

## TRANSACTION PROFILE: PRIMETRUST/ BANK OF THE SOUTH

Hovde Financial is pleased to announce its 18th community bank transaction this year with the November 22nd announcement that Nashville, TN-based PrimeTrust Bank and Mt. Juliet, TN-based Bank of the South have executed a non-binding letter of understanding to enter into a true merger of equals. This letter of understanding describes a share exchange between the two banks that will accomplish the merger, subject to negotiation of a definitive share exchange agreement, due diligence, board and shareholder approval, and regulatory consent. Hovde Financial was the exclusive financial advisor to PrimeTrust Bank.

The purpose of the transaction is to enhance revenue, by maximizing synergies, rather than by engaging in cost-cutting measures. Under the proposal, a new holding company will be formed which will be owned approximately 50-50 by the shareholders of each of the banks. The holding company will own the two banks, which will be operated as separate institutions for the foreseeable future. The banks will continue to have separate charters, boards of directors, and staff. The employees, officers and directors of the banks will continue in their current roles, or will be assigned to the holding company to provide services to both banks. Following the transaction, the banks expect to be able to consolidate certain internal functions at the holding company level. The holding company's board of directors is proposed to be drawn initially from members of the banks' boards of directors. It is anticipated that the name of the newly created holding company will be Mid-America Bancshares.

It is anticipated that both banks will conclude the negotiation of a definitive share exchange agreement by early 2006 with the consummation of the transaction anticipated in mid-2006.

This transaction will create the 3rd largest institution based in the Nashville MSA and the 10th largest independent bank based in Tennessee. In terms of market share, Mid-America Bancshares will have captured a top 10 share of the Nashville MSA deposit market and a top 20 share of the entire Tennessee state deposit market. Upon consummation, Mid-America will have 13 branches in 6 contiguous counties that anchor the Nashville-Davidson MSA.

### About Hovde Financial LLC

Hovde Financial LLC is a nationwide investment bank focused exclusively on the financial services industry, specializing in providing a variety of investment banking and financial advisory services to community banks and thrifts. Founded in 1987, the firm has been a financial advisor in 200 merger and acquisition transactions for an aggregate deal value of over \$14 billion. In addition, Hovde has advised on approximately \$5.5 billion in branch transactions. Client-driven and results-oriented, the firm's experienced principals and bankers are committed to providing superior, value-added advice.

## TRANSACTION PROFILE

HOVDE FINANCIAL LLC IS PLEASED TO ANNOUNCE:

*PrimeTrust Bank – Nashville, TN*

and

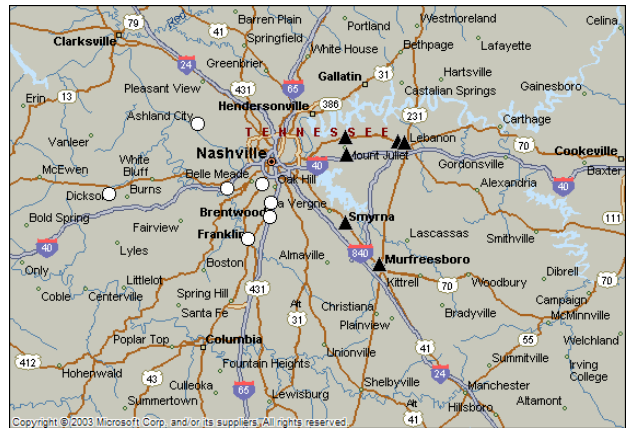
*Bank of the South – Mt. Juliet, TN*

**Have Signed a Letter of Understanding to Enter into a Merger of Equals**

**Overview of the Deal**

- Nashville, TN-based PrimeTrust Bank and Mount Juliet, TN - based Bank of the South have signed a letter of understanding to enter into a true merger-of-equals which calls for shareholders of each institution to own approximately 50% of a newly created holding company (Mid-America Bancshares) which will own both banks.
- The two subsidiary banks will remain separately chartered and branded for the foreseeable future; as opposed to a cost-savings opportunity, the merger of equals is conceptualized as a revenue enhancement opportunity, leveraging each banks' competitive advantages across the combined franchise.
- The newly created holding company will become the 10th largest independent institution in the entire state of Tennessee and the 3rd largest independent institution based in the Nashville MSA.
- The combined company will have a top 10 share of the Nashville deposit market and a top 20 share of the entire state of Tennessee deposit market.

**Pro Forma Branch Map – Middle Tennessee and the Nashville MSA**



▲ Bank of the South

○ PrimeTrust Bank

**Pro Forma Market Share - Nashville MSA**

Rank	Institution	Branch Count	Deposits in Market (\$000)	Market Share (%)
1	SunTrust Banks Inc. (GA)	59	4,479,997	17.75
2	AmSouth Bancorp. (AL)	62	4,471,960	17.72
3	Bank of America Corp. (NC)	40	4,091,501	16.21
4	Regions Financial Corp. (AL)	40	1,630,102	6.46
5	First Horizon National Corp. (TN)	39	1,276,541	5.06
6	Pinnacle Financial Partners (TN)	17	1,206,572	4.78
7	Fifth Third Bancorp (OH)	17	908,257	3.60
8	U.S. Bancorp (MN)	35	903,409	3.58
9	Wilson Bank Holding Company (TN)	17	795,718	3.15
<b>10</b>	<b>Pro Forma</b>	<b>13</b>	<b>603,036</b>	<b>2.38</b>
11	Synovus Financial Corp. (GA)	7	472,979	1.87
12	CIVITAS BankGroup (TN)	12	462,455	1.78
13	Capital Bancorp Inc. (TN)	6	336,497	1.33
14	Bank of the South (TN)	6	302,553	1.20
15	Primetrust Bank (TN)	5	300,483	1.19
16	Tennessee Commerce Bancorp Inc (TN)	1	282,279	1.12
17	First Farmers Bancshares Inc. (TN)	8	270,555	1.07
17	First South Bancorp Inc. (TN)	7	235,498	0.93
18	Citizens Bncp Investment Inc. (TN)	10	225,970	0.90
19	Citizens Bank (TN)	4	207,445	0.82
20	Greene County Bancshares Inc. (TN)	10	202,787	0.80
21	Southeastern Bancorp Inc. (TN)	6	185,416	0.73
22	Macon Bancrust Inc. (TN)	6	182,763	0.72
23	Volunteer State Bancshares (TN)	6	179,178	0.71
24	Wachovia Corp. (NC)	9	151,049	0.60
25	Community First Bshrs Inc. (TN)	5	147,441	0.58
26	Dickson Financial Corp. (TN)	4	132,835	0.53
27	F&M Financial Corporation (TN)	3	128,806	0.51
28	Community Trust, Inc. (TN)	5	115,706	0.46
29	BancorpSouth Inc. (MS)	2	113,514	0.45
30	First Farmers Merchants Corp. (TN)	3	82,676	0.33

**Buyer and Seller Financial Information (as of 6/30/2005)**

	<i>PrimeTrust Bank</i>	<i>Bank of the South</i>
Headquarters	Nashville, TN	Mount Juliet, TN
Ticker	NM	NM
States of Operation	TN(6)	TN(7)
Total Branches	6	7
Total Assets (\$000)	355,111	348,404
Total Deposits (\$000)	300,483	302,553
Core Deposits (\$000)	199,220	213,584
Total Equity (\$000)	36,721	32,429
Tangible Equity (\$000)	36,721	32,429
LTM Net Income (\$000)	1,718	2,262
LTM ROAA (%)	0.62	0.78
LTM ROAE (%)	7.41	8.87
Efficiency Ratio (%)	80.24	69.76
Non-Interest Income / AA (%)	1.09	0.69
NCOs / Average Loans	0.06	0.02