CAPITAL PURCHASE PROGRAM (CPP) LENDING REPORT

Name of institution: GrandSouth Bancorporation (GrandSouth Bank)
Person to be contacted about this report: J. B. Garrett
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RSSD (for Bank Holding Companies): 2929833
Holding Company Docket Number (for Thrift Holding Companies):
FDIC Certificate Number (for depository institutions): 34812

LENDING ACTIVITY (Thousands $)	2009 FEB	2009 MAR	Key	Comments
1. Loan Balances				
a. Average Consumer Loans	$27,273	$27,310		
b. Average Commercial Loans	$280,287	$280,913		
c. Total Loans (sum of lines a and b)	$307,560	$308,223		

2. General Market Commentary (optional)

Market is performing better than state as a whole; unemployment trending higher, but remains under statewide average; construction activity has slowed dramatically with relatively low level of finished inventory; low end of range for housing continuing to move with limited finished inventory available; loan demand is light as both business and consumer requests have declined;