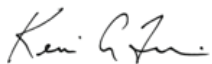


While recent changes in the economy may not be dramatic, they are an indication of improvement and certainly something to be thankful for.

Here at Citywide, we are also grateful for our experienced team of bankers. Our commitment to helping Denver businesses thrive would be an empty promise without their collective investment in doing the right thing.

We are most thankful for our clients – all of you who continue to trust us with your banking needs. We firmly believe small and mid-sized businesses will drive economic recovery in the year ahead and we look forward to participating, with money to lend and cash management services specifically designed to help growing businesses prosper.

Happy Holidays!



Kevin G. Quinn, President and CEO

Denver Home Sales

Existing Single-Family Homes - NSA

	Oct-08	Oct-09
Inventory	17,842	14,376
Under contract	3,649	3,800
Sales	3,386	3,052
Days on the market	93	92

Source: Denver Board of REALTORS* NSA = not seasonally adjusted

Denver Home Permits

Authorized Units Privately Owned - NSA

	Total	Y-Y Change
August-08	602	
August-09	275	-54.3%
September-08	354	
September-09	338	-4.5%

Source: U.S. Census Bureau NSA = not seasonally adjusted

Denver Employment

National Unemployment Average 10.2% - October 2009 - NSA

	Employment Change*	Unemployment Rate
August-08	-2,781	5.1%
August-09 (r)	-6,741	7.4%
September-08	-144	5.0%
September-09	-7,893	7.1%

Source: Bureau of Labor Statistics NSA = not seasonally adjusted
*Change from prior month (r) = revised data

Carlson Index

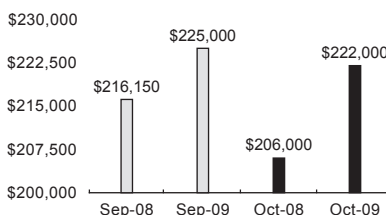
In the month of August, each job in Colorado generated an average of \$8,337 in retail sales expenditures. That is a 9.7% decline from August 2008.

Source: The Carlson Group

Denver Economic Benchmarks

Denver Median Home Price*

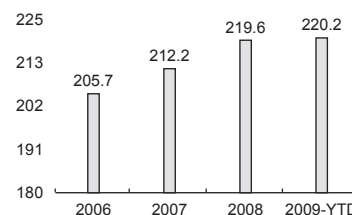
U.S. Median: \$174,900 in September



Source: Denver Board of REALTORS*
*Median sale price for existing single-family home

Denver* Consumer Price Index

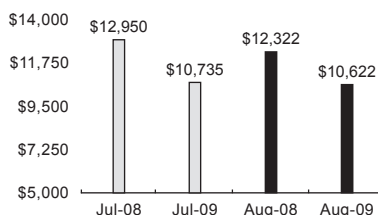
1982-84 = 100 (U.S. Avg 215.7) NSA



Source: Bureau of Labor Statistics
*West Urban Region NSA = not seasonally adjusted

Colorado Retail Sales

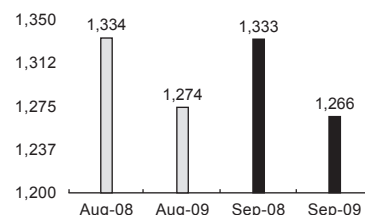
In Millions (000,000s) NSA



Source: Colorado Department of Revenue
NSA = not seasonally adjusted

Denver Employment

In Thousands (000s) NSA



Source: Bureau of Labor Statistics
NSA = not seasonally adjusted

**Mortgage rates: 30 yr - 5.02%, 15 yr - 4.60%, 5/1 - ARM 4.09%;
1 yr CD - 1.60%; money market yield - 1.04%**

Source: WSJ 11/16/09

Inside The Economy

Will the Rise in the Gross Domestic Product Be Sustainable?

Real (non-price inflated) Gross Domestic Product (GDP) rose at an annual rate of 3.5% in the third quarter of 2009. If nothing else, this heralds the official end of the recession, which is defined as two consecutive quarters of declining real GDP. The main components of GDP, and the associated increase from the previous quarter, are private consumption (+3.4%), private investment (+11.5%), government spending (+2.3%), exports (+14.7%), and imports (+20.0%—which is a negative value in the GDP calculations). This comes after a year or more of fairly consistent negative changes for all these values. So, although we're nowhere near our pre-recession values for GDP, evidence is now available that we're starting to recover. There are two important questions: (1) Is an annual real positive growth rate sustainable? (2) Is it sustainable at a significant growth rate (of 3.5% or thereabouts)?

Six factors (among many others) figure into the sustainability of this recovery. (1) First is unemployment, which just hit 10.2%. As I've written in the past, unemployed people have constrained disposable income, and disposable income is a central factor in driving consumer consumption, the main component of GDP. (2) Unemployment benefits for many of the long-term unemployed have expired or are about to expire. Congress has just extended these benefits, which will alleviate much of the disposable-income problem but ultimately will cost taxpayers more. (3) Banks still are not lending at a rate that would be considered robust. (4) Business firms are hanging onto their cash rather than spending it on new job-creating projects. (5) The Federal Reserve is still keeping its target interest rate between 0% and 0.25%, while warily eyeing the rate of inflation. (6) Popular government programs like Cash for Clunkers and the credit for first-time homeowners have expired or are expiring soon. These six factors may have been significant in driving the third-quarter rise in GDP, and their absence may dampen its performance in the fourth quarter. All of these factors, and others, figure into the recovery and its robustness. Wild cards on the horizon are climate change legislation and health care reform—both big-ticket items that will cost businesses and taxpayers a significant additional amount, regardless of their merits.

Author: Ken Maxey

Local Trends

Average Weekly Wage Q1-09 Avg. County Weekly Wage

Adams	\$798
Arapahoe	\$1,074
Boulder	\$1,016
Denver	\$1,139
Douglas	\$990
Jefferson	\$894
Larimer	\$762

Source: Bureau of Labor Statistics

Denver Employment Financial Services Jobs

2003	98,000
2004	98,000
2005	99,700
2006	100,600
2007	99,600
2008	97,100
2009-YTD	92,500

Source: Bureau of Labor Statistics

Denver Employment Private-Sector Workers

2003	994,200
2004	1,004,000
2005	1,025,600
2006	1,048,700
2007	1,071,600
2008	1,077,500
2009-YTD	1,022,800

Source: Bureau of Labor Statistics

Colorado Employment Hours and Earnings Profile

	Average Weekly Hours		Average Weekly Earnings		Average Hourly Earnings	
	Aug-08	Aug-09	Aug-08	Aug-09	Aug-08	Aug-09
Construction	39.3	39.4	\$950.27	\$927.48	\$24.18	\$23.54
Manufacturing	39.0	38.3	\$1,069.38	\$1,037.55	\$27.42	\$27.09
Trade, transportation, utilities	35.1	35.5	\$675.32	\$694.74	\$19.24	\$19.57
Financial activities	35.4	35.2	\$790.48	\$775.81	\$22.33	\$22.04
Professional services	36.3	36.9	\$1,059.23	\$1,077.11	\$29.18	\$29.19
Education and health services	34.6	34.4	\$767.08	\$783.63	\$22.17	\$22.78
Leisure and hospitality	25.3	26.3	\$342.31	\$373.46	\$13.53	\$14.20

Source: Bureau of Labor Statistics

Quick Fact

3.9% | The increase in personal income in Denver between 2007 and 2008. Nationally, the increase was 3.4% during the same period.

Source: Bureau of Economic Analysis

National Trends

Business Outlook - U.S. Firms' Growth Expectations During the Next 12 Months

Monthly Averages	September 2009	May 2009	February 2009	December 2008
Earnings growth	3.1%	-4.0%	-19.8%	-9.0%
Capital spending	-3.2%	-11.5%	-13.3%	-10.2%
Technology spending	-0.4%	-4.6%	-5.4%	-4.4%
Marketing spending	0.6%	-6.4%	-7.6%	-6.6%
Employment	-3.2%	-5.6%	-5.7%	-5.0%

Source: Duke's Fuqua School of Business/CFO Magazine Business Outlook September 2009
Results for U.S. firms expecting growth in their own businesses during the next 12 months

Percentages indicate an increase or decline for each category

U.S. Job Openings, SAAR

Survey Date	Job Openings (000s)
September 2009	2,480
August 2009 (r)	2,423
July 2009	2,408
June 2009	2,513
May 2009	2,523
April 2009	2,513
March 2009	2,633
February 2009	2,973

Source: Bureau of Labor Statistics SAAR = seasonally adjusted annual rate (r) = revised

Housing Starts, SAAR

	Units (000s)	Percent Change
August-08	849	
August-09 (r)	587	-30.8%
September-08	822	
September-09	590	-28.2%

Source: U.S. Census Bureau SAAR = seasonally adjusted annual rate (r) = revised

New Home Sales, SAAR

	Units (000s)	Percent Change
August-08	444	
August-09 (r)	417	-6.0%
September-08	436	
September-09	402	-7.8%

Source: U.S. Census Bureau SAAR = seasonally adjusted annual rate (r) = revised

Domestic Automotive Units (000s)

	U.S. Production	Unit Sales	Inventory Level
August-08	330.3	376.2	758.1
August-09 (r)	211.6	438.8	466.8
September-08	323.5	361.3	853.5
September-09	236.7	272.3	564.9

Source: Bureau of Economic Analysis

Personal Income

In Billions of Dollars, SAAR

	Apr-09	May-09	Jun-09	Jul-09 (r)	Aug-09 (r)	Sep-09
Personal income	11,911 ▲	12,069 ▲	11,934 ▼	11,944 ▲	11,962 ▲	11,962 ▲
Disposable personal income	10,828 ▲	11,001 ▲	10,881 ▼	10,873 ▼	10,888 ▲	10,887 ▼
Personal consumption expenditures	9,968 ▼	9,979 ▲	10,050 ▲	10,074 ▲	10,213 ▲	10,166 ▼

Source: Bureau of Economic Analysis

SAAR = seasonally adjusted annual rate

(r) = revised

Gross Domestic Product

Q3-08	-2.7%
Q4-08	-5.4%
Q1-09	-6.4%
Q2-09	-0.7%
Q3-09	3.5%

Source: Bureau of Economic Analysis
Percent change from prior qtr.

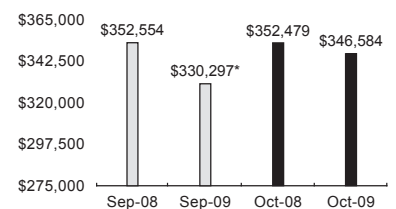
Consumer Confidence Index

Jun-09	49.3
Jul-09	47.4
Aug-09	54.5
Sep-09 (r)	53.4
Oct-09 (p)	47.7

Source: The Conference Board
1985 = 100 (p) = preliminary (r) = revised

Total U.S. Retail Sales

In Millions (000,000s) NSA



Source: U.S. Department of Commerce
NSA = not seasonally adjusted *revised data