CAPITAL PURCHASE PROGRAM (CPP) LENDING REPORT

Name of institution: BANNER CORPORATION
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Submission date: 5/8/09

RSSD (for Bank Holding Companies): 2126977
Holding Company Docket Number (for Thrift Holding Companies):
FDIC Certificate Number (for depository institutions):

LENDING ACTIVITY (Thousands $)	2009 FEB	2009 MAR	Key	Comments
1. Loan Balances				
a. Average Consumer Loans	$1,199,772	$1,201,062	1-4 family residential mortgages, 1st liens, Jr. liens, HELOCs; Consumer lot/land purchases; Consumer construction loans; Credit Cards; Consumer loans, overdrafts	Banner Corp the holding company does not make any loans directly. The loan amounts being reported herein are the consolidated loan numbers for its two subsidiaries: Banner Bank and Islanders Bank
b. Average Commercial Loans	$2,749,762	$2,731,336	Multi-family loans; Commercial real estate loans, loans secured by farmland; Ag operating lines; Commercial and industrial business loans; Commercial construction and land development loans	
c. Total Loans (sum of lines a and b)	$3,949,534	$3,932,398		

2. General Market Commentary (optional)