SANTA LUCIA BANCORP

7480 EL CAMINO REAL • P.O. BOX 6047 • ATASCADERO, CA 93422 • PHONE: 805-466-7087 • FAX: 805-466-0402

February 28, 2009

Mr. Neil M. Barofsky
Special Inspector General – TARP
1500 Pennsylvania Avenue, NW; Suite 1064
Washington, D.C. 20220

Dear Mr. Barofsky.

This letter represents the response to your request dated February 6, 2009.

1.a. We contributed $3.9 million of the $4.0 million received down to the Santa Lucia Bank from the Bancorp. It is the Banks intention to use the $3.9 million to fund additional loans.

1.b. The Bank created a new line item in the capital section of the general ledger that segregates the TARP capital from other forms of institutional capital. To date, all of the TARP funds have been disbursed to fund new loans.

1.c. The general ledger exhibits included with this package supports the $5.7 million increase in outstanding loans for the period ending February 23, 2009.

1.d. The Banks intent at the time we applied for the funds was [redacted] (b) (4) (b) (4) fund new loans and be pro active for the unknown.

2. The Bank's compensation committee met on February 24, 2009 to review the compensation arrangements of the Senior Executive Officers to ensure that the SEO's are not encouraged to take unnecessary and excessive risks that could threaten the value of the financial institution. Following a review of all compensation arrangements, it was determined that the SEO's have no arrangements that would subject the Bank to any unnecessary risk. It is against Bank policy for SEO's to have a lending relationship with the Bank.

In connection with this request, we have included the following documents that make reference to our intent or actual use of TARP funds:

- Letter to Shareholders dated December 22, 2008
- Earnings Release dated February 17, 2009 that makes a reference to the Capital Purchase Program in the capital section of the news release

We have attached copies of the Banks general ledgers dated December 31, 2008 and February 23, 2009 indicating the $5.7 million growth in the loan portfolio which supports the full use of the TARP funds that we have received.

I trust that we have adequately explained the use of the TARP funds that we received.

I hereby certify the accuracy of all statements, representations and supporting information provided in this response, with such certification subject to the requirements and penalties set forth in Title 18, United States Code, Section 1001.

Very truly yours,

John C. Hansen
President and CEO

February, 17, 2009

NEWS RELEASE

FOR IMMEDIATE RELEASE

Contacts:	John C. Hansen President and Chief Executive Officer	(805) 466-7087
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SANTA LUCIA BANCORP (ATASCADERO, CALIFORNIA)
(OTC Bulletin Board: SLBA.OB)
ANNOUNCES RESULTS FOR THE YEAR ENDING DECEMBER 31, 2008

Highlights for the year ending December 31, 2008:

- Net Earnings for the twelve month period ending December 31, 2008 was $1,139,000 which reflects a decrease of $1,864,000 or 62.1% when compared to $3,003,000 for the same period in 2007.

- Return on Average Assets equaled 0.46% for 2008 compared to 1.22% in 2007 and 1.42% in 2006.

- Return on Average Equity equaled 5.19% in 2008 compared to 14.87% in 2007 and 19.45% in 2006.

- Two cash dividends were paid to shareholders in 2008 for a total of $0.50 per share which represents an increase of 11.1%. This is compared to cash dividends of $0.45 and $0.40 for 2007 and 2006 respectively. This is the nineteenth consecutive year cash dividends have been paid to our shareholders.

- Earnings per share (on a fully diluted basis) equaled $0.58 for 2008. This compares to $1.51 in 2007 and $1.68 in 2006.

- Asset quality remained strong in 2008 with only three non-performing loans totaling $1,614,000 compared to one non performing loan totaling $2,175,000 for the same period 2007. Non-performing loans totaled 0.85% of total gross loans as of December 31, 2008, compared to 1.29% and 0.32% as of the same period in 2007 and 2006. The allowance for loan losses to total loans increased to $2,310,000 or 1.22% of total loans as of December 31, 2008 compared to $1,673,000 or 0.99% in 2007 and $1,654,000 or 0.96% in 2006.

- Total Shareholders Equity increased to $25,551,000 as of December 31, 2008 compared to $21,189,000 as of December 31, 2007, representing a 20.6% increase. Total shareholders equity stood at $19,137,000 as of December 31, 2006.

FINANCIAL PERFORMANCE:
Santa Lucia Bancorp (the "Company") (OTC Bulletin Board SLBA.OB) is a California Corporation organized in 2006 to act as the holding company for Santa Lucia Bank (the "Bank), a four office bank serving San Luis Obispo, and northern Santa Barbara Counties.

The Company's net earnings decreased $1,864,000 or 62.1% from $3,003,000, as of December 31, 2007 to $1,139,000 as of December 31, 2008. The primary reason for the decrease in net earnings was the 87 basis point decrease in the company's net interest margin from 5.92% in 2007 to 5.05% in 2008, driven significantly by the 400 basis point drop in the prime lending rate coupled with the $975,000 addition to the loan loss provision. Interest income decreased $2,442,000 or 13.8% in 2008, from $17,719,000 in 2007, to $15,277,000 in 2008. This decrease was primarily due to the decrease in the net interest margin caused by the 400 basis point drop in the prime lending rate.

Total interest bearing liability expense decreased $947,000 or 19.6% from $4,824,000 as of December 31, 2007, to $3,877,000 as of December 31, 2008. This was due to an 83 basis point decrease in the average rate paid on interest bearing liabilities from 3.41% as of December 31, 2007 to 2.58% as of December 31, 2008.

The Company's return on average assets declined from 1.22% in 2007 to 0.46% in 2008, which represents a 62.3% decline. This compares to a 1.42% return on average assets in 2006. The primary reason for the decrease in the return on average assets was the 400 basis point drop in the prime lending rate during 2008 coupled with the $975,000 addition to the loan loss provision. At the same time we have seen the return on average equity decrease from 14.87% in 2007 to 5.19% in 2008. This compares to 19.45% return on average equity in 2006. Total Stockholders Equity increased $4,362,000 or 20.6% during this same period of time from $21,189,000 to $25,551,000. The increase in the Shareholders Equity was primarily due to the Company's participation in the United States Treasury's Capital Purchase Program.

OPERATING EFFICIENCY:

The Company's efficiency ratio was 78.04% in 2008, compared to 64.65% in 2007, and 60.41% in 2006. This is the result of decreases in the Bank's net interest income, resulting from a decrease in the net interest margin, and an increase in non-interest expense.

LOAN GROWTH AND CREDIT QUALITY

Net loans increased $20,013,000 or 12.0% to $186,632,000 as of December 31, 2008 compared to $166,619,000 as of December 31, 2007 and $169,680,000 as of December 31, 2006. We were pleased with the 9.1% increase in commercial loans from $38,017,000 as of December 31, 2007 to $41,478,000 as of December 31, 2008. Throughout 2008 the Bank maintained its overall underwriting standards and the Loan Portfolio remained strong with minimal delinquencies.

The Company had three non-performing loans totaling $1,614,000 as of December 31, 2008, compared to one non-performing loan totaling $2,175,000 as of December 31, 2007, and one non-performing loan totaling $550,000 as of December 31, 2006. The first loan is for $900,000 and is secured by unimproved real estate and the overall potential for loss is felt to be minimal. The second loan is for $581,000 and is secured by a 1st Trust Deed on a single family residence and loss potential is felt to be minimal. The third loan is for $132,278 and is secured by equipment and the Bank feels that there is some loss potential with this credit. The Company experienced net charge offs of $338,000 in 2008, a net recovery of $19,000 in 2007 and a net charge off of $56,000 in 2006.

DEPOSIT GROWTH

The Company's total deposits remained relatively flat for the past year. Total deposits stood at $212,317,000 and $212,718,000 as of December 31, 2008 and December 31, 2007 respectively, which represents a 0.2% decrease. Deposits totaled $212,988,000 as of December 31, 2006. The stable level of deposits is largely due to the changes in the overall economy and the effect that it is having on our customer base. The recent trend of customers depositing excess funds into Time Certificates of Deposit or other interest bearing accounts continued throughout 2008, resulting in a change in the mix of our deposits. Despite this trend, the Company had 35.4% of total deposits in non-interest bearing deposits as of December 31, 2008, compared to 36.25% as of December 31, 2007. Non-interest bearing deposits at these levels continue to be well above industry averages.

NET INTEREST INCOME AND NET INTEREST MARGIN

Net Interest Income for the year ended December 31, 2008 decreased $1,495,000 or 11.6% to $11,399,000 compared to $12,894,000 and $13,450,000 for the years ended December 31, 2007 and 2006, respectively. Total Interest Income decreased $2,442,000 in 2008 while interest expense decreased $947,000 during the same period in 2008. The decrease in interest income was primarily due to a 137 basis point decrease in the yield on average earning assets.

The net interest margin decreased 87 basis points from 5.92% in 2007 to 5.05% in 2008. The primary reason for this was the 400 basis point decrease in the prime lending rate.

PROVISON FOR LOAN LOSSES

The Bank increased the provision for loan loss $975,000 during the twelve month period ending December 31, 2008 compared to no provision during the same period in 2007. The primary reason for the increase was due to the 12.0% growth in the loan portfolio coupled with additional reserves that the Company has taken for loans that have been placed on non-accrual. The allowance for loan and lease losses as a percentage of total loans increased to 1.22% as of December 31, 2008 compared to 0.99% as of December 31, 2007. Based on an analysis performed by the Bank and its outside loan review firm, both believe that the allowance is adequate as of December 31, 2008.

CAPITAL LEVEL AND RATIOS

Total shareholders equity stands at $25,551,000 as of December 31, 2008 compared to $21,189,000 as of December 31, 2007. This represents a 20.6% increase in equity capital between December 31, 2007 and December 31, 2008. The Bank maintains capital ratios above the Federal Regulatory guidelines for a "well capitalized" bank. Total capital to risk weighted assets for the Company increased to 15.92% as of December 31, 2008 compared to 14.60% as of December 31, 2007. Tier I Capital to assets ratio increased to 11.89% as of December 31, 2008 from 10.50% as of December 31, 2007.

As part of the United States Treasury's Capital Purchase Program, the Company entered into a Letter Agreement on December 19, 2008 with the United States Department of Treasury, where the Company agreed to issue and sell 4,000 shares of the Company's Preferred Stock and a warrant to purchase 37,360 shares of the Company's Common Stock for an aggregate purchase price of $4,000,000 in cash. The Preferred Stock will qualify as Tier 1 capital and will pay cumulative dividends at a rate of 5% per annum for the first five years and 9% per annum thereafter. It is the Company's intention to repay the capital within the five year time frame. The warrant has a 10-year term and is immediately exercisable upon its issuance, with an exercise price equal to $16.06 per share of the Common Stock.

The factors that led the Company to the decision to participate in the Capital Purchase Program include the following:

1. Replace the $2,000,000 subordinated debt that will be repaid by June of 2011.
2. Support the Company's future loan and deposit growth.
3. Provide for the many unknowns in the current economic environment.

THE COMPANY AND ITS BUSINESS STRATEGY:

Santa Lucia Bancorp, headquartered in Atascadero, California is a California corporation organized in 2006 to act as the holding company for Santa Lucia Bank (the Bank). Santa Lucia Bank has operated in the State of California since August 5, 1985.

The Bank engages in the commercial banking business principally in San Luis Obispo and northern Santa Barbara Counties from its banking offices located at 7480 El Camino Real, Atascadero, California, 1240 Spring Street, Paso Robles, California, 1530 East Grand Avenue, Arroyo Grande, California and 1825 South Broadway, Santa Maria, California.

The Company, through its subsidiary, Santa Lucia Bank, emphasizes personalized quality customer service to small and medium sized businesses in its markets. The main focus after 22 years of operation is to provide a consistent return to shareholders, quality personalized service to our customers and a challenging and rewarding environment for our employees. These guiding principals will continue to serve the company well in both the short term and long term.

Statements concerning future performance, developments or events, expectations for growth and income forecasts, and any other guidance on future periods, constitute forward-looking statements that are subject to a number of risks and uncertainties. Actual results may differ materially from stated expectations. Specific factors include, but are not limited to, the current financial crisis and recession in United States and foreign financial markets and the response of government and bank regulators thereto, increased profitability, continued growth, the Bank's beliefs as to the adequacy of its existing and anticipated allowances for loan losses, beliefs and expectations regarding actions that may be taken by regulatory authorities having oversight over the Company's or Bank's operations, interest rates and financial policies of the United States government, general economic conditions and California's energy crisis. Additional information on these and other factors that could affect financial results are included in the Company's Securities and Exchange Commission filings.

When used in this release, the words or phrases such as "will likely result in", "management expects that", "will continue", "is anticipated", "estimate", "projected", or similar expressions are intended to identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (PSLRA). Readers should not place undue reliance on the forward-looking statements, which reflect management's view only as of the date hereof. Santa Lucia Bancorp undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances. This statement is included for the express purpose of protecting Santa Lucia Bancorp under PSLRA's safe harbor provisions.

	2008	2007	2006	2005	2004
			Year Ended December 31,		
Summary of Operations:			*(dollars in thousands except per share data)*		
Interest Income	$ 15,276	$ 17,719	$ 17,027	$ 13,546	$ 10,220
Interest Expense	3,877	4,824	3,577	1,984	1,343
Net Interest Income	11,399	12,895	13,450	11,562	8,877
Provision for Loan Loss	975	-	240	300	110
Net Interest Income After Provision for Loan Losses	10,424	12,895	13,210	11,262	8,767
Noninterest Income	1,111	1,071	1,010	1,052	1,191
Noninterest Expense	9,763	9,029	8,590	7,808	7,060
Income Before Income Taxes	1,772	4,937	5,630	4,506	2,898
Income Taxes	633	1,934	2,242	1,759	1,076
Net Income	$ 1,139	$ 3,003	$ 3,388	$ 2,747	$ 1,822
Cash Dividends Paid	$ 963	$ 871	$ 768	$ 730	$ 697
Per Share Data:					
Net Income - Basic	$ 0.59	$ 1.55	$ 1.77	$ 1.46	$ 0.98
Net Income - Diluted	$ 0.58	$ 1.51	$ 1.68	$ 1.38	$ 0.94
Dividends	$ 0.50	$ 0.45	$ 0.40	$ 0.388	$ 0.375
Book Value	$ 11.21	$ 11.01	$ 9.93	$ 8.35	$ 7.42
Common Outstanding Shares:	1,923,053	1,924,873	1,928,097	1,899,543	1,861,764
Statement of Financial Condition Summary:					
Total Assets	$ 251,880	$ 248,640	$ 240,738	$ 231,532	$ 211,684
Total Deposits	212,317	212,718	212,988	206,879	194,868
Total Net Loans	186,632	166,619	169,680	152,563	125,586
Allowance for Loan Losses	2,310	1,673	1,654	1,470	1,200
Total Shareholders' Equity	25,551	21,189	19,137	15,866	13,807
Selected Ratios:					
Return on Average Assets	0.46%	1.22%	1.42%	1.21%	0.91%
Return on Average Equity	5.19%	14.87%	19.45%	18.67%	13.71%
Average Loans as a Percentage of Average Deposits	83.84%	76.11%	79.74%	69.90%	62.77%
Allowance for Loan Losses to Total Loans	1.22%	0.99%	0.96%	0.95%	0.94%
Company					
Tier I Capital to Average Assets	11.89%	10.50%	10.00%	-	-
Tier I Capital to Risk-Weighted Assets -	14.41%	13.20%	12.70%	-	-
Total Capital to Risk-Weighted Assets -	15.92%	14.60%	14.40%	-	-
Bank					
Tier I Capital to Average Assets	11.44%	9.85%	9.11%	7.16%	6.53%
Tier I Capital to Risk-Weighted Assets -	13.65%	12.33%	11.43%	9.33%	8.80%
Total Capital to Risk-Weighted Assets -	15.17%	13.80%	13.13%	11.34%	10.85%

SANTA LUCIA BANCORP

7480 EL CAMINO REAL • P.O. BOX 6047 • ATASCADERO, CA 93422 • PHONE: 805-466-7087 • FAX: 805-466-0402

December 22, 2008

Dear Shareholders:

We are sure that you are aware of all of the issues relating to the financial industry, the overall economy and the United States Treasury's Troubled Asset Relief Program. This program has two parts to it, one of which is to invest $250 billion in the Country's healthiest financial institutions under the U.S. Treasury's Capital Purchase Program and the second part is invest up to $500 billion to repurchase troubled assets. The U.S. Treasury has been strongly encouraging U.S. financial institutions to build capital to increase the flow of financing to U.S. businesses and consumers and to support the U.S. economy.

Santa Lucia Bancorp has evaluated the U. S. Treasury's Capital Purchase Program in order to make the best decision possible based upon all of the known factors. The Company believes participating in the program with a $4,000,000 issue of Senior Preferred Stock at an annual dividend cost of 5% for the first five years and a Warrant for 37,360 shares of common stock with an exercise price of $16.06 per share is a prudent action to take at this time. The Senior Preferred Stock can be redeemed after three years. The dividend rate after five years will reset to 9%. The Company's current plan is to redeem the Senior Preferred Stock during the fifth year.

Despite the fact that the Company remains well capitalized by all regulatory standards with a total Risk Based Capital Ratio of 13.04% as of September 30, 2008, there were a number of factors that led us to the decision to add new capital, some of which are as follows:

- The Bank currently owes $1,833,322 of subordinated debt, all of which will be repaid by June 2011. Repayment of this debt will reduce the Bank's Tier 2 Capital, and participation in the Capital Purchase Program will offset this loss in capital.

- The capital market has changed dramatically during the past year, with private sources of capital at reasonable rates very hard to find. Based on our research, we have determined that it would be highly unlikely that we could find a source to raise capital on terms similar to those offered by the Treasury in the near future if needed, and that the costs of obtaining any such private capital would exceed those of the Senior Preferred Stock and Warrant.

- The Company anticipates that there will be opportunities available to grow the Company in our market place as the economy improves and that this additional capital will help us support that growth.

- Based on the fact that there are limited avenues to raise additional capital in the current environment and the many unknowns in the economic environment that we operate in, we felt it was a fiscally sound move to add additional capital to the Company at this time.

In summary, we feel that the decision the Company has made is a prudent one that will only strengthen our sound capital position, especially when you consider that the new capital is reasonably priced and the Warrant will have a minimal dilutive effect. If you have any questions about our participation in the Capital Purchase Program, or any other matter, please do not hesitate to call.

Sincerely,

Larry H. Putnam
President and Chief Executive Officer

John C. Hansen
Executive Vice President and Chief Financial Officer

	CURRENT BALANCE	AVG BAL DEC'08	DEBITS DEC'08	CREDITS DEC'08	NET CHG DEC'08
390230099 LNS RECOVERIES PAST YEARS 04	.00	.00	.00	.00	.00
390250099 LNS RECOVERIES YTD 01	5,909.75-	5,796.84-	.00	350.00	350.00-
390260099 LNS RECOVERIES YTD 02	7,436.99-	2,220.86-	.00	5,390.00	5,390.00-
390270099 LNS RECOVERIES YTD 03	.00	.00	.00	.00	.00
390280099 LNS RECOVERIES YTD 04	.00	.00	.00	.00	.00
390300099 LNS LOSS PROVISION PAST YRS 01	3,344,203.75-	3,344,203.75-	.00	.00	.00
390310099 LNS LOSS PROVISION PAST YRS 02	.00	.00	.00	.00	.00
390330099 LNS LOSS PROVISION PAST YRS 03	100,000.00-	100,000.00-	.00	.00	.00
390350099 LNS LOS PROVISION YTD 01	975,000.00-	523,387.09-	.00	525,000.00	525,000.00-
390360099 LOAN LOSS PROVISION YTD 02	.00	.00	.00	.00	.00
390370099 LOAN LOSS PROVISION YTD 03	.00	.00	.00	.00	.00
*RESERVE FOR LOAN LOSS	2,309,773.88-	2,045,994.95-	251,654.50	530,740.00	279,085.50-
****TOTAL LOANS	186,631,959.62	187,011,196.49	84,275,058.65	84,698,795.32	423,736.67-
410100099 BANK PREMISES	7,559,916.24	7,560,752.94	997.61	997.61	.00
410200099 DEPRECIATION RESERVE	2,093,738.02-	2,076,866.55-	.00	21,792.29	21,792.29-
410300099 LAND	2,030,764.63	2,030,764.63	.00	.00	.00
410400099 CONSTRUCTION IN PROGRESS	191,901.41	184,894.27	34,276.73	997.61	33,279.12
*BANK PREMISES	7,688,844.26	7,699,545.29	35,274.34	23,787.51	11,486.83
420100099 FURNITURE,FIXTURES,&EQUIP	4,115,960.45	4,114,891.55	3,143.61	.00	3,143.61
420200099 DEPRECIATION RESERVE	3,182,172.62-	3,158,450.51-	.00	30,641.03	30,641.03-
*F.F. & E.	933,787.83	956,441.04	3,143.61	30,641.03	27,497.42-
430100099 LEASEHOLD IMPROVEMENT	.00	.00	.00	.00	.00
430200099 DEPRECIATION RESERVE	.00	.00	.00	.00	.00
*LEASEHOLD IMPROVEMENT	.00	.00	.00	.00	.00
440100099 OTHER REAL ESTATE OWNED	.00	.00	.00	.00	.00
440150099 FORECLOSURE INSUBSTANCE	.00	.00	.00	.00	.00
440200099 OREO RESERVE	.00	.00	.00	.00	.00
450100099 CONSTRUCTION IN PROGRESS	.00	.00	.00	.00	.00
*OTHER REAL ESTATE	.00	.00	.00	.00	.00
**FIXED ASSET	8,622,632.09	8,655,986.33	38,417.95	54,428.54	16,010.59-
510102099 ACCRUED INT - BONUS BALANCE	3,507.64	2,175.36	4,968.33	4,305.51	662.82
510103099 ACCRUED INT REC R/E	789,624.35	704,884.42	807,431.10	695,728.38	111,702.72
510103199 ACCR INT TAX EXEMPT LOANS	1,485.94	1,171.26	2,438.56	2,047.13	391.43
510104099 ACCRUED INT REC SB	6,548.50	12,793.81	25,864.50	39,640.62	13,776.12-
510104499 RES FOR NON-ACCR INT I/L	.00	.00	.00	.00	.00
510105099 ACCRUED INT COMMERCIAL	118,277.49	141,001.80	182,144.41	227,061.98	44,917.57-
510105199 ACCRUED INT PAYABLE	50,736.86-	43,868.81-	10,636.84	27,977.35	17,340.51-
510105599 ACCRUED INT PAYABLE SB	.00	.00	.00	.00	.00
510106099 ACCRUED INT REC CC	2,291.64	3,961.49	5,972.76	6,488.79	516.03-
510106199 ACC INT REC- USDA	.00	.00	.00	.00	.00
510106599 ACCRUED INT REC I/L SIMPLE	6,535.53	5,590.21	7,688.51	5,694.28	1,994.23
510107099 RES FOR NON-ACCRUAL INT	.00	.00	.00	.00	.00
510107199 NON ACCR PART SOLD	.00	.00	.00	.00	.00
510107299 NON ACCR PART SOLD SB	.00	.00	.00	.00	.00
510107599 RES FOR NON-ACCR SB, CC & USDA	.00	.00	.00	.00	.00
510107699 ACCRUED INT EQUITY	20,786.68	15,393.24	31,980.36	31,954.59	25.77
510108099 DEFERRED LOAN INCOME	.00	.00	.00	.00	.00

	CURRENT BALANCE	AVG BAL FEB'09	DEBITS FEB'09	CREDITS FEB'09	NET CHG FEB'09
390230099 LNS RECOVERIES PAST YEARS 04	.00	.00	.00	.00	.00
390250099 LNS RECOVERIES YTD 01	.00	.00	.00	.00	.00
390260099 LNS RECOVERIES YTD 02	.00	.00	.00	.00	.00
390270099 LNS RECOVERIES YTD 03	.00	.00	.00	.00	.00
390280099 LNS RECOVERIES YTD 04	.00	.00	.00	.00	.00
390300099 LNS LOSS PROVISION PAST YRS 01	4,319,203.75-	3,556,160.27-	.00	975,000.00	975,000.00-
390310099 LNS LOSS PROVISION PAST YRS 02	.00	.00	.00	.00	.00
390330099 LNS LOSS PROVISION PAST YRS 03	100,000.00-	100,000.00-	.00	.00	.00
390350099 LNS LOS PROVISION YTD 01	110,000.00-	849,565.21-	975,000.00	30,000.00	945,000.00
390360099 LOAN LOSS PROVISION YTD 02	.00	.00	.00	.00	.00
390370099 LOAN LOSS PROVISION YTD 03	.00	.00	.00	.00	.00
*RESERVE FOR LOAN LOSS	2,419,355.48-	2,396,077.32-	975,418.40	1,005,000.00	29,581.60-
****TOTAL LOANS	192,381,419.94	191,115,343.72	40,587,579.84	37,802,452.30	2,785,127.54
410100099 BANK PREMISES	7,559,916.24	7,559,916.24	.00		
410200099 DEPRECIATION RESERVE	2,115,534.38-	2,115,534.38-	.00		
410300099 LAND	2,030,764.63	2,030,764.63	.00		
410400099 CONSTRUCTION IN PROGRESS	186,525.79	190,189.32	1,138.52		
*BANK PREMISES	7,661,672.28	7,665,335.81	1,138.52		
420100099 FURNITURE,FIXTURES,&EQUIP	4,164,009.38	4,152,965.84	20,007.38		
420200099 DEPRECIATION RESERVE	3,206,473.49-	3,209,555.68-	6,401.37		
*F.F. & E.	957,535.89	943,410.16	26,408.75		
430100099 LEASEHOLD IMPROVEMENT	.00	.00	.00		
430200099 DEPRECIATION RESERVE	.00	.00	.00		
*LEASEHOLD IMPROVEMENT	.00	.00	.00		
440100099 OTHER REAL ESTATE OWNED	.00	.00	.00		
440150099 FORECLOSURE INSUBSTANCE	.00	.00	.00		
440200099 OREO RESERVE	.00	.00	.00		
450100099 CONSTRUCTION IN PROGRESS	.00	.00	.00		
*OTHER REAL ESTATE	.00	.00	.00		
**FIXED ASSET	8,619,208.17	8,608,745.97	27,547.27		
510102099 ACCRUED INT - BONUS BALANCE	2,770.07	2,279.35	3,803.37		
510103099 ACCRUED INT REC R/E	697,361.43	747,692.46	603,052.58		
510103199 ACCR INT TAX EXEMPT LOANS	1,098.15	2,153.11	2,519.21		
510104099 ACCRUED INT REC SB	13,726.94	14,857.34	18,164.45		
510104499 RES FOR NON-ACCR INT I/L	.00	.00	.00	.00	.00
510105099 ACCRUED INT COMMERCIAL	148,131.03	144,324.26	134,925.43	113,389.19	21,536.24
510105199 ACCRUED INT PAYABLE	71,294.87-	69,427.09-	18,279.35	19,759.84	1,480.49-
510105599 ACCRUED INT PAYABLE SB	.00	.00	.00	.00	.00
510106099 ACCRUED INT REC CC	2,546.18	3,851.06	4,824.09	4,726.09	98.00
510106199 ACC INT REC- USDA	.00	.00	.00	.00	.00
510106599 ACCRUED INT REC I/L SIMPLE	8,312.38	6,197.94	6,287.82	3,848.81	2,439.01
510107099 RES FOR NON-ACCRUAL INT	.00	.00	.00	.00	.00
510107199 NON ACCR PART SOLD	.00	.00	.00	.00	.00
510107299 NON ACCR PART SOLD SB	.00	.00	.00	.00	.00
510107599 RES FOR NON-ACCR SB, CC & USDA	.00	.00	.00	.00	.00
510107699 ACCRUED INT EQUITY	12,177.72	10,124.33	16,759.42	16,914.26	154.84-
510108099 DEFERRED LOAN INCOME	.00	.00	.00	.00	.00

0.00MT
0.00MT
192,381,419.94 +
186,631,959.62 −
5,749,460.32MT

SANTA LUCIA BANK
FINANCIAL MANAGEMENT SYSTEM
DAILY STATEMENT OF CONDITION-CONSOLIDATED

	CURRENT BALANCE	AVG BAL DEC'08	DEBITS DEC'08	CREDITS DEC'08	NET CHG DEC'08
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* C A P I T A L *					
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990000099 CAPITAL STOCK ISSUED SHARES	.00	.00	.00	.00	.00
990100099 CAPITAL STOCK - ISSUED SHARES	12,536,208.88	12,422,692.75	.00	153,000.00	153,000.00
990110099 ADDITIONAL PAID IN CAPITAL	372,737.00	356,369.51	.00	31,712.00	31,712.00
991000099 TARP CAP CONTRIBUTION	3,900,000.00	251,612.90	.00	3,900,000.00	3,900,000.00
991100099 SURPLUS	.00	.00	.00	.00	.00
992100099 UNDIVIDED PROFITS THRU PREV YR	16,580,591.08	16,580,591.08	.00	.00	.00
992200099 UNDIVIDED PROFITS CURRENT YEAR	3,205,730.28	3,205,730.28	.00	.00	.00
993400799 STOCK DIVIDENDS1996	306,982.50-	306,982.50-	.00	.00	.00
993400899 CASH IN LIEU STOCK DIV 1996	2,938.43-	2,938.43-	.00	.00	.00
993400999 CASH DIVIDENDS PRIOR YEARS	6,451,202.05-	6,451,202.05-	.00	.00	.00
993401099 CASH DIVIDENDS 3/07	386,544.80-	386,544.80-	.00	.00	.00
993401199 CASH DIVIDENDS 9/07	484,568.25-	484,568.25-	.00	.00	.00
993401299 CASH DIVIDENDS 3/08	482,058.25-	482,058.25-	.00	.00	.00
993401399 CASH DIVIDENDS 9/08	480,763.25-	480,763.25-	.00	.00	.00
993401499 CASH DIVIDENDS	.00	.00	.00	.00	.00
993401599 CASH DIVIDENDS	.00	.00	.00	.00	.00
993401699 CASH DIVIDENDS	.00	.00	.00	.00	.00
993401799 CASH DIVIDENDS	.00	.00	.00	.00	.00
993401899 CASH DIVIDENDS	.00	.00	.00	.00	.00
993401999 CASH DIVIDENDS	.00	.00	.00	.00	.00
993402099 CASH DIVIDENDS	.00	.00	.00	.00	.00
993402199 BANCORP EXPENSE DIVIDENDS	140,000.00-	115,806.45-	30,000.00	.00	30,000.00-
993402299 TRUST PREFERRED DIVIDENDS	526,000.20-	526,000.20-	.00	.00	.00
994000099 BOLI SPLIT DOLLAR EXPENSE	101,815.00-	101,815.00-	.00	.00	.00
994100099 MKT VAL ADJ AFTER TAX FASB 115	497,531.00	224,116.41	194,822.00	497,531.00	302,709.00
998200099 COMPUTER SUSPENSE DEBITS	.00	.00	.00	.00	.00
998300099 COMPUTER SUSPENSE CREDITS	.00	.00	.00	.00	.00
TOTAL CAPITAL	27,729,925.51	23,702,433.75	224,822.00	4,582,243.00	4,357,421.00
YTD NET INCOME	1,351,031.47	1,553,554.46	1,530,577.75-	1,275,584.99	166,167.44-
TOTAL CAPITAL AND YTD INCOME	29,080,956.98	25,255,988.21	1,305,755.75-	5,857,827.99	4,191,253.56
**** TOTAL LIABILITIES & CAPITAL ****	251,004,442.79	250,030,164.16	2,217,184,147.76	2,222,112,167.02	1,955,689.08

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* O F F L E D G E R *
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