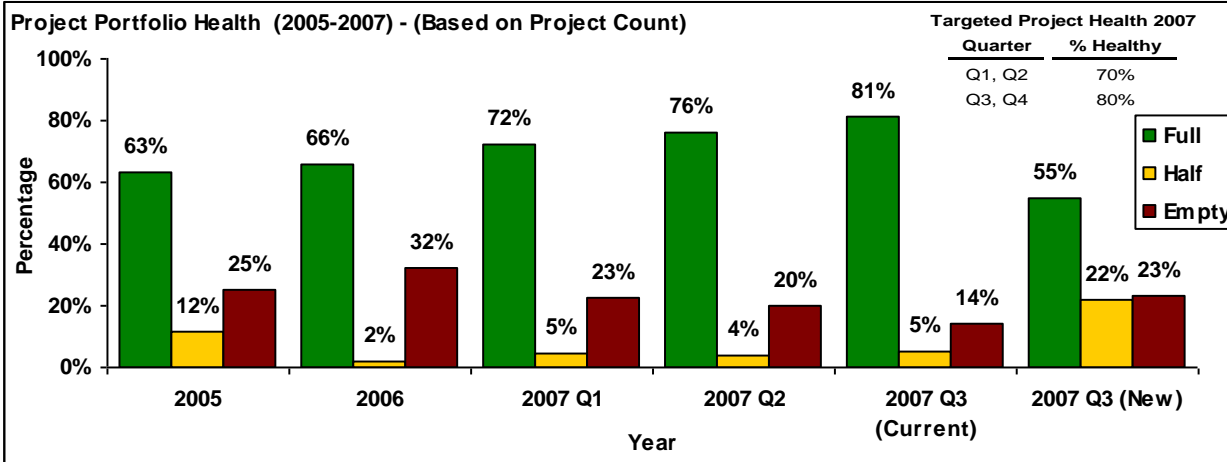






What is the health of the Company project portfolio?




	Full On Budget On Schedule
	Half Estimated cost at completion is between 5% and 10% over budget OR Project is delayed between 3 and 6 weeks.
	Empty Estimated cost at completion is more than 10% over budget OR Project is delayed by more than 6 weeks.


	By Count			Total
	Full	Half	Empty	
Current	77	5	13	95
Current	81%	5%	14%	100%
New	52	21	22	95
New	55%	22%	23%	100%

Health Status - Full 		Current Approved Spend
1	La Mirada Data Center Optimization	\$ 11,327,706
2	Enterprise Storage Architecture - Phase II	\$ 6,172,216
3	Facilities - Austin II Regional Office	\$ 5,359,814
4	Server Virtualization - Phase II	\$ 3,427,000
5	Facilities - Boston Regional Office	\$ 2,340,116

Note:

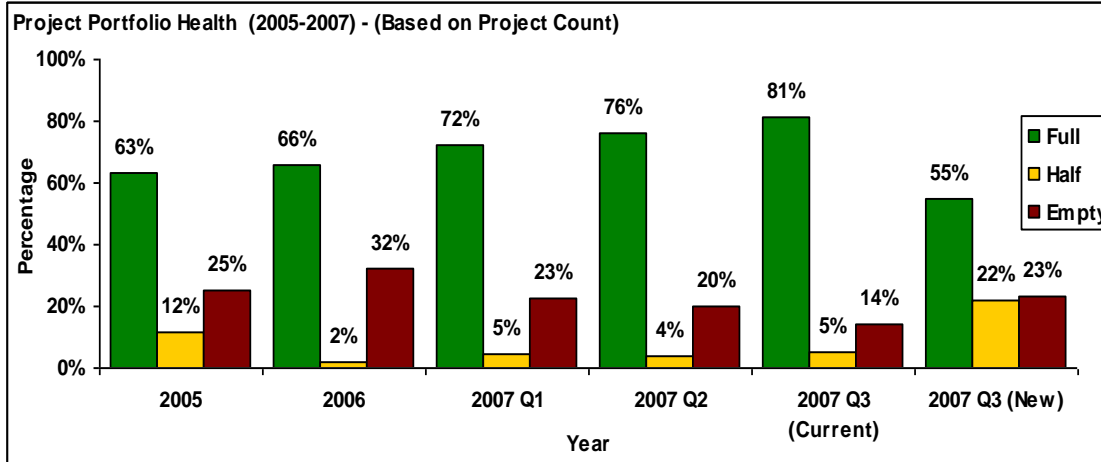
- Current Health Definitions only evaluate execution phase of the project.
- New Health Definitions report health for Business Requirements, Technical Design and Rollout phases.

Health Status - Half 		Current Approved Spend	Reason
1	Budgeting and Capital Planning System	\$ 890,985	Project delivery was delayed by 34 days due to unavailability of users for testing and validation. Project implemented on 11/17/06 and is ready to close.
2	Enterprise Learning Management System	\$ 767,453	Project delivery was delayed by 25 days due to vendor delays in the set up of the UAT environment. Project closed in Q3.

Health Status - Empty 		Current Approved Spend	Reason
1	Imaging Initiatives - Indexing and Reindexing	\$ 4,873,076	Currently, 7 out of 16 MPG processing centers have begun upfront imaging of credit packages. Further roll-out was delayed due to system issues. The majority of the system issues have been resolved and the team is preparing a plan to provide upfront imaging at the remaining 9 MPG processing centers.
2	Lake Remodel	\$ 1,861,520	Project delivery was 112 days late due to additional time required to restack existing staff in order to allow existing floors to be sublet.
3	Facilities - CBBS Irvine Branch Build	\$ 1,726,553	Project delivery has been delayed by 118 days due to the initial estimate including only interior design and not an entire ground-up design for the building. This and construction overruns caused by baselining prematurely have also led to the project being 17% over budget.
4	Infrastructure Server Migration - Phase 1	\$ 1,623,000	Project delivery was 140 days late due to the addition of 30 originally unplanned servers to the project scope prior to closing. While this was an approved change and covered by original budget, project team did not update paperwork to reflect additional time required, which sent project into empty status. Project closed in Q3.
5	Loan Sales Settlement Automation System (LSSA)	\$ 1,218,500	Initial 2006 project delivery was delayed by 77 days in 2006 and rollout is still not complete due to additional technical modifications, training and buy-in required from business unit staff before rollout could complete. Issues have been mainly resolved. Trades are currently being processed in parallel, via both new system and existing manual processes since July 2007. Project scheduled to close Q4 2007.

Project Portfolio Health Status (Current vs. New Definitions)

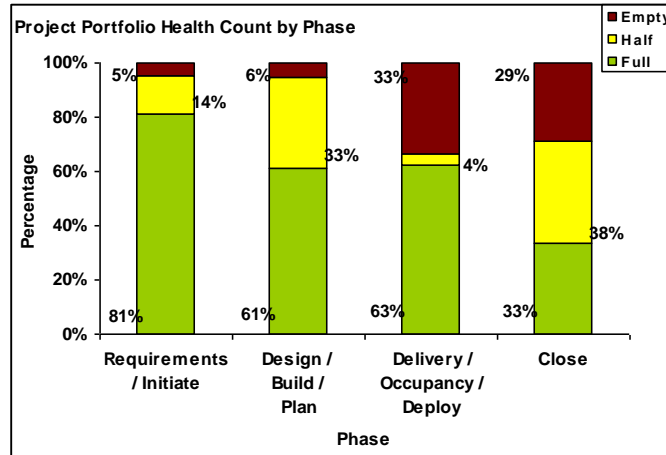
- New Project Health Measurement is proposed to go into effect with the 2008 CapEx Portfolio
 - Old Measurement reflected only baselining at the Build Phase
 - New Process measures Project Health of all Project Phases to more accurately reflect portfolio health
 - Initiation/ Business Requirements
 - Technical Design
 - Execution/Build
 - Rollout/Close
- Measure drops Full Health Measure from 81% to 55% based on Current Status Report Data
 - Due to the rollout of some measurement processes in Q4 with the reporting automation in Changepoint, the PMO expects greater than usual fluctuations in project health metrics until rollout is complete at year's end.
 - Until the Changepoint Automation Project completes rollout, health metrics are based on data manually reported on individual project status reports by project managers. Health measurement is somewhat dependent on the quality of their data entry.
 - There has been a 7% fluctuation for projects in Full Health within the last month (between 53% and 60%).
 - In 2007, projects in Business Requirements and Technical Design Project Phases have not proactively reported estimated costs for each phase. This will be a requirement for all 2008 CapEx projects.



	By Count			Total
	Full	Half	Empty	
Current	77	5	13	95
Current	81%	5%	14%	100%
New	52	21	22	95
New	55%	22%	23%	100%

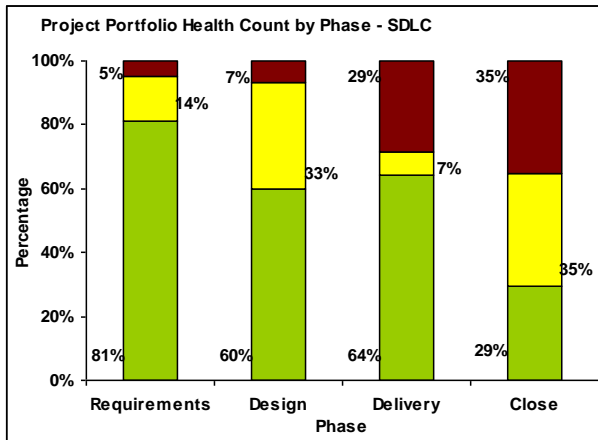
Project Portfolio Health Analysis

- The new portfolio health measures allow analysis of portfolio delivery by project type and project phase



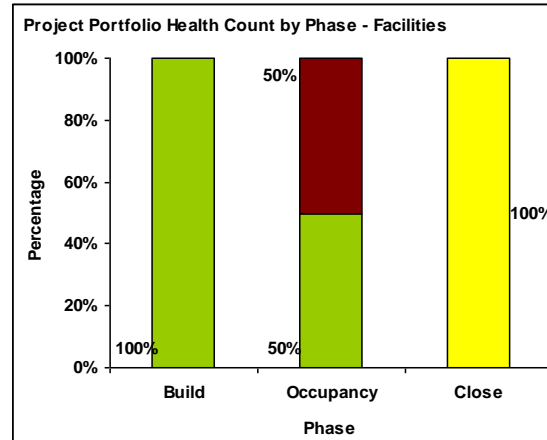
	By Count			Total
	Full	Half	Empty	
Requirements / Initiate	17	3	1	21
Design / Build / Plan	11	6	1	18
Delivery / Occupancy / Deploy	15	1	8	24
Close	7	8	6	21
	50	18	16	84

84 Active Projects totaling a \$61mm Portfolio.
(One Process Project has not been included below)



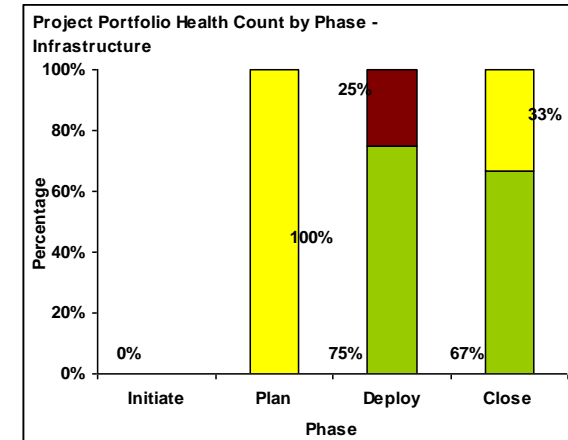
	By Count			
	Full	Half	Empty	Total
Requirements	17	3	1	21
Design	9	5	1	15
Delivery	9	1	4	14
Close	5	6	6	17
	40	15	12	67

67 Active Projects totaling a \$26mm Portfolio
80% of the Total Portfolio by Count, 42% of the Total by EAC\$
Total Portfolio Health – 60% Full; 22% - Half; 18% - Empty



	By Count			
	Full	Half	Empty	Total
Build	1	0	0	1
Occupancy	3	0	3	6
Close	0	1	0	1
	4	1	3	8

8 Active Projects totaling a \$11mm Portfolio
10% of the Total Portfolio by Count, 18% of by EAC\$
Total Portfolio Health – 50% Full; 12% - Half; 38% - Empty



	By Count			
	Full	Half	Empty	Total
Initiate	0	0	0	0
Plan	0	1	0	1
Deploy	3	0	1	4
Close	2	1	0	3
	5	2	1	8

8 Active Projects totaling a \$24mm Portfolio
10% of the Total Portfolio by Count, 40% by EAC\$
Total Portfolio Health – 62% Full; 25% - Half; 13% - Empty