



**ANNUAL USE OF CAPITAL SURVEY - 2009**

**NAME OF INSTITUTION**

(Include Holding Company Where Applicable)

Three Shores Bancorporation, Inc - Seaside National Bank & Trust

Person to be contacted regarding this report:	Barry Griffiths, SVP & CFO
CPP Funds Received:	\$5,677,000
CPP Funds Repaid to Date:	\$0
Date Funded (first funding):	1/23/2009
Date Repaid <sup>1</sup> :	

RSSD: (For Bank Holding Companies)	3934562
Holding Company Docket Number: (For Thrift Holding Companies)	N/A
FDIC Certificate Number: (For Depository Institutions)	58328
City:	Orlando
State:	Florida

<sup>1</sup>If 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 additional capital assisted our Bank to continue its planned growth. We were able to leverage the additional capital by growing our deposit base and continuing to lend to our client base throughout the State of Florida.
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<input checked="" type="checkbox"/> 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.).	C&I and owner-occupied commercial real estate, including loans to small businesses are our primary loan products. We also have a portfolio of residential mortgage loans. We were able to increase our loan portfolio from \$217 million in January 2009 to \$465 million at the end of 2009.
<input type="checkbox"/> Increase securities purchased (ABS, MBS, etc.).	
<input type="checkbox"/> Make other investments	
<input type="checkbox"/> Increase reserves for non-performing assets	

<input type="checkbox"/> Reduce borrowings	
<input type="checkbox"/> Increase charge-offs	
<input type="checkbox"/> Purchase another financial institution or purchase assets from another financial institution	
<input type="checkbox"/> Held as non-leveraged increase to total capital	

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

As stated above, the additional capital assisted us to continue lending in our markets across Florida. The CPP capital helped us avoid slowing our growth which would have lessened our ability to lend.

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

The CPP funds of \$5.677 million allowed us to leverage and lend another \$68 million to borrowers across Florida, using an 8% capital leverage ratio to calculate leverage. We are a de novo national bank that began operations in late 2006. We were executing on our original strategic plan and growing our Bank in line with our original financial projections when we applied for the CPP funds in late 2008. We knew then that raising capital would be a challenge in the economic environment we were facing (and still face) and our strategic plan budgeted future capital raises to support our growth and expansion. Our application was approved and we closed on the CPP funds in January 2009. Since then, we have continued to execute on our plan and have grown the Bank to \$835 million in total assets at the end of 2009. We did complete a private placement equity offering in November 2009 to add additional capital to the Bank.

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

Nothing besides assisting the bank to continue to grow and lend and execute on its plan as noted above.

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.