CAPITAL PURCHASE PROGRAM (CPP) LENDING REPORT

Name of institution: Sovereign Bancshares, Texas
Person to be contacted about this report: R. Michael Russell
Submission date: April 30, 2009

RSSD (for Bank Holding Companies): 3269602
Holding Company Docket Number (for Thrift Holding Companies):
FDIC Certificate Number (for depository institutions):

LENDING ACTIVITY (Thousands $)	2009 FEB	2009 MAR	Key	Comments
1. Loan Balances				
a. Average Consumer Loans	$38,078	$39,740	FDIC call codes: 1C1, 1C2A, 1C2B, 6B, 6C	
b. Average Commercial Loans	$500,032	$525,496	FDIC call codes: 1A1, 1A2, 1B, 1D, 1E1, 1E2, 4A	
c. Total Loans (sum of lines a and b)	$538,110	$565,236		

2. General Market Commentary (optional)