CAPITAL PURCHASE PROGRAM (CPP) LENDING REPORT

Name of institution: Bank of North Carolina
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RSSD (for Bank Holding Companies): 000 190 8082
Holding Company Docket Number (for Thrift Holding Companies):
FDIC Certificate Number (for depository institutions): 33527

LENDING ACTIVITY (Thousands $)	2009 FEB	2009 MAR	Key	Comments
1. Loan Balances				
a. Average Consumer Loans	$148,086	$149,064	Residential Mortgage, HELOC's, Installment Loans, Cashlines	Increase in Residential Mortgages
b. Average Commercial Loans	$858,946	$856,176	Commercial Notes, C & I, CRE, Commercial Leases	Decline in A&D and Construction
c. Total Loans (sum of lines a and b)	$1,007,032	$1,005,240		

2. General Market Commentary (optional)

The Bank has implemented a Builder Participation Program to facilitate the sale of speculative homes in our market area. This program works in conjunction with the builders to move their inventory to the consumer, which in turn helps the stability of the housing market in this region. The Bank is approaching $9 million in closed loans under this program, which offers the consumer a good rate with no bank fees or PMI insurance.