

**WELLS
FARGO**

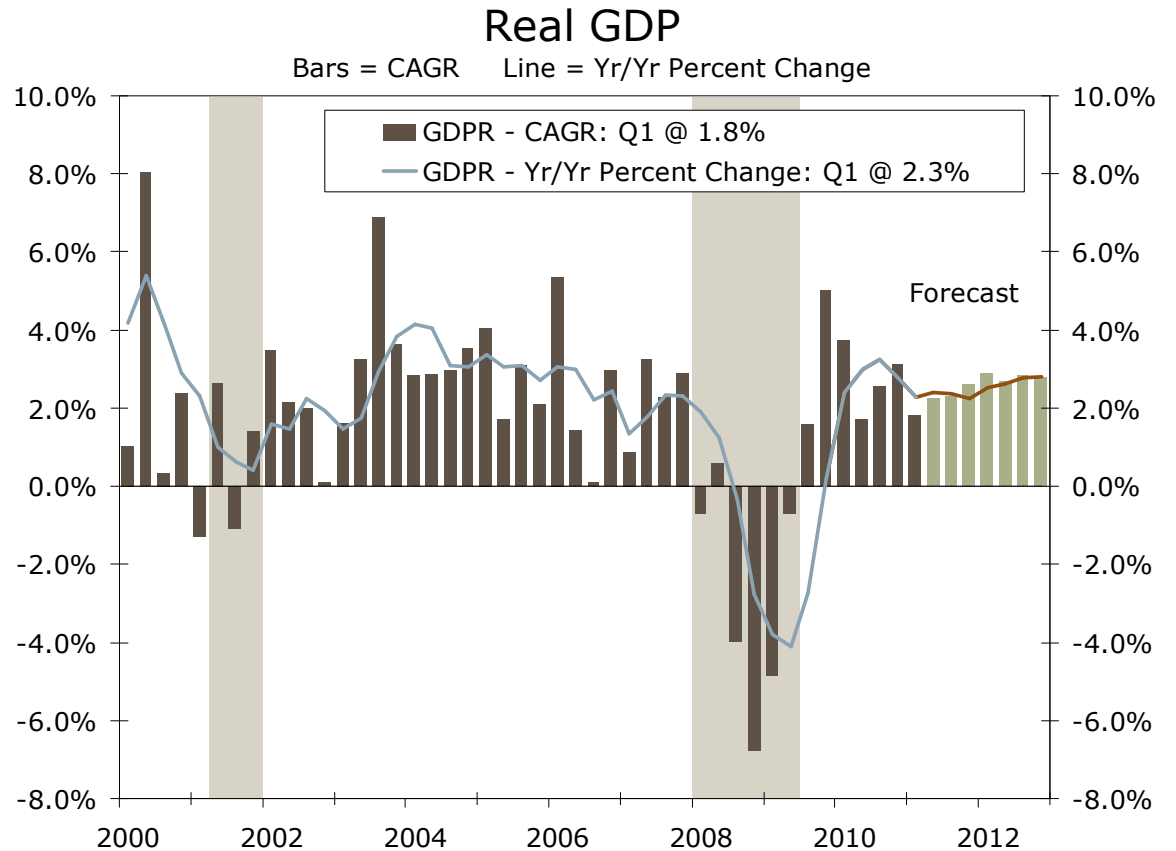
SECURITIES

Economic Outlook ACCG Annual Meeting

May 2, 2011



The economy is expanding with real GDP now above its prerecession peak

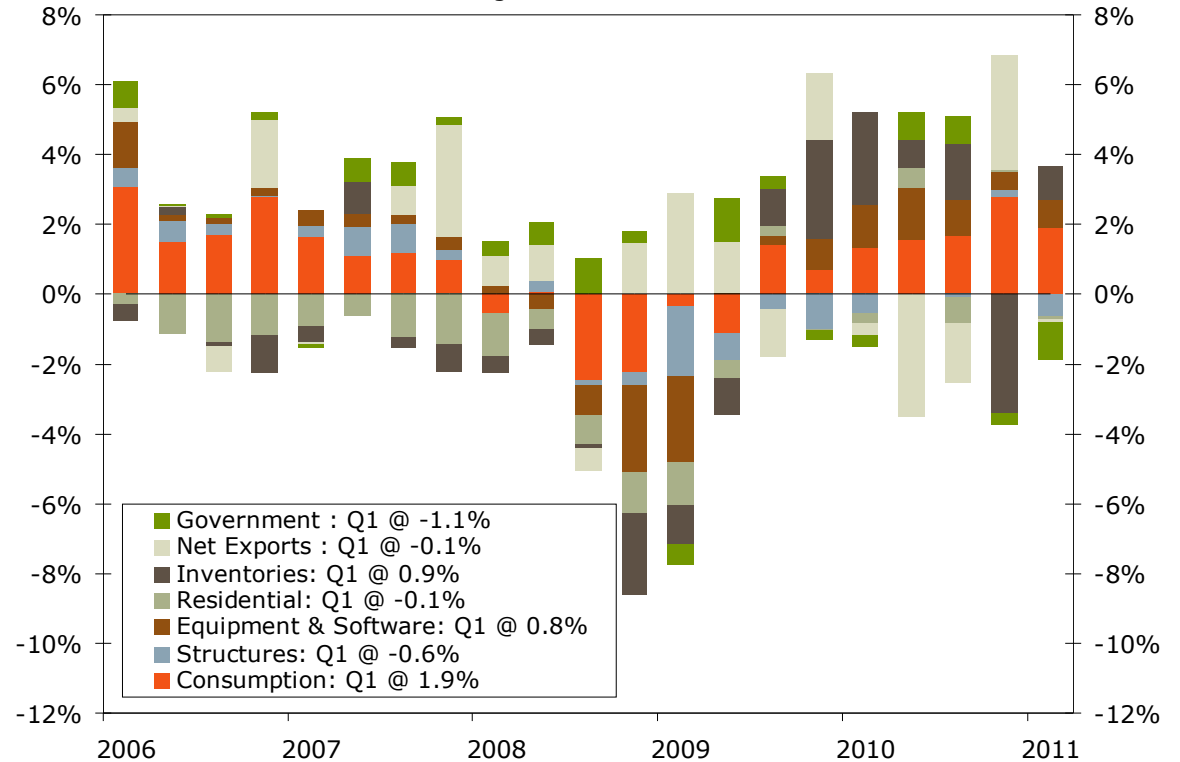


Source: U.S. Department of Commerce and Wells Fargo Securities, LLC

Government consumption shaved 1.1 percentage points from GDP in the first quarter amid lower defense spending and state and local budget pressures

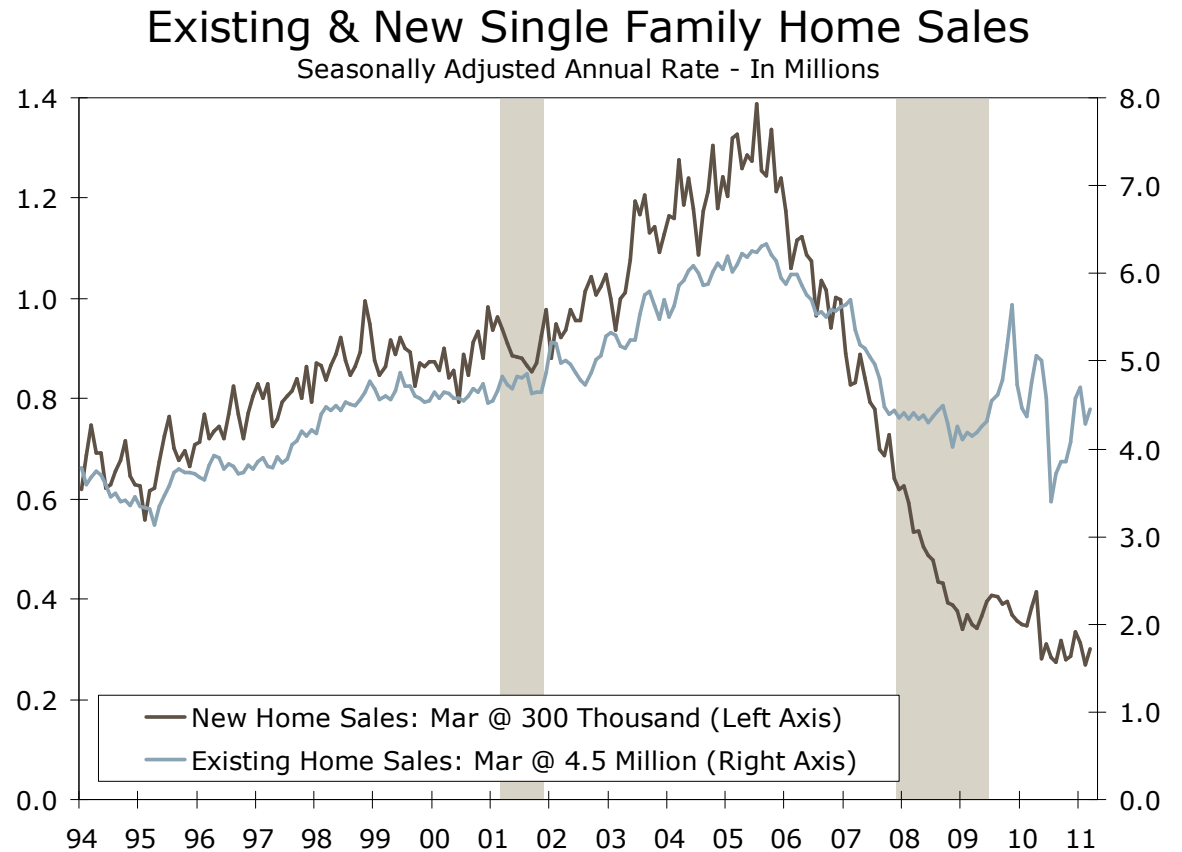
Contributions to U.S. Real GDP

Percentage Points at Annual Rate



Source: U.S. Department of Commerce and Wells Fargo Securities, LLC

Homes sales have yet to see a genuine recovery with a large share of sales coming from distressed transactions and investors

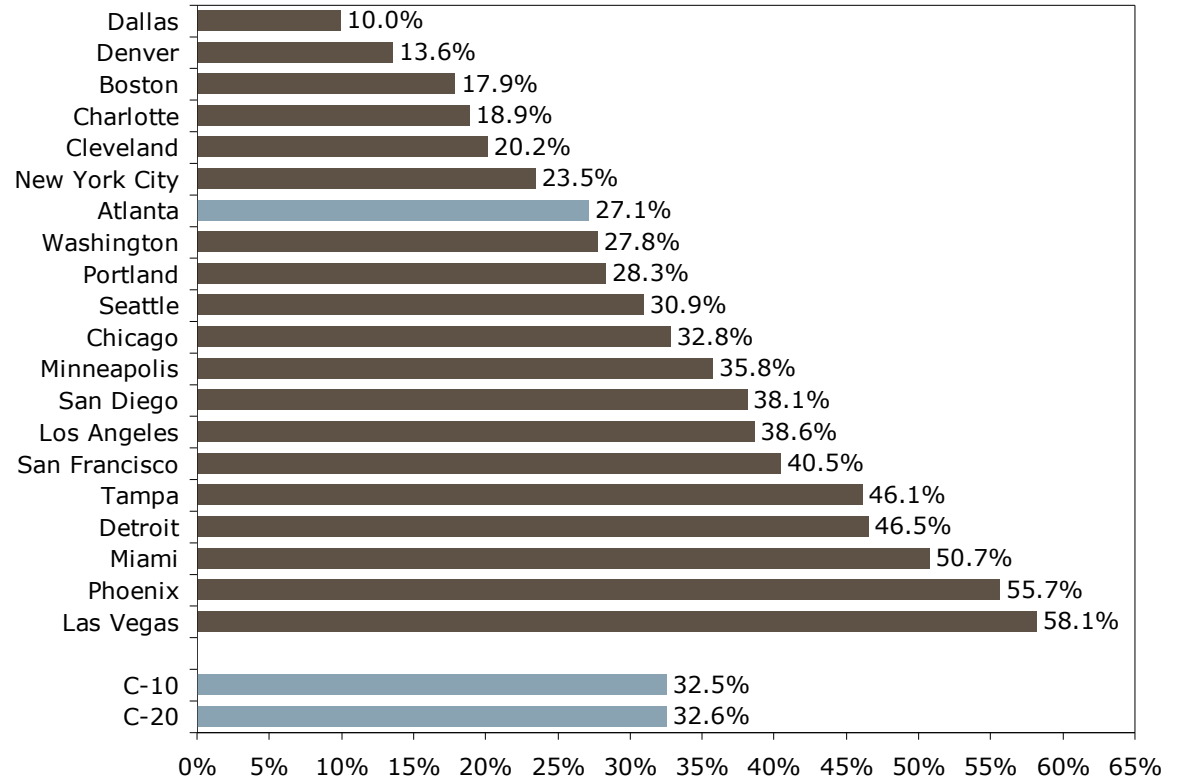


Source: National Association of Realtors, U.S. Department of Commerce and Wells Fargo Securities, LLC

Home prices appear to have bottomed, but cities that experienced the housing boom will take longer to recover as prices unwind

S&P Case-Shiller Home Prices

Percent Decline from Local Market Peak

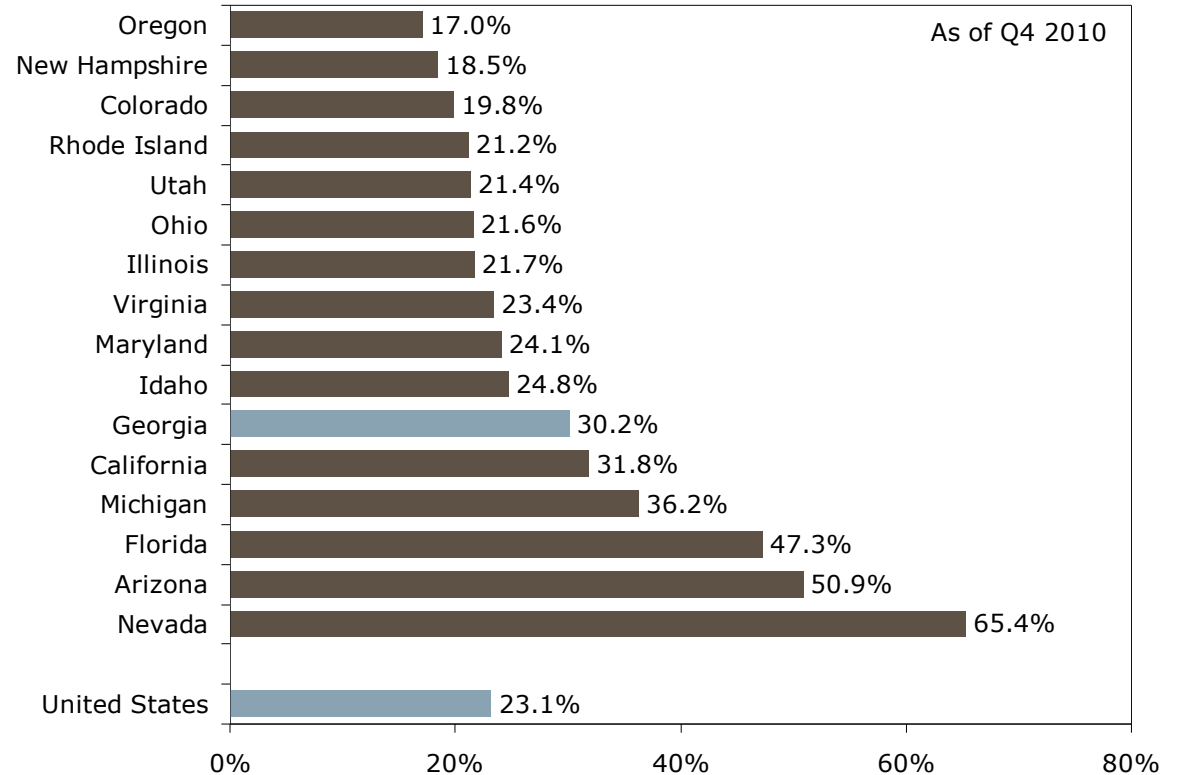


Source: Federal Housing Finance Agency, National Association of Realtors, S&P Corp. and Wells Fargo Securities, LLC

States like Nevada, Arizona, Florida, Michigan and California, which tend to lead the nation in foreclosures and share of homes with negative equity, are most at risk for additional price declines

Negative Equity Mortgages - By State

Percent of Mortgages Outstanding, NSA



Source: Mortgage Bankers Association and Wells Fargo Securities, LLC

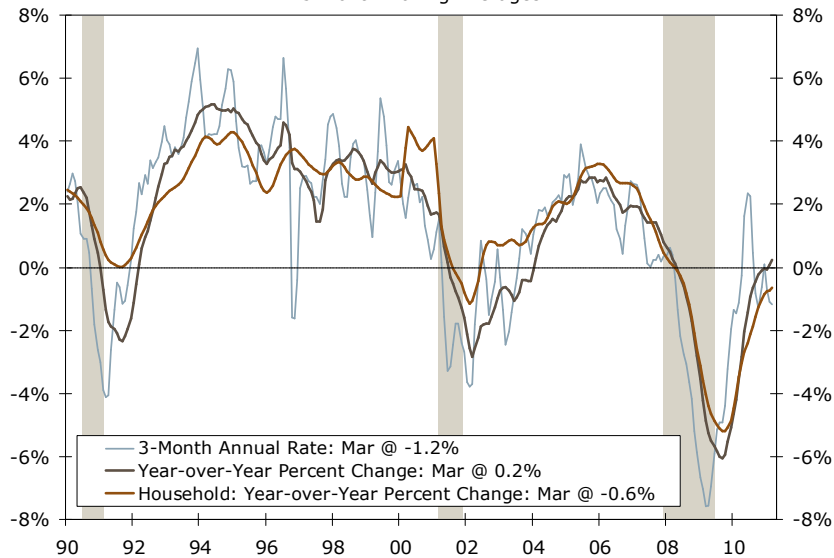
Georgia

Georgia: Employment

The local employment picture is stabilizing

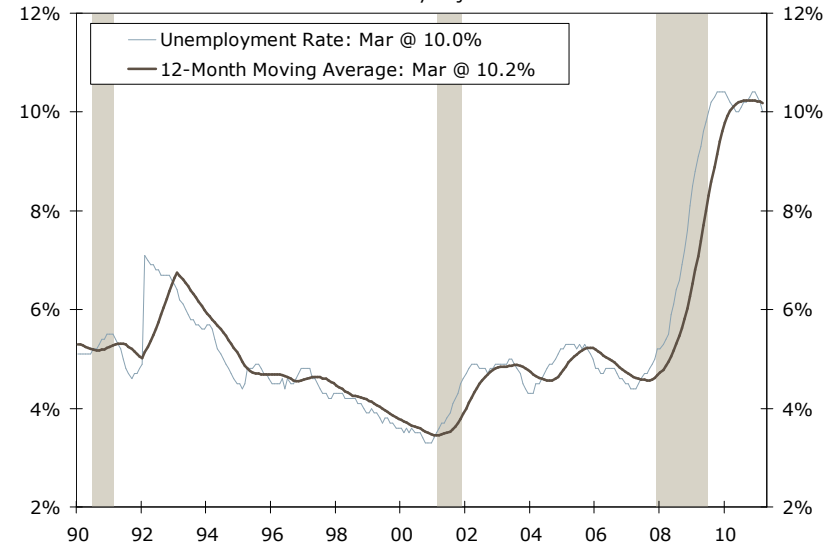
Payroll Employment

Georgia Nonfarm Employment 3-Month Moving Averages



Unemployment

Georgia Unemployment Rate Seasonally Adjusted



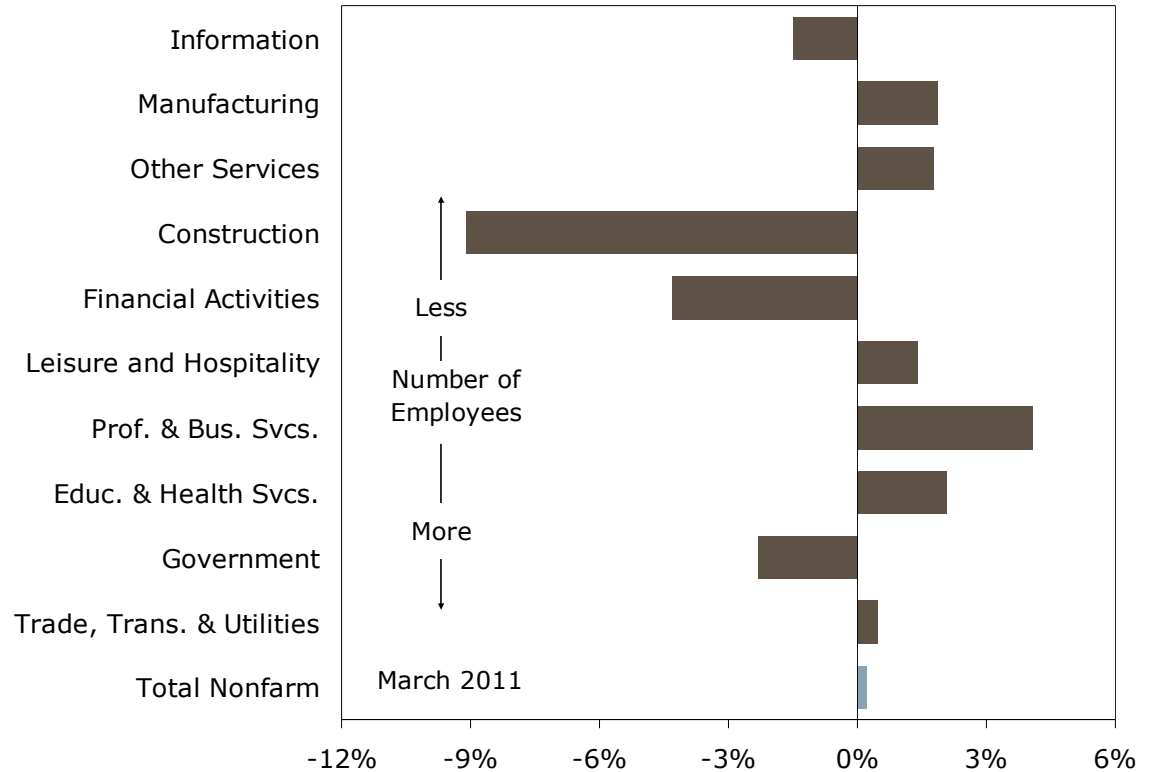
Source: U.S. Department of Labor and Wells Fargo Securities, LLC

Georgia: Employment

The government, financial activities and construction sectors are weighing on employment growth

Georgia Employment Growth by Industry

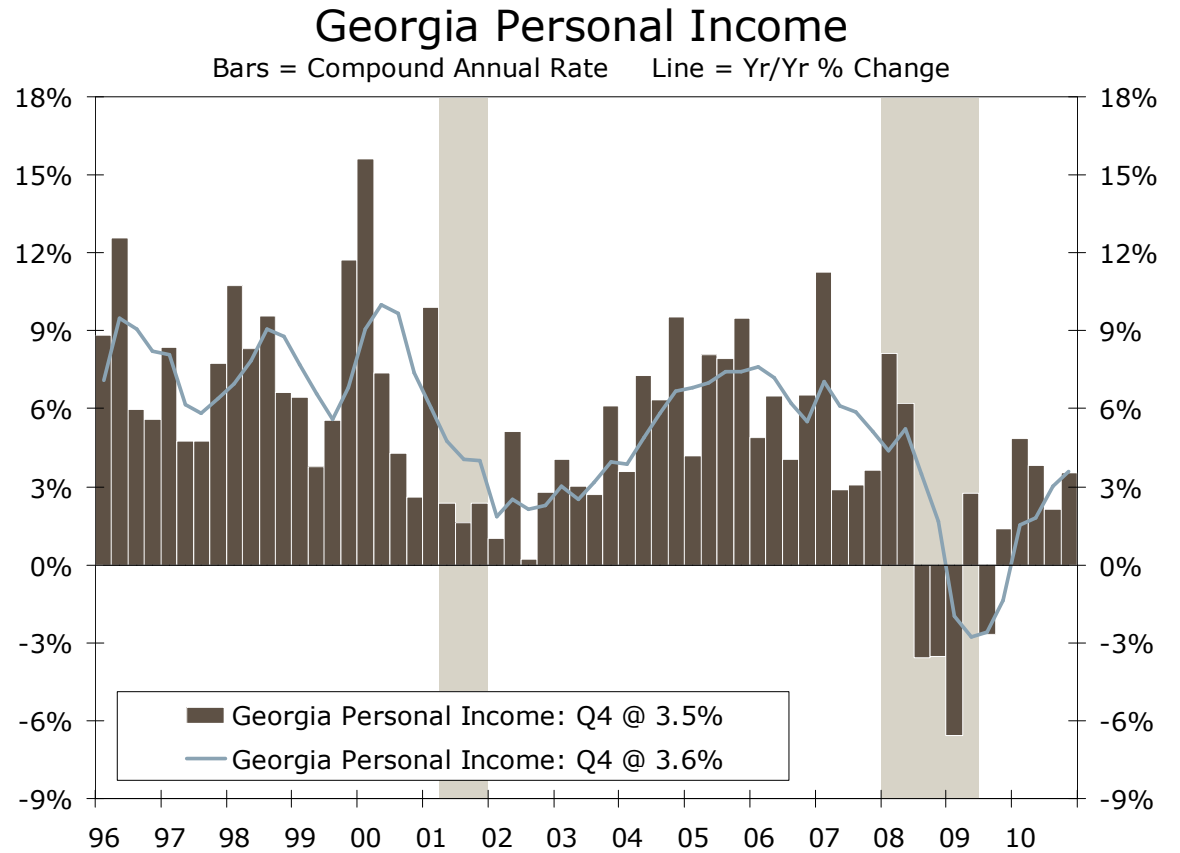
Year-over-Year Percent Change of 3-Month Moving Average



Source: U.S. Department of Labor and Wells Fargo Securities, LLC

Georgia: Income

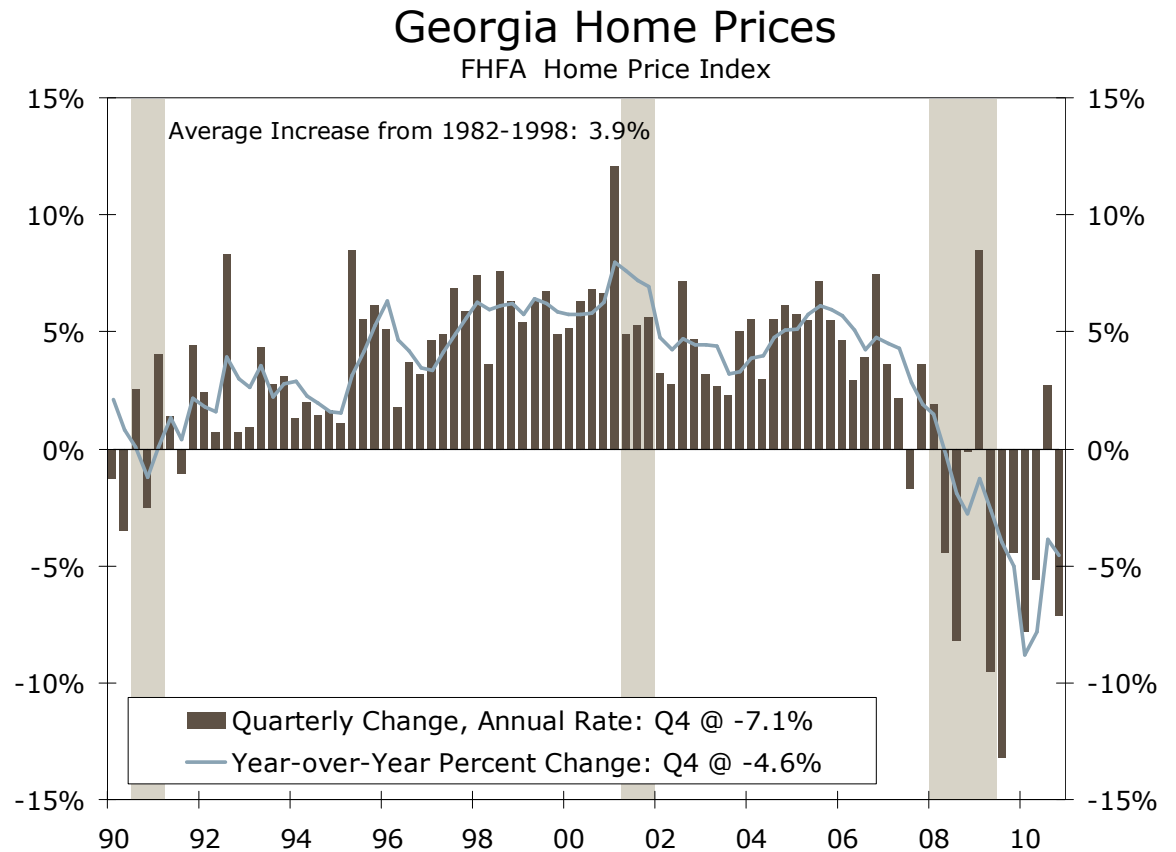
Personal income has rebounded over the last year



Source: U.S. Department of Commerce and Wells Fargo Securities, LLC

Georgia: Home Prices

The housing picture remains bleak with home prices expected to fall through 2011

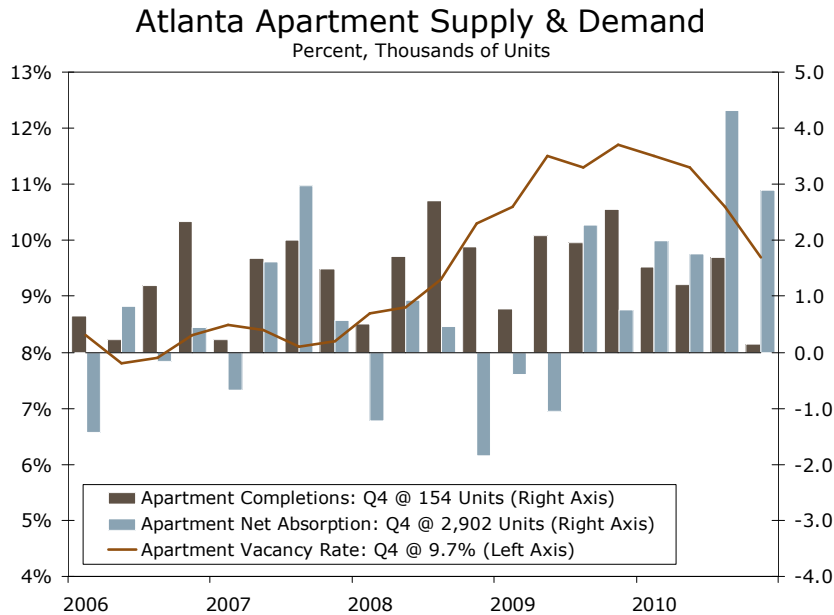


Source: Federal Housing Finance Agency and Wells Fargo Securities, LLC

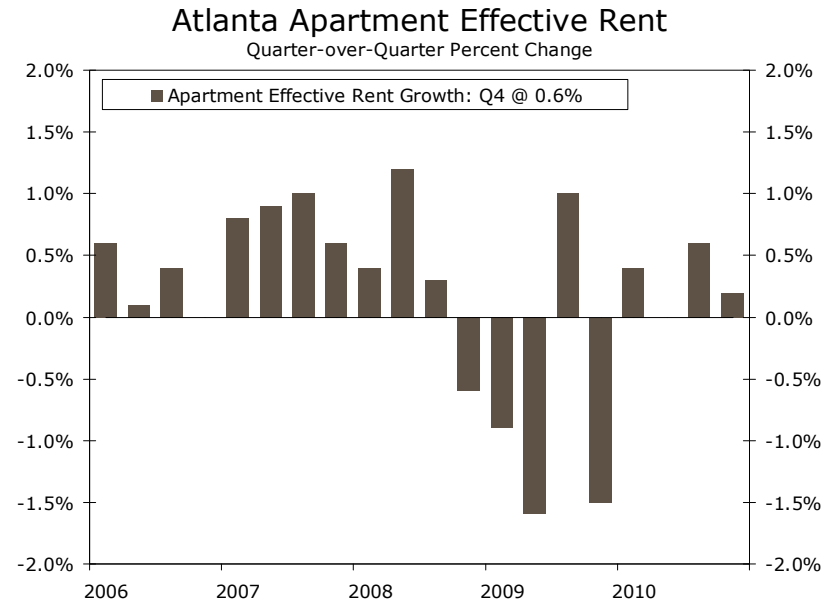
Georgia: Commercial Real Estate - Apartment

The apartment market has shown strength in recent quarters with vacancy rates declining, net absorptions rising, and effective rents increasing

Supply & Demand



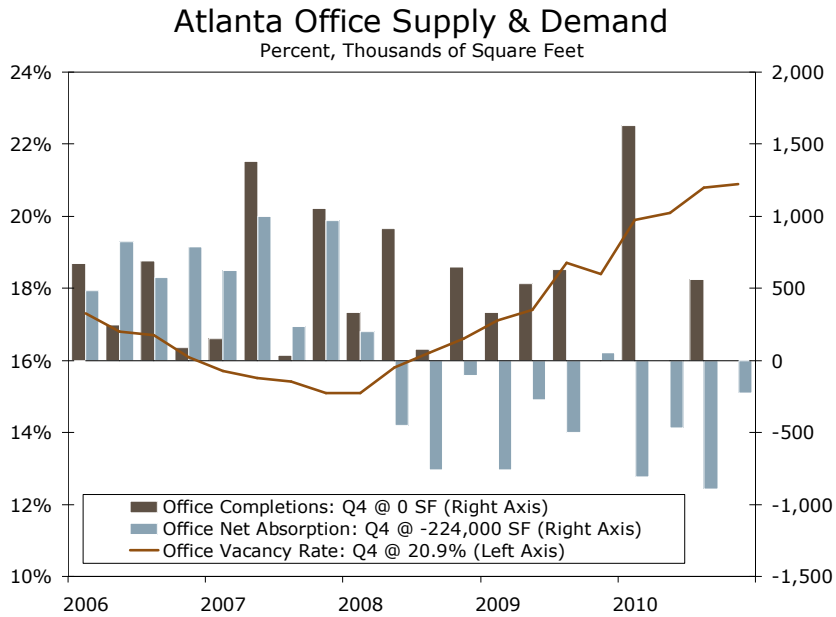
Effective Rent



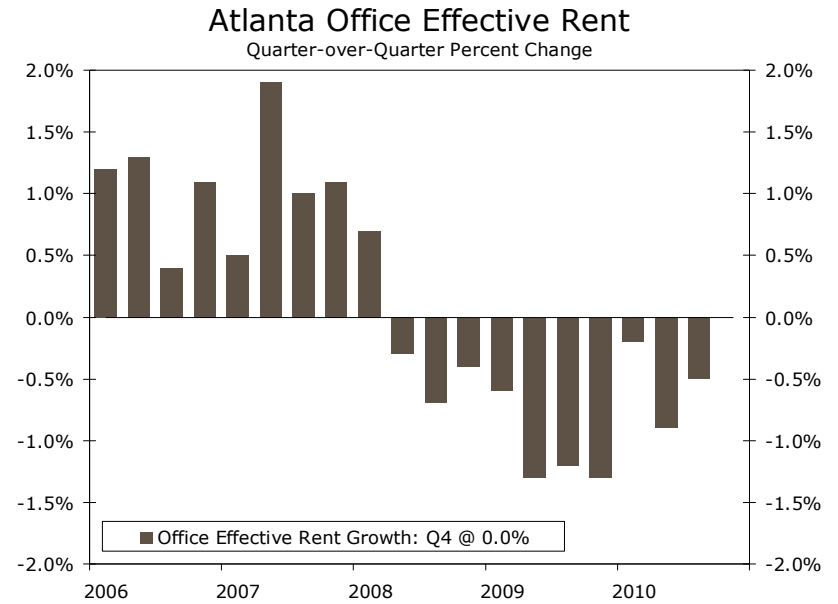
Source: REIS, Inc. and Wells Fargo Securities, LLC

Atlanta's office market continues to face headwinds

Supply & Demand



Effective Rent



Source: REIS, Inc. and Wells Fargo Securities, LLC

Appendix

A Sampling of Our Recent Special, Regional & Industry Commentary

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Recent Special Commentary

Date	Title	Authors
April-28	Character of Recovery IV: Sector and Employment Differences	Silvia & Iqbal
April-27	FOMC: Complete QE2 and Sail Into Uncertain Seas	Silvia
April-20	Gold Not in Bubble Territory...Yet	Anderson & Kashmarek
April-18	Are Germans About to Change Their Thrifty Ways?	Bryson & Kruse
April-13	Employment Dynamics and State Competitiveness	Vitner, Brown & Watt
April-06	Is What's Good for McDonald's Good for America?	Vitner
April-05	A Primer on Consumer Confidence	Vitner & Quinlan
March-28	Housing Chartbook: March 2011	Vitner, Khan & Seydl
March-22	The State of States: A Quantitative Approach	Vitner, Khan, Iqbal & Watt
March-22	The Outlook for Central Bank Policy Rates	Bryson & Quinlan
March-21	Of Oil, Nuclear Energy and the MENA	Aleman
March-11	Credit Quality Monitor: March 2011	Anderson & Kashmarek
March-09	Small Business Indicators Turn Positive	Silvia & Brown
March-01	Texas Continues to Lead the Recovery	Vitner, Aleman & Kruse
March-01	Recovery Gives Way to Expansion, or Does It?	Vitner & Seydl
March-01	California Economic Outlook: March 2011	Anderson
February-25	Housing Data Wrap Up: February 2011	Vitner & Khan
February-24	Higher Oil Prices, if Sustained, Would Undermine Growth	Vitner & Seydl
February-14	Florida After the Great Reset	Vitner & Seydl
February-14	Can America Double Its Exports in Five Years?	Bryson & Kruse
February-04	Commercial Real Estate Chartbook: Quarter 4	Vitner, Khan & Seydl
January-27	Housing Chartbook: January 2011	Vitner, Khan & Seydl
January-24	The State of Economic Development Incentives	Silvia, Brown & Seydl
January-20	States Face Numerous Challenges	Vitner, Brown & Watt
January-18	European Sovereign Debt: Where is the Exposure?	Bryson
January-07	The Labor Market Is Far From Out of the Woods	Vitner & Seydl
January-04	European Debt Crisis: What's Next?	Bryson
January-03	North Carolina Is Still Well Off Its Glory Days	Vitner
January-03	Early Challenges Await Dilma, Brazil	Aleman
December-23	New Jersey Economic Outlook: December 2010	Vitner, Khan & Watt
December-22	2010 Census: Slowest Population Growth Since the 1930s	Vitner & Seydl
December-22	Georgia Economic Outlook: December 2010	Vitner & Seydl
December-22	Shifting Drivers of Canadian Economic Growth	Bryson & Quinlan
December-20	Housing Data Wrap Up: December 2010	Vitner & Khan
December-17	Arizona's Economy Still Struggling	Aleman & Kruse
December-17	Arkansas Economic Outlook	Silvia & Brown
December-13	Resilient Pennsylvania Faces Next Challenge	Bryson, Quinlan & Seydl
December-10	Credit Quality Monitor: December 2010	Anderson & Kashmarek
December-08	Annual Economic Outlook 2011: Turning The Corner	Entire Group
December-07	Tax Cut Deal Reduces Uncertainty	Silvia & Brown
December-02	North Carolina Economic Outlook: Growth	Silvia & Brown
November-18	Housing Chartbook: November 2010	Vitner & Khan
November-17	Global Chartbook: November 2010	
November-15	Retailers Can Expect a Happy Holiday	Vitner & Quinlan
November-12	Commercial Real Estate Chartbook: Quarter 3	Vitner & Khan
November-03	FOMC: QE 1.6 Sets Sail in Uncertain Seas	Silvia
October-26	Would Canadian-Style Budget Cutting Work in America?	Bryson & Quinlan
October-20	Housing Data Wrap-Up: October 2010	Vitner & Khan
October-07	Structural Unemployment: Fact, Fiction or Too Early to Tell?	Silvia & Khan
October-07	Canadian Economic Recovery: Update & Outlook	Bryson & Quinlan
October-04	Will India Reach Its Long-Run Growth Potential?	Bryson

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