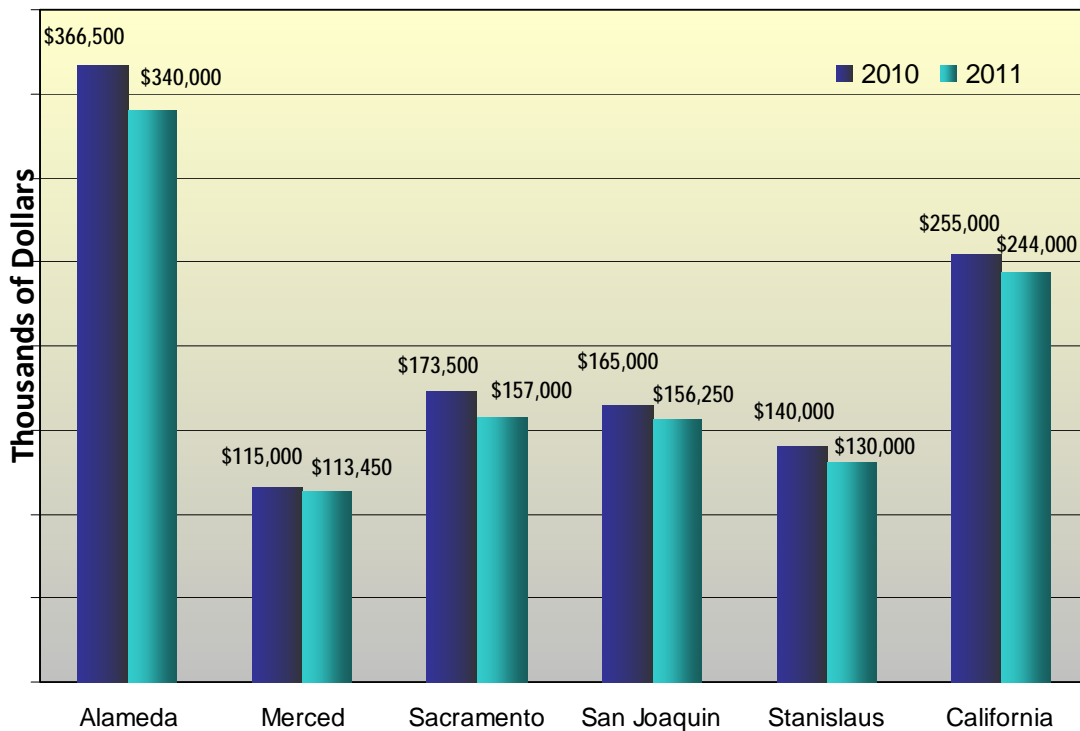
Unemployment Rate Comparison



HOUSING

Home values continued to decline during 2010 as the median home price for Stanislaus County reached \$130,000, down from \$140,000 in 2009. The sharp decline in home values has significantly impacted property taxes, a key component of County discretionary income.

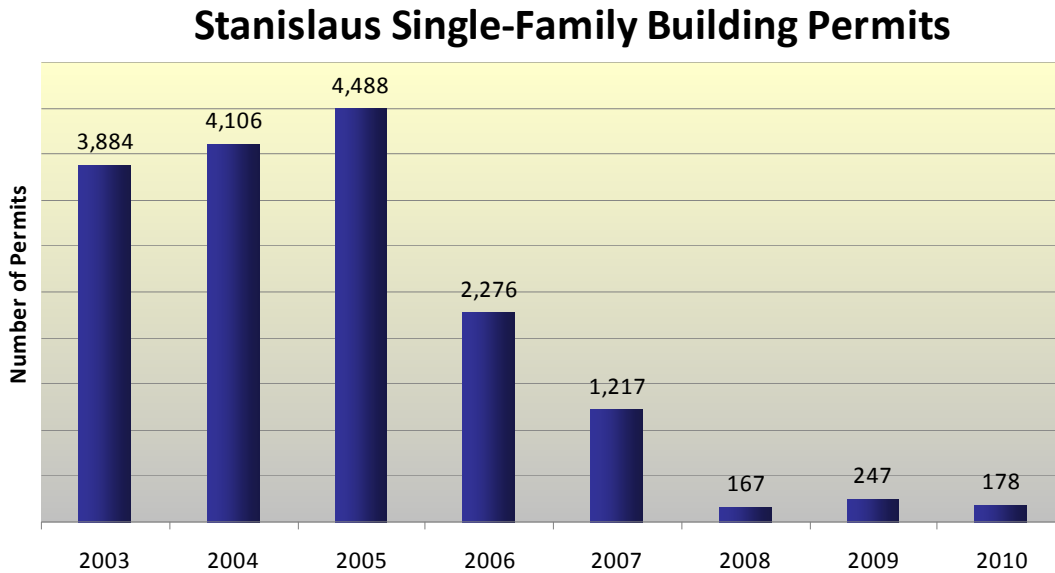
Median Home Prices by County



Source: DQNews

SINGLE-FAMILY BUILDING PERMITS

One of the strongest indicators of the construction slowdown is building permit activity. After reaching a high in 2005, the number of single-family building permits dropped from 4,488 in 2005 to only 178 in 2010 for a decline of 96%. Although it is generally agreed that the new home construction industry has bottomed, experts disagree as to the timing of a rebound.



Sources:

Alliance Business Research Center at: www.stanalliance.com
California Department of Finance Forecast
California Employment Development Department
DQ News