

VALLEY COMMUNITY BANK

| | CPP Disbursement Date 01/09/2009 | Cert 34689 | Number of Insured Depository Institutions 1 | | |
|---|-------------------------------------|----------------------------|---|-------------|----|
| Selected balance and off-balance sheet items | 2011 \$ millions | 2012 \$ millions | %chg from prev | | |
| Assets | \$185 | \$162 | -12.4% | | |
| Loans | \$138 | \$117 | -15.2% | | |
| Construction & development | \$16 | \$13 | -17.4% | | |
| Closed-end 1-4 family residential | \$11 | \$7 | -34.4% | | |
| Home equity | \$18 | \$15 | -20.0% | | |
| Credit card | \$0 | \$0 | | | |
| Other consumer | \$0 | \$0 | 27.0% | | |
| Commercial & Industrial | \$15 | \$14 | -7.1% | | |
| Commercial real estate | \$76 | \$66 | -13.3% | | |
| Unused commitments | \$20 | \$14 | -32.2% | | |
| Securitization outstanding principal | \$0 | \$0 | | | |
| Mortgage-backed securities (GSE and private issue) | \$0 | \$0 | -74.7% | | |
| Asset-backed securities | \$0 | \$0 | | | |
| Other securities | \$15 | \$18 | 24.3% | | |
| Cash & balances due | \$26 | \$24 | -7.3% | | |
| Residential mortgage originations | | | | | |
| Closed-end mortgage originated for sale (quarter) | \$0 | \$0 | | | |
| Open-end HELOC originated for sale (quarter) | \$0 | \$0 | | | |
| Closed-end mortgage originations sold (quarter) | \$0 | \$0 | | | |
| Open-end HELOC originations sold (quarter) | \$0 | \$0 | | | |
| Liabilities | \$166 | \$146 | -11.8% | | |
| Deposits | \$158 | \$140 | -11.5% | | |
| Total other borrowings | \$6 | \$4 | -33.3% | | |
| FHLB advances | \$6 | \$4 | -33.3% | | |
| Equity | | | | | |
| Equity capital at quarter end | \$20 | \$16 | -17.3% | | |
| Stock sales and transactions with parent holding company (cumulative through calendar year) | \$0 | \$0 | NA | | |
| Performance Ratios | | | | | |
| Tier 1 leverage ratio | 10.4% | 9.5% | -- | | |
| Tier 1 risk based capital ratio | 13.1% | 12.7% | -- | | |
| Total risk based capital ratio | 14.4% | 14.0% | -- | | |
| Return on equity ¹ | -78.3% | -15.9% | -- | | |
| Return on assets ¹ | -9.1% | -1.6% | -- | | |
| Net interest margin ¹ | 4.2% | 3.5% | -- | | |
| Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans) | 34.3% | 44.0% | -- | | |
| Loss provision to net charge-offs (qtr) | 73.3% | 42.2% | -- | | |
| Net charge-offs to average loans and leases ¹ | 14.1% | 3.3% | -- | | |
| ¹ Quarterly, annualized. | | | | | |
| Asset Quality (% of Total Loan Type) | Noncurrent Loans | | Gross Charge-Offs | | |
| | 2011 | 2012 | 2011 | 2012 | |
| Construction & development | 26.2% | 25.9% | 8.0% | 0.0% | -- |
| Closed-end 1-4 family residential | 26.6% | 31.1% | 12.4% | 0.0% | -- |
| Home equity | 12.2% | 2.8% | 1.7% | 0.6% | -- |
| Credit card | 0.0% | 0.0% | 0.0% | 0.0% | -- |
| Other consumer | 0.0% | 0.0% | 0.0% | 0.0% | -- |
| Commercial & Industrial | 0.0% | 3.1% | 10.0% | 2.3% | -- |
| Commercial real estate | 2.9% | 7.3% | 0.5% | 0.8% | -- |
| Total loans | 8.6% | 9.9% | 3.6% | 0.8% | -- |