

HOMETOWN BANK

	CPP Disbursement Date 01/09/2009	Cert 31028	Number of Insured Depository Institutions 1	
Selected balance and off-balance sheet items	2009 \$ millions	2010 \$ millions	%chg from prev	
Assets	\$179	\$178	-0.8%	
Loans	\$123	\$129	4.6%	
Construction & development	\$2	\$1	-5.8%	
Closed-end 1-4 family residential	\$34	\$31	-9.5%	
Home equity	\$5	\$7	25.3%	
Credit card	\$0	\$0		
Other consumer	\$8	\$8	-2.8%	
Commercial & Industrial	\$24	\$29	22.7%	
Commercial real estate	\$47	\$49	4.6%	
Unused commitments	\$23	\$30	29.7%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$17	\$14	-16.7%	
Asset-backed securities	\$0	\$0		
Other securities	\$0	\$0		
Cash & balances due	\$8	\$6	-25.9%	
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	\$161	\$158	-1.8%	
Deposits	\$149	\$145	-2.7%	
Total other borrowings	\$10	\$11	9.2%	
FHLB advances	\$0	\$0		
Equity				
Equity capital at quarter end	\$18	\$20	8.6%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA	
Performance Ratios				
Tier 1 leverage ratio	8.0%	9.0%	--	
Tier 1 risk based capital ratio	10.8%	11.7%	--	
Total risk based capital ratio	11.7%	12.9%	--	
Return on equity ¹	9.4%	9.0%	--	
Return on assets ¹	1.0%	1.0%	--	
Net interest margin ¹	4.3%	4.7%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	93.7%	106.1%	--	
Loss provision to net charge-offs (qtr)	39.1%	57.8%	--	
Net charge-offs to average loans and leases ¹	0.8%	1.2%	--	
¹ Quarterly, annualized.				
	Noncurrent Loans		Gross Charge-Offs	
Asset Quality (% of Total Loan Type)	2009	2010	2009	2010
Construction & development	30.2%	25.1%	10.2%	0.0%
Closed-end 1-4 family residential	0.7%	0.7%	0.1%	0.3%
Home equity	1.7%	0.4%	0.0%	1.9%
Credit card	0.0%	0.0%	0.0%	0.0%
Other consumer	0.7%	0.8%	0.2%	0.0%
Commercial & Industrial	1.0%	1.4%	0.2%	0.0%
Commercial real estate	0.4%	0.8%	0.0%	0.5%
Total loans	1.0%	1.1%	0.2%	0.3%