



Hovde

Financial Institutions
Monthly Overview

Capital Markets
Economic Data Review
M&A Statistics

July 2007

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About Hovde

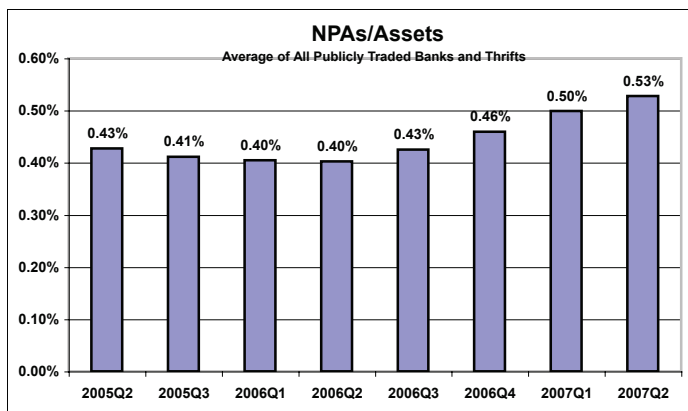
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As we wrap up second quarter earnings, it is becoming ever more apparent that the bank and thrift industry is struggling in the current environment. In the prior quarter, we noted three primary drags on the group's earnings growth: NIM compression, stalling balance sheet growth, and deteriorating credit quality. Each of these factors carried over to the second quarter, but with differing emphasis and magnitude than prior quarters. Notably, credit deterioration now figures to be an even greater drag on margins and balance sheet results. With roughly 90 percent of companies having reported thus far, overall earnings have again been thoroughly unimpressive. While some companies managed to eke out single digit year-over-year increases in earnings, an increasing number of banks and thrifts posted sequential and year-over-year declines in earnings — with some showing significant drop-offs. Furthermore, underlying trends were arguably weaker than reported results would indicate — particularly those related to asset quality.



SOURCE: SNL Bank and Thrift Index

Net interest margins continued to contract as expected — due in large part to the negative impact of rising loan delinquencies, an inhospitable yield curve, and extremely competitive loan pricing. Although many banks reported some easing of deposit pricing competition, the ongoing deposit flow from low-cost checking and savings accounts to higher-cost money market and CD products continues to squeeze margins. This dynamic is underscored by the historically high core deposit premiums being observed in recent M&A deal pricings. Meanwhile, slowing demand has intensified loan pricing competition, with many banks reporting a sequential decline in earning asset yields. In fact, asset-sensitive companies — like the construction-heavy banks — that have been enjoying the most attractive NIMs now face the dual challenge of falling demand and lower yields. With competition squeezing both sides of the balance sheet, we doubt any minor Fed easing will provide the NIM relief bank managements and investors anticipate. Consequently, the only way we see the yield curve or NIMs improving would be if the economy slips into a recession — leading to an increase in credit losses and thus resulting in an even worse environment for banks throughout the balance of 2007 and 2008.

Loan growth also further decelerated during the second quarter, particularly in the construction, residential mortgage and home equity

categories, as demand continued to soften in many areas — continuing a trend we have seen throughout this year. A number of banks have also sacrificed growth by tightening underwriting standards in response to concerns over future credit quality and unattractive spreads. While this may constrain earnings going forward, we believe this path will prove to be more beneficial in the long run as credit continues to roll over. In our view, banks that rein in growth in advance of a downturn in the credit cycle will inevitably weather the storm better than those revving up growth until the last second. In the current environment, banks that continue to grow the balance sheet, whether in seemingly safe real estate assets or historically riskier construction segments, will likely experience greater credit losses in the upcoming quarters as the prolonged period of easy access to credit has elevated severity of loss content across the lending spectrum.

Regular readers of our *Monthly Overview* know that we have been bearish on the outlook for credit for quite some time now — a view that has recently been confirmed with the signs of distress now spreading well beyond the subprime mortgage market to other corners of the financial services sector. In addition, after all of the recent turmoil in the capital and credit markets (particularly the asset-backed sector) it has become apparent that the current credit risks in the financial systems now go well beyond just cyclical credit normalization but also to the structure and manner in which almost every asset class has been financed over the last few years. In the second quarter, provisions for loan losses increased both sequentially and year over year, but, in many cases, only by enough to replace reserves depleted by charge-offs rather than adding to reserves for future problems. With property values declining, implied LTVs are reaching historic highs, which suggests that potential recoveries will be at risk, and net charge-offs will begin to mount. In the meantime, nonperforming assets increased significantly at many banks, with certain regions of the country showing particular weakness (e.g., Michigan, California, Ohio, and Florida) coupled with a widening breadth of loan products showing softness. While general commercial credit has yet to show any significant signs of deterioration, problems in that area — particularly with commercial real estate — may be on the horizon as weakness in that lending segment typically does not lag too far behind problems in the residential and consumer segments.

Looking forward, it is difficult to see where any near-term relief will come from, which would allow banks and thrifts to enjoy a more favorable operating environment. Although many management teams have guided down expectations for their second-half 2007 results and analyst have continued to ratchet down estimates for the year, expectations for 2008 remain very high in our view. To the extent economic growth slows further, banks will only find it harder to afford reserve building and still put up positive earnings growth trends next year. In fact, it would come as no surprise to us if many banks also end up with a year-over-year decline in earnings in 2008, as they are forced to continue to increase their reserves after being faced with mounting losses and deteriorating credit.

Federal Reserve Aggregate Bank Data

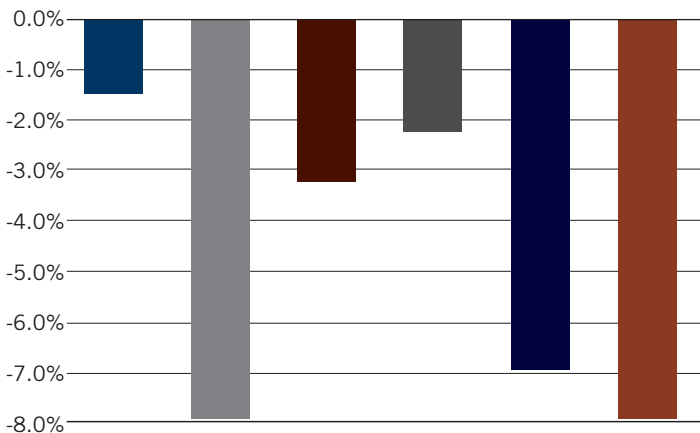
	6/2006	10/2006	11/2006	12/2006	1/2007	2/2007	3/2007	4/2007	5/2007	6/2007	MoM	YoY
ASSETS												
Securities												
Secs in Bank Credit	2,189	2,206	2,219	2,221	2,213	2,230	2,260	2,272	2,283	2,302	0.8%	5.2%
Treasury & Agency	1,199	1,210	1,206	1,192	1,195	1,200	1,209	1,186	1,175	1,179	0.3%	-1.7%
Other	989	996	1,013	1,029	1,018	1,030	1,051	1,086	1,107	1,123	1.4%	13.5%
Loans and Leases												
C&I	1,118	1,176	1,180	1,190	1,193	1,202	1,211	1,218	1,242	1,259	1.3%	12.6%
Real Estate	3,089	3,296	3,301	3,324	3,345	3,372	3,316	3,373	3,395	3,413	0.5%	10.5%
Consumer	729	724	729	736	744	744	741	747	752	762	1.3%	4.6%
Other	547	512	513	518	518	523	525	540	542	574	5.8%	4.9%
Other Assets	779	821	813	831	842	852	850	853	854	867	1.5%	11.2%
Total Assets	9,248	9,571	9,613	9,701	9,751	9,828	9,807	9,905	9,972	10,031	0.6%	8.5%
LIABILITIES												
Deposits												
Transaction	664	636	647	631	646	634	640	636	649	623	-4.1%	-6.2%
Nontransaction	5,337	5,568	5,596	5,674	5,695	5,706	5,763	5,836	5,703	5,655	-0.9%	6.0%
Large time	1,597	1,714	1,726	1,726	1,730	1,748	1,778	1,818	1,803	1,779	-1.3%	11.4%
Other	3,740	3,854	3,870	3,948	3,965	3,959	3,985	4,018	3,901	3,876	-0.6%	3.6%
Borrowings	1,827	1,910	1,945	1,957	1,958	1,972	1,984	1,980	2,059	2,096	1.8%	14.7%
Other Liabilities	554	570	571	577	572	578	588	600	596	604	1.3%	8.9%
Total Liabilities	8,448	8,707	8,765	8,870	8,889	8,910	8,916	9,025	8,959	8,955	0.0%	6.0%
Residual (assets less liabilities)	800	864	848	831	862	917	891	880	1,012	1,075	6.2%	34.5%

all values in \$ billions

SOURCE: Federal Reserve Documents

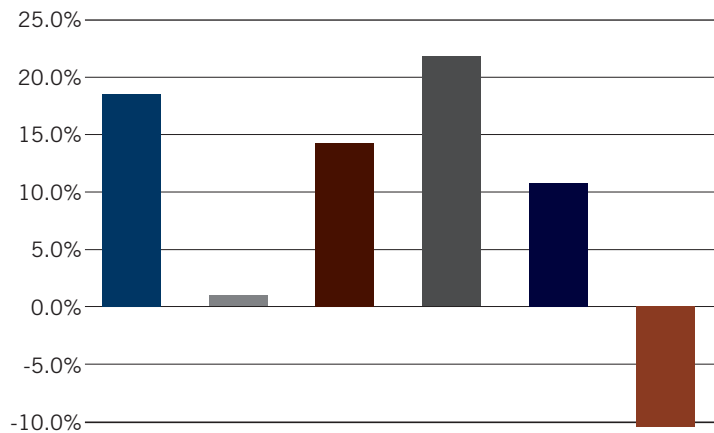
Major Market Index Performance

July 2007



SOURCE: Bloomberg, LLC

Last Twelve Months



SOURCE: Bloomberg, LLC

- Dow Jones
- S&P Financial
- S&P 500
- NASDAQ
- Russell 2000
- NASDAQ Bank

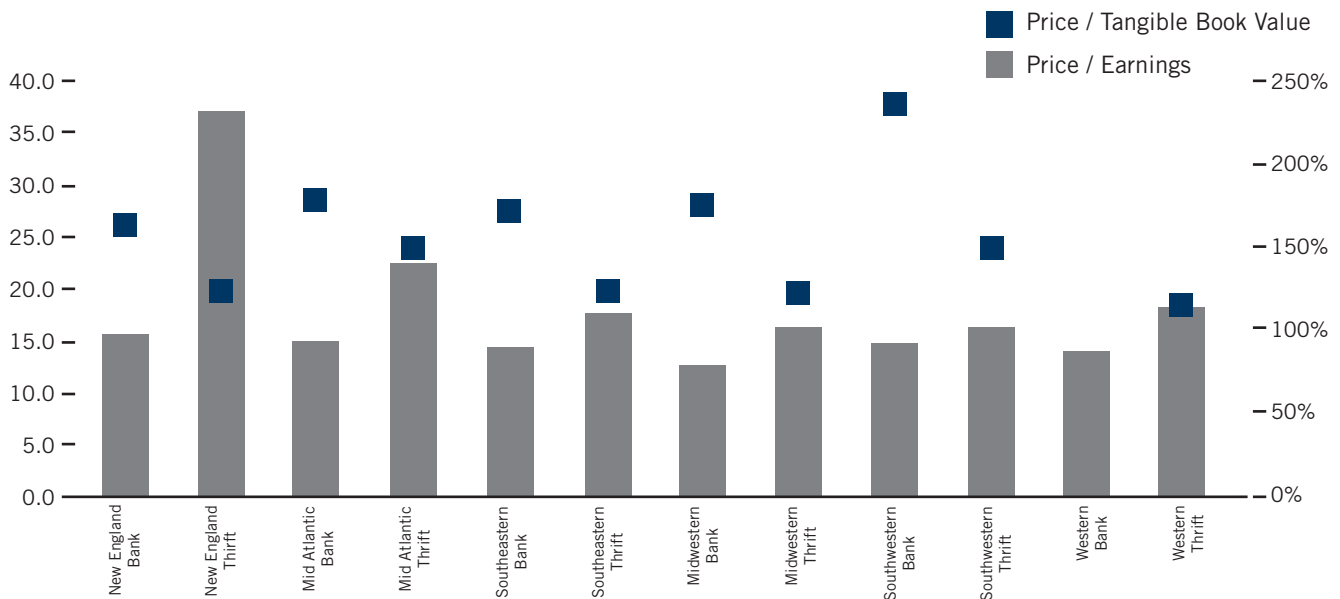
	8/2006	9/2006	10/2006	11/2006	12/2006	1/2007	2/2007	3/2007	4/2007	5/2007	6/2007	7/2007
Dow Jones	1.7%	2.8%	3.4%	1.2%	2.0%	1.3%	-2.8%	0.7%	5.7%	4.3%	-1.6%	-1.5%
S&P Financial	0.8%	4.1%	2.3%	0.2%	3.7%	0.7%	-3.3%	-0.9%	4.0%	2.0%	-4.3%	-7.9%
S&P 500	2.1%	2.5%	3.2%	1.6%	1.3%	1.4%	-2.2%	1.0%	4.3%	3.3%	-1.8%	-3.2%
NASDAQ	4.4%	3.4%	4.8%	2.7%	-0.7%	2.0%	-1.9%	0.2%	4.3%	3.1%	0.0%	-2.2%
Russell 2000	2.9%	0.7%	5.7%	2.5%	0.2%	1.6%	-0.9%	0.9%	1.7%	4.0%	-1.6%	-6.9%
NASDAQ Bank	0.8%	0.4%	1.7%	0.6%	2.0%	-1.5%	-1.3%	-1.7%	-1.9%	1.8%	-3.4%	-7.9%

SOURCE: Bloomberg, LLC

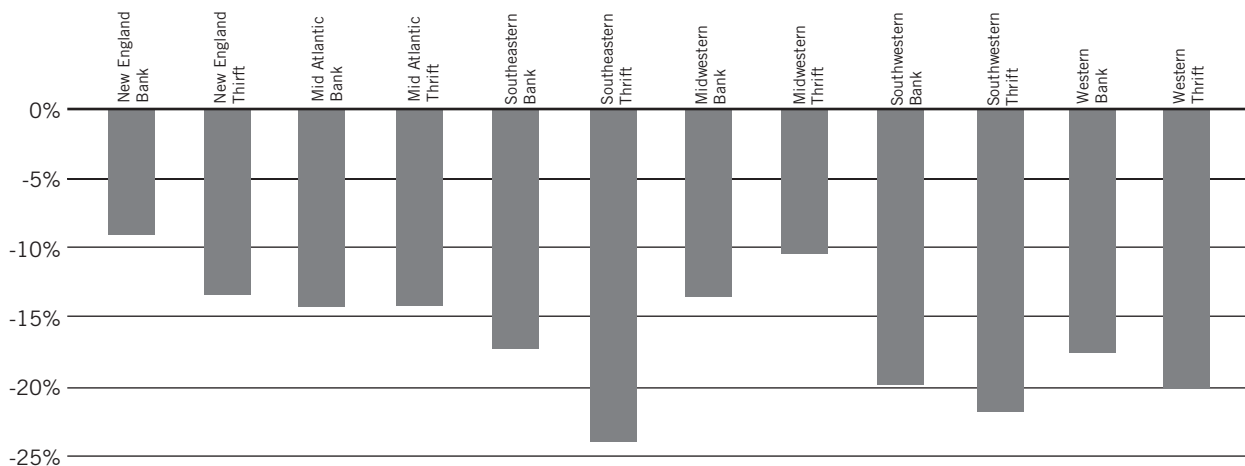
Bank and Thrift Index Valuations

		Price / Earnings		Price / Book Value		Price / TBV		Price Performance			Component Companies
		Weighted Avg	Median	Weighted Avg	Median	Weighted Avg	Median	1 Mo	6 Mo	12 Mo	
New England	Bank	19.4	16.1	170%	143%	238%	163%	-6.0%	-9.2%	-7.7%	23
	Thrift	19.0	36.8	111%	118%	131%	128%	-6.9%	-13.4%	-7.7%	22
Mid Atlantic	Bank	13.1	15.0	167%	153%	272%	181%	-7.4%	-14.4%	-12.8%	94
	Thrift	20.8	22.4	135%	129%	219%	148%	-7.5%	-14.6%	-9.5%	58
Southeastern	Bank	13.7	14.4	147%	135%	186%	169%	-9.6%	-17.3%	-15.1%	140
	Thrift	18.9	17.0	88%	108%	111%	126%	-12.0%	-24.0%	-22.3%	13
Midwestern	Bank	13.4	13.7	207%	133%	310%	177%	-6.3%	-14.1%	-11.3%	93
	Thrift	13.3	16.0	124%	110%	139%	121%	-6.3%	-10.5%	-7.5%	48
Southwestern	Bank	13.9	14.6	164%	169%	266%	236%	-11.9%	-19.7%	-17.2%	19
	Thrift	15.5	15.9	111%	136%	152%	153%	-17.2%	-21.9%	-29.0%	5
Western	Bank	14.2	13.9	193%	178%	182%	205%	-10.1%	-17.4%	-14.5%	72
	Thrift	18.2	17.9	129%	116%	109%	113%	-13.4%	-19.9%	-15.3%	17

Insurance Index Valuations



YTD Price Performance



Economic Data Points - July 2007

Date	Event	Period	Survey	Actual	Prior	Date	Event	Period	Survey	Actual	Prior
7/2	ISM Manufacturing	JUN	55	56	55	7/18	Consumer Price Index (YoY)	JUN	2.60%	2.70%	2.70%
7/2	ISM Prices Paid	JUN	69.1	68	71	7/18	CPI Ex Food & Energy (YoY)	JUN	2.20%	2.20%	2.20%
7/3	Pending Home Sales MoM	MAY	0.50%	-3.50%	-3.20%	7/18	CPI Core Index SA	JUN	--	210.436	209.948
7/3	Factory Orders	MAY	-1.20%	-0.50%	0.30%	7/18	Consumer Price Index NSA	JUN	208.163	208.352	207.949
7/3	Total Vehicle Sales	JUN	16.3M	15.6M	16.2M	7/18	Housing Starts	JUN	1450K	1467K	1474K
7/3	Domestic Vehicle Sales	JUN	12.4M	11.8M	12.3M	7/18	Building Permits	JUN	1480K	1406K	1501K
7/5	Challenger Job Cuts YoY	JUN	--	-17.00%	32.40%	7/18	Bernanke Report on Economic & Fed Policy				
7/5	ADP Employment Change	JUN	100K	150K	97K	7/19	Leading Indicators	JUN	-0.10%	-0.30%	0.30%
7/5	ISM Non-Manufacturing	JUN	58	60.7	59.7	7/19	Philadelphia Fed.	JUL	13.8	9.2	18
7/6	Change in Nonfarm Payrolls	JUN	125K	132K	157K	7/19	Minutes of June 28 FOMC Meeting				
7/6	Unemployment Rate	JUN	4.50%	4.50%	4.50%	7/24	Richmond Fed Manufact. Index	JUL	5	4	4
7/9	Consumer Credit	MAY	\$7.0B	\$12.9B	\$2.6B	7/25	Existing Home Sales	JUN	5.86M	5.75M	5.99M
7/10	Wholesale Inventories	MAY	0.40%	0.50%	0.30%	7/25	Existing Home Sales MoM	JUN	-2.10%	-3.80%	-0.30%
7/12	Trade Balance	MAY	-\$60.0B	-\$60.0B	-\$58.5B	7/26	Durable Goods Orders	JUN	1.90%	1.40%	-2.80%
7/12	Monthly Budget Statement	JUN	\$27.4B	\$27.5B	\$20.5B	7/26	Durables Ex Transportation	JUN	0.60%	-0.50%	-1.00%
7/13	Import Price Index (MoM)	JUN	0.70%	1.00%	0.90%	7/26	New Homes Sales	JUN	890K	834K	915K
7/13	Import Price Index (YoY)	JUN	--	2.30%	1.10%	7/26	New Home Sales MoM	JUN	-2.70%	-6.60%	-1.60%
7/13	Advance Retail Sales	JUN	-0.10%	-0.90%	1.40%	7/27	GDP Annualized	2Q A	3.20%	3.40%	0.70%
7/13	Retail Sales Less Autos	JUN	0.20%	-0.40%	1.30%	7/27	Personal Consumption	2Q A	1.50%	1.30%	4.20%
7/13	Business Inventories	MAY	0.30%	0.50%	0.40%	7/27	GDP Price Index	2Q A	3.40%	2.70%	4.20%
7/16	Empire Manufacturing	JUL	18	26.5	25.8	7/27	Core PCE QoQ	2Q A	1.40%	1.40%	2.40%
7/17	Producer Price Index (MoM)	JUN	0.20%	-0.20%	0.90%	7/31	Personal Income	JUN	0.50%	0.40%	0.40%
7/17	PPI Ex Food & Energy (MoM)	JUN	0.20%	0.30%	0.20%	7/31	Personal Spending	JUN	0.10%	0.10%	0.50%
7/17	Producer Price Index (YoY)	JUN	3.60%	3.30%	4.10%	7/31	PCE Deflator (YoY)	JUN	2.30%	2.30%	2.30%
7/17	PPI Ex Food & Energy (YoY)	JUN	1.70%	1.80%	1.60%	7/31	PCE Core (MoM)	JUN	0.20%	0.10%	0.10%
7/17	Industrial Production	JUN	0.50%	0.50%	0.00%	7/31	PCE Core (YoY)	JUN	1.90%	1.90%	1.90%
7/17	Capacity Utilization	JUN	81.60%	81.70%	81.30%	7/31	S&P/CS Composite-20 YoY	MAY	-2.90%	-2.80%	-2.10%
7/17	NAHB Housing Market Index	JUL	27	24	28	7/31	S&P/CaseShiller Home Price Ind	MAY	--	200	200.5
7/18	Consumer Price Index (MoM)	JUN	0.10%	0.20%	0.70%	7/31	S&P/CaseShiller Home Price Ind	MAY	--	200	200.5
7/18	CPI Ex Food & Energy (MoM)	JUN	0.20%	0.20%	0.10%	7/31	Construction Spending MoM	JUN	0.20%	-0.30%	0.90%

SOURCE: Bloomberg, LLC

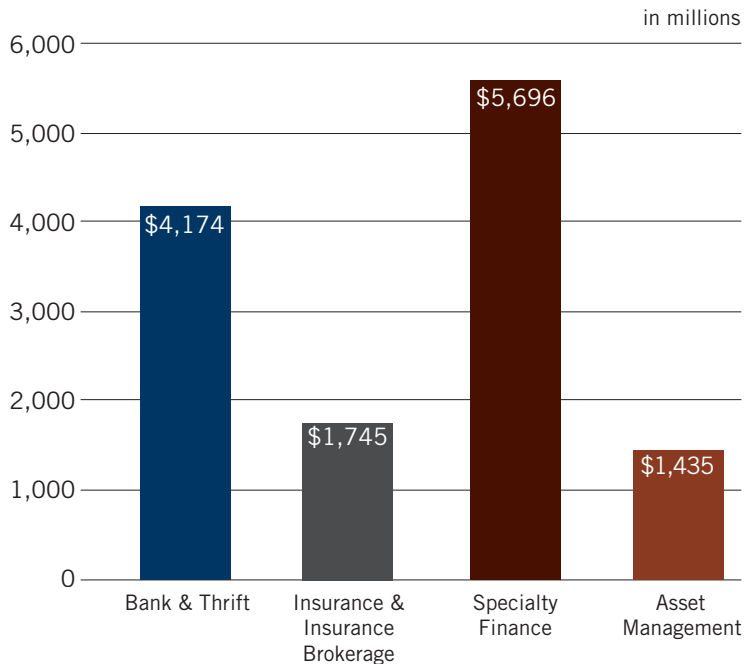
Economic Data Points - August 2007

Date	Event	Period	Survey	Actual	Prior	Date	Event	Period	Survey	Actual	Prior
8/1	Pending Home Sales MoM	JUN	-0.50%	--	-3.50%	8/15	CPI Ex Food & Energy (YoY)	JUL	--	--	2.20%
8/1	ISM Manufacturing	JUL	55	--	56	8/15	CPI Core Index SA	JUL	--	--	210.436
8/1	ISM Prices Paid	JUL	67	--	68	8/15	Consumer Price Index NSA	JUL	--	--	208.352
8/1	Total Vehicle Sales	JUL	16.0M	--	15.6M	8/15	Industrial Production	JUL	0.30%	--	0.50%
8/1	Domestic Vehicle Sales	JUL	12.2M	--	11.8M	8/15	Capacity Utilization	JUL	81.90%	--	81/70%
8/2	Factory Orders	JUL	1.00%	--	-0.50%	8/15	NAHB Housing Market Index	AUG	24	--	24
8/3	Change in Nonfarm Payrolls	JUL	127K	--	132K	8/16	Housing Starts	JUL	1400K	--	1467K
8/3	Unemployment Rate	JUL	4.50%	--	4.50%	8/16	Building Permits	JUL	1415K	--	1406K
8/3	Change in Manufact. Payrolls	JUL	-15K	--	-18K	8/24	Durable Goods Orders	JUL	--	--	1.40%
8/3	ISM Non-Manufacturing	JUL	59	--	60.7	8/24	Durables Ex Transportation	JUL	--	--	-0.50%
8/7	Nonfarm Productivity	2Q P	2.10%	--	1.00%	8/24	New Home Sales	JUL	--	--	834K
8/7	FOMC Rate Decision Expected	7-Aug	5.25%	--	5.25%	8/24	New Home Sales MoM	JUL	--	--	-6.60%
8/7	Consumer Credit	JUN	\$6.0B	--	\$12.9B	8/27	Existing Home Sales	JUL	--	--	5.75M
8/8	Wholesale Inventories	JUN	0.40%	--	0.50%	8/27	Existing Home Sales MoM	JUL	--	--	-3.80%
8/10	Import Price Index (MoM)	JUL	1.00%	--	1.00%	8/28	S&P/CS Composite-20 YoY	JUN	--	--	-2.80%
8/10	Import Price Index (YoY)	JUL	2.50%	--	2.30%	8/28	S&P/CaseShiller Home Price Index	JUN	--	--	200
8/10	Monthly Budget Statement	JUL	-\$34.0B	--	-\$33.2B	8/28	S&P/CaseShiller US HPI	2Q	--	--	186
8/13	Advance Retail Sales	JUL	0.50%	--	-0.90%	8/28	S&P/CaseShiller US HPI YoY%	2Q	--	--	-1.40%
8/13	Business Inventories	JUN	0.20%	--	0.50%	8/28	Minutes of August 7 FOMC Meeting				
8/14	Trade Balance	JUN	-\$61.0B	--	-\$60.0B	8/30	GDP Annualized	2Q P	--	--	3.40%
8/14	Producer Price Index (MoM)	JUL	0.20%	--	-0.20%	8/30	Personal Consumption	2Q P	--	--	1.30%
8/14	PPI Ex Food & Energy (MoM)	JUL	0.10%	--	0.30%	8/30	GDP Price Index	2Q P	--	--	2.70%
8/14	Producer Price Index (YoY)	JUL	--	--	3.30%	8/30	Core PCE QoQ	2Q P	--	--	1.40%
8/14	PPI Ex Food & Energy (YoY)	JUL	--	--	1.80%	8/30	House Price Index QoQ	2Q	--	--	0.50%
8/15	Consumer Price Index (MoM)	JUL	0.20%	--	0.20%	8/31	PCE Deflator (YoY)	JUL	--	--	2.30%
8/15	CPI Ex Food & Energy (MoM)	JUL	0.20%	--	0.20%	8/31	PCE Core (MoM)	JUL	--	--	0.10%
8/15	Consumer Price Index (YoY)	JUL	--	--	2.70%	8/31	PCE Core (YoY)	JUL	--	--	1.90%

SOURCE: Bloomberg, LLC

M&A Transaction Update

Announced Transactions - July 2007



source: SNL Financial

Deal Count - July 2007

Bank & Thrift	21
Insurance & Insurance Brokerage	19
Specialty Finance	7
Asset Management & Broker/Dealer	19

SOURCE: SNL Financial

Deal Count - 2007

Bank & Thrift	169
Insurance & Insurance Brokerage	135
Specialty Finance	69
Asset Management & Broker/Dealer	100

SOURCE: SNL Financial

Hovde Financial Deal Alerts

Ozaukee Bank Agrees to Merge with BMO Financial (BMO)/Harris Bank for \$193 Million

Hovde Financial is pleased to announce the terms of the signing of a merger agreement between our client, \$694 million asset size Cedarburg, Wisconsin-based Ozaukee Bank ("Ozaukee") and \$356.5 billion asset size Toronto, Canada-based BMO Financial, Inc. (TSX; NYSE: BMO). Ozaukee Bank locations will be converted into Harris N.A. branches, BMO's U.S. subsidiary, which has more than 230 locations in Illinois and Indiana and has affiliated wealth management offices in Arizona, California, Florida, Georgia, Virginia and Washington. With \$42 billion in assets and \$29 billion in deposits, Harris Bank is the 2nd largest bank based on branches in the Chicago MSA. Harris Bank will expand its footprint into the state of Wisconsin with six new locations throughout the Milwaukee MSA. Ozaukee operates branches in the north suburban communities of Cedarburg, Mequon, Thiensville, Port Washington, Grafton, and West Bend. With the merger, Harris Bank will enter at #1 and #14 in deposit market share rankings in Ozaukee County and the Milwaukee MSA, respectively.

Citrus & Chemical Bancorporation Sells for \$219 Million or 3.6x Book to Colonial BancGroup

Hovde Financial is pleased to announce its fourth Florida bank sale in 2007 and its eleventh in the last twelve months. Our client, Citrus & Chemical Bancorporation ("C&C"), headquartered in Bartow, Florida, has signed a definitive agreement to merge with Colonial BancGroup (NYSE: CNB), of Montgomery, Alabama, in a 50% stock/ 50% cash transaction valued at \$219 million (or \$39.02 per share based on Colonial's average trading price). C&C has 10 branches located in the Lakeland MSA (Polk County) and is one of the premier central Florida community bank institutions as well as one of the oldest in the state. The long-term success of C&C is directly related to the efforts of the late George Harris Jr. and Doug Small (CEO), as well as his senior management team, who have keenly focused on building a dominant franchise in Polk County. This transaction moves Colonial up from the 7th market position to 4th in the Lakeland MSA in terms of deposits, with a pro forma deposit base in Polk County of over \$900 million and 14 branches. Colonial will also maintain its #6 deposit ranking in the State of Florida.

Note: Hovde data used in these calculations is more current than SNL Financial data used in "Bank and Thrift Transactions."

Top Financial Advisors in Bank and Thrift Transactions

Trailing 12 Months, Sell-Side Advisory Transactions

Rank	Firm	# of Deals
1	Keefe, Bruyette & Woods, Inc.	36
2	Sandler O'Neill & Partners, LP	30
3	Hovde Financial	28
4	Howe Barnes Hoefer & Arnett, Inc.	21
5	Stifel, Nicolaus & Company, Inc.	13
6	Sheshunoff & Co. Investment Banking LP	9
7	McAdams Wright Ragen, Inc.	8
8	SAMCO Capital Markets, Inc.	6
9	Burke Capital Group, LLC	5

SOURCE: SNL Financial (data from 06/30/2006 - 07/31/2007)

Bank & Thrift Transactions - July 2007

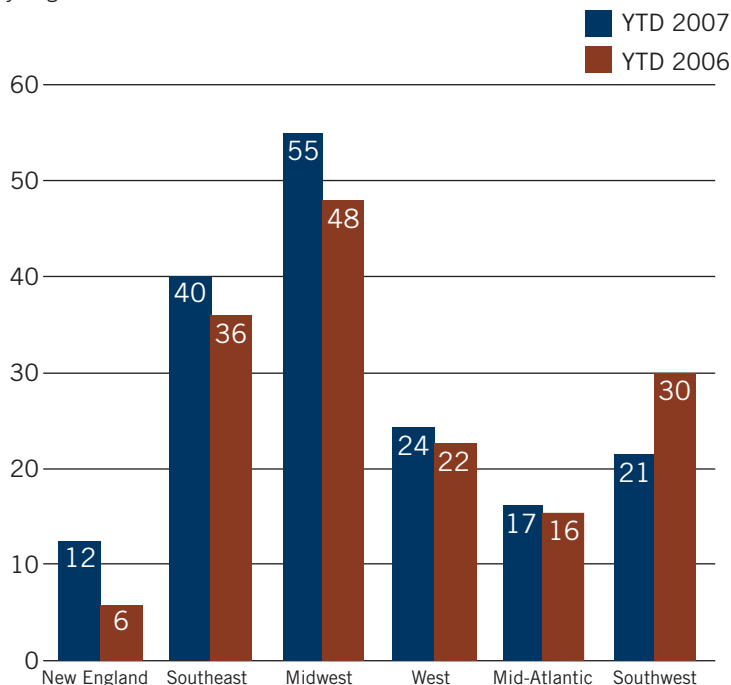
Buyer	Buyer State	Target	Target State	Announced	DV (\$MM)	P/LTM Ern	P/TBV (%)	Core Deposit Premium (%)
Washington Federal, Inc.	WA	First Mutual Bankshares, Inc.	WA	07/02/2007	189.8	17.3	250.0	21.1
Legend Bancorp, Inc.	TX	Bonstate Bancshares, Incorporated	TX	07/03/2007	NA	NA	NA	NA
First National of Nebraska, Inc.	NE	Mills County Bank, National Association	IA	07/05/2007	NA	NA	NA	NA
Marshall & Ilsley Corporation	WI	First Indiana Corporation	IN	07/08/2007	540.1	22.1	367.2	28.1
BMO Financial Group		Merchants & Manufacturers Bancorp., Inc.	WI	07/09/2007	136.9	32.3	227.8	8.6
BMO Financial Group		Ozaukee Bank	WI	07/10/2007	190	22.0	369.2	28.1
Anchor Bancorp Wisconsin Inc.	WI	S&C Banco, Inc.	WI	07/11/2007	106	20.1	234.3	21.5
Banco Popular Español, S.A.		Total Bancshares Corp.	FL	07/11/2007	300	21.6	410.6	36.2
First Bancorp	NC	Great Pee Dee Bancorp, Inc.	SC	07/12/2007	37.6	22.5	138.1	NA
Security Agency, Inc.	IA	Fortress Bank of Cresco	IA	07/13/2007	NA	NA	NA	NA
Colonial BancGroup, Inc.	AL	Citrus & Chemical Bancorporation, Inc.	FL	07/17/2007	219	27.5	358.4	26.0
My Financial Company	CO	Sistersville Bancorp, Inc.	WV	07/17/2007	11.3	44.3	136.9	10.4
M&T Bank Corporation	NY	Partners Trust Financial Group, Inc.	NY	07/18/2007	555.8	25.7	226.4	17.6
PNC Financial Services Group, Inc.	PA	Sterling Financial Corporation	PA	07/19/2007	559.9	28.8	793.9	NA
WesBanco, Inc.	WV	Oak Hill Financial, Inc.	OH	07/19/2007	199	19.3	230.5	13.8
First York Bancorp.	NE	St. Edward Management Co	NE	07/24/2007	NA	NA	NA	NA
United Community Financial Corp.	OH	PVF Capital Corp.	OH	07/24/2007	135.6	26.7	182.7	NA
Frontier Financial Corporation	WA	Bank of Salem	OR	07/25/2007	66.2	13.3	239.7	32.0
Cape Savings Bank	NJ	Boardwalk Bancorp, Inc.	NJ	07/26/2007	100.9	63.6	195.9	24.3
KeyCorp	OH	U.S.B. Holding Co., Inc.	NY	07/26/2007	585.2	19.9	247.4	23.9
Virginia Financial Group, Inc.	VA	FNB Corporation	VA	07/26/2007	240.2	NM	NM	NM

* deals in bold represent Hovde Financial advisory transactions

SOURCE: SNL Financial

Bank & Thrift Transactions

by Region



SOURCE: SNL Financial

Deal Pricing by Region - YTD

Region	Deal Value	Price/TBV	P/ LTM Ern	P/ Core Dep Prem
New England	\$6,590	297.9	20.0	27.1
Southeast	\$13,449	260.3	26.9	25.2
Midwest	\$26,014	231.9	28.2	16.9
West	\$5,131	259.9	26.3	21.7
Mid-Atlantic	\$4,396	273.8	29.3	20.1
Southwest	\$498	275.4	23.5	22.0
Average		257.2	26.9	21.3

SOURCE: SNL Financial

Deal Pricing by Quarter

Quarter	Deal Value	Price/TBV	P/ LTM Ern	P/ Core Dep Prem
2Q2005	\$3,488	221.9	27.3	16.0
3Q2005	\$9,887	241.2	23.3	18.6
4Q2005	\$4,701	226.0	25.0	18.1
1Q2006	\$17,446	240.6	26.4	19.9
2Q2006	\$47,289	241.6	27.0	18.3
3Q2006	\$6,438	265.8	25.3	19.9
4Q2006	\$37,247	256.5	26.2	21.1
1Q2007	\$20,945	269.1	27.7	23.8
2Q2007	\$30,953	234.0	26.4	18.1
3Q2007	\$4,174	288.1	25.7	22.4

SOURCE: SNL Financial

Insurance and Insurance Brokerage Transactions - July 2007

Buyer	Target	Announced	DV (\$MM)
Assurex International Corp.	BIG Group, LLC	7/01/2007	NA
Assurex International Corp.	CLS Benefit Solutions, Inc.	7/01/2007	NA
Marshall & Sterling	Putnam Benefits and Insurance Agency, Inc.	7/02/2007	NA
Hub International Limited	Hudson Eldridge Insurance Agency Inc.	7/05/2007	NA
Hub International Limited	Steel City Agency	7/05/2007	NA
Coventry Health Care, Inc.	Florida Health Plan Administration, LLC	7/06/2007	685.0
Delek Group Ltd.	Unitrin, Inc.	7/09/2007	4.0
U.S. Risk Insurance Group, Inc.	Boston Insurance Brokerage, Inc.	7/11/2007	NA
First Nonprofit Mutual Holding Company	Mutual Insurers Holding Company	7/12/2007	NA
Assurant, Inc.	Swansure Group	7/12/2007	NA
Arthur J. Gallagher & Co.	Spanjers Insurance Agency, Inc.	7/16/2007	NA
Alfa Mutual Group	Alfa Corporation	7/17/2007	648.5
Ariel Holdings Limited	Atrium Underwriting PLC	7/20/2007	396.0
Brooke Corporation	Undisclosed seller	7/20/2007	NA
Jardine Lloyd Thompson Group plc	Park (Bermuda) Ltd.	7/23/2007	11.8
Berkshire Hathaway Inc.	Boat America Corporation	7/24/2007	NA
Hilb Rogal & Hobbs Company	Resource Group, L.C.	7/25/2007	NA
Hilb Rogal & Hobbs Company	Brown/Raynor Corporation	7/31/2007	NA
PSA Financial Center, Inc.	H&R Block, Inc.	7/31/2007	NA

SOURCE: SNL Financial

Specialty Finance Transactions - July 2007

Buyer	Target	Announced	DV (\$MM)
First Federal Bank	First Mortgage Company, LLC	7/09/2007	NA
Ristretto Group S.a.r.l.	Williams Scotsman International, Inc.	7/18/2007	33.2
Wintrust Financial Corporation	Broadway Premium Funding Corp.	7/18/2007	NA
Genworth Financial, Inc.	Liberty Reverse Mortgage, Inc.	7/19/2007	NA
Capital Corp of the West	Bay View Funding	7/20/2007	NA
Cerberus Capital Management, LP	United Rentals, Inc.	7/23/2007	NA
Sun Capital Partners, Inc.	First NLC Financial Services, Inc.	7/26/2007	NA

SOURCE: SNL Financial

Asset Management Transactions - July 2007

Buyer	Target	Announced	DV (\$MM)
Brown Advisory Holdings Incorporated	Beaty Haynes & Associates Inc.	7/02/2007	NA
Compass Bancshares, Inc.	Capital Investment Counsel, Inc.	7/02/2007	NA
Citigroup Inc.	Automated Trading Desk, LLC	7/02/2007	675.5
Piper Jaffray Companies	Goldbond Capital Holdings Limited	7/03/2007	50.0
Bank of New York Mellon Corporation	ABN AMRO Mellon Global Securities Services B.V.	7/05/2007	NA
Logan Circle Partners, LP	Fixed-Income business	7/09/2007	NA
Western Alliance Bancorporation	Shine Investment Advisory Services, Inc.	7/10/2007	NA
Hales & Company Inc.	WFG Capital Advisors, LP	7/10/2007	NA
Lazard Ltd.	Goldsmith Agio Helms & Lynner, LLC	7/10/2007	NA
Lehman Brothers Holdings Inc.	LightPoint Capital Management, LLC	7/11/2007	NA
BISYS Group, Inc.	Frontier Trust Company, FSB	7/12/2007	NA
Northeast Community Bancorp, MHC	Hayden Financial Group, LLC	7/13/2007	NA
HFA Holdings Limited	Lighthouse Partners, LLC	7/24/2007	624.7
Optionable, Inc.	OPEX International Inc.	7/25/2007	0.0
Van der Moolen Holding NV	Robbins & Henderson, LLC	7/26/2007	NA
Independent Bank Corp.	O'Connell Investment Services, Inc.	7/30/2007	NA
Boston Private Financial Holdings, Inc.	Bingham, Osborn & Scarborough, LLC	7/31/2007	NA
Lazard Ltd.	Carnegie, Wylie & Company Pty Ltd	7/31/2007	NA
Savills plc	Granite Partners LLC	7/31/2007	84.6

SOURCE: SNL Financial