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## Infusion gives Florida bank majority ownership of Aliant

Birmingham Business Journal - by [Crystal Jarvis](#) Staff

**Aliant Financial Corp.** is slated to receive another capital infusion from USAmeriBancorp in a deal that would give the Florida-based bank majority ownership.

Aliant, which sold nearly half of the company to the Largo, Fla.-based bank in a \$25 million capital deal last year, plans to allow the company to buy up more preferred shares – a move that will give USAmeriBancorp more than 50 percent ownership in the banking company and its subsidiary **Aliant Bank**.

The two banks are awaiting approval from the **Federal Reserve Bank of Atlanta**, said Aliant spokeswoman Dianne All.

In December, USAmeriBancorp pumped \$25 million in Aliant in exchange for 1.6 million preferred shares and two seats on the Alexander City-based bank's board of directors. Aliant raised another \$21.5 million in capital via a stock offering.

USAmeriBancorp will become majority owner of the bank, replacing the Thomas family, which has primarily owned Aliant since it opened its doors 110 years ago.

"This relationship is working very well for both banks," said John Russell Thomas, CEO of Aliant Financial. "USAmeriBancorp has proven to be an excellent partner, facilitating the exchange of ideas back and forth while also allowing Aliant the ability to continue to run as an Alabama community bank."

Aliant Bank CEO Eric Hamilton stressed that the company is still an "independent Alabama state-chartered community bank with local management."

Hamilton said the expected majority ownership by USAmeriBancorp will not change the way Aliant is run. "We are making great strides in managing through the economic downturn, and this investment will enable us to focus on helping businesses expand as we see the economy improve."

Under pressure from federal regulators to boost their capital levels, a number of banks across the nation are being acquired or obtaining capital in exchange for control to come up with the fresh capital needed, bank experts say.

"The banks that are in need of additional capital are exploring all opportunities – whether it's through public or private offerings," said Doug Schaeur, banking account with Birmingham's **Warren Averett Kimbrough & Marino**. "(Regulators) are wanting higher levels of capital to ensure the safety and soundness of the financial institutions."

A number of interested bankers are waiting on the sidelines for the opportunity to gain control of good banks that find themselves in need of capital, said Tony Plath, banking professor with the **University of North Carolina**, Charlotte.

"We're going to see a feeding frenzy in banking," he said. "They don't think that the banks have truly hit bottom yet."

"What you are seeing is not unique," he said. "It's much easier to get a charter through a bank with growing concerns. It's a quick way to gain entry into the industry. The infrastructure is already under your wing and you can build upon that by making acquisitions."

In 2009, Aliant Bank struggled with more than \$23 million in losses as loan losses piled up on its books. However, since its increase in capital, the bank had a profitable first quarter of more than \$1 million in net income, according to its financial statements.

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