

HOMETOWN BANKSHARES CORPORATION

	CPP Disbursement Date 09/18/2009	RSSD (Holding Company) 3848342	Number of Insured Depository Institutions 1	
Selected balance and off-balance sheet items	2008 \$ millions	2009 \$ millions	%chg from prev	
Assets	\$234	\$338	44.6%	
Loans	\$211	\$253	19.6%	
<i>Construction & development</i>	\$44	\$46	5.8%	
<i>Closed-end 1-4 family residential</i>	\$27	\$38	41.5%	
<i>Home equity</i>	\$13	\$16	24.6%	
<i>Credit card</i>	\$0	\$0		
<i>Other consumer</i>	\$3	\$1	-45.8%	
<i>Commercial & Industrial</i>	\$26	\$35	31.8%	
<i>Commercial real estate</i>	\$84	\$102	21.7%	
Unused commitments	\$35	\$37	5.3%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$0	\$25		
Asset-backed securities	\$0	\$0		
Other securities	\$9	\$21	124.6%	
Cash & balances due	\$3	\$7	121.3%	
Residential mortgage originations				
<i>Closed-end mortgage originated for sale (quarter)</i>	\$0	\$0		
<i>Open-end HELOC originated for sale (quarter)</i>	\$0	\$0		
<i>Closed-end mortgage originations sold (quarter)</i>	\$0	\$0		
<i>Open-end HELOC originations sold (quarter)</i>	\$0	\$0		
Liabilities	\$209	\$309	47.9%	
Deposits	\$188	\$277	46.9%	
Total other borrowings	\$19	\$31	61.9%	
FHLB advances	\$18	\$30	65.9%	
Equity				
Equity capital at quarter end	\$24	\$29	16.9%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$5	\$5	NA	
Performance Ratios				
Tier 1 leverage ratio	10.8%	8.9%	--	
Tier 1 risk based capital ratio	10.6%	11.0%	--	
Total risk based capital ratio	11.8%	12.1%	--	
Return on equity ¹	-14.7%	3.3%	--	
Return on assets ¹	-1.6%	0.3%	--	
Net interest margin ¹	3.1%	3.2%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	95.0%	63.2%	--	
Loss provision to net charge-offs (qtr)	1642.2%	384.6%	--	
Net charge-offs to average loans and leases ¹	0.1%	0.1%	--	
¹ Quarterly, annualized.				
	Noncurrent Loans		Gross Charge-Offs	
Asset Quality (% of Total Loan Type)	2008	2009	2008	2009
<i>Construction & development</i>	6.0%	6.2%	0.0%	0.0%
<i>Closed-end 1-4 family residential</i>	1.5%	0.5%	0.0%	0.0%
<i>Home equity</i>	0.0%	0.0%	0.0%	0.0%
<i>Credit card</i>	0.0%	0.0%	0.0%	0.0%
<i>Other consumer</i>	0.0%	9.2%	0.0%	1.8%
<i>Commercial & Industrial</i>	0.0%	0.1%	0.3%	0.0%
<i>Commercial real estate</i>	0.0%	1.2%	0.0%	0.0%
<i>Total loans</i>	1.4%	1.8%	0.0%	0.0%