

**VALLEY FINANCIAL CORPORATION**

	CPP Disbursement Date 12/12/2008	RSSD (Holding Company) 2314327	Number of Insured Depository Institutions 1	
<b>Selected balance and off-balance sheet items</b>	<b>2010</b> \$ millions	<b>2011</b> \$ millions	%chg from prev	
<b>Assets</b>	\$765	\$771	0.7%	
Loans	\$543	\$507	-6.6%	
<i>Construction &amp; development</i>	\$56	\$35	-38.5%	
<i>Closed-end 1-4 family residential</i>	\$96	\$92	-4.4%	
<i>Home equity</i>	\$30	\$30	0.0%	
<i>Credit card</i>	\$1	\$1	6.3%	
<i>Other consumer</i>	\$3	\$1	-54.5%	
<i>Commercial &amp; Industrial</i>	\$92	\$87	-5.0%	
<i>Commercial real estate</i>	\$247	\$243	-1.5%	
Unused commitments	\$112	\$119	6.0%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$95	\$118	24.5%	
Asset-backed securities	\$0	\$0		
Other securities	\$59	\$71	21.3%	
Cash & balances due	\$24	\$31	25.7%	
<b>Residential mortgage originations</b>				
<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		
<b>Liabilities</b>	\$702	\$700	-0.3%	
Deposits	\$632	\$633	0.2%	
Total other borrowings	\$65	\$62	-5.6%	
FHLB advances	\$48	\$43	-10.4%	
<b>Equity</b>				
Equity capital at quarter end	\$64	\$72	12.6%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA	
<b>Performance Ratios</b>				
Tier 1 leverage ratio	8.3%	9.3%	--	
Tier 1 risk based capital ratio	11.1%	12.6%	--	
Total risk based capital ratio	12.3%	13.9%	--	
Return on equity <sup>1</sup>	2.7%	10.8%	--	
Return on assets <sup>1</sup>	0.2%	1.0%	--	
Net interest margin <sup>1</sup>	3.3%	3.5%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	84.4%	134.2%	--	
Loss provision to net charge-offs (qtr)	148.5%	-124.1%	--	
Net charge-offs to average loans and leases <sup>1</sup>	0.5%	0.1%	--	
<sup>1</sup> Quarterly, annualized.				
	<b>Noncurrent Loans</b>		<b>Gross Charge-Offs</b>	
<b>Asset Quality (% of Total Loan Type)</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>
<i>Construction &amp; development</i>	11.3%	12.1%	1.2%	0.3%
<i>Closed-end 1-4 family residential</i>	3.2%	0.4%	0.1%	0.0%
<i>Home equity</i>	1.8%	0.2%	0.0%	0.0%
<i>Credit card</i>	0.2%	0.3%	0.4%	0.2%
<i>Other consumer</i>	0.0%	0.0%	0.9%	0.0%
<i>Commercial &amp; Industrial</i>	1.5%	1.9%	0.0%	0.1%
<i>Commercial real estate</i>	0.6%	0.4%	0.0%	0.0%
<i>Total loans</i>	2.4%	1.4%	0.2%	0.0%