



John D. Kimberly  
President and Chief Executive Officer

May 14, 2010

To our customers and shareholders,

I want to update you on progress and plans with respect to the new banking facility which will be located at 1127 Hendersonville Road, Asheville, NC.

Construction is progressing nicely and we are very pleased with the added conveniences that will be afforded our customers in the new location. We expect that our first business day in the new facility will be August 9, 2010. As a reminder, the move will mean relocation for our bank. After August 9, 2010 we will no longer be doing business out of the North Pack Square office.

The Board and I believe the Hendersonville Road site is one of the most convenient we could have selected. To compliment a convenient site for our bank we will continue to offer services to our customers that make it easy to do business with us. Remote Deposit Capture allows customers to make deposits directly into the bank from their office or home. For many of our accounts, we will continue to offer free ATM usage at any ATM anywhere. Online banking and online cash management services allow you to transact business from anywhere provided you have access to the internet. A number of customers take advantage of our courier service, a service we will continue to provide. And, our bankers are in your offices every day. To borrow a phrase from one of our customers, Forest Commercial is *"virtually everywhere all the time"*.

We will keep you up to date on the relocation schedule by way of inserts in your bank statements and our website, [www.forestcommercialbank.com](http://www.forestcommercialbank.com). Of course, we welcome your call at any time if you have questions of any nature.

Your business and support are sincerely appreciated and we look forward to serving you from our Hendersonville Road office.

Very best regards,