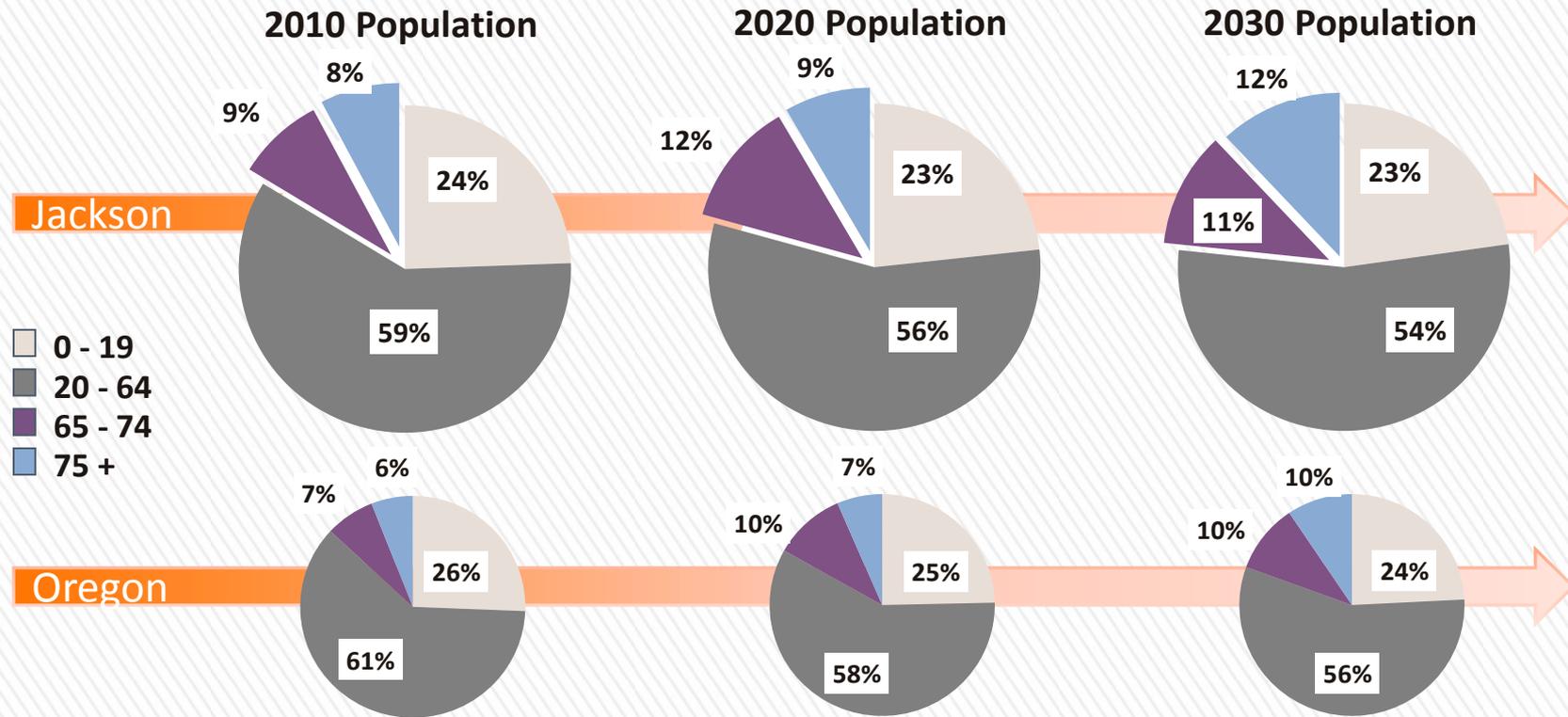


Our Population is Aging



| Age | Jackson | Oregon | Jackson | Oregon | Jackson | Oregon |
|--------------|---------|-----------|---------|-----------|---------|-----------|
| 19 and Under | 50,908 | 984,694 | 55,590 | 1,075,241 | 61,059 | 1,184,062 |
| 20-64 | 123,541 | 2,357,263 | 133,892 | 2,550,261 | 144,708 | 2,756,241 |
| 65-74 | 17,789 | 272,592 | 29,343 | 450,077 | 30,462 | 491,504 |
| 75 and Over | 16,131 | 229,352 | 20,040 | 283,679 | 32,155 | 459,418 |

| 2010 Census Figures | Oregon | Jackson County | Ashland | Central Point | Eagle Point | Medford | Phoenix | Talent | White City |
|---------------------|-----------|----------------|---------|---------------|-------------|---------|---------|--------|------------|
| Population: | 3,831,074 | 203,206 | 20,078 | 17,169 | 8,469 | 74,907 | 4,538 | 6,066 | 7,975 |
| % Population 65+: | 14% | 18% | 18% | 15% | 14% | 16% | 22% | 16% | 9% |
| % Hispanic all ages | 12% | 11% | 5% | 9% | 7% | 14% | 16% | 16% | 29% |

How is the Financial Health of People in Your Community Now?

| 2010 Census Figures | Oregon | Jackson County | Ashland | Central Point | Eagle Point | Medford | Phoenix | Talent | White City |
|---------------------------------|----------|----------------|----------|---------------|-------------|----------|----------|----------|------------|
| Household Mid-Range Income: | \$49,260 | \$44,142 | \$40,140 | \$50,631 | \$50,568 | \$42,745 | \$35,169 | \$35,347 | \$42,694 |
| Labor Force Participation Rate: | 65% | 61% | 62% | 69% | 58% | 62% | 49% | 64% | 59% |
| Unemployment: | 9% | 10% | 8% | 8% | 12% | 9% | 14% | 8% | 14% |
| Poverty Rate: | 14% | 14% | 19% | 9% | 12% | 16% | 15% | 14% | 26% |
| 65+ Poverty Rate: | 8% | 7% | 4% | 10% | 7% | 8% | 8% | 9% | 13% |
| Public Assistance: | 14% | 15% | 14% | 15% | 15% | 17% | 18% | 15% | 23% |

Disability and Health Insurance Coverage of People in Your Community

| 2010 Census Figures | Oregon | Jackson County | Ashland | Medford |
|--|--------|----------------|---------|---------|
| All Ages Percent Uninsured: | 17% | 19% | 17% | 18% |
| 18-64 with Disability: | 7% | 13% | 9% | 14% |
| 18-64 with Disability with Public Health Insurance*: | 45% | 53% | 35% | 59% |
| 18-64 with Disability No Health Insurance: | 22% | 24% | 26% | 18% |

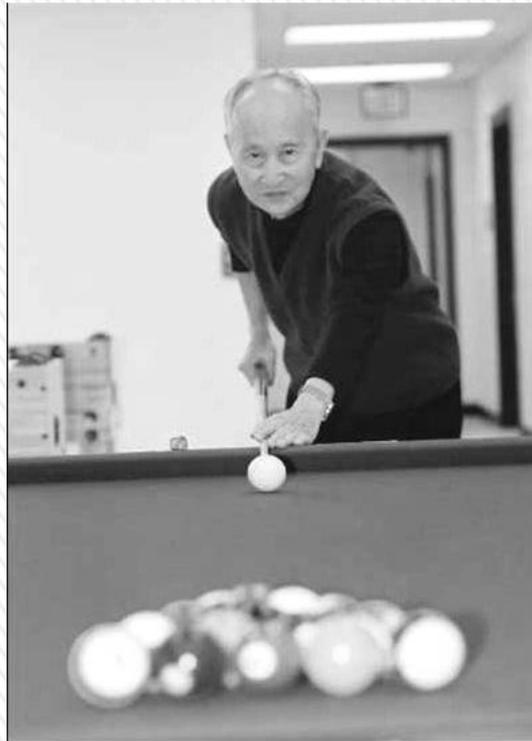
* Medicaid, Medical Assistance, or any kind of government-assistance plan for those with low incomes or a disability



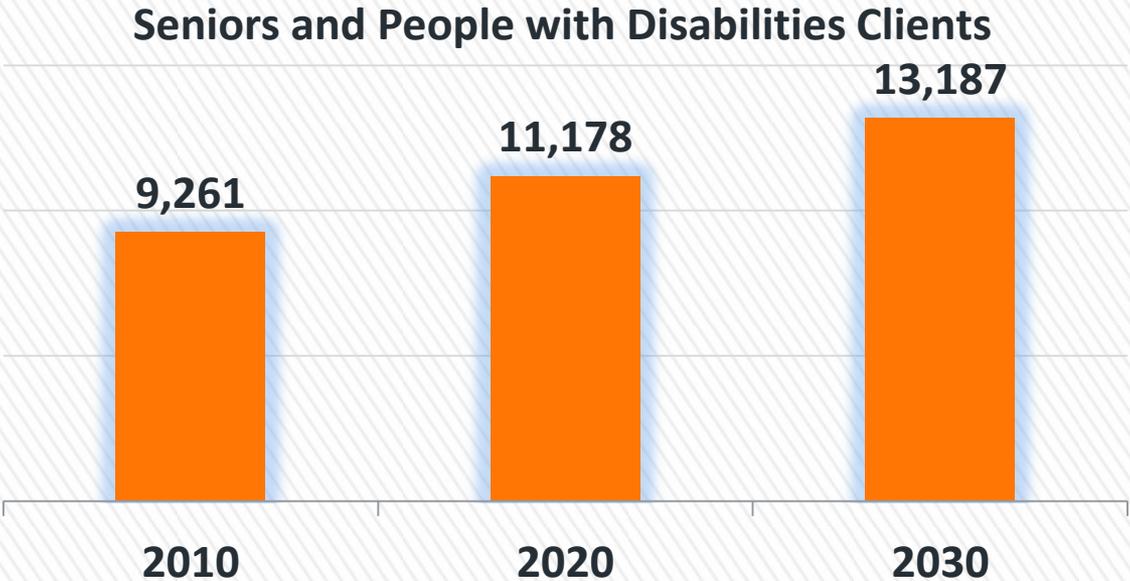
Housing, an American's Largest Asset

| Various Sources (All Ages) | Oregon | Jackson County | Ashland | Central Point | Eagle Point | Medford | Phoenix | Talent | White City |
|--|--------|----------------|---------|---------------|-------------|---------|---------|--------|------------|
| % Home Ownership (2010): | 62% | 63% | 52% | 64% | 70% | 52% | 62% | 56% | 75% |
| Over 50% of Income spent on mortgage (2010): | 15% | 20% | 26% | 16% | 14% | 17% | 15% | 10% | 28% |
| % SubPrime Mortgages (2005): | 20% | 15% | 3% | 16% | 11% | 18% | N/A | 6% | 23% |
| HUD Foreclosure Rates (2008): | 2% | 3% | 2% | 3% | 4% | 3% | 3% | 3% | 4% |

Sources: American FactFinder 2010 Census and American Community Survey data (<http://factfinder2.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>) Tables: S2701,, B18135, QT-H1, B25091
 SubPrime: % of conventional home purchase mortgage loans by subprime lenders (2005),DataPlace.org (<http://www.dataplace.org/place?category=4>)
 Foreclosures: HUD Datasets, OR CountyPlace.xls (http://www.huduser.org/portal/datasets/excel/OR_foreclosure.zip)



Our Care Needs are Growing



Will our facilities meet the needs of Jackson County seniors?

| Facility Type | Count | Beds |
|--|-------|------|
| Physicians per 1000 (2011) | 2.7 | |
| Hospitals (2012) | 3 | -- |
| Community Facilities (June 2012) Adult Foster Homes, Assisted Living Facilities, Residential Care Facilities | 195 | 1454 |
| Nursing Homes (March 2012) | 5 | 576 |

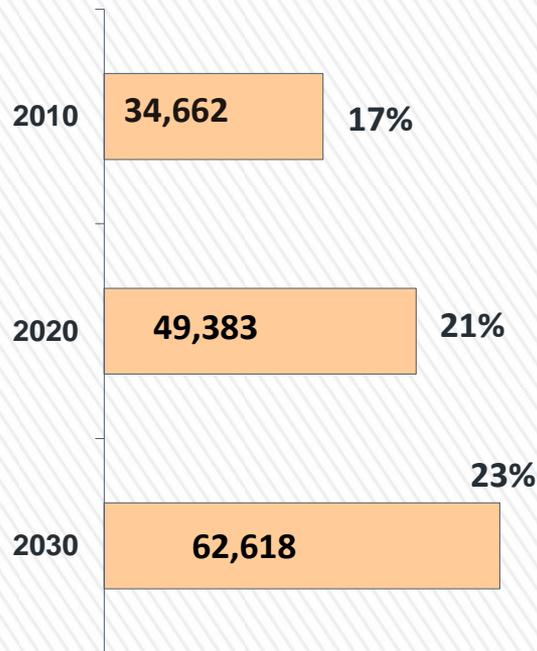
| Jackson County Projected Medicaid Needs | 2010 | 2020 | 2030 |
|---|-------|-------|-------|
| Seniors Living in Poverty | 2,510 | 3,271 | 4,634 |
| Seniors receiving Medicaid-funded long-term care and other Medicaid assistance: | 3,595 | 5,234 | 6,636 |

Today: Employee of the Year

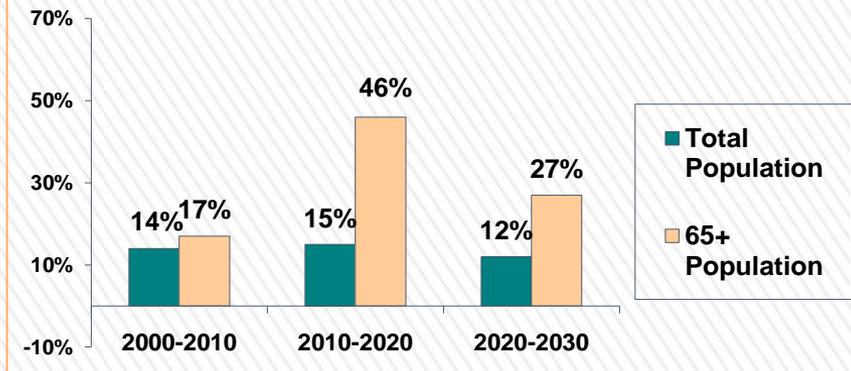
Tomorrow: Will he be able to find the help he needs in 2030?



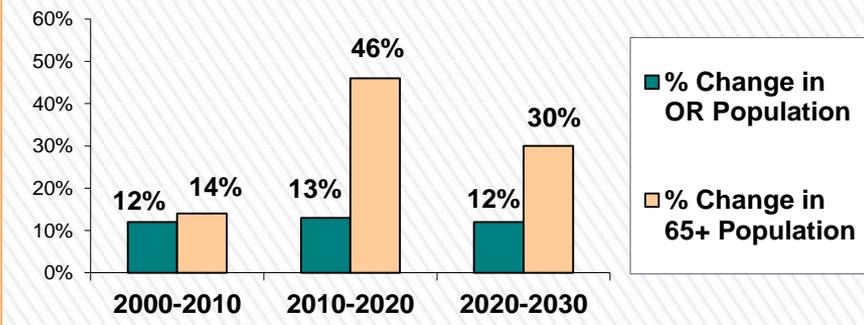
Jackson County Projected 65+ Population and % of general population



Growth Rate Of Jackson County's Aging Population



Growth Rate of Oregon's Aging Population



Retirement Security or Insecurity? Experience of Workers Aged 45 and Older – AARP Survey, October 2008

43% of people are NOT saving for retirement outside of work
58% do not believe they are saving enough for retirement



Why are people not saving more for retirement?

| Reason | Percent |
|--|---------|
| Don't have enough left over after paying bills | 83% |
| Haven't gotten around to it | 25% |
| Saving for a child's education | 23% |
| Helping to support an elderly relative | 15% |
| Too confusing to get started | 14% |
| Saving for a house | 7% |

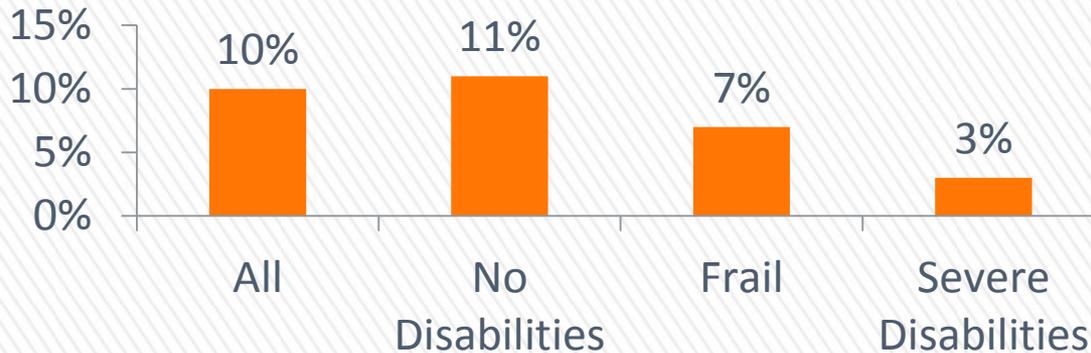
How has the economy affected people?

| | |
|---|-----|
| Stopped putting money into a retirement account | 20% |
| Prematurely withdrawn funds from retirement account or other investments | 13% |
| Found it more difficult to pay for mortgage or rent | 27% |
| Found it more difficult to pay for basic items such as food, gas, or medicine | 56% |
| Found it more difficult to pay for utilities | 45% |
| Helped a family member pay bills | 47% |

If the economy does not improve, people plan to...

| | |
|--------------------------|-----|
| Delay retirement | 65% |
| Spend less in retirement | 69% |
| Save more for retirement | 37% |

Share of the U.S. Noninstitutionalized Older Population (65+) with Private Long-Term Care Insurance, 2002



Only
2.3%

of Oregonians
(all ages) have
Long-Term
Insurance



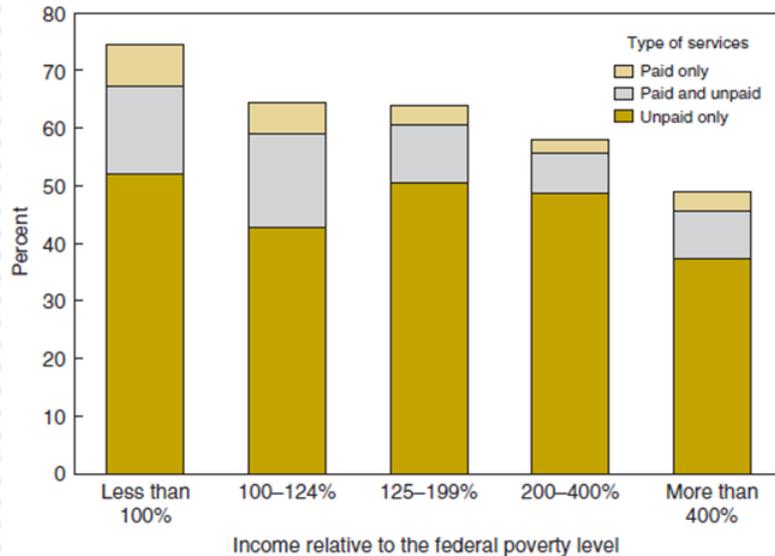
Oregon Cost of Long Term Care 2012

| Service | Oregon | | Medford Area | |
|----------------------------------|-------------|--------------------|--------------|--------------------|
| | Annual Cost | 5-Yr Annual Growth | Annual Cost | 5-Yr Annual Growth |
| Adult Day Health Care | \$25,155 | N/A | N/A | N/A |
| Homemaker Services * | \$45,760 | 2% | \$45,188 | 4% |
| Home Health Aide * | \$48,048 | 1% | \$46,904 | 2% |
| Assisted Living Facility | \$46,200 | 7% | \$37,200 | N/A |
| Nursing Home – Semi-Private Room | \$82,125 | 5% | \$93,988 | 19% |
| Nursing Home – Private Room | \$91,250 | 5% | \$99,463 | 7% |

* Based on 44 hours per week by 52 weeks

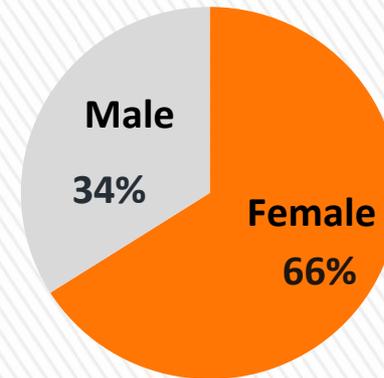
Sources: Older Population LTC Insurance: A Profile of Frail Older Americans and Their Caregivers http://www.urban.org/uploadedpdf/311284_older_americans.pdf
 Oregon LTC Insurance Rate: 2011 National Association of Insurance Commissioners: *Long Term Care Insurance Experience*, (88,455/OR 2010 pop 3,831,074)
 Oregon Cost of Care - Genworth Financial(http://www.genworth.com/content/non_navigable/corporate/about_genworth/industry_expertise/cost_of_care.html)

Share of Noninstitutionalized Frail Older Adults Receiving Help From Paid or Unpaid Caregivers, by Income Relative to the Federal Poverty Level, 2002

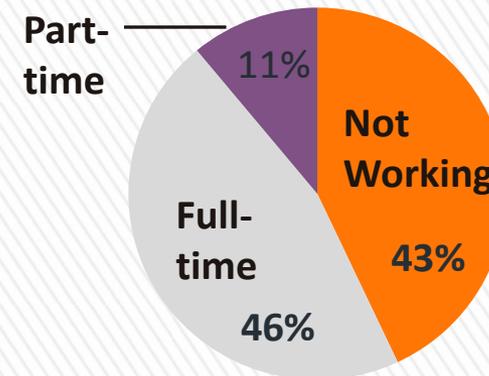


43% do not feel they had a choice in taking on the responsibility of caregiving.

Caregiver Gender



Caregiver Employment Status



Caregiving Impact in Oregon, 2010

| Number of Alzheimer/Dementia Caregivers | Hours of Unpaid Care per Year | Value of Unpaid Care |
|---|-------------------------------|----------------------|
| 162,761 | 185,352,080 | \$2,211,250,320 |

Sources: Unpaid Caregivers: *A Profile of Frail Older Americans and Their Caregivers* (http://www.urban.org/uploadedpdf/311284_older_americans.pdf)

Gender & Employment: *AARP Caregiving in the U.S. 2009* – (http://assets.aarp.org/rqcenter/il/caregiving_09_fr.pdf)

Oregon Caregiving Impact: Alzheimer's Association: 2011 Alzheimer's Disease Facts and Figures (http://www.alz.org/downloads/facts_figures_2011.pdf)