

REPORT OF CONDITION

Consolidating domestic subsidiaries of
Heritage Bank of North Florida
in the state of FL at close of business on December 31, 2009
published in response to call made by (Enter additional information below)

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Statement of Resources and Liabilities

Dollar Amounts in Thousands

| ASSETS | |
|---|----------------|
| Cash and balances due from depository institutions: | |
| Noninterest-bearing balances and currency and coin | 6,137 |
| Interest-bearing balances | 0 |
| Securities: | |
| Held-to-maturity securities | 0 |
| Available-for-sale securities | 6,538 |
| Federal funds sold and securities purchased under agreements to resell: | |
| Federal funds sold | 8,552 |
| Securities purchased under agreements to resell | 0 |
| Loans and lease financing receivables: | |
| Loans and leases held for sale | 0 |
| Loans and leases, net of unearned income | 121,237 |
| LESS: Allowance for loan and lease losses | 2,227 |
| Loans and leases, net of unearned income and allowance | 119,010 |
| Trading Assets | 0 |
| Premises and fixed assets (including capitalized leases) | 3,665 |
| Other real estate owned | 9,906 |
| Investments in unconsolidated subsidiaries and associated companies | 0 |
| Direct and indirect investments in real estate ventures | 0 |
| Intangible assets: | |
| Goodwill | 0 |
| Other intangible assets | 0 |
| Other assets | 3,885 |
| Total assets | 157,693 |

REPORT OF CONDITION (Continued)

LIABILITIES

Dollar Amounts in Thousands

Deposits:

| | | |
|--|---------|---------|
| In domestic offices | | 142,141 |
| Noninterest-bearing | 6,329 | |
| Interest-bearing | 135,812 | |
| Federal funds purchased and securities sold under agreements to repurchase: | | |
| Federal funds purchased | | 0 |
| Securities sold under agreements to repurchase | | 0 |
| Trading liabilities | | 0 |
| Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases) | | 0 |
| Subordinated notes and debentures | | 0 |
| Other liabilities | | 1,511 |
| Total liabilities | | 143,652 |

EQUITY CAPITAL

| | | |
|---|--|---------|
| Bank Equity Capital | | 0 |
| Perpetual preferred stock and related surplus | | 1,633 |
| Common stock | | 9,605 |
| Surplus (excludes all surplus related to preferred stock) | | 2,701 |
| Retained earnings | | 102 |
| Accumulated other comprehensive income | | 0 |
| Other equity capital components | | |
| Total bank equity capital | | 14,041 |
| Noncontrolling (minority) interest in consolidated subsidiaries | | 0 |
| Total equity capital | | 14,041 |
| Total liabilities and equity capital | | 157,693 |

We, the undersigned directors (trustees), attest to the correctness of the Reports of Condition and Income (including the supporting schedules) for this report date and declare that the Reports of Condition and Income have been examined by us and to the best of our knowledge and belief have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct.

I, CHARLOTTE A. NEUDIGATE, VP

(Name, Title)

of the above named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Director #1 Robert J. Head, Jr.

Director #2 Marvin E. Wilhite

Director #3 Randolph L. Knepper