

**CASCADE FINANCIAL CORPORATION**

	CPP Disbursement Date 11/21/2008	RSSD (Holding Company) 2568362	Number of Insured Depository Institutions 1	
<b>Selected balance and off-balance sheet items</b>	<b>2008</b> \$ millions	<b>2009</b> \$ millions	%chg from prev	
<b>Assets</b>	\$1,636	\$1,706	4.2%	
Loans	\$1,255	\$1,199	-4.5%	
Construction & development	\$386	\$259	-32.8%	
Closed-end 1-4 family residential	\$175	\$204	16.8%	
Home equity	\$32	\$32	-2.9%	
Credit card	\$3	\$4	20.7%	
Other consumer	\$2	\$2	-10.7%	
Commercial & Industrial	\$178	\$158	-11.3%	
Commercial real estate	\$371	\$437	17.9%	
Unused commitments	\$186	\$145	-21.9%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$62	\$57	-9.1%	
Asset-backed securities	\$0	\$0		
Other securities	\$181	\$207	14.0%	
Cash & balances due	\$23	\$147	533.1%	
<b>Residential mortgage originations</b>				
Closed-end mortgage originated for sale (quarter)	\$2	\$1	-40.1%	
Open-end HELOC originated for sale (quarter)	\$0	\$0		
Closed-end mortgage originations sold (quarter)	\$1	\$1	62.5%	
Open-end HELOC originations sold (quarter)	\$0	\$0		
<b>Liabilities</b>	\$1,450	\$1,550	6.9%	
Deposits	\$1,008	\$1,141	13.2%	
Total other borrowings	\$435	\$404	-7.1%	
FHLB advances	\$249	\$239	-4.0%	
<b>Equity</b>				
Equity capital at quarter end	\$186	\$155	-16.4%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$39	\$0	NA	
<b>Performance Ratios</b>				
Tier 1 leverage ratio	10.3%	8.6%	--	
Tier 1 risk based capital ratio	12.1%	11.5%	--	
Total risk based capital ratio	13.3%	12.8%	--	
Return on equity <sup>1</sup>	6.9%	-4.5%	--	
Return on assets <sup>1</sup>	0.7%	-0.4%	--	
Net interest margin <sup>1</sup>	3.2%	2.8%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	40.9%	24.4%	--	
Loss provision to net charge-offs (qtr)	474.3%	125.2%	--	
Net charge-offs to average loans and leases <sup>1</sup>	0.2%	2.1%	--	
<sup>1</sup> Quarterly, annualized.				
	<b>Noncurrent Loans</b>		<b>Gross Charge-Offs</b>	
<b>Asset Quality (% of Total Loan Type)</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>
Construction & development	8.6%	31.6%	0.1%	1.0%
Closed-end 1-4 family residential	3.5%	2.1%	0.0%	0.2%
Home equity	0.0%	2.1%	0.0%	0.0%
Credit card	0.0%	0.0%	0.6%	1.7%
Other consumer	0.0%	2.0%	3.1%	0.1%
Commercial & Industrial	0.6%	3.3%	0.0%	1.9%
Commercial real estate	0.0%	3.3%	0.0%	0.0%
Total loans	3.2%	8.9%	0.1%	0.5%