

NEW HOME REPORT

VENTURA COUNTY EDITION

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New Home Report

For over 10 years, Hanley Wood has provided weekly traffic and sales information to the building industry throughout Southern California. In addition to this newsletter and our weekly reports, we offer a variety of custom reports and market research services.

For more information, please call us at (714) 540-8500 to discuss your research needs or visit www.hanleywood.com.

Following is the October 2008 Hanley Wood Weekly Sales and Traffic New Home Report for the Ventura County market. Definitions for the categories shown on the tables are provided below.

Definitions

Number of Active Projects: A project is considered active when prices on individual units are published and offers can be made. A project stays open/active through the month that the final home has closed escrow. Afterwards, it is considered inactive. For example, a project that closes its last escrow on November 15 is considered active through November 30, but inactive on December 1.

Traffic: Groups visiting an active project, as reported by the homebuilder.

Traffic per Project: The number of traffic groups for the period divided by the number of active projects.

New Sales: Gross sales contracts written for a project during the period.

Cancellations: Any sales contracts that are cancelled before closing/settlement of escrow.

Net Sales: New sales less cancellations.

Net Sales per Project: Net sales for the period divided by the number of active projects. For example, if there were 15 sales during a month and 5 active projects in that month, the net sales per project would be 3.0.

Cancellation Percentage: The number of cancellations during the period divided by the number of new sales.

Conversion Percentage: The number of sales netted during the period divided by the number of traffic groups.

Conversion Ratio: The conversion ratio measures the percentage of traffic converting to net sales.

Inventory: Unsold housing units that have been released for sale, but have not been sold to a buyer. As a result, inventory figures may change significantly due to large phase releases or projects taken off the market.

Inventory per Project: The number of available inventory for the period divided by the number of active projects.

Months of Inventory: The inventory levels of new homes available based on the current sales rate in the market.

Monthly Market Summary

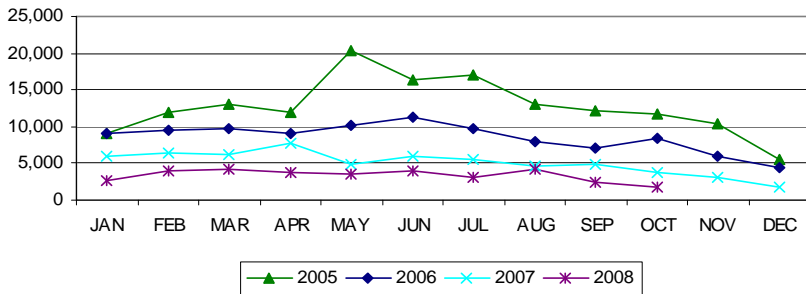
| CATEGORY | OCT 08 | SEP 08 | OCT 07 |
|----------------------------|---------------|---------------|---------------|
| NO. ACTIVE PROJECTS | 38 | 40 | 61 |
| TRAFFIC | 1,867 | 2,508 | 3,708 |
| TRAFFIC/PROJECT | 49 | 63 | 61 |
| NEW SALES | 37 | 41 | 62 |
| CANCELLATIONS | 9 | 14 | 15 |
| NET SALES | 28 | 27 | 47 |
| NET SALES/PROJECT | 0.74 | 0.68 | 0.77 |
| CANCELLATION % | 24% | 34% | 24% |
| CONVERSION % | 1.50% | 1.08% | 1.27% |
| CONVERSION RATIO | 66.68 | 92.89 | 78.89 |
| INVENTORY | 204 | 218 | 417 |
| INVENTORY/PROJECT | 5.37 | 5.45 | 6.84 |
| MONTHS OF INVENTORY | 7.29 | 8.07 | 8.87 |

Submarket Summaries

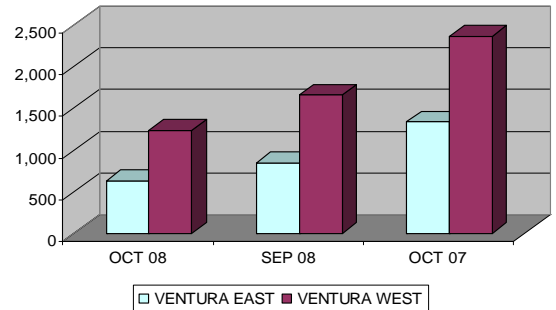
| CATEGORY | VE | VW |
|----------------------------|-----------|-----------|
| NO. ACTIVE PROJECTS | 12 | 26 |
| TRAFFIC | 631 | 1,236 |
| TRAFFIC/PROJECT | 53 | 48 |
| NEW SALES | 5 | 32 |
| CANCELLATIONS | 4 | 5 |
| NET SALES | 1 | 27 |
| NET SALES/PROJECT | 0.08 | 1.04 |
| CANCELLATION % | 80% | 16% |
| CONVERSION % | 0.16% | 2.18% |
| CONVERSION RATIO | 631.00 | 45.78 |
| INVENTORY | 71 | 133 |
| INVENTORY/PROJECT | 5.92 | 5.12 |
| MONTHS OF INVENTORY | 71.00 | 4.93 |

Traffic Trends

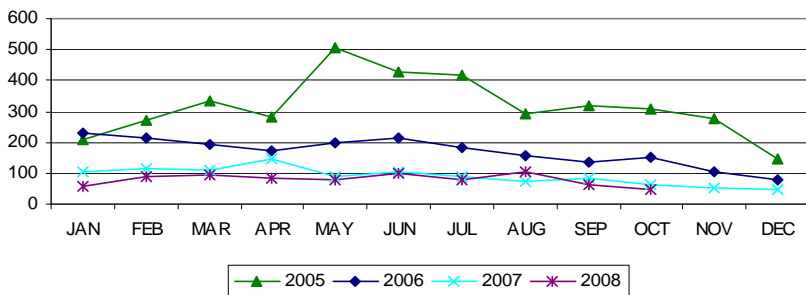
MONTHLY TRAFFIC TRENDS



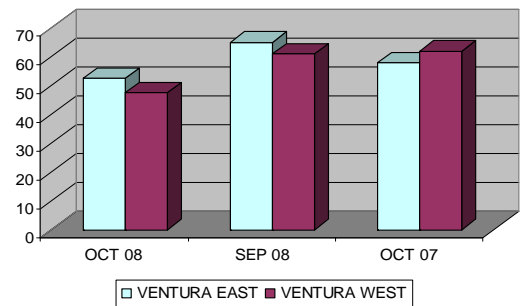
TRAFFIC COUNT COMPARISON BY SUBMARKET



AVERAGE PER-PROJECT TRAFFIC TRENDS



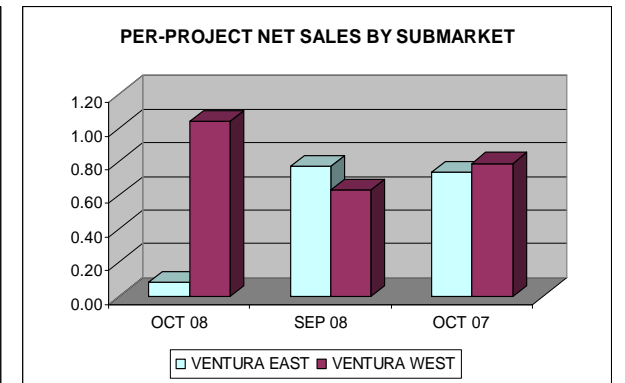
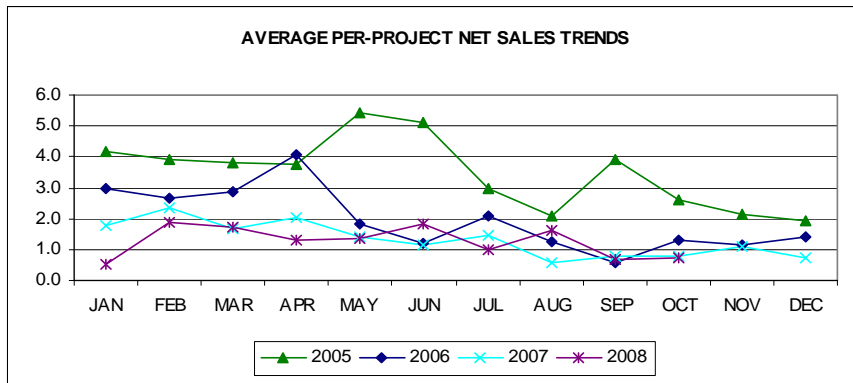
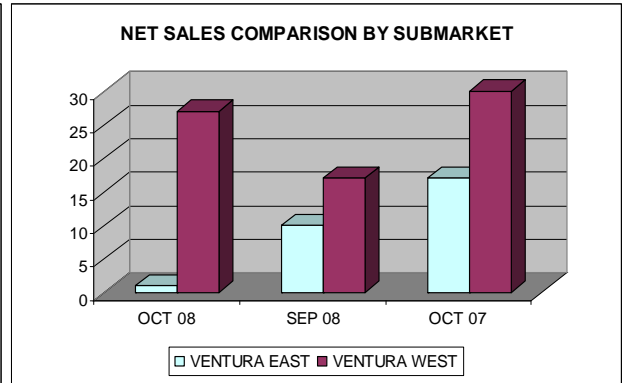
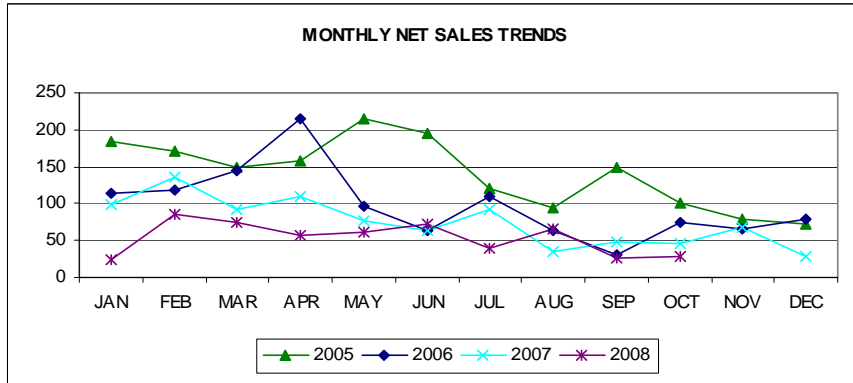
PER-PROJECT TRAFFIC BY SUBMARKET



TRAFFIC SUMMARY

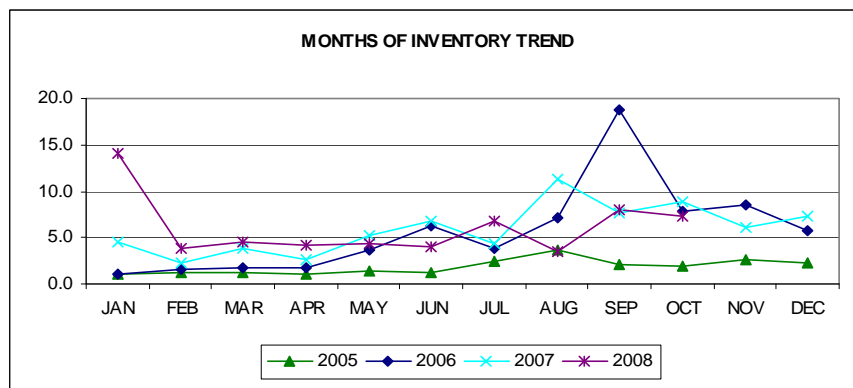
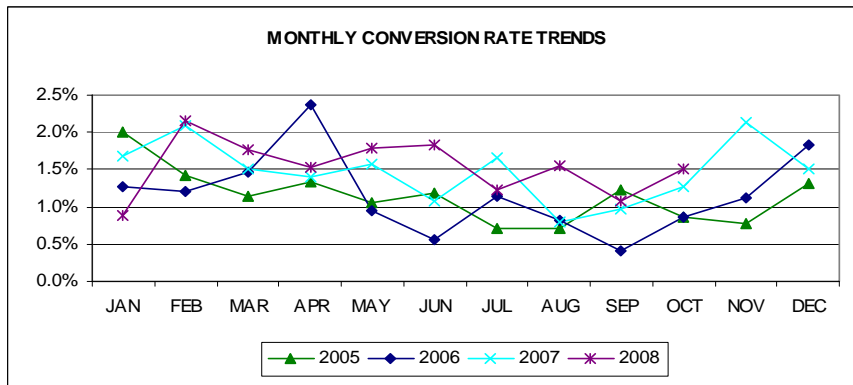
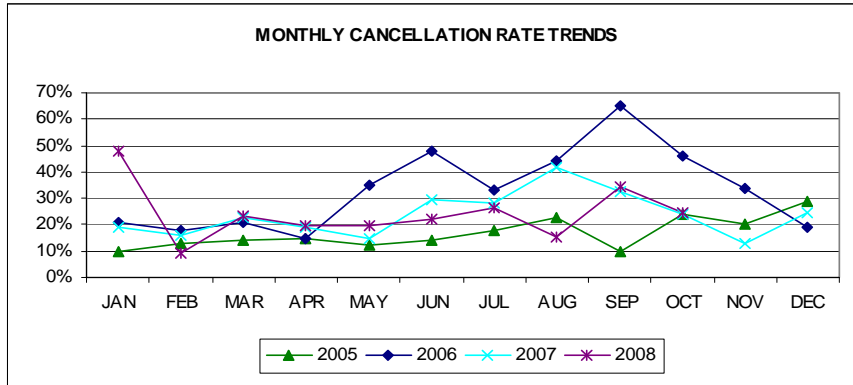
| SUBMARKET | OCT 08 | % TOTAL | TRAF/PR | SEP 08 | CHG | % CHG | OCT 07 | CHG | % CHG |
|--------------|--------|---------|---------|--------|------|-------|--------|--------|-------|
| VENTURA EAST | 631 | 34% | 53 | 849 | -218 | -26% | 1,340 | -709 | -53% |
| VENTURA WEST | 1,236 | 66% | 48 | 1,659 | -423 | -25% | 2,368 | -1,132 | -48% |
| TOTALS | 1,867 | 100% | 49 | 2,508 | -641 | -26% | 3,708 | -1,841 | -50% |

Net Sales Trends



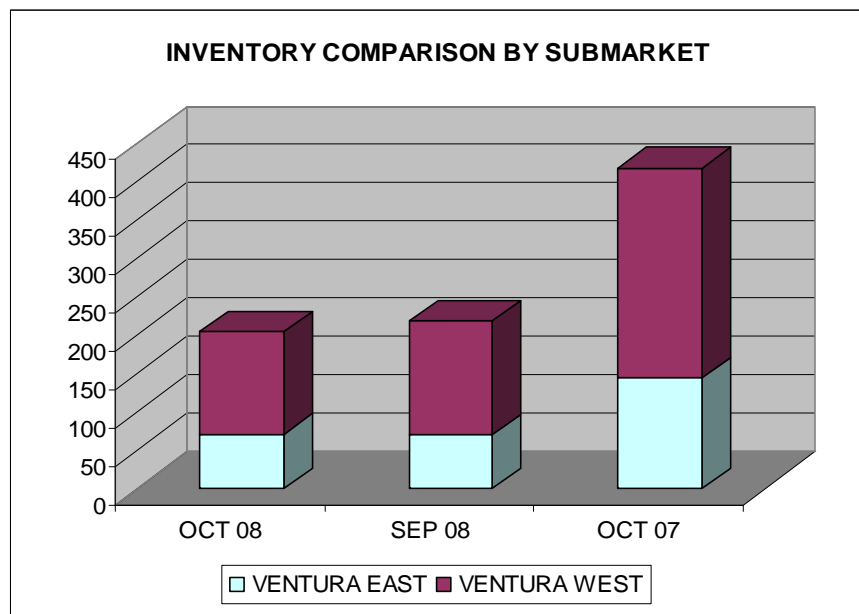
| NET SALES SUMMARY | | | | | | | | | |
|-------------------|--------|---------|--------|--------|-----|-------|--------|-----|-------|
| SUBMARKET | OCT 08 | % TOTAL | SLS/PR | SEP 08 | CHG | % CHG | OCT 07 | CHG | % CHG |
| VENTURA EAST | 1 | 4% | 0.08 | 10 | -9 | -90% | 17 | -16 | -94% |
| VENTURA WEST | 27 | 96% | 1.04 | 17 | 10 | 59% | 30 | -3 | -10% |
| TOTALS | 28 | 100% | 0.74 | 27 | 1 | 4% | 47 | -19 | -40% |

Key Statistics Summary



| KEY STATISTICS | CANCELLATION % | | | CONVERSION RATE | | | MONTHS OF INVENTORY | | |
|----------------|----------------|--------|--------|-----------------|--------|--------|---------------------|--------|--------|
| | OCT 08 | SEP 08 | OCT 07 | OCT 08 | SEP 08 | OCT 07 | OCT 08 | SEP 08 | OCT 07 |
| VENTURA EAST | 80% | 29% | 26% | 0.16% | 1.18% | 1.27% | 71.00 | 7.00 | 8.47 |
| VENTURA WEST | 16% | 37% | 23% | 2.18% | 1.02% | 1.27% | 4.93 | 8.71 | 9.10 |
| TOTALS | 24% | 34% | 24% | 1.50% | 1.08% | 1.27% | 7.29 | 8.07 | 8.87 |

Inventory Trends



| INVENTORY SUMMARY | | | | | | | | | |
|--------------------------|--------|---------|--------|--------|-----|-------|--------|------|-------|
| SUBMARKET | OCT 08 | % TOTAL | INV/PR | SEP 08 | CHG | % CHG | OCT 07 | CHG | % CHG |
| VENTURA EAST | 71 | 35% | 5.92 | 70 | 1 | 1% | 144 | -73 | -51% |
| VENTURA WEST | 133 | 65% | 5.12 | 148 | -15 | -10% | 273 | -140 | -51% |
| TOTALS | 204 | 100% | 5.37 | 218 | -14 | -6% | 417 | -213 | -51% |

Best Sellers & New Projects for the Month

| OCTOBER 2008 BEST SELLERS | | | | | |
|------------------------------------|-----------|-----------|-------|----------|-------------|
| PROJECT | OCT SALES | PRICE | SQ FT | \$/SQ FT | LOT/DENSITY |
| BUILDER | YTD SALES | RANGE | RANGE | RANGE | LOCATION |
| VENTURA EAST | | | | | |
| WAVERLY PLACE | 1 | \$390,000 | 1,136 | \$343 | N/A |
| PARDEE HOMES | 36 | \$465,000 | 1,819 | \$256 | MOORPARK |
| CHERRY HILL | 1 | \$699,000 | 2,607 | \$268 | 7,000 |
| PARDEE HOMES | 23 | \$773,550 | 3,165 | \$244 | MOORPARK |
| VENTURA WEST | | | | | |
| ORBELA | 6 | \$348,990 | 1,094 | \$319 | N/A |
| D.R. HORTON | 40 | \$417,990 | 1,870 | \$224 | OXNARD |
| PORT MERIDIAN | 6 | \$639,990 | 2,653 | \$241 | 4,000 |
| D.R. HORTON | 31 | \$649,990 | 2,868 | \$227 | OXNARD |
| VENTURA COUNTY NEW PROJECTS | | | | | |
| PROJECT | OCT SALES | PRICE | SQ FT | \$/SQ FT | LOT/DENSITY |
| BUILDER | YTD SALES | RANGE | RANGE | RANGE | LOCATION |

Year-to-Date Best Sellers

| 2008 BEST SELLERS | | | | | |
|---------------------|-----------|-----------|-------|----------|-------------|
| PROJECT | YTD SALES | PRICE | SQ FT | \$/SQ FT | LOT/DENSITY |
| BUILDER | OCT SALES | RANGE | RANGE | RANGE | LOCATION |
| VENTURA EAST | | | | | |
| WAVERYLY PLACE | 36 | \$390,000 | 1,136 | \$343 | N/A |
| PARDEE HOMES | 1 | \$465,000 | 1,819 | \$256 | MOORPARK |
| CHERRY HILL | 23 | \$699,000 | 2,607 | \$268 | 7,000 |
| PARDEE HOMES | 1 | \$773,550 | 3,165 | \$244 | MOORPARK |
| VENTURA WEST | | | | | |
| CITRUS WALK | 73 | \$399,990 | 1,336 | \$299 | 5,000 |
| OLSON COMPANY, THE | 3 | \$699,990 | 3,089 | \$227 | VENTURA |
| LUMINARIA | 45 | \$320,000 | 1,534 | \$209 | N/A |
| CENTEX HOMES | 0 | \$330,000 | 1,598 | \$207 | OXNARD |

The New Home Report is published monthly for the counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura, as well as for Southern California overall. All data is proprietary and is derived from weekly surveys conducted by Hanley Wood. All text, tables, and graphs are the property of Hanley Wood and may not be copied, scanned or otherwise duplicated or distributed without the express written consent of the publishers. The information contained herein has been obtained from sources we deem reliable. While we have no reason to doubt its accuracy, we do not guarantee it.

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