



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Seacoast Banking Corporation of Florida

Person to be contacted regarding this report:	William Hahl	RSSD: (For Bank Holding Companies)	1085013
CPP Funds Received:	\$50,000,000	Holding Company Docket Number: (For Thrift Holding Companies)	
CPP Funds Repaid to Date:	\$0	FDIC Certificate Number: (For Depository Institutions)	131
Date Funded (first funding):	12/19/2008	City:	Stuart
Date Repaid ¹ :		State:	Florida

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/>	Increase lending or reduce lending less than otherwise would have occurred.	The CPP capital assisted the bank in originating new loans totalling \$172,127M during 2009.
-------------------------------------	---	--

<input checked="" type="checkbox"/>	<p>To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).</p>	<p>New Residential Mortgage Loans: \$128,579M New Consumer Loans: \$31,786M New Commercial/CRE loans: \$11,762M Total New Loans - 2009: \$172,127M</p>
<input type="checkbox"/>	<p>Increase securities purchased (ABS, MBS, etc.).</p>	<p>N/A</p>
<input type="checkbox"/>	<p>Make other investments</p>	<p>N/A</p>
<input checked="" type="checkbox"/>	<p>Increase reserves for non-performing assets</p>	<p>The CPP capital assisted the bank in increasing the ALLL (net of charge offs) by \$13,804M - from \$29,388M as of 12/31/2008 to \$43,192M as of 12/31/2009.</p>

<input type="checkbox"/>	Reduce borrowings	N/A
<input checked="" type="checkbox"/>	Increase charge-offs	The CPP capital assisted the bank in absorbing net charge offs totalling \$23.7MM during the first six months of 2009. The bank completed a public capital raise during the second half of 2009 with gross proceeds of \$89MM. Net charge offs during the second half of 2009 totalled \$83.8MM.
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	N/A
<input type="checkbox"/>	Held as non-leveraged increase to total capital	N/A

What actions were you able to avoid because of the capital infusion of CPP funds?

The CPP funds further allowed the bank to assist consumers experiencing financial hardships by restructuring residential and consumer loans. Without these restructures the majority of these loans would have resulted in foreclosures and repossessions. The bank's loss mitigation program for consumers began in late 2008 and peaked in 2009 with \$28,854,103 in residential loans and \$3,170M in consumer loans classified as Troubled Debt Restructures.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

The economic environment in Florida has been weak and the Company increased its focus and monitoring its exposure to residential land, acquisition and development loans. The Company strengthened its loan sales to better control the level of these assets and other commercial real estate loans, with \$82 million in loan sales during 2009 and \$68 million in loan sales during the last half of 2008. Overall, the Company's exposure to residential land, acquisition and development loans was reduced from \$352 million or 20.2 percent of total loans in early 2007 to \$48 million or 3.4 percent at December 31, 2009.

Regulators encouraged recipients of Troubled Asset Relief Program ("TARP") capital to use such capital to make loans and the Company successfully increased its residential mortgage production in 2009. A total of 1,257 applications were taken for the entire year in 2009 for \$268 million with \$145 million closed.

During the third quarter of 2009, the Company enhanced capital by selling 33,675,000 shares of its common stock at a price to the public of \$2.25 per share for total gross proceeds of approximately \$75.8 million. On December 17, 2009, Seacoast sold of 6,000,000 shares of its common stock at \$2.25 per share to CapGen Capital Group III LP ("CapGen"), a Delaware limited partnership, pursuant to the definitive Stock Purchase Agreement dated as of October 23, 2009 between the Company and CapGen. The Company received total gross proceeds of \$13.5 million from the sale, and paid \$540,000 of fees paid to the placement agent.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.



According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.