U.S. Securities and Exchange Commission
Washington, D.C. 20549

AR/S **Form ~~10-KSB~~** AR/K

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the year ended December 31, 2004

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number 333-111918
Commission File Number 333-110947

AmericasBank Corp.
(Name of small business issuer in its charter)

Maryland (State or other jurisdiction of incorporation or organization)	52-2090433 (I.R.S. Employer Identification No.)

500 York Road
Towson, Maryland 21204
(Address of principal executive offices) (Zip Code)

Issuer's telephone number: 410-823-0500

Securities registered under Section 12(b) of the Exchange Act: None

Securities registered under Section 12(g) of the Exchange Act: None

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No __

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. [x]

The issuer's revenues for its most recent fiscal year were $1,845,274.

The aggregate market value of the common equity held by non-affiliates was $6,276,232 as of March 11, 2005, based on a sales price of $2.00 per share of Common Stock, which is the sales price at which shares of Common Stock were last sold in over the counter trading on March 11, 2005.

The number of shares outstanding of the issuer's Common Stock was 3,766,810 as of March 11, 2005.

Transitional Small Business Disclosure Format (check one): Yes __ No X

PART I

Item 1. Description of Business

BUSINESS OF AMERICASBANK CORP. AND AMERICASBANK

History

AmericasBank Corp. was incorporated as a Maryland corporation on June 4, 1996, to become a one-bank holding company by acquiring all of the capital stock of AmericasBank, a federal stock savings bank, upon its formation. AmericasBank commenced operations on December 1, 1997 with $3.0 million in capital and one office located in the Highlandtown area of Baltimore, Maryland. Also on December 1, 1997, AmericasBank acquired certain loans and other assets and assumed certain deposits and other liabilities primarily related to the Baltimore, Maryland branch office of Rushmore Trust & Savings, FSB. AmericasBank commenced operations from Rushmore's former Baltimore, Maryland branch office.

On September 20, 1999, AmericasBank (i) converted from a federal stock savings bank to a Maryland chartered trust company exercising the powers of a commercial bank; (ii) became a member bank of the Federal Reserve System; and (iii) opened a Towson office, with that office becoming AmericasBank's main office location and the Baltimore office becoming a branch office.

AmericasBank converted to a Maryland commercial bank so that it could refocus its lending strategy from originating one-to-four family mortgage loans to originating commercial real estate, commercial business, construction and consumer loans without being limited to the activities permitted under a thrift charter. At that time AmericasBank also planned on pursuing a strategy of long-term growth by opening additional branches.

AmericasBank was not successful in implementing its business plans in connection with the conversion. It continued to incur losses during 2000 and 2001 (after incurring losses in 1997, 1998 and 1999). Moreover, AmericasBank failed to implement proper internal and operational controls. As a result, in 2001, AmericasBank Corp. and AmericasBank became subject to the regulatory agreements and conditions described below. AmericasBank Corp. also incurred losses in 2002, 2003 and 2004.

Regulatory Matters

Written Agreement

On August 3, 2001, AmericasBank Corp. and AmericasBank entered into a Written Agreement with the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation. In the Written Agreement, AmericasBank Corp. and AmericasBank agreed to, among other things, the following:

- Within 30 days of the Written Agreement, review the current structure and composition of their respective boards of directors and committees to determine if they were suitable and appropriate for the size and needs of AmericasBank Corp. and AmericasBank; Within 60 days of the Written Agreement, submit to the Federal Reserve Bank of Richmond and the Maryland Commissioner of Financial Regulation a written plan to strengthen board oversight and management information systems;

- Within 90 days of the Written Agreement, forward to the Federal Reserve Bank of Richmond and the Maryland Commissioner of Financial Regulation a written report prepared by AmericasBank's board of directors regarding the functions and performance of AmericasBank's officers and employees and the actions the board of directors proposes to take to strengthen AmericasBank's management;

- Within 60 days of the Written Agreement, submit to the Federal Reserve Bank of Richmond and the Maryland Commissioner of Financial Regulation an acceptable joint written plan to maintain sufficient capital in AmericasBank;

- Within 30 days of the Written Agreement, review and grade all mortgage loans acquired from third parties to determine the risk exposure of such loans and to submit to the Federal Reserve Bank of Richmond and the Maryland Commissioner of Financial Regulation an acceptable plan and procedures to monitor such loans;

- Within 30 days after the end of each calendar quarter, submit to the Federal Reserve Bank of Richmond and the Maryland Commissioner of Financial Regulation a quarterly written report regarding the status of all loans acquired from third parties;

- Within 30 days of the Written Agreement, achieve, and thereafter, maintain, through charges to current operating income, an adequate valuation reserve for loan and lease losses;

- Within 60 days of the Written Agreement, submit to the Federal Reserve Bank of Richmond and the Maryland Commissioner of Financial Regulation acceptable written procedures designed to strengthen AmericasBank's internal controls;

- Not declare or pay any dividends without the prior written approval of the Federal Reserve Bank of Richmond and the Maryland Commissioner of Financial Regulation;

- Not directly or indirectly incur any debt without prior written approval of the Federal Reserve Bank of Richmond and the Maryland Commissioner of Financial Regulation;

- Within 60 days of the Written Agreement, submit to the Federal Reserve Bank of Richmond and the Maryland Commissioner of Financial Regulation an acceptable written plan to monitor AmericasBank's sensitivity to market risk;

- Within 30 days of the Written Agreement, submit to the Federal Reserve Bank of Richmond and the Maryland Commissioner of Financial Regulation a written business plan and budget for the remainder of 2001 and 2002 and, at least one month prior to the beginning of each subsequent calendar year, a business plan and budget for such calendar year;

- During the term of the Written Agreement, AmericasBank Corp. and AmericasBank shall seek prior approval from the Federal Reserve Bank of Richmond before appointing any new director or hiring or promoting any senior executive officers;

- Within 30 days after the end of each calendar quarter following the date of the Written Agreement, submit to the Federal Reserve Bank of Richmond and the Maryland Commissioner of Financial Regulation a written progress report (prepared by the board of directors) detailing the actions taken to comply with each provision of the Written Agreement and the results of those actions.

The Written Agreement also prohibits us from amending or rescinding approved plans and procedures without the prior written approval of the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation. No assurances can be given that all changes to our operations, risk management systems or oversight functions have been properly approved. Furthermore, our new management, who joined us during July and August 2003, have made changes they believe are appropriate to certain risk management systems and operations without first obtaining the approval of the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation.

Although we cannot state that we are in compliance with the Written Agreement, we believe that we are in material compliance and that the changes we have made are consistent with operating the Bank in a safe and sound manner.

Violation of the Written Agreement could result in judicial enforcement of the Written Agreement by the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation. Violation of the Written Agreement could also result in the assessment of civil money penalties against AmericasBank Corp., AmericasBank and their respective boards of directors and management, and/or other regulatory enforcement actions including, but not limited to, the removal of directors and management. Any of these actions would have a serious adverse effect on AmericasBank Corp. and AmericasBank and could threaten their continued operations as a bank holding company and a bank.

Memorandum of Understanding

On June 18, 2001, AmericasBank received the consumer affairs examination report that the Federal Reserve Bank of Richmond conducted on its operations. In this report, the Federal Reserve Bank of Richmond identified violations of laws and regulations including Regulation B (Equal Credit Opportunity), Regulation E (Electronic Funds Transfer), Regulation Z (Truth in Lending), Regulation CC (Availability of Funds and Collection of Checks) and the Real Estate Settlement Procedures Act. The Federal Reserve Bank referred the Real Estate Settlement Procedures Act violations to the U.S. Department of Housing and Urban Development as is required under applicable law. As of March 11, 2005, the U.S. Department of Housing and Urban Development has taken no action against AmericasBank.

In view of these violations, AmericasBank and the Federal Reserve Bank of Richmond entered into a Memorandum of Understanding on October 25, 2001 whereby AmericasBank and/or its board of directors agreed to take certain actions to improve its compliance procedures. Our new management was able to improve our compliance systems and we learned during the first quarter of 2005 that the Federal Reserve Bank of Richmond terminated the Memorandum of Understanding.

Location and Market Area

We consider our primary market area to be Northern Baltimore County, Maryland and the Highlandtown area of Baltimore. Our secondary market area includes the Baltimore Metropolitan Area, consisting of Baltimore City and the surrounding counties of Anne Arundel, Baltimore, Carroll, Harford, Howard, and Frederick County, Maryland and south-central Pennsylvania. The economy of our market area is diversified, with a mix of services, manufacturing, wholesale/retail trade and federal and local government. Manufacturing in the market area is dominated by high technology, particularly within the defense industry. Similar to national trends, most of the job growth in our market area has been realized in service related industries, and service jobs account for the largest portion of the workforce.

Our branch offices are located in Towson, Maryland and in the Highlandtown area of Baltimore. We also have a mortgage loan origination office in Towson, Maryland. Towson, Maryland is in Baltimore County, and is the county seat. Highlandtown is in the eastern quadrant of Baltimore City and is historically a stable blue-collar community of low to moderate income families.

Lending Activities

General. Our primary source of income is generated from the interest earned on our loan portfolio and fees generated from our lending activities. AmericasBank's objective is to systemically grow a high quality, diversified loan portfolio that affords us the opportunity to earn higher levels of noninterest income through fees and service charges. In the short term, we will focus our efforts on residential mortgage lending because we believe it to be the most cost effective method for a community bank to generate loan volume and produce fee income. We also intend to emphasize commercial mortgage loans and commercial loans extended for general business purposes to small and medium-size businesses in our primary market area.

Residential mortgage lending includes long-term conventional and non-conforming mortgages originated for our portfolio or for sale into the secondary market, adjustable rate mortgages, loans to homeowners or small developers for the acquisition and construction or rehab of single-family homes and lot loans. Commercial mortgage loans include loans for the acquisition, development, rehabilitation or investment in commercial or residential real property (generally for other than single family homes). We intend to aggressively pursue commercial lending opportunities where the loan relationships provide us with opportunities to develop high volume depository relationships. We expect the principals of the businesses we finance to personally guaranty their commercial loans.

We believe that consumer installment loans and home equity loans will serve to provide further diversification and will support our retail banking platform.

The following table summarizes the composition of the loan portfolio by dollar amount and percentages at the dates indicated:

	Loan Portfolio December 31,			
	2004	%	2003	%
Residential real estate	$ 15,743,998	49.67%	$ 3,213,352	20.44%
Construction and land development	3,975,815	12.54%	735,246	4.68%
Commercial, including real estate	5,688,317	17.94%	5,669,224	36.07%
Commercial finance leases	3,751,607	11.84%	4,893,607	31.14%
Home equity	2,171,661	6.85%	922,186	5.87%
Installment	369,151	1.16%	283,147	1.80%
	31,700,549	100.00%	15,716,762	100.00%
Allowance for loan and lease losses	(315,127)		(275,077)	
Deferred loan origination fees, net of costs	(140,260)		(16,837)	
	$ 31,245,162		$ 15,424,848	

Residential Mortgage Lending.

<u>Long-Term Fixed-Rate Mortgages Originated for Sale</u>. To generate fee income, we intend to focus our efforts on fixed-rate conventional and government insured residential mortgage loans that can be sold in the secondary market on a servicing released basis. Secondary market activity is conducted either as a broker, where the loan is funded at settlement by an investor and the bank earns a fee, or as correspondent where the bank funds the loan at settlement and thereafter sells the loan to an investor and recognizes a gain on the sale. We have entered into agreements with several large financial institutions where they either close loans that we broker or they purchase loans where we act as a correspondent lender. In either case, the loan must meet the underwriting standards of the closing or purchasing financial institution. In cases where we act as a correspondent lender, the purchase price is locked-in with the purchasing investor at the time the borrower locks in his or her interest rate. Typically, loans originated for sale will be delivered to the investor within two to three weeks of closing with the borrower, with settlement with the investor occurring within one to three weeks after delivery. During this three to six week period, we recognize these loans as mortgages held for sale and we service the loans. We have not contracted with and do not intend to contract with any entity to service the loans that we hold for sale.

We intend to focus on acting as a correspondent lender because the fees and income that can be generated as a correspondent lender are typically greater than can be generated as a loan broker. However, there are greater compliance requirements and risks associated with acting as a correspondent lender. As a result, the volume of loans originated for sale as a correspondent lender needs to grow to a sufficient volume to enable us to manage the additional compliance requirements and risks in a cost effective manner.

Adjustable Rate and Non-Conforming Fixed Rate Mortgages. Our residential mortgage lending also will include originating adjustable rate mortgages (ARMs) and non-conforming fixed-rate mortgages for our own portfolio and, if appropriate, for sale in the secondary market. Generally, the ARMs and non-conforming mortgages retained in our portfolio will be to homeowners who do not intend to hold the property long-term or who are seeking interim financing with an objective to seek longer-term financing at a more suitable time. These types of loans are also used to accommodate homeowners who may not meet the underwriting criteria of strict secondary market standards (but still meet credit standards). Many of the residential construction and rehabilitation loans that we will offer will be marketed with an option to convert to an ARM at the end of the construction period. We believe that many of the loans that convert will be re-financed by fixed-rate mortgages sold in the secondary market, providing us with the opportunity to generate additional fee income from these borrowers.

The interest rate on ARMs is based on the weekly average rate of comparable term U.S. Treasury securities adjusted to a constant maturity plus a spread with specified minimum and maximum interest rate adjustments. The interest rates on a majority of these mortgages are adjusted between one year and five years with limitations on upward adjustments of 2% per adjustment period and 6% over the life of the loan. We will generally charge a higher interest rate if the property is not owner-occupied.

ARMs are generally underwritten according to Fannie Mae or Freddie Mac guidelines using one of several automated underwriting tools now widely accepted in the industry. However, depending on the circumstances, we may also originate ARMs that do not conform to secondary market guidelines. The volume of ARMs that we originate will depend in large part on interest rates. As interest rates fall, there is generally a heightened demand for long-term fixed-rate mortgages and a reduced demand for ARMs. In contrast, as interest rates rise, there is generally an increased demand for ARMs and a reduced demand for long-term fixed-rate mortgages.

The non-conforming fixed rate mortgage loans that we will make will generally be amortized over 15-to-30 years but will require balloon payments after three to ten years. These loans customarily include a "due on sale" clause giving AmericasBank the right to declare a loan immediately due and payable in the event, among other matters, that the borrower sells or otherwise disposes of the real property subject to the mortgage.

In general, our ARMs and non-conforming fixed-rate mortgages will have a loan to value ratio of less than or equal to 80%. However, we may lend up to 95% of the value of the property collateralizing the loan if the borrower procures private mortgage insurance. We procure (at the expense of the borrower) lenders' title insurance on mortgage loans and require the borrower to provide fire and extended casualty insurance and, where required by applicable regulations, flood insurance. In the event that a borrower fails to pay premiums on fire and other hazard insurance policies, AmericasBank may cause insurance to be placed on the property.

Residential Construction, Rehab Loans and Lot Loans. We intend that our residential mortgage division will directly and indirectly originate loans to individuals to finance the acquisition of a building lot and/or the construction of a single-family dwelling, or the acquisition of an existing home that needs substantial physical renovation or reconstruction. Most of the residential construction loans will be made to individuals who intend to build a single family home on an appropriately zoned building lot that will be owner occupied upon completion of construction. However, in mature housing markets, we believe there is a growing opportunity to provide acquisition and construction financing for the purpose of substantially rehabilitating existing residential property ("rehab loans"). AmericasBank has targeted these two loan types as areas of potential growth. Construction and rehab loans will range in size from $100,000 to $500,000 depending on the property.

Construction and rehab loans will be underwritten and managed based on written construction loan policies and procedures. Generally, we will make loans in amounts up to 80% of appraised value, not to exceed 100% of cost with terms from four months to 15 months depending on the property. Loan proceeds will be disbursed in increments based on approved draw schedules and advanced based on completed work as certified by site inspections.

Construction and rehab loans generally involve a higher degree of risk than conventional mortgage loans. Our risk of loss on a construction or rehab loan is dependent largely upon the accuracy of the initial estimate of the property's value at the completion of construction and the estimated cost (including interest) of construction. If the estimate of construction cost proves to be inaccurate, we could be required to advance funds beyond the amount originally committed in order to permit completion of the project. If the estimate of anticipated value proves to be inaccurate, the value of our collateral may be insufficient to assure full repayment. We mitigate this risk somewhat by requiring physical inspection of the property by an approved inspector prior to advancing each draw request to ensure sufficient value has been created to support the advance.

Construction loans and rehab loans may also be extended to builders to erect single-family dwellings or to rehabilitate single-family dwellings for resale. These loans are classified as residential real estate loans in our financial statements.

Commercial Mortgage Loans. AmericasBank has a portfolio of commercial mortgage loans, and views this kind of lending as a necessary and desirable activity going forward. Loans are made to purchase or refinance both investment properties and owner-occupied real estate. The Bank requires an independent appraisal of each property and limits its loan to 80% or less of appraised value. Title insurance is required on each property. Loans are generally structured as fixed rate loans with 15 to 25 year amortizations and a 36-60 month rate call or maturity, with pricing based on a spread over constant yield of treasury securities of similar duration. Repayment on these loans depends to a large degree on the results of operations and management of the properties, and repayment of such loans may be subject to adverse conditions in the real estate market or the economy.

Underwriting of these loans is based on the borrower's capacity to service the loan after all expenses related to the real estate. If the property is an investment property, we look at the quality of the tenants and the length and terms of the leases as the borrower's primary source of repayment. These loans will typically be guaranteed by the individual(s) who are the owners or partners in the entity that owns the property. If the property is the place of business of a company affiliated with the borrower, the loan will typically be guaranteed by the owner(s) of the property and the affiliated company that occupies the building.

We also will originate lines of credit to builders or developers for the acquisition and development of raw land (or for the acquisition of approved building lots) and the construction of 1-4 single family homes. The financing provided for these purposes is speculative and will typically include provisions that restrict the number of lots and speculative units that can be financed under the facility. These types of loans generally will have terms of 18 to 36 months.

Commercial Lending. AmericasBank offers a variety of commercial loan products. A broad range of short-to-medium term commercial loans, both collateralized and uncollateralized are made available to businesses for working capital (including inventory and receivables), business expansion and the purchase of equipment and machinery. The purpose of a particular loan generally determines its structure.

Commercial loans are almost always generated from within our primary market area. Our loans are underwritten on the basis of the borrower's ability to service the debt from income. As a general practice, AmericasBank takes as collateral a security interest in available real estate, equipment or other chattel, although such loans may be made on an uncollateralized basis. Collateralized working capital loans are primarily secured by current assets whereas term loans are primarily collateralized by fixed assets.

Unlike residential mortgage loans, which generally are made on the basis of the borrower's credit history and ability to make payments from his or her employment and other income, and which are collateralized by real property whose value tends to be easily ascertainable, commercial loans typically are made on the basis of the borrower's ability to make payments from the cash flow of the business which is more variable and difficult to project. Commercial loans generally are collateralized by business assets, such as accounts receivable, equipment, and inventory. As a result, the availability of funds for the repayment of commercial loans may be substantially dependent on the success of the business itself. Further, the collateral underlying commercial loans may depreciate over time, generally cannot be appraised with as much precision as residential real estate, and may fluctuate in value based on the success of the business.

Commercial Finance Leasing. AmericasBank has invested in a portfolio of indirect, full pay-out lease transactions that are structured as multiple non-recourse fixed-rate loans to two leasing companies. Each loan is secured by an assignment of the leasing company's interest in a full pay-out lease, an assignment of the lease payments under that lease, delivery of the original lease documents and a security interest in the underlying equipment. A default under an individual lease will not trigger a default under any other lease and the loans are not cross-collateralized. Because of their structure, throughout this report, we have described these loans as commercial finance leases.

We initiated this type of lending as a material part of our operations during the second quarter of 2003 by "purchasing" seasoned leases that had been repurchased by the originating leasing company from the original owners pursuant to repurchase rights held by the originating leasing company. Because interest rates had declined since these leases were initiated, the leasing company could book gains by reselling the remaining streams of payments to a new institution requiring lower yields. We benefited by investing excess liquidity at acceptable returns in the current rate environment into assets that had a track record of performance. Since the initial bulk "purchase," we have continued to finance leases originated by these leasing companies.

These opportunities were the result of a longstanding relationship of our former senior lending officer, who had many years of experience underwriting and originating lease transactions, with the principals of the two leasing companies. Due diligence on the leasing companies, in addition to the senior lending officer's history with the companies, consisted of a thorough review of underwriting standards, documentation procedures, collection policies and financial condition.

We independently evaluate the creditworthiness of each lessee before extending credit in these transactions through, among other things, credit applications, financial statements and credit reports of the lessees and any guarantor of the lessee's obligations, as well as copies of the invoices for the assets being leased. In general, the risks of this type of lending are substantially similar to that of commercial lending. Our collateral in these transactions generally includes construction, manufacturing and industrial equipment; office furniture, fixtures and equipment; data processing assets, including computer equipment; and medical and engineering equipment. Unlike commercial lending, our loans in these transactions may, depending upon the quality and pricing of the credit, exceed the purchase price of the equipment by up to 15% for soft costs, taxes and similar expenses that are related to the assets being leased. The terms of these loans are generally not greater than the useful life of the assets being leased, and often are for a shorter term. Our self-imposed credit limit for these transactions is $300,000 and our interest rate, which is fixed over the term of the loan, is based on the underlying credit of the lessee and the term of the lease.

Pursuant to an agency agreement with each leasing company, the leasing company collects all lease payments and services the leases. We monitor payment by contacting the leasing company whenever a payment is more than 15 days past due. The agency agreement may be terminated by either party upon five days notice. Upon a termination, we would assume servicing obligations under the leases. Also, pursuant to the agency agreement, we have agreed to reimburse the leasing company for all collection costs and expenses.

Consumer Loans. Our consumer loan portfolio consists and will continue to consist of installment loans to individuals for various consumer purposes, including or to include installment loans to individuals to purchase automobiles, recreation vehicles and boats; second mortgage loans, home improvement loans; home equity loans, personal loans for investment purposes and loans secured by deposit accounts. The installment period for these loans will depend on the purpose and the asset securing the loan, but are generally for terms of less than 120 months.

Installment loans are attractive to us because they provide a stable source of income and are not subject to refinancing in fluctuating interest rate environments, and they serve to build loyalty between the bank and its retail customer base. Installment loans have higher delinquency and default rates when compared to residential mortgage loans. There is a high reliance on employment stability and personal debt management in consumer installment lending since the collateral may be of reduced value at the time of collection. Accordingly, the initial determination of the borrower's ability to repay, as indicated by past credit management, stability of employment and debt ratios, is of primary importance in the underwriting of consumer loans.

Credit Policies and Administration. Our president and senior lending officer are primarily responsible for originating and maintaining a high quality, diversified loan portfolio. We have adopted comprehensive loan policies and underwriting standards for the types of lending we engage in or plan to engage in. These policies establish guidelines that govern our lending activities. Generally, they address such things as our desired target markets, underwriting and collateral requirements, account management procedures, loan approval procedures, handling of delinquent accounts and compliance with regulatory requirements.

Loan Solicitation and Processing. Loan originations are derived from a number of sources. Residential loan originations can be attributed to direct solicitation by AmericasBank's loan officers based on referrals from present depositors and borrowers, AmericasBank's directors, builders, real estate agents, attorneys, accountants and walk-in customers; and indirectly through other lenders, including other community banks, credit unions, and mortgage brokers. Loan applications, whether originated through AmericasBank or through mortgage brokers or other third party intermediaries, are underwritten and closed based on the same standards. Consumer and commercial real estate loan originations emanate from many of the same sources. Commercial loan opportunities can be referred to the bank but are just as likely to result from highly targeted direct calling efforts by bank officers. Within the next several years, we intend to continue to open loan processing offices throughout our primary market area to support our residential mortgage lending services.

The loan underwriting policies and procedures followed by AmericasBank are designed to comply with (i) federal and state banking laws, regulations and guidelines; (ii) widely accepted automated underwriting programs, and (iii) the bank's independent assessment of the borrower's character, ability to service the debt and the value of any assets or property serving as collateral for the loan. As part of the process, a bank loan officer meets with each applicant to obtain the appropriate employment and financial information as well as any other required loan information. Upon receipt of the borrower's completed loan application, AmericasBank then obtains reports with respect to the borrower's credit record, and orders and reviews an appraisal of any real estate collateral for the loan (prepared for AmericasBank through an independent appraiser). Once a loan application has been completed and all information has been obtained and verified, the loan request is submitted to a final review process. As part of the loan approval process, certain loans require approval of AmericasBank's loan committee which is comprised of our president, senior lending officer and independent members of our board of directors. The loan committee meets as is deemed necessary to promptly service loan demand. All loans made to officers, directors and their affiliates require the approval of the entire board of directors (other than the interested party).

Deposits

AmericasBank offers a wide range of interest bearing and noninterest bearing deposit accounts, including commercial and retail checking accounts, money market accounts, tax deferred accounts, interest bearing statement savings accounts and certificates of deposit with fixed and variable rates and a range of maturity date options.

Deposit terms vary according to the minimum balance required, the length of time the funds must remain on deposit and the interest rate. We establish maturities, terms, service fees and withdrawal penalties for deposit accounts on a periodic basis. In determining the characteristics of our deposit accounts, we consider the rates offered by competing institutions, lending and liquidity requirements, growth goals and federal regulations. We believe that we pay competitive rates on our deposit accounts.

Other Banking Products

Currently, our customers have access to telephone banking, Internet banking, ATM/debit cards, safe deposit boxes (from the Towson location), travelers' checks, money orders, wire transfers, ACH, and direct deposit of payroll. We provide our customers with check imaging, which eliminates our cost of returning checks to customers and the clutter that cancelled checks cause to our customers. We have ATM machines at both of our branch offices.

We offer our commercial customers expanded cash management services such as sweep accounts, repurchase agreements and account reconciliation services.

We intend to continue to use the Internet and technology to augment our business plans. Moreover, we will continue to evaluate cost effective ways that technology can enhance our management, products and services. We believe that our data processing capability, provided through a third party vendor, will be adequate to support the introduction of new products and services.

Competition

The banking business is highly competitive. We compete with other commercial banks, savings associations, credit unions, mortgage banking firms, consumer finance companies, securities brokerage firms, insurance companies, money market mutual funds and other financial institutions operating in our market area and elsewhere.

We believe that, over time, we will be able to effectively leverage our talents, contacts and location to achieve accelerated loan growth, an increase in noninterest revenue and an improved net interest margin. However, our market area is highly competitive and heavily branched. Price competition in our market area for residential mortgage loans and the other loan products that we offer or intend to offer is intense. Most of our competitors have substantially greater resources and legal lending limits than we do and offer extensive and established branch networks and other services that we do not offer. Moreover, larger institutions operating in our market area have access to borrowed funds at a lower rate than is available to us. Deposit competition also is strong among institutions in our market area. As a result and in order to implement our business plans, we may need to pay above market rates for deposits and/or focus on certificates of deposit as a funding source.

Employees

As of March 11, 2005, AmericasBank had 23 full time employees. None of these employees are covered by a collective bargaining agreement. We believe that relations with our employees are good. AmericasBank Corp. has no employees.

SUPERVISION AND REGULATION

AmericasBank Corp. and AmericasBank are subject to extensive regulation under state and federal banking laws and regulations. These laws impose specific requirements and restrictions on virtually all aspects of operations and generally are intended to protect depositors, not stockholders. The following discussion is only a summary and readers should refer to particular statutory and regulatory provisions for more detailed information. In addition, management cannot predict the nature or the extent of the effect on business and earnings that new federal or state legislation may have in the future.

Regulation of AmericasBank Corp.

AmericasBank Corp. is a bank holding company under the Bank Holding Company Act of 1956, as amended. As such, AmericasBank Corp. is subject to regulation and examination by the Federal Reserve Board, and is required to file periodic reports and any additional information that the Federal Reserve Board may require. The Bank Holding Company Act generally prohibits a bank holding company from engaging in activities other than banking, managing or controlling banks or other permissible subsidiaries and acquiring or retaining direct or indirect control of any company engaged in any activities closely related to banking or managing or controlling banks.

The Federal Reserve Board must approve, among other things, the acquisition by a proposed bank holding company of control of more than five percent (5%) of the voting shares, or substantially all the assets, of any bank, or the merger or consolidation by a bank holding company with another bank holding company. Under the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 (the "Riegle-Neal Act"), the restrictions on interstate acquisitions of banks by bank holding companies were repealed as of September 29, 1995. The effect of the repeal of these restrictions is that, subject to certain time and deposit base requirements, AmericasBank Corp. may acquire a bank located in Maryland or any other state, and a bank holding company located outside of Maryland can acquire any Maryland-based bank holding company or bank.

Subsidiary banks of a bank holding company are subject to certain restrictions imposed by statute on any extensions of credit to the bank holding company or any of its subsidiaries, or investments in their stock or other securities, and on taking such stock or securities as collateral for loans to any borrower. Further, a bank holding company and any subsidiary bank are prohibited from engaging in certain tie-in arrangements in connection with the extension of credit. In 1997, the Federal Reserve Board adopted amendments to its Regulation Y, creating exceptions to the Bank Holding Company Act's anti-tying prohibitions that give bank subsidiaries of holding companies greater flexibility in packaging products and services with their affiliates.

In accordance with Federal Reserve Board policy, AmericasBank Corp. is expected to act as a source of financial strength to AmericasBank and to commit resources to support AmericasBank in circumstances in which AmericasBank Corp. might not otherwise do so. The Federal Reserve Board may require a bank holding company to terminate any activity or relinquish control of a non-bank subsidiary (other than a non-bank subsidiary of a bank) upon the Federal Reserve's determination that such activity or control constitutes a serious risk to the financial soundness or stability of any subsidiary depository institution of the bank holding company. Further, federal bank regulatory authorities have additional discretion to require a bank holding company to divest itself of any bank or non-bank subsidiary if the agency determines that divestiture may aid the depository institution's financial condition.

The Federal Reserve Board imposes risk-based capital measures on bank holding companies in order to insure their capital adequacy. Because AmericasBank Corp. is a bank holding company with less than $150,000,000 in assets, AmericasBank Corp. is currently exempt from most of these risk-based capital measures. However, the Federal Reserve Board still requires that AmericasBank Corp. remain adequately capitalized and have the ability to retire any debt within 25 years from the date it is incurred.

AmericasBank Corp., as a bank holding company, is subject to dividend regulations of the Federal Reserve System. In general, a small bank holding company that has a debt to equity ratio greater than 1:1 is not expected to pay corporate dividends until such time as its debt to equity ratio declines to 1:1 or less and its bank subsidiary is otherwise well managed, well capitalized and not under any supervisory order. AmericasBank Corp. is a small bank holding company. In addition, the Federal Reserve Board has issued guidance that states, in general, that an entity experiencing financial difficulties - such as AmericasBank Corp. - should not pay or continue to pay dividends unless (i) the entity's net income over the prior year is sufficient to fund all dividends and (ii) the earnings retained by the entity is consistent with the entity's capital needs, asset quality and overall financial condition. Currently, AmericasBank Corp. is subject to a Written Agreement with the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation that, among other things, prohibits the payment of dividends without prior written approval of the Federal Reserve and the Maryland Commissioner of Financial Regulation.

On November 12, 1999, President Clinton signed into law the Gramm-Leach-Bliley Act ("GLBA"). Effective March 11, 2000, a bank holding company may elect to become a financial holding company and thereby engage in a broader range of financial and other activities than are permissible for traditional bank holding companies. In order to qualify for the election, all of the depository institution subsidiaries of the bank holding company must be well capitalized and well managed, as defined by regulation, and all of its depository institution subsidiaries must have achieved a rating of satisfactory or better with respect to meeting community credit needs.

Financial holding companies are permitted to engage in activities that are "financial in nature" or incidental or complementary thereto and not a substantial risk to the safety and soundness of the depository institution or the financial system in general, as determined by the Federal Reserve Board. The GLBA identifies several activities as "financial in nature," including, among others, insurance underwriting and agency, investment advisory services, merchant banking and underwriting, and dealing or making a market in securities. Being designated a financial holding company will allow insurance companies, securities brokers and other types of financial companies to affiliate with and/or acquire depository institutions. AmericasBank Corp. does not currently intend to become a financial holding company.

Under Maryland law, an existing bank holding company that desires to acquire a Maryland state-chartered bank or trust company, a federally-chartered bank with its main office in Maryland, or a bank holding company that has its principal place of business in Maryland, must file an application with the Maryland Commissioner of Financial Regulation. In approving the application, the Maryland Commissioner of Financial Regulation must consider whether the acquisition may be detrimental to the safety and soundness of the entity being acquired or whether the acquisition may result in an undue concentration of resources or a substantial reduction in competition in Maryland. The Maryland Commissioner of Financial Regulation may not approve an acquisition if, on consummation of the transaction, the acquiring company, together with all its insured depository institution affiliates, would control 30% or more of the total amount of deposits of insured depository institutions in Maryland. The Maryland Commissioner of Financial Regulation has authority to adopt by regulation a procedure to waive this requirement for good cause. In a transaction for which approval of the Maryland Commissioner of Financial Regulation is not required due to an exemption under Maryland law, or for which federal law authorizes the transaction without application to the Maryland Commissioner of Financial Regulation, the parties to the acquisition must provide written notice to the Maryland Commissioner of Financial Regulation at least 15 days before the effective date of the transaction.

The status of AmericasBank Corp. as a registered bank holding company under the Bank Holding Company Act and a Maryland-chartered bank holding company does not exempt it from certain federal and state laws and regulations applicable to corporations generally, including, without limitation, certain provisions of the federal securities laws.

Regulation of AmericasBank

AmericasBank is a Maryland chartered trust company (with all powers of a commercial bank), is a member of the Federal Reserve System (a "state member bank") and its deposit accounts are insured by the Bank Insurance Fund of the Federal Deposit Insurance Corporation (the "FDIC") up to the maximum legal limits of the FDIC. It is subject to regulation, supervision and regular examination by the Maryland Commissioner of Financial Regulation and the Federal Reserve Board. The regulations of these various agencies govern most aspects of AmericasBank's business, including required reserves against deposits, loans, investments, mergers and acquisitions, borrowing, dividends and location and number of branch offices. The laws and regulations governing AmericasBank generally have been promulgated to protect depositors and the deposit insurance funds, and not for the purpose of protecting stockholders.

Branching and Interstate Banking

The federal banking agencies are authorized to approve interstate bank merger transactions without regard to whether such transactions are prohibited by the law of any state, unless the home state of one of the banks has opted out of the interstate bank merger provisions of the Riegle-Neal Act by adopting a law after the date of enactment of the Riegle-Neal Act and prior to June 1, 1997 which applies equally to all out-of-state banks and expressly prohibits merger transactions involving out-of-state banks. Interstate acquisitions of branches are permitted only if the law of the state in which the branch is located permits such acquisitions. Such interstate bank mergers and branch acquisitions are also subject to the nationwide and statewide insured deposit concentration limitations described in the Riegle-Neal Act.

The Riegle-Neal Act authorizes the federal banking agencies to approve interstate branching de novo by national and state banks in states that specifically allow for such branching. The District of Columbia, Maryland and Virginia have all enacted laws that permit interstate acquisitions of banks and bank branches and permit out-of-state banks to establish de novo branches.

Gramm-Leach-Bliley Act

The Gramm-Leach-Bliley Act (the "GLBA") altered substantially the statutory framework for providing banking and other financial services in the United States of America. The GLBA, among other things, eliminated many of the restrictions on affiliations among banks and securities firms, insurance firms, and other financial service providers.

The GLBA also provides protections against the transfer and use by financial institutions of consumers' nonpublic personal information. A financial institution must provide to its customers, at the beginning of the customer relationship and annually thereafter, the institution's policies and procedures regarding the handling of customers' nonpublic personal financial information. The privacy provisions generally prohibit a financial institution from providing a customer's personal financial information to unaffiliated third parties unless the institution discloses to the customer that the information may be so provided and the customer is given the opportunity to opt out of such disclosure.

Capital Adequacy Guidelines

The Federal Reserve Board and the FDIC have adopted risk based capital adequacy guidelines pursuant to which they assess the adequacy of capital in examining and supervising banks and in analyzing bank regulatory applications. Risk-based capital requirements determine the adequacy of capital based on the risk inherent in various classes of assets and off-balance sheet items.

State member banks are expected to meet a minimum ratio of total qualifying capital (the sum of core capital (Tier 1) and supplementary capital (Tier 2)) to risk weighted assets of 8%. At least half of this amount (4%) should be in the form of core capital. In general, this requirement is similar to the capital that a bank must have in order to be considered "adequately capitalized" under the prompt corrective action regulations. See "-"Prompt Corrective Action." AmericasBank currently complies with this minimum requirement.

Tier 1 Capital generally consists of the sum of common stockholders' equity and perpetual preferred stock (subject in the case of the latter to limitations on the kind and amount of such stock which may be included as Tier 1 Capital), less goodwill, without adjustment for changes in the market value of securities classified as "available for sale" in accordance with FAS 115. Tier 2 Capital consists of the following: hybrid capital instruments; perpetual preferred stock which is not otherwise eligible to be included as Tier 1 Capital; term subordinated debt and intermediate-term preferred stock; and, subject to limitations, general allowances for loan losses. Assets are adjusted under the risk-based guidelines to take into account different risk characteristics, with the categories ranging from 0% (requiring no risk-based capital) for assets such as cash, to

100% for the bulk of assets which are typically held by a commercial bank, including certain multi-family residential and commercial real estate loans, commercial business loans and consumer loans. Residential first mortgage loans on one to four family residential real estate and certain seasoned multi-family residential real estate loans, which are not 90 days or more past-due or non-performing and which have been made in accordance with prudent underwriting standards are assigned a 50% level in the risk-weighting system, as are certain privately-issued mortgage-backed securities representing indirect ownership of such loans. Off-balance sheet items also are adjusted to take into account certain risk characteristics.

In addition to the risk-based capital requirements, the Federal Reserve Board has established a minimum 3.0% Leverage Capital Ratio (Tier 1 Capital to total adjusted assets) requirement for the most highly-rated banks, with an additional cushion of at least 100 to 200 basis points for all other banks, which effectively increases the minimum Leverage Capital Ratio for such other banks to 4.0% - 5.0% or more. The highest-rated banks are those that are not anticipating or experiencing significant growth and have well diversified risk, including no undue interest rate risk exposure, excellent asset quality, high liquidity, good earnings and, in general, those which are considered a strong banking organization. A bank having less than the minimum Leverage Capital Ratio requirement shall, within 60 days of the date as of which it fails to comply with such requirement, submit a reasonable plan describing the means and timing by which the bank shall achieve its minimum Leverage Capital Ratio requirement. A bank which fails to file such plan is deemed to be operating in an unsafe and unsound manner, and could be subject to a cease-and-desist order. Any insured depository institution with a Leverage Capital Ratio that is less than 2.0% is deemed to be operating in an unsafe or unsound condition pursuant to Section 8(a) of the Federal Deposit Insurance Act (the "FDIA") and is subject to potential termination of deposit insurance. However, such an institution will not be subject to an enforcement proceeding solely on account of its capital ratios if it has entered into and is in compliance with a written agreement to increase its Leverage Capital Ratio and to take such other action as may be necessary for the institution to be operated in a safe and sound manner. The capital regulations also provide, among other things, for the issuance of a capital directive, which is a final order issued to a bank that fails to maintain minimum capital or to restore its capital to the minimum capital requirement within a specified time period.

Prompt Corrective Action

Under Section 38 of the FDIA, each federal banking agency is required to implement a system of prompt corrective action for institutions that it regulates. The federal banking agencies have promulgated substantially similar regulations to implement the system of prompt corrective action established by Section 38 of the FDIA. Under the regulations, a bank will be deemed to be: (i) "well capitalized" if it has a Total Risk Based Capital Ratio of 10.0% or more, a Tier 1 Risk Based Capital Ratio of 6.0% or more, a Leverage Capital Ratio of 5.0% or more and is not subject to any written capital order or directive; (ii) "adequately capitalized" if it has a Total Risk Based Capital Ratio of 8.0% or more, a Tier 1 Risk Based Capital Ratio of 4.0% or more and a Tier 1 Leverage Capital Ratio of 4.0% or more (3.0% under certain circumstances) and does not meet the definition of "well capitalized;" (iii) "undercapitalized" if it has a Total Risk Based Capital Ratio that is less than 8.0%, a Tier 1 Risk based Capital Ratio that is less than 4.0% or a Leverage Capital Ratio that is less than 4.0% (3.0% under certain circumstances); (iv) "significantly undercapitalized" if it has a Total Risk Based Capital Ratio that is less than 6.0%, a Tier 1 Risk Based Capital Ratio that is less than 3.0% or a Leverage Capital Ratio that is less than 3.0%; and (v) "critically undercapitalized" if it has a ratio of tangible equity to total assets that is equal to or less than 2.0%. As of December 31, 2004, AmericasBank Corp. and AmericasBank met the regulatory requirement to be considered "well capitalized."

An institution generally must file a written capital restoration plan which meets specified requirements with an appropriate federal banking agency within 45 days of the date the institution receives notice or is deemed to have notice that it is undercapitalized, significantly undercapitalized or critically undercapitalized. A federal banking agency must provide the institution with written notice of approval or disapproval within 60 days after receiving a capital restoration plan, subject to extensions by the applicable agency.

An institution that is required to submit a capital restoration plan must concurrently submit a performance guaranty by each company that controls the institution. Such guaranty will be limited to the lesser of (i) an amount equal to 5.0% of the institution's total assets at the time the institution was notified or deemed to have notice that it was undercapitalized or (ii) the amount necessary at such time to restore the relevant capital measures of the institution to the levels required for the institution to be classified as adequately capitalized. Such a guaranty shall expire after the federal banking agency notifies the institution that it has remained adequately capitalized for each of four consecutive calendar quarters. An institution which fails to submit a written capital restoration plan within the requisite period, including any required performance guaranty, or fails in any material respect to implement a capital restoration plan, will be subject to the restrictions in Section 38 of the FDIA which are applicable to significantly undercapitalized institutions.

A "critically undercapitalized institution" is to be placed in conservatorship or receivership within 90 days unless the FDIC formally determines that forbearance from such action would better protect the deposit insurance fund. Unless the FDIC or other appropriate federal banking regulatory agency makes specific further findings and certifies that the institution is viable and is not expected to fail, an institution that remains critically undercapitalized on average during the fourth calendar quarter after the date it becomes critically undercapitalized must be placed in receivership. The general rule is that the FDIC will be appointed as receiver within 90 days after a bank becomes critically undercapitalized unless extremely good cause is shown and the federal regulators agree to an extension. In general, good cause is defined as capital that has been raised and is immediately available for infusion into the bank except for certain technical requirements that may delay the infusion for a period of time beyond the 90 day time period.

Immediately upon becoming undercapitalized, an institution will become subject to the provisions of Section 38 of the FDIA, which (i) restrict payment of capital distributions and management fees; (ii) require that the appropriate federal banking agency monitor the condition of the institution and its efforts to restore its capital; (iii) require submission of a capital restoration plan; (iv) restrict the growth of the institution's assets; and (v) require prior approval of certain expansion proposals. The appropriate federal banking agency for an undercapitalized institution also may take any number of discretionary supervisory actions if the agency determines that any of these actions is necessary to resolve the problems of the institution at the least possible long-term cost to the deposit insurance fund, subject in certain cases to specified procedures. These discretionary supervisory actions include: requiring the institution to raise additional capital, restricting transactions with affiliates, requiring divestiture of the institution or the sale of the institution to a willing purchaser, and any other supervisory action that the agency deems appropriate. These and additional mandatory and permissive supervisory actions may be taken with respect to significantly undercapitalized and critically undercapitalized institutions.

Additionally, under Section 11(c)(5) of the FDIA, a conservator or receiver may be appointed for an institution where: (i) an institution's obligations exceed its assets; (ii) there is substantial dissipation of the institution's assets or earnings as a result of any violation of law or any unsafe or unsound practice; (iii) the institution is in an unsafe or unsound condition; (iv) there is a willful violation of a cease-and-desist order; (v) the institution is unable to pay its obligations in the ordinary course of business; (vi) losses or threatened losses deplete all or substantially all of an institution's capital, and there is no reasonable prospect of becoming "adequately capitalized" without assistance; (vii) there is any violation of law or unsafe or unsound practice or condition that is likely to cause insolvency or substantial dissipation of assets or earnings, weaken the institution's condition, or otherwise seriously prejudice the interests of depositors or the insurance fund; (viii) an institution ceases to be insured; (ix) the institution is undercapitalized and has no reasonable prospect that it will become adequately capitalized, fails to become adequately capitalized when required to do so, or fails to submit or materially implement a capital restoration plan; or (x) the institution is critically undercapitalized or otherwise has substantially insufficient capital.

Regulatory Enforcement Authority

Federal banking law grants substantial enforcement powers to federal banking regulators. This enforcement authority includes, among other things, the ability to assess civil money penalties, to issue cease-and-desist or removal orders and to initiate injunctive actions against banking organizations and institution-affiliated parties. In general, these enforcement actions may be initiated for violations of laws and regulations and unsafe or unsound practices. Other actions or inactions may provide the basis for enforcement action, including misleading or untimely reports filed with regulatory authorities. Currently, we are operating under a Written Agreement with the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation. See "Business of AmericasBank Corp. and AmericasBank – Regulatory Matters."

Transactions with Affiliates and Insiders

Maryland law imposes restrictions on certain transactions with affiliates of Maryland commercial banks. Generally, under Maryland law, a director, officer or employee of a commercial bank may not borrow, directly or indirectly, any money from the bank, unless the loan has been approved by a resolution adopted by and recorded in the minutes of the board of directors of the bank, or the executive committee of the bank, if that committee is authorized to make loans. If the executive committee approves such a loan, the loan approval must be reported to the board of directors at its next meeting. Certain commercial loans made to directors of a bank and certain consumer loans made to non-officer employees of the bank are exempt from the law's coverage.

In addition, AmericasBank is subject to the provisions of Section 23A of the Federal Reserve Act, which limits the amount of loans or extensions of credit to, investments in, or certain other transactions with, affiliates, and limits the amount of advances to third parties collateralized by the securities or obligations of affiliates. Section 23A limits the aggregate amount of transactions with any individual affiliate to ten percent (10%) of the capital and surplus of AmericasBank and also limits the aggregate amount of transactions with all affiliates to twenty percent (20%) of capital and surplus. Loans and certain other extensions of credit to affiliates are required to be secured by collateral in an amount and of a type described in Section 23A, and the purchase of low quality assets from affiliates is generally prohibited.

AmericasBank also is subject to the provisions of Section 23B of the Federal Reserve Act which, among other things, prohibits an institution from engaging in certain transactions with certain affiliates unless the transactions are on terms substantially the same, or at least as favorable to such institution and or its subsidiaries, as those prevailing at the time for comparable transactions with non-affiliated entities. In the absence of comparable transactions, such transactions may only occur under terms and circumstances, including credit standards that in good faith would be offered to or would apply to non-affiliated companies.

We have entered into banking transactions with our directors and executive officers and the business and professional organizations in which they are associated in the ordinary course of business. Any loans and loan commitments are made in accordance with all applicable laws. See "Certain Relationships and Related Transactions."

Loans to One Borrower

AmericasBank is subject to the statutory and regulatory limits on the extension of credit to one borrower. Generally, the maximum amount of total outstanding loans that a Maryland chartered trust company may have to any one borrower at any one time is 15% of its unimpaired capital and surplus. As of December 31, 2004, we were able to lend $791,000 to any one borrower.

Liquidity

AmericasBank is subject to the reserve requirements imposed by the State of Maryland. A Maryland commercial bank is required to have at all times a reserve equal to at least 15% of its demand deposits. AmericasBank is also subject to the reserve requirements of Federal Reserve Board Regulation D, which applies to all depository institutions. As of December 31, 2004, amounts in transaction accounts above $7,000,000 and up to $47,600,000 must have reserves held against them in the ratio of three percent of the amount. Amounts above $47,600,000 require reserves of $1,218,000 plus 10 percent of the amount in excess of $47,600,000. The Maryland reserve requirements may be used to satisfy the requirements of Federal Reserve Regulation D. We are in compliance with our liquidity requirements.

Dividends

Under Maryland law, AmericasBank may declare a cash dividend, after providing for due or accrued expenses, losses, interest, and taxes, from its undivided profits or, with the prior approval of the Maryland Commissioner of Financial Regulation, from its surplus in excess of 100% of its required capital stock. Also, if AmericasBank's surplus is less than 100% of its required capital stock, cash dividends may not be paid in excess of 90% of net earnings. In addition to these specific restrictions, the bank regulatory agencies have the ability to prohibit or limit proposed dividends if such regulatory agencies determine the payment of such dividends would result in AmericasBank being in an unsafe and unsound condition. Currently, AmericasBank is operating under a Written Agreement with the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation that, among other things, prohibits the payment of dividends without prior written approval of the Federal Reserve and the Maryland Commissioner of Financial Regulation.

Community Reinvestment Act

AmericasBank is required to comply with the Community Reinvestment Act ("CRA") regardless of its capital condition. The CRA requires that, in connection with its examinations of AmericasBank, the Federal Reserve evaluates the record of AmericasBank in meeting the credit needs of its local community, including low and moderate income neighborhoods, consistent with the safe and sound operation of the institution. The CRA does not establish specific lending requirements or programs for financial institutions nor does it limit an institution's discretion to develop the types of products and services that it believes are best suited to its particular community, consistent with the CRA. These factors are considered in evaluating mergers, acquisitions and applications to open a branch or facility. The CRA also requires all institutions to make public disclosure of their CRA ratings. AmericasBank received a "Satisfactory" rating in its latest CRA examination in April 2003.

USA PATRIOT Act

On October 26, 2001, President Bush signed into law comprehensive anti-terrorism legislation known as the USA PATRIOT Act of 2001 (the "USA Patriot Act"). Title III of the USA Patriot Act substantially broadened the scope of U.S. anti-money laundering laws and regulations by imposing significant new compliance and due diligence obligations, creating new crimes and penalties and expanding the extra-territorial jurisdiction of the United States. The U.S. Treasury Department ("Treasury") has issued a number of implementing regulations that apply various requirements of the USA Patriot Act to financial institutions such as AmericasBank. Those regulations impose new obligations on financial institutions to maintain appropriate policies, procedures and controls to detect, prevent and report money laundering and terrorist financing.

Failure of a financial institution to comply with the USA Patriot Act's requirements could have serious legal and reputational consequences for the institution. AmericasBank has adopted appropriate policies, procedures and controls to address compliance with the requirements of the USA Patriot Act under the existing regulations and will continue to revise and update its policies, procedures and controls to reflect changes required by the USA Patriot Act and Treasury's regulations.

FACTORS AFFECTING FUTURE RESULTS

Some of the matters discussed in this annual report including under the captions "Business of AmericasBank Corp. and AmericasBank," "Supervision and Regulation" and "Management's Discussion And Analysis Of Financial Condition And Results Of Operations" include forward-looking statements. These forward-looking statements include statements regarding profitability, liquidity, allowance for loan and lease losses, interest rate sensitivity, market risk and financial and other goals. Forward-looking statements often use words such as "believe," "expect," "plan," "may," "will," "should," "project," "contemplate," "anticipate," "forecast," "intend", or other words of similar meaning. You can also identify them by the fact that they do not relate strictly to historical or current facts. When you read a forward-looking statement, you should keep in mind the risk factors described below and any other information contained in this annual report which identifies a risk or uncertainty. AmericasBank Corp.'s actual results and the actual outcome of AmericasBank Corp.'s expectations and strategies could be different from that described in this annual report because of these risks and uncertainties and you should not put undue reliance on any forward-looking statements. All forward-looking statements speak only as of the date of this filing, and AmericasBank Corp. undertakes no obligation to make any revisions to the forward-looking statements to reflect events or circumstances after the date of this filing or to reflect the occurrence of unanticipated events.

We may continue to incur losses. Because AmericasBank Corp.'s primary asset is the capital stock of AmericasBank, our operating results and financial position depend on the operating results and financial position of AmericasBank. For the years ended December 31, 2004, 2003 and 2002, AmericasBank Corp. incurred net losses of approximately $1,294,978, $1,118,761 and $1,000,221, respectively.

But for the expenses that we will incur in 2005 and thereafter as a result of adopting the fair value method of accounting for our stock-based compensation, as further described below, management believes that AmericasBank Corp. would reach monthly profitability sometime during the third or fourth quarter of 2005. Accounting for such expenses, management believes that AmericasBank Corp. will reach monthly profitability during the first quarter of 2006. However, there can be no assurance that AmericasBank will achieve monthly profitability within such time frames or ever.

During 2005, AmericasBank Corp. intends to recognize expense for stock-based compensation using the fair value method of accounting described in SFAS No. 123, "*Accounting for Stock Based Compensation.*" Information summarizing the pro forma effect on our 2004 net loss and loss per share of common stock using an optional fair value based method is included in Note 1of our audited consolidated financial statements. Many other factors could also adversely affect our short and long term operating performance, including the failure to implement fully our business strategy, unfavorable economic conditions, increased competition, loss of key personnel and government regulation.

We may require additional capital. Management believes that additional capital may be required in the future to support growth of AmericasBank Corp. Any additional capital, if available at all, may be on terms which are not as favorable to AmericasBank Corp. as that desired by management and may result in dilution to stockholders. If adequate capital is not available, AmericasBank Corp. may be required to curtail some of its expected growth strategy.

We may not be successful in implementing our strategic initiatives. Our ability to implement our strategic initiatives depends on, among other things, our ability to implement fully the expansion of our residential mortgage lending division and the success of that division. Among other factors, the success of the residential mortgage lending division is dependent on market interest rates and the economy in our market area, both of which are beyond our control. Although our new management has a track record of success with troubled financial institutions, there is no assurance that they will be successful in implementing our strategic initiatives or that, even if implemented, the initiatives will be successful.

We depend on the services of key personnel, including Mark H. Anders, A. Gary Rever and John D. Muncks. We cannot be certain that we will be able to retain such personnel or hire replacements, and the loss of Mr. Anders, Mr. Rever or Mr. Muncks could disrupt our operations and result in reduced earnings or additional losses. Our goal is to become a customer-focused and relationship-driven organization. We expect our ability to operate profitably to be driven in a large part on the relationships maintained with our customers by our executives. We have entered into employment agreements with Mr. Anders, our president and chief executive officer, Mr. Rever, an executive vice president and our chief financial officer and Mr. Muncks, an executive vice president and our chief lending officer, but the existence of such agreements does not assure that we will be able to retain their services. The unexpected loss of the services of Mr. Anders, Mr. Rever or Mr. Muncks or other key employees could have a material adverse effect on our operations and could result in our inability to achieve profitability. We have sought to mitigate this risk by including non-compete provisions in their employment agreements. Also, because we must obtain the approval of the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation to hire senior executive officers, if we are not able to retain the services of Mr. Anders, Mr. Rever or Mr. Muncks, we may not be able to replace any of them quickly and that could have an adverse effect on our operations.

In addition, our business plan depends upon our ability to increase the loan portfolio and generate fees through our residential mortgage lending division and we must hire the management and staff to implement fully the expansion of that division. We believe that we will be able to continue to hire the key managers and staff to expand in this area, although there is no assurance that this will be the case. The failure to retain employees and continue to fill these positions could have a material adverse effect on our operations and could result in our inability to achieve profitability.

Our Written Agreement with the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation places restrictions on our activities and imposes significant reporting obligations upon us and we may not be in compliance with it. The Written Agreement requires us to implement comprehensive plans to improve our risk management and compliance systems, oversight functions, operating and financial management, capital and business plans. The Written Agreement imposes significant operational and reporting requirements upon us, and prohibits us from amending or rescinding approved plans and procedures without the prior written approval of the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation. No assurances can be given that all changes to our operations, risk management systems or oversight functions have been properly approved. Furthermore, management has made changes they believe are appropriate to certain risk management systems and operations without first obtaining the approval of the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation. For this reason, we cannot state that we are in compliance with the Written Agreement; however, we believe that we are in material compliance and that the changes we have made are consistent with operating AmericasBank in a safe and sound manner.

In addition, pursuant to the Written Agreement, we may not pay dividends, appoint directors or hire senior executive officers without the prior approval of the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation. There can be no assurances that the Federal Reserve Bank of Richmond or the Maryland Division of Financial Regulation will grant any requested approval. If we do not obtain approval for the appointment of a director or the hiring of a senior executive officer, our operations could be adversely affected. The Written Agreement also requires us to make various quarterly and annual reports to the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation. These reporting requirements require the time of management that could otherwise be spent on our operations.

Violation of the Written Agreement could result in judicial enforcement of the Written Agreement by the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation. Violation of the Written Agreement could also result in the assessment of civil money penalties against AmericasBank Corp., AmericasBank and their respective boards of directors and management, and/or other regulatory enforcement actions including, but not limited to, the removal of directors and management. Any of these actions would have a serious adverse effect on AmericasBank Corp. and AmericasBank and could threaten their continued operations as a bank holding company and a bank.

AmericasBank may be subject to action by the U.S. Department of Housing and Urban Development as a result of violations of the Real Estate Settlement Procedures Act. As part of an examination in 2001, the Federal Reserve Bank of Richmond identified violations by AmericasBank of the Real Estate Settlement Procedures Act. The Federal Reserve Bank of Richmond referred the Real Estate Settlement Procedures Act violations to the U.S. Department of Housing and Urban Development as is required under applicable law. To date, the U.S. Department of Housing and Urban Development has taken no action against AmericasBank. Although AmericasBank does not believe that the Department of Housing and Urban Development will take any actions against AmericasBank, there can be no assurance that that will be the case. If the Department of Housing and Urban Development were to take an action against AmericasBank as a result of the violations identified by the Federal Reserve Bank of Richmond, it could have a material adverse effect on our operations.

Our residential mortgage lending activities as a correspondent lender exposes us to repurchase liability and other risks to our business. Our objective is to systemically grow a high quality, diversified loan portfolio that affords us the opportunity to generate attractive yields on a risk adjusted basis and to earn higher levels of noninterest income through fees and service charges. In the short term, to generate noninterest income, we intend to focus our efforts on fixed-rate conventional and government insured residential mortgage loans that can be sold in the secondary market on a servicing released basis. Secondary market activity is conducted either as a broker, where the loan is funded at settlement by an investor and the bank earns a fee, or as correspondent where the bank funds the loan at settlement and thereafter sells the loan to an investor and recognizes a gain on the sale. We have entered into agreements with several large financial institutions where they either close loans that we broker or they purchase loans where we act as a correspondent lender. We intend to focus on acting as a correspondent lender because the fees and income that can be generated as a correspondent lender are typically greater than can be generated as a broker. However, there are greater compliance requirements and risks associated with acting as a correspondent lender.

Among other things, as a correspondent lender, we are exposed to repurchase liability for documentation defects and, for a limited time, payment performance. We also are required to refund the income that we earn on the sale of a loan if that loan is paid-off within 120 days from the time it is purchased. This contingent liability, also known as a prompt prepayment refund, is most likely to occur during periods when long-term mortgage rates contract quickly, motivating people to refinance their mortgage multiple times to lower their mortgage payments. In addition, the investors to whom we sell or broker loans evaluate our financial performance, the underlying performance of the loans we broker and sell to them, and the quality of our administrative functions in determining whether we qualify for their lending programs. Either party on short notice may cancel the correspondent lending and broker agreements.

Because we intend to focus our short-term efforts on acting as a correspondent lender or broker, any obligations that we have to repurchase a large number of loans or make prompt repayment refunds could have a material adverse effect on our operations and could result in our inability to achieve profitability. Also, our business could be adversely affected if any of the investors to whom we sell or broker loans terminate their relationships with us and we are not able to enter into new relationships with other investors.

We are limited in our ability to use brokered deposits to grow our deposit base. Due to our current financial condition, we were advised by our regulators that, without regulatory approval, we should limit our use of brokered certificates of deposit to $3,200,000. As of December 31, 2004, approximately $1,782,291 of our total interest-bearing deposits or 5.51% were considered brokered. This requirement limits a dependable source of liquidity and may adversely affect our ability to grow our loan portfolio. In order to attract other deposits, we may offer certificates of deposit with premium rates. Paying premium rates on certificates of deposit will likely increase our interest expense and, accordingly, adversely affect our net interest margin.

Our profitability depends on our ability to manage our balance sheet to minimize the effects of interest rate fluctuation on our net interest margin. Our results of operations depend on the stability of our "net interest margin," which is the difference in the yield we earn on our earning assets and our cost of funds, both of which are influenced by interest rate fluctuations. Interest rates, because they are influenced by, among other things, expectations about future events, including the level of economic activity, federal monetary and fiscal policy and geo-political stability, are not predictable or controllable. In addition, the interest rates we can earn on our loan and investment portfolios and the interest rates we pay on our deposits are heavily influenced by competitive factors. Community banks are often at a competitive disadvantage in managing their cost of funds compared to the large regional, super-regional or national banks that have access to the national and international capital markets. These factors influence our ability to maintain a stable net interest margin. At December 31, 2004, our net interest margin was 2.82%, which is substantially below that of most banks.

We seek to maintain a neutral position in terms of the volume of assets and liabilities that mature or re-price during any period so that we may reasonably predict our net interest margin; however, interest rate fluctuations, loan prepayments, loan production and deposit flows are constantly changing and influence our ability to maintain this neutral position. Generally speaking, our earnings will be more sensitive to fluctuations in interest rates the greater the variance in volume of assets and liabilities that mature and re-price in any period. The extent and duration of the sensitivity will depend on the cumulative variance over time, the velocity and direction of interest rates, and whether AmericasBank is more asset sensitive or liability sensitive. Accordingly, we may not be successful in maintaining this neutral position and, as a result, our net interest margin may suffer.

Our legal lending limit may limit our growth. We are limited in the amount we can lend to a single borrower by the amount of our capital. Generally, under current law, we may lend up to 15% of our unimpaired capital and surplus to any one borrower. As of December 31, 2004, we were able to lend $791,000 to any one borrower. The amount we can lend to a single borrower is significantly less than that of many of our competitors and may discourage potential borrowers who have credit needs in excess of our legal lending limit from doing business with us. Our legal lending limit also may result in less efficiencies in our operations as we have to make many small loans instead of a lesser number of larger loans. We can accommodate larger loans by selling participations in those loans to other financial institutions, but this strategy is not always available. We cannot assure you that we will be able to attract or maintain customers seeking larger loans or that we will be able to sell participations in such loans on terms we consider favorable.

Our liquidity and our ability to increase our loan portfolio may be negatively affected by our lack of a credit facility. On July 12, 2002, the Federal Home Loan Bank of Atlanta rescinded AmericasBank's line of credit because of its financial condition. Also, because of its financial position, AmericasBank has not been able to obtain an alternative line of credit. Even if AmericasBank were able to restore the line of credit with the Federal Home Loan Bank of Atlanta, pursuant to the Written Agreement, it may not incur any debt without the approval of the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation, and there can be no assurance that they would grant any requested approval. If AmericasBank is unable to obtain credit, its liquidity may be negatively affected. A lack of liquid funds may prevent AmericasBank from making loans, which would thereby adversely affect its ability to generate net interest income. The lack of credit may also adversely affect AmericasBank's asset/liability management policy because AmericasBank is not able to lock in favorable rates on borrowed funds.

If we experience greater loan and lease losses than anticipated, it will have an adverse effect on our ability to operate profitably. While the risk of nonpayment of loans and leases is inherent in banking, if we experience greater nonpayment levels than we anticipate, our earnings and overall financial condition, as well as the value of our common stock, could be adversely affected. We cannot assure you that our monitoring, procedures and policies will reduce certain lending risks or that our allowance for loan and lease losses will be adequate to cover actual losses. Loan and lease losses can cause insolvency and failure of a financial institution and, in such an event, our shareholders could lose their entire investment. In addition, future provisions for loan and lease losses could materially and adversely affect our ability to operate profitably. Loan and lease losses reduce the allowance for loan and lease losses. A reduction in the allowance for loan and lease losses will be restored by an increase in our provision for loan and lease losses, which, in turn, would reduce our earnings.

Because the risk inherent in our loan and lease portfolio may change from time to time, including our actual loan losses and the volume of adversely rated credits in our portfolio, the amount of our allowance for loan and lease losses as a percentage of gross loans may fluctuate. This situation can also result in fluctuations in the level of our provision expense.

If the leasing companies to which we have extended credit in connection with our lease portfolio were to declare bankruptcy, we could be adversely affected. In the ordinary course of business, we have made non-recourse loans to two leasing companies totaling, as of December 31, 2004, approximately $3,751,607 or 11.84% of our loan portfolio. Each loan is secured by an assignment of the leasing company's interest in a full pay-out lease, an assignment of the lease payments under that lease, delivery of the original lease documents and a security interest in the underlying equipment. The leasing companies service these leases, and the lessee makes payment directly to the leasing companies, which forwards the lease payments to us. Because of their structure, throughout this report we have described these loans as commercial finance leases.

In addition to the normal collection risk related to this type of financing, if either leasing company were to file for bankruptcy, the bankruptcy trustee or a secured lender of the leasing company could take actions to delay AmericasBank's receipt of payments arising from the full pay-out leases or could raise arguments that AmericasBank is not properly perfected or does not have priority with respect to its rights in the full pay-out leases, the payments arising out of them and/or the underlying equipment. Ultimately, AmericasBank believes it would be successful in any such litigation, because of, among other reasons, our possession (and thereby perfection) of the original lease documents. However, because of the size of the portfolio to our total loan and lease portfolio, any delay or denial in our receipt of funds from the lessees or ability to exercise all rights and remedies against the lessees could have a material adverse effect on our financial condition and operations.

Our operations depend upon third party vendors that perform services for us. We outsource many of the functions which allow us to operate as a bank, including our data processing function and the interchange and transmission services for our ATM network. As such, our success and our ability to grow our operations necessarily depend on the services provided by these third parties. Disputes with these third parties can adversely affect our operations. Although we believe that we have good relations with our third party vendors and that they can adequately service our needs, including our needs as we expand the business, there can be no assurance that we will engage appropriate vendors or that the vendors engaged will be able to perform successfully.

Because AmericasBank serves a limited market area in Maryland, we could be more adversely affected by economic downturns in our market area than our larger competitors which are more geographically diverse. Our current primary market area consists of Northern Baltimore County, Maryland and the Highlandtown area of Baltimore. Our secondary market area includes the Baltimore Metropolitan area, consisting of Baltimore City and the surrounding counties of Anne Arundel, Baltimore, Carroll, Harford, Howard and Frederick County, Maryland and south-central Pennsylvania. However, broad geographic diversification is not currently part of our community bank focus. As a result, if our primary or secondary market areas suffer economic downturns, our business and financial condition may be more severely affected by such circumstances. Our larger bank competitors serve more geographically diverse market areas, parts of which may not be affected by the same economic conditions that may exist in our market areas. See "Business of AmericasBank Corp. and AmericasBank – Location and Market Area."

We face substantial competition which could adversely affect our operating results. We operate in a competitive market for financial services and face intense competition from other financial institutions both in making loans and in attracting deposits. Many of these financial institutions have been in business for many years, are significantly larger, have established customer bases, have greater financial resources and legal lending limits than we do, and are able to offer certain services that we are not able to offer.

Our need to comply with extensive and complex government regulation could have an adverse effect on our business. The banking industry is subject to extensive regulation by state and federal banking authorities. Many of these regulations are intended to protect depositors, the public or the Federal Deposit Insurance Corporation insurance funds, not shareholders. Regulatory requirements affect our lending practices, capital structure, investment practices, dividend policy and many other aspects of our business. These requirements may constrain our operations and changes in regulations could adversely affect us. The burden imposed by these federal and state regulations may place banks in general, and AmericasBank specifically, at a competitive disadvantage compared to less regulated competitors. We are particularly susceptible to this risk due to the constraints imposed upon us by the Written Agreement. In addition, the cost of compliance with regulatory requirements, including the cost of complying with the Written Agreement, could adversely affect our ability to reduce losses or operate profitably.

Our ability to operate profitably may be dependent on our ability to implement various technologies into our operations. The market for financial services, including banking services and consumer finance services, is increasingly affected by advances in technology, including developments in telecommunications, data processing, computers, automation, Internet-based banking and telebanking. Our ability to compete successfully in our markets may depend on the extent to which we are able to exploit such technological changes. However, there can be no assurance that the development of these or any other new technologies, or our success or failure in anticipating or responding to such developments, will materially affect our business, financial condition or operating results.

Item 2. Description of Property

Towson

We acquired our headquarters, which is a full service banking branch and office facility located at 500 York Road in Towson, Maryland on December 31, 1997 for $650,000 through a former wholly owned subsidiary, AmericasBank Holdings Corporation. The building is two stories and approximately 7,000 square feet situated on .2026 acres of land. The first floor contains approximately 2,700 square feet of retail banking space, the second floor contains approximately 1,800 square feet of office space and the basement contains approximately 2,500 square feet of retail office space. In the past, we had leased the basement level office space and part of the second floor office space. Currently, we utilize all of this space for our operations.

The property also houses a 305 gross square foot drive through building. The drive through is not currently in operation and we have no intention of utilizing it for the foreseeable future.

Our branch at this location opened in September 1999. AmericasBank Holdings Corporation later transferred the property to AmericasBank.

We also lease approximately 1,179 square feet of property at 504 Baltimore Avenue, Towson, Maryland for our Baltimore area loan origination office. The initial lease commenced on September 1, 2001 and was renewed for three additional years commencing on September 1, 2004. The renewed lease has a base rent of $1,640 per month for the first year and $1,670 and $1,700, respectively, for years two and three. We acquired this lease as part of our acquisition of certain assets and assumption of certain liabilities of uvm Mortgage Marketing Inc. in October 2004.

Highlandtown

AmericasBank leases a 1,430 square foot building located in the Highlandtown Village Shopping Center at 3860 East Lombard Street, Baltimore, Maryland from an unaffiliated party for use as a bank branch. The initial term of the lease commenced on October 18, 2000 with the first full lease year commencing on

November 1, 2000. The lease has an initial term of five years at base rents of $1,311 per month for the first two years and $1,370, $1,400 and $1,460, respectively, for years three, four and five. The lease contains two additional five-year renewal options with increased monthly base rent. We opened this location after operating from other space in the Highlandtown area of Baltimore since our organization in December 1997.

We believe that our properties are maintained in good operating condition and are suitable and adequate for our current operational needs.

Item 3. Legal Proceedings

There are no pending legal proceedings to which AmericasBank Corp. or AmericasBank is a party or to which any of their properties are subject, nor are there proceedings known to AmericasBank Corp. to be contemplated by any governmental authority. There are no material proceedings known to AmericasBank Corp., pending or contemplated, in which any director, officer or affiliate or any principal security holder of AmericasBank Corp. is a party adverse to AmericasBank Corp. or AmericasBank or has a material interest adverse to AmericasBank Corp. or AmericasBank.

Item 4. Submission of Matters to a Vote of Security Holders

No matter was submitted during the fourth quarter of the year ended December 31, 2004 to a vote of security holders of AmericasBank Corp.

PART II

Item 5. Market for Common Equity and Related Stockholder Matters

Common Stock Prices and Market for Our Common Stock

As of March 11, 2005, AmericasBank Corp. had outstanding 3,766,810, shares of common stock held by approximately 260 shareholders of record. On or about March 12, 2004, AmericasBank Corp.'s common stock began to be quoted for trading on the Over the Counter Bulletin Board ("OTCBB") under the symbol "AMBB." Prior to that time, AmericasBank Corp.'s common stock traded in privately negotiated transactions and sales, typically involving a small number of trades, which were reported from time to time on the Pink Sheets under the symbol "AMBB."

The following table reflects the high and low sales information as reported on the Over the Counter Bulletin Board (OTCBB) (for 2004) or the Pink Sheet (for 2003). The information reflects inter-dealer prices, which may or may not reflect retail mark-ups, mark-downs, or commissions and may not represent actual transactions. Also, these transactions may not be representative of all transactions during the indicated periods or the actual fair market value of our common stock at the time of such transactions due to the infrequency of trades and the limited market for our common stock.

	Sale Price Range		
	High	Low	Last
2003			
First Quarter	$2.05	$2.05	$2.05
Second Quarter	$2.22	$2.05	$2.22
Third Quarter	$3.00	$3.00	$3.00
Fourth Quarter	$2.50	$2.30	$2.30

	High	Low	Last
2004			
First Quarter	$2.35	$2.00	$2.25
Second Quarter	$2.20	$1.90	$1.90
Third Quarter	$1.95	$1.75	$1.80
Fourth Quarter	$1.95	$1.75	$1.85

Dividend Policy

We have not paid cash dividends in the past and do not anticipate paying any cash dividends in the foreseeable future. We expect that we will retain all earnings, if any, in order to provide more funds to operate our business. Any payment of dividends is subject to the discretion of our board of directors, which will consider a number of factors, including our prospects for future earnings, financial condition, cash needs and general business conditions.

We are organized under the Maryland General Corporation Law, which prohibits the payment of a dividend if, after giving it effect, the corporation would not be able to pay its debts as they become due in the usual course of business or the corporation's total assets would be less than the sum of its total liabilities plus, unless the charter permits otherwise, the amount that would be needed, if the corporation were to be dissolved, to satisfy the preferential rights upon dissolution of shareholders whose preferential rights on dissolution are superior to those receiving the distribution. In addition, because we are a bank holding company, the Federal Reserve Board may impose requirements on the payment of dividends by us. Among other things, the Federal Reserve Board has issued guidance that states, in general, that an entity experiencing financial difficulties - such as AmericasBank Corp. - should not pay or continue to pay dividends unless (i) the entity's net income over the prior year is sufficient to fund all dividends and (ii) the earnings retained by the entity is consistent with the entity's capital needs, asset quality and overall financial condition.

Our ability to pay any cash dividends in the future will depend primarily on AmericasBank's ability to pay cash dividends to us. AmericasBank may only pay dividends if it is in compliance with certain regulatory requirements governing the payment of dividends by it.

AmericasBank Corp. and AmericasBank are operating under a Written Agreement with the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation that, among other things, prohibits the payment of dividends without prior written approval of the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation.

Recent Sales of Unregistered Securities

From February to June 2003, we sold 200,060 units at $3.20 per unit to five of our directors, the profit sharing plan for one of our director's medical practice and the spouse of a director in a private placement transaction. Each unit consisted of one share of our Series A Preferred Stock and a warrant to purchase one share of common stock at an exercise price of $3.20 per share, subject to adjustment for certain events. These warrants are first exercisable after June 30, 2004 and expire on September 1, 2008. Among other rights, upon our sale or dissolution, the Series A Preferred Stock had a liquidation preference of $3.20 per share. The gross proceeds from this offering were $640,192.

On December 2, 2003, the holders of our Series A Preferred Stock exchanged their 200,060 outstanding shares for 200,060 outstanding shares of common stock. The shares were exchanged to facilitate our rights and public offerings, including eliminating any liquidation preference on our outstanding capital stock.

On October 5, 2004, AmericasBank completed the acquisition of certain assets and assumption of certain liabilities of uvm Mortgage Marketing, Inc. of Towson, Maryland. The purchase price of $274,500 consisted of cash and 100,000 restricted shares of AmericasBank Corp. common stock that vest over two years.

On November 18, 2004, directors Savas J. Karas, Graylin E. Smith, and John C. Weiss III each purchased 250 shares of common stock at $2.00 per share to satisfy the director's stock ownership requirement under Maryland State Banking Laws.

There were no underwriting discounts or commissions paid with respect to any of the foregoing transactions. We believe that the sale and issuance of securities in the foregoing transactions were exempt from registration under the Securities Act of 1933, as amended, in reliance on Section 4(2) of the Securities Act or Regulation D promulgated thereunder as transactions by an issuer not involving a public offering, where the purchasers represented their intention to acquire securities for investment only and not with a view to distribution and received or had access to adequate information about AmericasBank Corp.

SELECTED FINANCIAL DATA

The following table summarizes our selected consolidated financial information and other financial data. The selected balance sheet and statement of income data, insofar as they relate to the years ended December 31, 2004 and 2003, are derived from our audited consolidated financial statements. This information should be read together with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our audited consolidated financial statements and the related notes included elsewhere in this report. Results for past periods are not necessarily indicative of results that may be expected for any future period.

	Year Ended December 31,	
	2004	2003
Income Statement Data:		
Net interest income	$ 855,230	$ 612,638
Provision for loan and lease losses	20,000	75,000
Noninterest revenue	210,517	304,625
Noninterest expenses	2,340,725	1,961,024
Income taxes	-	-
Net loss	$ (1,294,978)	$ (1,118,761)
Per Share and Shares Outstanding Data:		
Basic net loss per common share	$ (0.41)	$ (1.84)
Diluted net loss per common share	$ (0.41)	$ (1.84)
Cash dividends declared	$ -	$ -
Book value per common share at period end	$ 1.43	$ 1.94
Tangible book value per common share at period end (1)	$ 1.35	$ 1.90
Common shares outstanding, period end	3,766,810	791,060
Average common shares outstanding, basic	3,140,330	607,443
Average common shares outstanding, diluted	3,140,330	607,443
Balance Sheet Data:		
Total assets	$ 40,132,099	$ 27,065,027
Total loans, net	31,245,162	15,424,848
Total deposits	34,570,293	25,408,838
Stockholders' equity	5,395,804	1,532,637
Performance Ratios:		
Return on average assets	(4.04)%	(4.07)%
Return on average equity	(27.57)%	(55.12)%
Net interest margin	2.82%	2.39%
Asset Quality Ratios:		
Allowance to period-end loans	0.99%	1.75%
Non-performing assets to total gross loans and foreclosed real estate	0.55%	0.49%
Capital Ratios:		
Total risk-based capital ratio	19.94%	9.61%
Tier I risk-based capital ratio	18.77%	8.36%
Leverage capital ratio	13.19%	5.40%
Total equity to total assets	13.45%	5.66%

(1) Excludes unamortized premium paid for the loans and deposits purchased from Rushmore Trust & Savings, FSB in 1997, and goodwill from the purchase of certain assets of uvm Mortgage Marketing, Inc. in October, 2004.

Item 6. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion is intended to assist readers in understanding and evaluating our financial condition and results of operations. You should read this review in conjunction with our financial statements and accompanying notes included elsewhere in this report. Because AmericasBank Corp. has no material operations and conducts no business on its own other than owning its subsidiary, AmericasBank, the discussion primarily concerns the business of AmericasBank. However, for ease of reading and because our financial statements are presented on a consolidated basis, references to "we" or "our" refers to both AmericasBank Corp. and AmericasBank.

Overview

Much happened during 2004. Among the events of note:

- While we continued to incur losses, suffering a loss of $1,294,978 for the year compared to a loss of $1,118,761 for 2003, we have repositioned the Bank by adding capital, hiring experienced operating managers and staff in the banking and mortgage areas, increased our product offerings to make us competitive in selling cash management services, and invested in resources to increase our loan origination capacity.

- On March 11, 2004, we closed our rights offering of up to 400,000 shares of common stock to our shareholders of record on December 22, 2003 at $2.00 per share and our public offering of 2,475,000 shares plus any shares that were not sold in the rights offering at $2.00 per share. We sold an aggregate of 2,875,000 shares in the offerings and received net offering proceeds of $5,027,091. With the addition of this capital, we became a "well capitalized" bank as defined by our regulators and substantially increased our legal lending limit. We ended 2004 with net loans at $31,245,162, an increase of $15,820,314 or 102.6% from the end of 2003, with approximately 50% of the loan growth occurring in the fourth quarter of 2004.

- We have improved the overall governance and management of the institution by adding experienced new board members and operating management. On June 3, 2004 our shareholders elected three new board members: Savas J. Karas, CPA, Graylin E. Smith, CPA, and John C. Weiss III to three-year terms expiring at the 2007 annual meeting. We believe that each of these members brings exceptional business acumen to our board and that these individuals can assist us with our operation, development and promotion in light of our current financial situation. We also added three new operational managers with extensive experience to run our bank operations area, to manage our portfolio loans, and to manage our mortgage operation. Our bank and mortgage operation managers joined us in the latter part of the first quarter and have implemented system and procedural changes in their respective areas. Our bank portfolio loan manager joined us in the second quarter and she too has implemented many changes in our loan processing procedures. Maintaining solid operational platforms upon which we can continue to expand our business model is a key component of our business plan and we believe that we have the right individuals in place to lead this effort.

- October 5, 2004, AmericasBank completed the acquisition of certain assets and the assumption of certain liabilities of uvm Mortgage Marketing, Inc. of Towson, Maryland. With this acquisition, we ended 2004 with four experienced loan originators compared to one at the end of 2003, greatly increasing our mortgage loan origination capacity. In addition, we have entered into agreements with additional companies to sell or broker loans. Most of these companies were key investors used by the loan originators of uvm Mortgage Marketing, Inc. prior to the acquisition and we believe we can leverage the value of this existing network to more quickly grow the mortgage business.

- The Memorandum of Understanding with the Federal Reserve Bank of Richmond was terminated. We continued to operate under the Written Agreement with the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation throughout the year.

- We began using a web-based service to offer our certificates of deposit as an interim strategy to support our loan growth. The interest rate offered on these certificates of deposit is higher than what we would typically pay within our market. We view this strategy as a cost effective and efficient process to raise deposits for specific terms. The use of higher cost certificates of deposit is integral to the business plan developed by our management team to bring the Bank to profitability. The longer term funding strategy is to replace these higher cost deposits with lower cost and less volatile core deposits from small businesses and professional firms. The successful implementation of this stage of the strategy is highly dependent on our ability to establish confidence and deliver superior services to this group of targeted customers. During 2004, we issued $8,316,044 in certificates of deposit through the web-based service at an average cost of approximately 3.49%. Deposits from this source represented 25.7% of our interest bearing deposits as of December 31, 2004.

- We continued to expand and enhance our commercial and retail cash management products and in the third quarter began offering an internet banking service to both our commercial and retail customers. We also redesigned the appearance of our website with the plan to utilize the site as a more efficient communication tool with our customers and investors.

- We resolved the issues related to our prior management's settlement and sale of loans which were to be insured by the Federal Housing Administration (HUD) prior to HUD's review of our underwriting and the issuance of the mortgage insurance certificate. During 2004 we repurchased seven loans totaling approximately $874,000 and refunded approximately $25,000 of our service release premium and point spread to the purchasing investors. We recorded these loans at market at the time of repurchase and because of payment delinquency and changes in interest rates we expensed approximately $29,000. We will endeavor to refinance these loans.

We believe that we have the management in place and have established a strategy that will allow us to become profitable. But for the expenses that we will incur in 2005 and thereafter as a result of adopting the fair value method of accounting for our stock-based compensation, as further described below, management believes that AmericasBank Corp. would reach monthly profitability sometime during the third or fourth quarter of 2005. Accounting for such expenses, management believes that AmericasBank Corp. will reach monthly profitability during the first quarter of 2006. However, there can be no assurance that we will become profitable.

During 2005, AmericasBank Corp. intends to recognize expense for stock-based compensation using the fair value method of accounting described in SFAS No. 123, "*Accounting for Stock Based Compensation*." Information summarizing the pro forma effect on our 2004 net loss and loss per share of common stock using an optional fair value based method is included in Note 1of our audited consolidated financial statements.

Business Strategy

The business strategy for AmericasBank is to be a profitable community bank that provides above average investment returns to its shareholders while maintaining a low to moderate risk profile. Our planning horizon is ten years; we believe it will take three to five years to build to critical mass and another five years to generate the core deposit base and efficiencies required for high performance.

The essence of our strategy will be to stay within the traditional community bank model of promoting business entrepreneurship and home ownership while concentrating on products and services where the bank can effectively differentiate itself from its competitors and from larger financial institutions operating in its market area.

We have pursued six strategic initiatives to achieve profitability:

- Engage and retain experienced management and staff with a track record of success;

- Obtain adequate capitalization;
- Resolve the outstanding regulatory issues that affect us;
- Expand our lending activities and increase our noninterest income;
- Improve our net interest margin by increasing our base of core commercial and retail deposits and through more effective asset and liability management; and
- Control the growth of noninterest expenses.

Engage and Retain Experienced Management. We hired three new executives – Messrs. Anders, Rever and Muncks - to form our management team in July and August, 2003. During 2004, we hired the operating management and staff to supervise and control the risks, including the compliance risks, involved in residential mortgage lending. Also, with the hiring of the former employees of uvm Mortgage Marketing Inc. in October 2004, we now have four experienced loan origination officers.

To align the interest of our management team with our success, we have granted management what we believe to be an incentive compensation package that will reward management for exceptional performance. In general, the incentive compensation is based upon management achieving certain financial and asset quality goals and maintaining satisfactory regulatory ratings. See the discussion under the caption "Incentive Compensation – 2004 Stock Incentive Plan."

In June 2004, we added three new members to our board who we believe have the characteristics necessary to assist us with our operation, development and promotion in light of our current financial situation, and reduced the total board members from thirteen to eleven. We will continue to evaluate whether we need to attract additional new members to our board of directors.

Obtain Adequate Capitalization. As a result of the rights offering and public offering, we were able to raise $5,027,091 of net offering proceeds during March 2004. If we are successful with our business plan, we believe that this additional capital will allow us to leverage our balance sheet to increase earning assets to the seventy-five million dollar level over the next three years. At this level, we believe we should be able to generate sufficient capital through earnings to support moderate growth.

We anticipate that the increase in earning assets will come by expanding our residential mortgage lending operation as a correspondent lender while continuing to develop our traditional retail and business banking segments. We anticipate that deposits will generate the majority of the funding to support these activities. Ultimately, some of the capital raised in the offerings may be utilized to fund loans.

Until we achieve profitability, some of the capital raised in the offerings and/or our existing capital will necessarily be used to fund operating losses, such as the $1,294,978 loss in 2004. The total amount required to fund operating losses, however, cannot be accurately quantified as it depends upon how successful we are in implementing our business plans, how quickly we can implement our plans, market interest rates and the economy in our market area, among other known and unknown factors. Until we are able to fully implement our business plans, operating losses will include various new expenses (i.e., expenses that we have not historically incurred) such as public company expenses and expenses resulting from our stock-based compensation, expanding our mortgage lending staff, marketing our services, investing in new technology and improving our compliance management programs.

In order to leverage our balance sheet more rapidly and to reduce the risks associated with operating with limited capital, we will evaluate during 2005 whether we should seek to raise additional capital. Having additional capital sooner (by raising additional capital) rather than later (through growth) would, among other things, likely provide a hedge against market factors affecting our business which are outside of our control.

Resolve Outstanding Regulatory Issues. Because of concerns related to AmericasBank's violations of certain consumer lending laws, we agreed to enter into a Memorandum of Understanding with the Federal Reserve Bank of Richmond on October 25, 2001. We made improvements to our compliance systems in accordance with the Memorandum of Understanding and learned during the first quarter of 2005 that the Federal Reserve Bank of Richmond terminated the Memorandum of Understanding.

Because of poor operating performance and financial condition and in order to restore and maintain the financial soundness of AmericasBank Corp. and AmericasBank, we agreed to enter into and operate under a Written Agreement with the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation in August 2001. While we believe that we have addressed many of the items in the Written Agreement; however, our continuing operating losses remain a primary concern to our regulators. In addition, our management has made changes they believe are appropriate to certain risk management systems and operations without first obtaining the approval of the Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation, as required by the Written Agreement. Our regulators have not taken any actions as a result of our failure to comply with certain of the items in the Written Agreement and we have not taken any actions as a result of our failure to obtain their approval for the changes made to certain of our risk management systems and operations, although they are aware of the changes. We believe this is because they have allowed our management to focus on implementing new operational controls and processes; however, we have not received any assurances from our regulators in this regard.

We believe that the capital raised in the rights offering and the public offering provides us with the capital necessary to remedy several of the outstanding deficiencies contained in the Written Agreement. The additional capital will allow us to grow as evidenced during the later half of 2004 and, we believe, become more efficient. We believe that greater efficiency will improve our compliance management programs, which were identified as needing significant improvement in the Written Agreement. In general, the larger a banking institution is, the more effective it can be in leveraging economies of scale in connection with its compliance management programs. Currently, we believe that it will take most of 2005 to remedy all outstanding deficiencies. Remedying all outstanding deficiencies and having the Written Agreement terminated are important to our future success because they impose restrictions on our operations. We continue to work closely with Federal Reserve Bank of Richmond and the Maryland Division of Financial Regulation to remedy all outstanding deficiencies.

Expand our lending activities and increase our noninterest income. AmericasBank is under considerable earnings pressure because it has never been able to generate interest and fee income to achieve breakeven operations. Our primary source of income is generated from the interest earned on our loan portfolio and fees generated from our lending activities. AmericasBank's objective is to systemically grow a high quality, diversified loan portfolio that affords us the opportunity to generate attractive yields on a risk adjusted basis and to earn higher levels of noninterest income through fees and service charges. In the short term, we will focus our efforts on residential mortgage lending because we believe it to be the most cost effective way for a community bank to generate loans, maintain asset quality and produce higher levels of fee income. We also intend to emphasize commercial mortgage loans and commercial loans extended for general business purposes to small and medium-size businesses in our primary market area.

Residential mortgage lending includes long-term conventional and non-conforming mortgages originated for our portfolio or for sale into the secondary market, adjustable rate mortgages, loans to homeowners or small developers for the acquisition and construction or rehab of single-family homes and lot loans. Commercial mortgage loans include loans for the acquisition, development, rehabilitation or investment in commercial or residential real property (generally for other than single family homes). We intend to aggressively pursue commercial lending opportunities where the loan relationships provide us with opportunities to develop high volume depository relationships.

The barriers to entry in residential mortgage lending are low, resulting in intense competition during periods when high volumes of mortgages are refinanced to take advantage of lower interest rates. While AmericasBank will compete in this arena, we anticipate that our principal focus will be in providing construction and rehab financing to homeowners and small builders, and to a lesser extent, non-conforming and investor loans. We have selected this niche because the competitive environment is highly fragmented and there is a growing need for this type of financing in our market areas. These product types also provide us with multiple opportunities to generate interest spread and fee income from the same customer, to expand our reach beyond our primary market territory and to develop consumer-banking relationships to which we can market other financial services and products in the future.

Improve Our Net Interest Margin. Our residential mortgage lending strategy is designed to cost effectively accelerate the growth in loans and fee income but it will not produce the deposits required to fund our growth. In the short term, we will be dependent on retail deposits, principally certificates of deposit, to fund our growth. This strategy is not ideal as retail certificates of deposit are typically the highest cost of funds for a bank and can be highly volatile. Core retail deposits, including demand and interest bearing checking accounts, savings accounts and money market accounts are excellent sources of low cost funds but the cost of developing a good retail-banking program is prohibitive in the short term.

Commercial deposits are another source of low cost core deposits and will be the principal focus of our initiatives to improve our core deposit base. However, our commercial deposit base will not increase proportionately with our growth in assets, which is why we will be reliant on the retail certificates of deposit in the short-term. Generally, our competitors do an average to above average job in servicing commercial deposit accounts, which means that there are few reasons to justify changing a commercial depository relationship. Because there is no compelling reason for businesses to move their accounts, the sales cycle for attracting commercial depository accounts can be protracted.

Commercial depository accounts move either because the business has a credit need and the entire relationship moves for better credit access, or the principals of the business decide to move because of personal relationships or convenience. Service and price may prompt a business to move its depository relationship. More typically, however, lack of recognition, poor access to decision makers and greater convenience provide the impetus for a change in the banking relationship. These are areas in which AmericasBank will seek to excel over the long term.

In order to increase our core deposit base, we also must stay abreast of technological changes and invest in those products and services we believe are replacing location convenience as a primary reason for selecting a bank. However, we believe the personal attention and the responsiveness and flexibility that come from having a close, intimate relationship with a community banker are high on depositors' lists of reasons for selecting a bank and we will work to excel in this area.

Our net interest margin did improve to 2.82% in 2004 from 2.39% in 2003. The additional capital raised in March of 2004, an increase in yield on our earning assets, and a decrease in the interest rate paid on deposits all contributed to the improvement of our interest margin in 2004.

Control Noninterest Expenses. Noninterest expenses at AmericasBank have generally been level with the exception of the high level of professional and consulting fees paid out over the last several years. Going forward, we will incur additional costs in connection with operating as a public company; marketing our services, particularly our mortgage banking services; investing in technological products and services and improving our compliance management programs.

There will be few additions to staff within the core banking operations for the foreseeable future; however, management expects staffing levels in the mortgage operation to expand by 12-15 people during the next several years if we are successful in implementing our business plans. We estimate that three quarters of the new mortgage positions will be loan officers, and that the majority of income earned by these officers will be based on loans originated for sale in the secondary market, with us acting as a broker or the correspondent lender. As is typical in the mortgage lending industry, loan officers are paid a commission based on the amount of fee income generated with a draw allowed against anticipated future income based on past performance. The remaining staff additions to our mortgage operations will be salary-based, however, these positions will be indirectly based on the number of commissioned-based loan officers and the volume of loans originated for sale. We will also incur additional costs as we market our services, particularly our mortgage banking services, invest in technological products and services and improve our compliance management programs.

During 2004, we replaced our mortgage operations manager and her staff, and added two additional staff positions bring the total operations group to five. We also added three loans officers during 2004, increasing our loan origination group to four.

One reason the mortgage lending business is attractive to us is because it allows us to build a highly competent sales team on a commission basis and to incrementally add or reduce staff as production and portfolio volume increases or decreases with changes in market conditions. Currently, the mortgage division has five administrative people supporting four loan officers. We believe that this level of staff support is adequate for six to seven lending officers. The biggest fixed expense in the mortgage lending business comes from the base salaries of the vice president who oversees our mortgage operations division and her staff, but we believe that hiring experienced mortgage professionals is essential based on the amount of work needed in the product development, recruiting and marketing functions.

We anticipate that our four loan officers will originate approximately $60 to $70 million of loans for sale per annum. While this business is sensitive to changes in interest rates and may decline due recent increases in rates, we believe that we have retained experienced loan officers capable of sourcing business in a rising interest rate environment. The business is also seasonal and we expect the second and fourth quarters to be our strongest. At this level, our mortgage lending operation will operate more efficiently or profitably. We believe that we need to generate approximately $75 million of loans originated for sale on an annual basis for our mortgage operation to be efficient and profitable.

Summary of Recent Performance

For the year ended December 31, 2004, our net loss was $1,294,978, compared to a net loss of $1,118,761 for the prior year. Basic and diluted loss per common share were $(0.41) for the year ended December 31, 2004, compared to $(1.84) for the year ended December 31, 2003.

Total assets were $40,132,099 on December 31, 2004, an increase of $13,067,072 or 48.3% over the December 31, 2003 level of $27,065,027.

Total loans, net of allowance, were $31,245,162 at December 31, 2004, which represents a $15,820,314 increase or 102.6% from $15,424,848 at December 31, 2003. The increase in the loan portfolio since the end of December 31, 2003 occurred primarily within the mortgage loan portfolio, which was an expanded focus for us during 2004.

The allowance for loan losses was $315,127 or 0.99% of loans at December 31, 2004, compared to $275,077 or 1.75% of loans at December 31, 2003. Our non-performing assets were $175,742 or 0.55% of loans at December 31, 2004, compared to $77,166 or 0.49% of loans and foreclosed real estate at December 31, 2003.

Total deposits were $34,570,293 at December 31, 2004, which represents a $9,161,455 or 36.1% increase from $25,408,838 of total deposits at December 31, 2003. In 2004, we began offering premium rate certificates of deposit through an Internet-based service and generated $8,316,044 in these types of deposits as of December 31, 2004.

Total stockholders' equity was $5,395,804 at December 31, 2004 compared to $1,532,637 at December 31, 2003. Stockholders' equity increased by $3,863,167 from December 31, 2003 to December 31, 2004 primarily from the net proceeds of common stock issued in our rights and public offerings of $5,027,091, which was offset by the loss for the year of $1,294,978.

Our net interest margin was 2.82% for the year ended December 31, 2004, compared to 2.39% for the year ended December 31, 2003. The yield on our earning assets increased from 5.32% in 2003 to 5.39% in 2004 due to our increase in loans and the capital raised in March 2004, which was invested in interest earning assets. Our net interest margin also increased from a decline in our rate on deposits from 2.97% in 2003 to 2.87% in 2004. This decline is primarily from the maturity of high priced certificates of deposit being replaced by lower cost funds. We anticipate that this trend will cease as current interest rates are rising, directly increasing our cost of funds. Also, we are marketing higher costs certificates of deposit that will contribute to an increase in our cost of funds. We expect the yield on our earning assets to continue to increase as market interest rates rise, and as we continue to add loans and maintain lesser amounts of investments in federal funds sold accounts.

Results of Operations

Year ended December 31, 2004 compared to year ended December 31, 2003

Net Interest Income

Net interest income is the difference between interest revenue on assets and the cost of funds supporting those assets. Earning assets are comprised primarily of loans, investments and federal funds sold; interest-bearing deposits make up the cost of funds. Noninterest bearing deposits and capital are also funding sources. Changes in the volume and mix of earning assets and funding sources along with changes in associated interest rates determine changes in net interest income.

Net interest income for the year ended December 31, 2004 increased 39.6% to $855,230 from $612,638 for the year ended December 31, 2003. The increase is primarily attributable to an 18.2% increase in average interest earning assets to $30,313,020 for the year ended December 31, 2004 from $25,640,811 of average interest earning assets for the year ended December 31, 2003.

Interest revenue increased by $271,584 or 19.9% from $1,363,173 for the year ended December 31, 2003 to $1,634,757 for the year ended December 31, 2004. The majority of the increase in interest revenue came from an 18.2% increase in average interest earning assets. Total average loans increased by $4,323,738 or 28.0%, mainly in commercial real estate loans, construction loans, commercial finance leases and home equity loans. Interest revenue from loans and leases, excluding loans held for sale, increased by $285,569 or 25.6% in 2004 compared to 2003. Interest expense amounted to $779,527 for the year ended December 31, 2004, which was $28,992 or 3.9% higher than the $750,535 for the year ended December 31, 2003. Our average interest bearing deposits increased by $1,980,370 or 8.6% for the year ended December 31, 2004 compared to the year ended December 31, 2003, primarily from an increase in average certificates of deposit and interest bearing checking, partially offset by a decline in average savings account balances.

One of the key strategic initiatives identified by our new management team is to improve our net interest margin, which is our net interest income divided by our average interest-earning assets. Generally, to achieve this objective, we need to increase the yield on interest-earning assets, reduce the interest rates we pay on interest-bearing liabilities and increase the amount of our noninterest-bearing deposits. We have developed plans to improve each of these attributes and, while it will take time, we believe that our plan will result in an increase in the amount of net interest income and an improvement in the net interest margin.

During the next 12 months, there are $6,951,605 in certificates of deposit or 27.8% of our certificates of deposit portfolio with an average interest rate of 3.89% that will mature and will re-price to the then current market interest rate. Our business plan is to offer competitive interest rates on certificates of deposit and, accordingly, we believe that we will be able to retain many of these deposits.

The following table illustrates average balances of total interest earning assets and total interest bearing liabilities for the periods indicated, showing the average distribution of assets, liabilities, stockholders' equity and related revenue, expense and corresponding weighted average yields and rates. The average balances used in this table and other statistical data were calculated using average daily balances.

Average Balances, Interest, and Yields/Rates

	2004			2003		
	Average balance	Interest	Yield/ Rate	Average balance	Interest	Yield/ Rate
Assets:						
Federal Funds Sold and FHLB deposit	$ 8,852,235	$ 119,093	1.35%	$ 7,366,884	$ 80,363	1.09%
FHLB and FRB dividends	144,232	7,004	4.86%	175,874	8,195	4.66%
Investment Securities						
Mortgage backed	5,690	155	2.72%	97,479	3,479	3.57%
Preferred trust	300,000	30,000	10.00%	300,000	30,000	10.00%
Equity security	30,000	1,380	4.60%	30,000	884	2.95%
Total investment securities	335,690	31,535	9.39%	427,479	34,363	8.04%
Loans held for sale	1,203,151	74,775	6.21%	2,216,600	123,471	5.57%
Loans:						
Residential real estate	4,167,850	336,535	8.07%	5,417,137	418,714	7.73%
Construction and land development	2,567,577	153,195	5.97%	851,024	39,983	4.70%
Commercial, including real estate	7,297,376	526,957	7.22%	5,369,730	366,942	6.83%
Commercial finance leases	4,331,791	312,156	7.21%	2,717,558	228,970	8.43%
Home equity	1,117,609	52,209	4.67%	706,162	34,622	4.90%
Installment	295,509	21,298	7.21%	392,363	27,550	7.02%
Total loans	19,777,712	1,402,350	7.09%	15,453,974	1,116,781	7.23%
Total interest earning assets	30,313,020	1,634,757	5.39%	25,640,811	1,363,173	5.32%
Allowance for loan and lease losses	(303,900)			(278,525)		
Noninterest-bearing cash	877,046			1,109,656		
Premises and equipment	895,415			858,267		
Other assets	247,553			128,283		
Total assets	32,029,134			27,458,492		
Liabilities and Stockholders' Equity						
Interest-bearing Deposits						
Savings	5,483,001	61,217	1.12%	6,428,669	60,083	0.93%
NOW, money market and escrow	1,329,040	15,064	1.13%	762,932	9,108	1.19%
Certificates of deposit	18,307,400	703,246	3.84%	15,947,470	681,344	4.27%
Total interest-bearing deposits	25,119,441	779,527	3.10%	23,139,071	750,535	3.24%
Noninterest-bearing deposits	2,032,980	-		2,115,811	-	
	27,152,421	779,527	2.87%	25,254,882	750,535	2.97%
Other liabilities	179,707			173,945		
Stockholders' equity	4,697,006			2,029,665		
Total Liabilities and Stockholders' Equity	$ 32,029,134			$ 27,458,492		
Net interest spread			2.52%			2.35%
Net interest income		$ 855,230			$ 612,638	
Net margin on earning assets			2.82%			2.39%

The following table describes the impact on our interest revenue and expense resulting from changes in average balances and average rates for the periods indicated. The change in interest revenue or expense due to both volume and rate is reported with the rate variance.

Rate/Volume Variance Analysis

	Year Ended December 31, 2004 compared to 2003 Variance due to :			Year Ended December 31, 2003 compared to 2002 Variance due to :		
	Total	Rate	Volume	Total	Rate	Volume
Interest Earning Assets:						
Federal Funds Sold and FHLB Deposit	$ 38,730	$ 22,527	$ 16,203	$ 41,145	$ (25,742)	$ 66,887
Interest-bearing deposits	-	-	-	(31,367)	17	(31,384)
FHLB and FRB dividends	(1,191)	283	(1,474)	(5,033)	(2,787)	(2,246)
Investment Securities						
U.S. Government Agency	-	-	-	(3,905)	2	(3,907)
Mortgage backed	(3,324)	(48)	(3,276)	(33,842)	(1,249)	(32,593)
Preferred trust	-	-	-	(2,775)	(285)	(2,490)
Mutual funds and equity security	496	496	-	(62,101)	(303)	(61,798)
Loans held for sale	(48,696)	7,756	(56,452)	103,760	(1,102)	104,862
Loans:						
Residential real estate	(82,179)	14,384	(96,563)	(61,243)	21,906	(83,149)
Construction and land development	113,212	32,565	80,647	(17,329)	(11,972)	(5,357)
Commercial, including real estate	160,015	28,289	131,726	124,496	15,654	108,842
Commercial finance leases	83,186	(52,822)	136,008	228,970	228,970	-
Home equity	17,587	(2,586)	20,173	(44,338)	(21,106)	(23,232)
Installment	(6,252)	549	(6,801)	(38,380)	(4,997)	(33,383)
Total interest revenue	271,584	51,393	220,191	198,058	197,006	1,052
Interest-bearing Liabilities						
Savings	1,134	9,972	(8,838)	(44,169)	(34,067)	(10,102)
NOW, money market and escrow	5,956	(802)	6,758	(383)	1,396	(1,779)
Certificates of deposit	21,902	(78,924)	100,826	124,642	(315,327)	439,969
Total interest-bearing deposits	28,992	(69,754)	98,746	80,090	(347,998)	428,088
Net interest income	$ 242,592	$ 121,147	$ 121,445	$ 117,968	$ 545,004	$ (427,036)

Provision for Loan and Lease Losses and Analysis of Allowance for Loan and Lease Losses

Lending involves a risk that our loans and leases may not be repaid in full and a credit loss will result. Credit losses occur in varying amounts according to, among other factors, the type of loans being made, the credit-worthiness of the borrowers over the term of the loans, the quality of the collateral for the loan, if any, as well as general economic conditions. We maintain a reserve account for credit losses called the allowance for loan and lease losses, and charge all probable credit losses against this account in accordance with regulatory guidance, industry standards, and generally accepted accounting principles. We charge a provision for loan and lease losses to earnings to maintain our allowance for loan and lease losses at a level that we consider to represent our best estimate of the losses known and inherent in the portfolio that are both probable and reasonable to estimate, based on, among other factors, prior loss experience, volume and type of lending conducted, industry standards, economic conditions (particularly as such conditions relate to AmericasBank's market area), regulatory guidance, the financial condition of the borrower, historical payment performance and the collateral securing the loans and leases. Recoveries on loans previously charged off are added back to the allowance.

The provision for loan and lease losses was $20,000 for the year ended December 31, 2004, compared to $75,000 for the year ended December 31, 2003, a decrease of $55,000. The decrease was primarily the result of a change in our risk assessment of the portfolio and a reduction in the amount of credit losses charged against the allowance in the respective periods. We had net recoveries of $20,050 in 2004 compared to net charge offs of $52,692 in 2003.

We have developed a methodology for evaluating the adequacy of the allowance for loan and lease losses that distinguishes between credits evaluated as a group by either loan or risk rating category and those evaluated individually. We have predetermined allowance percentages based on credit types and for each risk rating category. All loans and leases are assigned a risk rating when they are made. This risk rating is reassessed by management periodically using the various evaluation factors mentioned above. Loans and leases that exhibit an acceptable level of risk per our internal risk grading system are grouped by category and assigned a standard reserve percentage when assessing the adequacy of the allowance for loan and lease losses. Loans and leases that are adversely risk-rated, or exhibit characteristics that suggest we have a heightened risk of collection, are evaluated separately from non-adversely risk rated credits. Each adversely risk rated credit is assigned a standard reserve based on its risk rating or a special reserve based on an assessment of the specific risk factors related to that credit, which may be greater or lesser than the standard reserve for that risk rating.

The predetermined percentages that we use are based on management's judgment as to appropriate reserve percentages for various categories of loans, and adjusting those values based on the following: historical losses in each category, historical and current delinquency in each category, underwriting standards in each category, comparison of our losses and delinquencies to peer group performance and an assessment of the likely impact of economic and other external conditions on the performance of each category.

A test of the adequacy of the allowance for loan and lease losses is performed and reported to the Board of Directors on a monthly basis by our senior lending officer. Our senior lending officer will recommend an increase or decrease in the provision and the board will approve or disapprove the recommendation based on a discussion of the risk factors. We believe that we use the most reliable information available to us to make a determination with respect to the allowance for loan and lease losses, recognizing that the determination is inherently subjective and that future adjustments may be necessary depending upon, among other factors, a change in economic conditions of specific borrowers or generally in the economy, and new information that becomes available to us. However, there are no assurances that the allowance for loan and lease losses will be sufficient to absorb losses on nonperforming assets, or that the allowance will be sufficient to cover losses on nonperforming assets in the future.

The allowance for loan and lease losses represented 0.99% and 1.75% of total loans at December 31, 2004 and December 31, 2003, respectively. AmericasBank has no exposure to foreign countries or foreign borrowers. Management believes that the current allowance for loan and lease losses is adequate.

The following table represents an analysis of the allowance for loan and lease losses for the periods indicated:

Allowance for Loan and Lease Losses

	Year Ended December 31, 2004	Year Ended December 31, 2003
Balance, beginning of period	$ 275,077	$ 252,769
Provision for loan and lease losses	20,000	75,000
Chargeoffs:		
Residential real estate	-	-
Construction and land development	-	-
Commercial, including real estate	-	54,040
Commercial finance leases	-	-
Home equity	-	-
Installment	357	-
Total chargeoffs	357	54,040
Recoveries:		
Residential real estate	-	-
Construction and land development	-	-
Commercial, including real estate	20,407	1,348
Commercial finance leases	-	-
Home equity	-	-
Installment	-	-
Total recoveries	20,407	1,348
Net chargeoffs	(20,050)	52,692
Balance, end of period	$ 315,127	$ 275,077
Allowance for loan losses to total loans	0.99%	1.75%
Ratio of net-chargeoffs during the period to average loans outstanding during period	0.00%	0.34%

The following table provides a breakdown of the allowance for loan and lease losses as of December 31, 2004 and 2003.

Allocation of Allowance for Loan and Lease Losses

	December 31,			
	2004		2003	
	Amount	% of Loans in Each Category	Amount	% of Loans in Each Category
Residential real estate	$ 79,492	49.67%	$ 42,379	20.44%
Construction and land development	45,640	12.54%	3,676	4.68%
Commercial, including real estate	73,476	17.94%	51,204	36.07%
Commercial finance leases	92,345	11.84%	136,702	31.14%
Home equity	22,923	6.85%	23,809	5.87%
Installment	920	1.16%	6,697	1.80%
Unallocated	331	0.00%	10,610	0.00%
Total	$ 315,127	100.00%	$ 275,077	100.00%

Noninterest Revenue

Noninterest revenue consisted primarily of mortgage banking gains and fees from the sale of mortgage loans and service charges on deposit accounts, which includes debit card fees and ATM fees. Noninterest revenues amounted to $210,517 for the year ended December 31, 2004, a decrease of $94,108 from the 2003 level of $304,625. In general, the decrease resulted from a decline in mortgage banking gains and fees of $109,755 during 2004. During much of 2004 we operated with only one mortgage loan origination officer compared to 2003. During the last quarter of 2002, we established and staffed a mortgage division to originate and sell loans to pre-established investors. The momentum from our mortgage business and associated earnings were substantially reduced after May 2003 when the division manager and several of his loan originators and staff severed employment from us in favor of another opportunity.

Our business strategy includes the rebuilding of our mortgage business. While fee income declined in 2004 as we rebuild this business, ultimately we expect noninterest revenue to increase. We have an ATM at each of our two branch locations.

Noninterest Expenses

Noninterest expenses in the year ended December 31, 2004 amounted to $2,340,725 compared to the 2003 level of $1,961,024, an increase of $379,701. Salaries were $1,070,295 for 2004, an increase of $224,199 over the $846,096 level in 2003. In July and August of 2003, we replaced our president and chief executive officer, our senior loan officer, and added a chief financial officer, thereby increasing salary expense in the second half of 2003 which carried into 2004. The aggregate annual salary of our three new executives is $325,000 compared to the aggregate annual salary of $165,000 of those replaced. Additionally, we hired experienced operating managers for our bank and mortgage operations, and expanded our mortgage operations staff to support our growth strategy in the mortgage business. Other operating expenses for 2004 were $774,333, or $25,629 higher than the 2003 level of $748,704. The increase was the result of higher expenses for data processing, marketing, regulatory compliance, loan expenses and ATM and credit card processing as we positioned the company to expand our product offerings and operated as a public company in 2004. These increases were partially offset by a decline in professional services and correspondent bank charges. Other operating expenses in 2004 also included approximately $29,000 in expense to record repurchased mortgage loans.

Income Taxes

We have not incurred any income tax liability since our inception. At December 31, 2004 and 2003, we had net tax operating loss carryforwards of approximately $5,225,558 and $4,058,011 available to offset future taxable income. The carryforwards at December 31, 2004 will expire beginning in 2017.

Net Loss

Our net loss was $1,294,978 or $(0.41) per basic and diluted common share for 2004, an increase of $176,217 or 15.8% compared to our net loss of $1,118,761 or $(1.84) per basic and diluted common share during 2003. Our net loss increased as a result of our efforts to reposition AmericasBank and establish sound operating systems and controls upon which we could implement our growth plan. As a result, our noninterest expenses increased by $379,701 primarily in salary expense from a full year of salaries for our new executives, and from several strategic hires during the year to strengthen bank and mortgage operations. This increase was partially offset by an increase of $148,484 in gross revenue (net interest income and noninterest income) and a $55,000 decline in the provision for loan and lease losses.

Analysis of Financial Condition

Investment Securities

AmericasBank's portfolio has consisted primarily of U.S. government agency securities, mortgage-backed securities and certain equity securities. The portfolio provides a source of liquidity and a means of diversifying AmericasBank's earning assets. While we generally intend to hold the investment portfolio assets until maturity, we classify all of the portfolio as available for sale. We account for securities so classified at fair value and report the unrealized appreciation and depreciation as a separate component of stockholders' equity. In the past, we held securities classified as held to maturity, which we accounted for at amortized cost. AmericasBank invests in securities for the yield they produce and not to profit from trading the securities. There are no trading securities in the portfolio.

The investment portfolio at December 31, 2004 amounted to $348,182, a decrease of $18,384 or 5.0%, from $366,566 at December 31, 2003. All securities at December 31, 2004 and December 31, 2003 were classified as available for sale. The decrease in the investment portfolio occurred primarily due to accelerated pay backs of our mortgage backed securities due to the low interest rate environment and the refinancing of mortgages in these mortgage pools. In general, the funds received from the pay backs of the mortgaged backed securities were invested in federal funds and not reinvested into investment securities due to management's decision to retain liquid assets pending their use to fund loan growth. The carrying value of available for sale securities includes a net unrealized gain of $17,760 at December 31, 2004 compared to a net unrealized gain of $17,706 as of December 31, 2003.

The following table sets forth a summary of the investment securities portfolio as of the periods indicated. Available for sale securities are reported at estimated fair value. There were no held to maturity securities in our portfolio as of December 31, 2004 or 2003.

Investment Secuirties

	December 31,	
	2004	2003
Available For Sale Securities		
Preferred Trust	$ 317,760	$ 317,760
Mortgage backed	422	18,806
Equity	30,000	30,000
Total Available for Sale Securities	$ 348,182	$ 366,566

The preferred trust investment security in the table above is a redeemable security issued by Provident Trust II, a subsidiary of Provident Bankshares Corporation. The amortized cost is $300,000 and fair value is $317,760 at December 31, 2004. On February 28, 2005, notice was issued that the security will be redeemed at par on March 31, 2005. We plan to invest the proceeds from this security in federal funds pending their use to fund loan growth. We did not have tax exempt obligations for any of the periods shown.

The following table shows the maturities for the securities portfolio at December 31, 2004.

	Available for Sale		
	Amortized Cost	Fair Value	Weighted Average Yield
Maturing			
Over one to five years	$ 300,000	$ 317,760	10.00%
Mortgaged backed, due in monthly installments	422	422	0.00%
Equity security	30,000	30,000	4.60%
	$ 330,422	$ 348,182	9.36%

Going forward and consistent with our business strategy, management intends to favor loan growth over building the investment securities portfolio.

Loan Portfolio

The loan portfolio, net of allowance, unearned fees and origination costs increased $15,820,314 or 102.6% to $31,245,162 at December 31, 2004 from $15,424,848 at December 31, 2003. Residential real estate loans increased by $12,530,646 (390.0%), construction and land development loans increased by $3,240,569 (440.8%), commercial loans including commercial real estate loans increased by $19,093 (0.3%), commercial finance leases decreased by $1,142,000, (23.3%), home equity loans increased by $1,249,475 (135.5%) and installment loans increased by $86,004 (30.4%) from their respective balances at December 31, 2003.

In the fourth quarter of 2004, the loan portfolio, net of allowance, unearned fees and origination costs increased $7,947,092 from $23,298,070 at September 30, 2004 to the year end balance of $31,245,162 at December 31, 2004. The increase in loans in the fourth quarter of 2004 represented 51.2% of the total increase in loans for the entire year. The substantial increase in loans during the last quarter of 2004, and the entire year, is the result of implementing our business plan to expand our network and sources for potential commercial and residential real estate loans. In addition, the additional capital raised through the rights and public offerings in March 2004 has given us the capacity to make larger loans to a single borrower thereby improving the efficiency of our lending effort.

Loans secured by real estate comprise the majority of the loan portfolio. AmericasBank's loan customers are generally located in the greater Baltimore metropolitan area.

The following table summarizes the composition of the loan portfolio by dollar amount and percentages:

	Loan Portfolio December 31,			
	2004	%	2003	%
Residential real estate	$ 15,743,998	49.67%	$ 3,213,352	20.44%
Construction and land development	3,975,815	12.54%	735,246	4.68%
Commercial, including real estate	5,688,317	17.94%	5,669,224	36.07%
Commercial finance leases	3,751,607	11.84%	4,893,607	31.14%
Home equity	2,171,661	6.85%	922,186	5.87%
Installment	369,151	1.16%	283,147	1.80%
	31,700,549	100.00%	15,716,762	100.00%
Allowance for loan and lease losses	(315,127)		(275,077)	
Deferred loan origination fees, net of costs	(140,260)		(16,837)	
	$ 31,245,162		$ 15,458,522	

The following table presents the maturities or repricing periods of our loan portfolio at December 31, 2004

Loan Maturity Distribution at December 31, 2004

	1 year or less	1-5 years	After 5 years	Total
Residential real estate	$ 2,058,525	$ 1,729,393	$ 11,956,080	$ 15,743,998
Construction and land development	1,713,482	1,307,761	954,572	3,975,815
Commercial, including real estate	803,517	1,030,777	3,854,023	5,688,317
Commercial finance leases	293,054	3,458,553	-	3,751,607
Home equity	-	207,146	1,964,515	2,171,661
Installment	161,041	131,902	76,208	369,151
Total loans	$ 5,029,619	$ 7,865,532	$ 18,805,398	$ 31,700,549
Fixed rate	$ 3,030,620	$ 6,761,799	$ 3,103,919	$ 12,896,338
Variable rate	1,998,999	1,103,733	15,701,479	18,804,211
Total loans	$ 5,029,619	$ 7,865,532	$ 18,805,398	$ 31,700,549

Asset Quality

We perform monthly reviews of all delinquent loans and leases and relationship officers are charged with working with customers to resolve potential credit issues in a timely manner. We generally classify loans and leases as nonaccrual when collection of full principal and interest under the original terms of the credit is not expected or payment of principal or interest has become 90 days past due. Classifying a credit as nonaccrual results in us no longer accruing interest on such loan or lease and reversing any interest previously accrued but not collected. We will generally restore a nonaccrual loan or lease to accrual status when delinquent principal and interest payments are brought current and we expect to collect future monthly principal and interest payments in a timely manner and in accordance with the original repayment schedule. Generally, we credit all interest payments received on nonaccruing credits to the principal balance of the loan or lease to reduce our credit exposure. If we have collateral that mitigates our credit exposure, we may recognize interest as income when received.

As of December 31, 2004 and December 31, 2003, the balances of our nonaccrual loans were $54,126 and $35,000, respectively. As of December 31, 2004 and December 31, 2003, the balances of accruing loans and leases past due more than 90 days were $121,616 and $0, respectively. The unrecorded interest was $6,521 for 2004, and $1,925 for 2003. The balance of $121,616 at the end of 2004 represented one loan that was part of the group of mortgage loans that we repurchased and was secured by a first lien deed of trust. This loan was paid in March 2005.

We apply the provisions of Statement of Financial Accounting Standards No. 114 ("SFAS No. 114"), *"Accounting by Creditors for Impairment of a Loan,"* as amended by Statement of Financial Accounting Standards No. 118 ("SFAS No. 118"), *"Accounting by Creditors for Impairment of a Loan-Income Recognition and Disclosure."* SFAS No. 114 and SFAS No. 118 require that impaired loans, which consist of all modified loans and other loans for which collection of all contractual principal and interest is not probable, be measured based on the present value of expected future cash flows discounted at the loan's effective interest rate, or at the loan's observable market price or the fair value of the collateral if the loan is collateral dependent. If the measure of the impaired loan is less than the recorded investment in the loan, an impairment is recognized through a valuation allowance and corresponding provision for loan and lease losses. We write off impaired loans when collection of the loan is doubtful. New management generally classifies nonaccrual loans and leases as impaired. As of December 31, 2004 and December 31, 2003, no credit had been identified as impaired other than the nonaccrual loans and leases described above.

We classify any property acquired as a result of foreclosure on a mortgage loan as foreclosed real estate and record it at the lower of the unpaid principal balance or fair value at the date of acquisition and subsequently carry the property at the lower of cost or net realizable value. We charge any required write-down of the loan to its net realizable value against the allowance for loan and lease losses at the time of foreclosure. We charge to expense any subsequent adjustments to net realizable value. Upon foreclosure, we generally require an appraisal of the property and, thereafter, appraisals of the property on at least an annual basis and external inspections on at least a quarterly basis. As of December 31, 2004, and December 31, 2003, we had $0 and $42,166 recorded as foreclosed real estate, respectively.

Deposits

We seek deposits within our market area by paying competitive interest rates and offering high quality customer service. In conjunction with our growth strategy, we have offered premium rate certificates of deposit to support loan growth. At December 31, 2004, our total deposits had grown to $34,570,293, amounting to a $9,161,455 or 36.1% increase over the December 31, 2003 level of $25,408,838.

We began using a web-based service to offer our certificates of deposit as an interim strategy to support our loan growth. The interest rate offered on these certificates of deposit is higher than what we would typically pay within our market. We view this strategy as a cost effective and efficient process to raise deposits for specific terms. The use of higher cost certificates of deposit is integral to the business plan to bring AmericasBank to profitability. The longer term funding strategy is to replace these higher cost deposits with lower cost and less volatile core deposits from small businesses and professional firms. The successful implementation of this stage of the strategy is highly dependent on our ability to establish confidence and deliver superior services to this group of targeted customers.

During 2004, we issued $8,316,044 in certificates of deposit through the web-based service at an average cost of approximately 3.49%. Deposits from this source represented 25.7% of our interest bearing deposits as of December 31, 2004.

The plan developed by our management team depends on increasing retail deposits, principally certificates of deposit, to fund our growth in the short term. This strategy is not ideal as retail certificates of deposit are typically the highest cost of funds for a bank and can be highly volatile. Our long-term strategy is to build core deposits. Retail core deposits include demand and interest bearing checking accounts, savings accounts and money market accounts and are excellent sources of low cost funds. Commercial deposits are another source of low cost core deposits and will be the principal focus of our initiatives to improve our core deposit base.

The following table sets forth the composition of our deposits as of December 31, 2004 and December 31, 2003:

	2004	2003
Noninterest-bearing	$ 2,226,222	$ 1,739,859
Interest-bearing:		
NOW accounts	273,931	178,889
Advances from borrowers for insurance and taxes	53,110	25,675
Money market	1,289,164	708,438
Savings	5,716,711	6,011,613
Certificates of deposit, $100,000 or more	5,017,339	2,744,247
Other certificates of deposit	19,993,816	14,000,117
	32,344,071	23,668,979
Total deposits	$ 34,570,293	$ 25,408,838

The following is a summary of the maturity distribution of certificates of deposit as of December 31, 2004.

Certificates of Deposit Maturity Distribution

	December 31, 2004				
	Three Months or Less	Over Three Months to Six Months	Over Six Months to Twelve Months	Over Twelve Months	Total
Certificates of deposit:					
Less than $100,000	$ 706,473	$ 701,373	$ 4,329,917	$ 14,256,053	$ 19,993,816
Greater than or equal to $100,000	-	162,531	1,051,311	3,803,497	5,017,339
Total	$ 706,473	$ 863,904	$ 5,381,228	$ 18,059,550	$ 25,011,155

Due to our current financial condition, we were advised by our regulators that, without regulatory approval, we should limit the use of brokered deposits to $3,200,000. We do not believe that this regulatory restriction will adversely impact our ability to grow deposits as we believe we can offer competitively priced certificates of deposit, including certificates of deposit with premium rates, which would not be considered brokered deposits by our regulators. However, paying premium rates on certificates of deposit will likely increase our interest expense and negatively impact our net interest margin.

The following table is a summary of the maturities of the outstanding brokered deposits and their weighted average interest rate as of December 31, 2004:

	December 31, 2004			
	One Year or Less	One - Two Years	Three Years and Over	Total
Brokered certificates of deposit	$ 1,307,554	$ 200,000	$ 274,737	$ 1,782,291
Weighted average interest rate	5.79%	4.03%	4.18%	5.35%

Borrowings

On July 12, 2002, the Federal Home Loan Bank of Atlanta rescinded our line of credit because of our financial condition. During 2004, we initiated discussions with the Federal Home Loan Bank of Atlanta to re-establish our line of credit. The line was not re-established due to our continuing operating losses. When we achieve breakeven profitability, we hope to be successful in reinstating our line of credit with the Federal Home Loan Bank, but there can be no assurance that we will be successful in our efforts.

Interest Rate Sensitivity Analysis and Interest Rate Risk Management

A principal objective of our asset/liability management policy is to minimize the sensitivity of our earnings to and the economic value of our equity to changes in interest rates by an ongoing review of the maturity and re-pricing of interest-earning assets and interest-bearing liabilities, anticipated loan production and pre-payments, deposit flows and trends and other aspects of our operations that are affected by market interest rates. Our management has primary responsibility for asset and liability management and our board of directors oversees this process.

Asset/liability management policies and procedures are established by the board of directors to assess and monitor interest rate sensitivity in order to reduce vulnerability to interest rate fluctuations while maintaining adequate capital levels and acceptable levels of liquidity. Periodic financial reports supply us with information to evaluate and manage rate sensitivity and adherence to policy. Our goal is to manage assets and liabilities in a manner that stabilizes net interest income and net economic value within a broad range of interest rate environments. Adjustments to the mix of assets and liabilities are made periodically in an effort to achieve dependable, steady growth in net interest income regardless of the behavior of interest rates in general.

During 2004, we purchased new software to aid us in asset-liability management. The new system provides expanded reporting and has the capacity to facilitate our budgeting and forecasting. We also revised our policies and controls for managing interest rate risk and liquidity.

As part of the interest rate risk sensitivity analysis, we examine the extent to which our assets and liabilities are interest rate sensitive and monitor the interest rate sensitivity gap. An interest rate sensitive asset or liability is one that, within a defined time period, either matures or experiences an interest rate change in line with general market rates. The interest rate sensitivity gap is the difference between interest-earning assets and interest-bearing liabilities scheduled to mature or re-price within a defined time period. A gap is considered positive when the amount of interest rate sensitive assets exceeds the amount of interest rate sensitive liabilities. A gap is considered negative when the amount of interest rate sensitive liabilities exceeds the interest rate sensitive assets. During a period of rising interest rates, a negative gap would tend to adversely affect net interest income, while a positive gap would tend to result in an increase in net interest income. During a period of declining interest rates, a negative gap would tend to result in an increase in net interest income, while a positive gap would tend to adversely affect net interest income. If re-pricing of assets and liabilities were equally flexible and moved concurrently, the impact of any increase or decrease in interest rates on net interest income would be minimal.

We currently have a positive gap over the short term, which suggests that the net yield on interest earning assets may increase during periods of rising interest rates. However, a simple interest rate "gap" analysis by itself may not be an accurate indicator of how net interest income will be affected by changes in interest rates. Income associated with interest-earning assets and costs associated with interest-bearing liabilities may not be affected uniformly by changes in interest rates. In addition, the magnitude and duration of changes in interest rates may have a significant impact on net interest income. Although certain assets and liabilities may have similar maturities or periods of re-pricing, they may react in different degrees to changes in market interest rates. Interest rates on certain types of assets and liabilities fluctuate in advance of changes in general market interest rates, while interest rates on other types may lag behind changes in general market rates. In the event of a change in interest rate, prepayment and early withdrawal levels also could deviate significantly from those assumed in calculating the interest-rate gap. The ability of many borrowers to service their debts also may decrease in the event of an interest rate increase.

The table below presents our interest rate sensitivity at December 31, 2004. Because certain categories of securities and loans are prepaid before their maturity date even without regard to interest rate fluctuations, we have made certain assumptions to calculate the expected maturity of securities and loans.

Interest Sensitivity Analysis
December 31, 2004

	Maturing or Repricing				
	Within 3 Months	4 - 12 Months	1 - 5 Years	Over 5 Years	Total
Interest Earning Assets:					
Investment securities	$ 348,182	$ -	$ -	$ -	$ 348,182
Loans	6,525,715	4,550,099	17,146,343	3,478,392	31,700,549
Loans held for sale	1,617,048	-	-	-	1,617,048
Federal Home Loan Bank deposit	651,347	-	-	-	651,347
Federal funds sold	3,705,240	-	-	-	3,705,240
Total interest earning assets	12,847,532	4,550,099	17,146,343	3,478,392	38,022,366
Interest Bearing Liabilities:					
Interest-bearing transaction deposits	1,616,205	-	-	-	1,616,205
Savings accounts	5,716,711	-	-	-	5,716,711
Time deposits	706,473	6,245,132	18,059,550	-	25,011,155
Total interest-bearing deposits	8,039,389	6,245,132	18,059,550	-	32,344,071
Period Gap	$ 4,808,143	$ (1,695,033)	$ (913,207)	$ 3,478,392	$ 5,678,295
Cumulative Gap	$ 4,808,143	$ 3,113,110	$ 2,199,903	$ 5,678,295	
Cumulative Gap / Total Assets	11.98%	7.76%	5.48%	14.15%	

Liquidity

Our overall asset/liability strategy takes into account our need to maintain adequate liquidity to fund asset growth and deposit runoff. We monitor our federal funds sold position on a daily basis in that this is our primary source of liquidity. We can also sell or pledge investment securities to create additional liquidity, albeit our total investment portfolio at December 31, 2004 was only $348,182. From time to time we sell or participate out loans to create additional liquidity as required. Additional liquidity is also available from our loans held for sale, which amounted to $1,617,048 at December 31, 2004. We have no other sources of liquidity, such as lines of credit or correspondent relationships with other financial institutions. We are limited in our ability to sell brokered certificates of deposit. The Federal Reserve of Richmond has limited our use of brokered certificates of deposit to $3,200,000. At December 31, 2004 we had $1,782,291 of brokered certificates of deposit outstanding.

Our immediate sources of liquidity are cash and due from banks and short term investments. As of December 31, 2004 we had $866,960 in cash and due from banks, and $4,356,587 in federal funds sold and deposits at the Federal Home Loan Bank. We have been successful is selling certificates of deposit through an Internet based service. During 2004, we issued $8,316,044 in certificates of deposit through the web-based service at an average cost of approximately 3.49%. Deposits from this source represented 25.7% of our interest bearing deposits as of December 31, 2004.

We have sufficient liquidity to meet our loan commitments as well as fluctuations in deposits. We usually retain maturing certificates of deposit as we offer competitive rates on certificates of deposit. We are not aware of any demands, trends, commitments, or events that would result in our inability to meet anticipated or unexpected liquidity needs.

The capital raised from the offerings in the first quarter of 2004, in addition to being a source of liquidity, has afforded us more flexibility to leverage AmericasBank through growth of deposits thereby providing liquidity to fund loan commitments.

Capital

Our stockholders' equity amounted to $5,395,804 at December 31, 2004.

The following table shows our regulatory capital ratios and the minimum capital ratios currently required by our banking regulator to be "well capitalized" and "adequately capitalized." We are considered "well capitalized". For a discussion of these capital requirements, see "Supervision and Regulation - Capital Adequacy Guidelines" and "- Prompt Corrective Action."

Risk Based Capital Analysis

	December 31, 2004	December 31, 2003	Regulatory Minimum to be Well Capitalized	Regulatory Minimum to be Adequately Capitalized
(dollars in thousands)				
Tier 1 Capital:				
Common stock	$ 38	$ 8		
Capital surplus	11,134	6,006		
Retained earnings	(5,794)	(4,499)		
Less: disallowed assets	(295)	(30)		
Total Tier 1 Capital	5,083	1,485		
Tier 2 Capital:				
Allowance for loan and lease losses	315	222		
Total Risk Based Capital	$ 5,398	$ 1,707		
Risk weighted assets	$ 27,075	$ 17,774		
Capital Ratios:				
Total risk based capital ratio	19.94%	9.61%	10.00%	8.00%
Tier 1 risk based capital ratio	18.77%	8.36%	6.00%	4.00%
Leverage ratio	13.19%	5.40%	5.00%	4.00%

Return on Average Assets and Average Equity

The ratio of net income to average equity and average assets and certain other ratios are as follows:

Return on Average Assets and Average Equity

	December 31, 2004	December 31, 2003
Average total assets	$ 32,029,134	$ 27,458,492
Average equity	$ 4,697,006	$ 2,029,665
Net loss	$ (1,294,978)	$ (1,118,761)
Cash dividends declared	$ -	$ -
Return on average assets	(4.04)%	(4.07)%
Return on average equity	(27.57)%	(55.12)%
Average stockholders' equity to average total assets	14.66%	7.39%

Off-Balance Sheet Arrangements

AmericasBank is a party to financial instruments with off-balance sheet risk in the normal course of business. These financial instruments primarily include loan commitments, lines of credit, including home-equity lines and commercial lines, and letters of credit. AmericasBank uses these financial instruments to meet the financing needs of its customers. These financial instruments involve, to varying degrees, elements of credit, interest rate, and liquidity risk. These do not represent unusual risks and management does not anticipate any accounting losses which would have a material effect on AmericasBank.

Outstanding loan commitments and lines and letters of credit at December 31, 2004 are as follows:

Loan commitments	$1,326,321
Unused lines of credit	1,700,049
Letters of credit	89,768

Loan commitments are agreements to lend to a customer as long as there is no violation of any condition established in the contract. AmericasBank generally requires collateral to support financial instruments with credit risk on the same basis as it does for on-balance sheet instruments. The collateral is based on management's credit evaluation of the counter party. Loan commitments generally have interest rates at current market amounts, fixed expiration dates or other termination clauses and may require payment of a fee. Unused lines of credit represent the amount of credit available to the customer so long as there is no violation of any contractual condition. These lines generally have variable interest rates. Since many of the commitments are expected to expire without being drawn upon, and since it is unlikely that customers will draw upon their lines of credit in full at any time, the total commitment amount or line of credit amount does not necessarily represent future cash requirements. We are not aware of any loss we would incur by funding our commitments or lines of credit.

Letters of credit are conditional commitments issued to guarantee the performance of a customer to a third party. AmericasBank's exposure to credit loss in the event of nonperformance by the customer is the contract amount of the commitment. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers.

In general, loan commitments, credit lines and letters of credit are made on the same terms, including with respect to collateral, as outstanding loans. Each customer's credit-worthiness and the collateral required is evaluated on a case-by-case basis.

Application of Critical Accounting Policies

Our financial statements are prepared in accordance with accounting principles generally accepted in the United States of America and follow general practices within the industry in which we operate. Application of these principles requires management to make estimates, assumptions, and judgments that affect the amounts reported in the financial statements and accompanying notes. These estimates, assumptions, and judgments are based on information available as of the date of the financial statements; accordingly, as this information changes, the financial statements could reflect different estimates, assumptions, and judgments. Certain policies inherently have a greater reliance on the use of estimates, assumptions, and judgments and as such have a greater possibility of producing results that could be materially different than originally reported. Estimates, assumptions, and judgments are necessary when assets and liabilities are required to be recorded at fair value, when a decline in the value of an asset not carried on the financial statements at fair value warrants an impairment write-down or valuation reserve to be established, or when an asset or liability needs to be recorded contingent upon a future event. Carrying assets and liabilities at fair value inherently results in more financial statement volatility. The fair values and the information used to record valuation adjustments for certain assets and liabilities are based either on quoted market prices or are provided by other third-party sources, when available.

The most significant accounting policies followed by AmericasBank are presented in Note 1 to the consolidated financial statements. These policies, along with the disclosures presented in the other financial statement notes and in this financial review, provide information on how significant assets and liabilities are valued in the financial statements and how those values are determined. Based on the valuation techniques used and the sensitivity of financial statement amounts to the methods, assumptions, and estimates underlying those amounts, management has identified the determination of the allowance for loan and lease losses as the accounting area that requires the most subjective or complex judgments, and as such could be most subject to revision as new information becomes available.

The allowance for loan and lease losses represents management's best estimate of losses known and inherent in the loan and lease portfolio that are both probable and reasonable to estimate, based on, among other factors, prior loss experience, volume and type of lending conducted, industry standards, economic conditions (particularly as such conditions relate to AmericasBank's market area), regulatory guidance, the financial condition of the borrower, historical payment performance and the collateral securing the loans and leases. Determining the amount of the allowance for loan and lease losses is considered a critical accounting estimate because it requires significant estimates, assumptions and judgment. The loan and lease portfolio also represents the largest asset type on the balance sheets.

We have developed a methodology for evaluating the adequacy of the allowance for loan and lease losses that distinguishes between credits evaluated as a group by either loan or risk rating category and those evaluated individually. We have predetermined allowance percentages based on credit types and for each risk rating category. All loans and leases are assigned a risk rating when they are made. This risk rating is reassessed by management periodically using the various evaluation factors mentioned above. Loans and leases that exhibit an acceptable level of risk per our internal risk grading system are grouped by category and assigned a standard reserve percentage when assessing the adequacy of the allowance for loan and lease losses. Loans and leases that are adversely risk-rated, or exhibit characteristics that suggest we have a heightened risk of collection, are evaluated separately from non-adversely risk rated credits. Each adversely risk rated credit is assigned a standard reserve based on its risk rating or a special reserve based on an assessment of the specific risk factors related to that credit, which may be greater or lesser than the standard reserve for that risk rating.

Management has significant discretion in making the judgments inherent in the determination of the provision and allowance for loan and lease losses, including in connection with the valuation of collateral and the financial condition of the borrower, and in establishing allowance percentages and risk ratings. The establishment of allowance factors is a continuing exercise and allowance factors may change over time, resulting in an increase or decrease in the amount of the provision or allowance based upon the same volume and classification of loans.

Changes in allowance factors or in management's interpretation of those factors will have a direct impact on the amount of the provision, and a corresponding effect on income and assets. Also, errors in management's perception and assessment of the allowance factors could result in the allowance not being adequate to cover losses in the portfolio, and may result in additional provisions or charge-offs, which would adversely affect income and capital. For additional information regarding the allowance for loan and lease losses, see the "Provision for Loan and Lease Losses and Analysis of Allowance for Loan and Lease Losses" section of this financial review.

The Financial Accounting Standards Board encourages use of a fair value based method of accounting for stock options. However, AmericasBank Corp. has elected to use the intrinsic value method to account for stock-based employee compensation plans in accordance with Accounting Principles Board Opinion No. 25, *Accounting for Stock Issued to Employees* for 2004. Under this method, compensation cost is recognized for awards of shares of common stock to employees only if the quoted market price of the stock at any measurement date is greater than the amount the employee must pay to acquire the stock. As permitted, AmericasBank Corp. has elected to adopt the disclosure-only provisions of SFAS No. 123, *Accounting for Stock-Based Compensation.* Had AmericasBank Corp. used a fair value based method of accounting for stock options, it would have recorded approximately $238,357 in compensation expense for the year ended December 31, 2004. During 2005, AmericasBank Corp. intends to recognize expense for stock-based compensation using the fair value method of accounting described in SFAS No. 123, "*Accounting for Stock Based Compensation.*"

AmericasBank Corp. has recorded a 100% valuation allowance against the net deferred tax asset since it is more likely than not, that it will not be realized. At December 31, 2004 and 2003, AmericasBank Corp. has net operating loss carryforwards of approximately $5,225,558 and $4,058,011 available to offset future taxable income. The current carryforwards will expire beginning in 2017.

Goodwill represents the cost in excess of the fair value of net assets acquired (including identifiable intangibles) in transactions accounted for as purchases. SFAS No. 142, "Goodwill and Other Intangible Assets", requires that goodwill no longer be amortized over an estimated useful life, but rather be tested at least annually for impairment. Impairment is the condition that exists when the carrying amount of goodwill exceeds its implied fair value. The implied fair value of goodwill is the amount determined by deducting the estimated fair value of all tangible and identifiable intangible net assets of the reporting unit to which goodwill has been allocated from the estimated fair value of the reporting unit. If the recorded value of goodwill exceeds its implied value, an impairment charge is recorded for the excess. Goodwill of $266,985 was recorded when we acquired certain assets and assumed certain liabilities of uvm Mortgage Marketing in October 2004. The goodwill will be tested at least annually for impairment

Recent Accounting Pronouncements

Accounting pronouncements that have been approved by the Financial Accounting Standards Board that have not become effective as of December 31, 2004 follow. These pronouncements are not expected to have any impact on the financial statements of AmericasBank Corp. other than the revised FSAB Statement 123.

FASB Statement No. 151, *Inventory Costs – an Amendment of ARB No. 43, Chapter 4*, is a result of a broader effort by the FASB working with the International Accounting Standards Board to improve comparability of cross-border financial reporting.

FASB Statement No. 152, *Accounting for Real Estate Time-Sharing Transactions,* amends FASB Statement No. 66 *Accounting for Sales of Real Estate* to reference the financial accounting and reporting guidance for real estate time-sharing transactions that is provided in AICPA Statement of Position 04-2, *Accounting for Real Estate Time Sharing Transactions*. This Statement also amends FASB Statement No. 67, *Accounting for Costs and Initial Rental Operations of Real Estate Projects*, to state that the guidance for (a) incidental operations and (b) costs incurred to sell real estate projects does not apply to real estate time-sharing transactions.

FASB Statement No. 153, *Exchanges of Nonmonetary Assets an Amendment of APB Opinion No. 29,* eliminates the exception to fair value for exchanges of similar productive assets that was provided in APB Opinion No. 29.

FASB Statement No. 123, *Accounting for Stock-Based Compensation* (Revised 2004) *Share Based Payment,* establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. The Statement eliminates the alternative to use the Accounting Principles Board Opinion 25's intrinsic value method of accounting that was provided in Statement 123 as originally issued. Under Opinion 25, issuing stock options to employees generally resulted in recognition of no compensation costs. This Statement requires entities to recognize the cost of employee services received in exchange for awards of equity instruments based on the grant-date fair value of those awards. In addition, this Statement amends FASB Statement No. 95, *Statement of Cash Flows* to require that excess tax benefits be reported as a financing cash inflow rather than as a reduction of taxes paid. This Statement is effective as of the first interim or annual reporting period that begins after December 15, 2005.

AICPA Statement of Position No. 03-3, *Accounting for Certain Loans or Debt Securities Acquired in a Transfer,* prohibits the carrying over of valuation allowances in loans and securities acquired in a transfer. At transfer, the assets are to be recorded at the total cash flows expected to be collected. The SOP is effective for loans acquired in fiscal years beginning after December 15, 2004.

The accounting policies adopted by management are consistent with accounting principles generally accepted in the United States of America and are consistent with those followed by peer Banks.

Impact of Inflation and Changing Prices and Seasonality

The financial statements and related data presented herein have been prepared in accordance with generally accepted accounting principles which require the measurement of financial position and operating results in terms of historical dollars, without considering changes in the relative purchasing power of money over time due to inflation.

Unlike industrial companies, virtually all the assets and liabilities of a financial institution are monetary in nature. As a result, interest rates have a more significant impact on a financial institution's performance than the effects of general levels of inflation. Interest rates do not necessarily move in the same direction or in the same magnitude as the price of goods and services, and may frequently reflect government policy initiatives or economic factors not measured by price index. As discussed above, AmericasBank strives to manage its interest sensitive assets and liabilities in order to offset the effects of rate changes and inflation.

Item 7. Financial Statements

The following consolidated financial statements are filed with this report:

Report of Independent Registered Public Accounting Firm

Consolidated Balance Sheets – December 31, 2004 and 2003

Consolidated Statements of Operations – For the years ended December 31, 2004 and 2003

Consolidated Statements of Changes in Stockholders' Equity – For the years ended December 31, 2004 and 2003

Consolidated Statements of Cash Flows – For the year ended December 31, 2004 and 2003

Notes to Consolidated Financial Statements

AmericasBank Corp. and Subsidiary

Consolidated Financial Statements

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AmericasBank Corp. and Subsidiary

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Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
AmericasBank Corp. and Subsidiary
Towson, Maryland

We have audited the accompanying consolidated balance sheets of AmericasBank Corp. and Subsidiary as of December 31, 2004 and 2003, and the related statements of operations, changes in stockholders' equity, and cash flows for each of the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AmericasBank Corp. and Subsidiary as of December 31, 2004 and 2003, and the results of their operations and their cash flows for each of the years then ended in conformity with accounting principles generally accepted in the United States of America.

/s/ Rowles & Company, LLP

Baltimore, Maryland
February 9, 2005

AmericasBank Corp. and Subsidiary

Consolidated Balance Sheets

December 31,	**2004**	2003
Assets		
Cash and due from banks	**$ 866,960**	$ 552,269
Federal funds sold and Federal Home Loan Bank deposit	**4,356,587**	8,186,477
Securities available for sale	**348,182**	366,566
Federal Home Loan Bank and Federal Reserve Bank stock at cost	**132,550**	158,850
Loans held for sale	**1,617,048**	1,229,041
Loans and leases, less allowance of **$315,127** and $275,077	**31,245,162**	15,424,848
Foreclosed real estate	**-**	42,166
Premises and equipment	**963,560**	868,722
Accrued interest receivable	**140,898**	70,745
Goodwill and other intangibles	**295,207**	29,722
Other assets	**165,945**	135,621
	$ 40,132,099	$ 27,065,027
Liabilities and Stockholders' Equity		
Deposits		
Noninterest-bearing	**$ 2,226,222**	$ 1,739,859
Interest-bearing	**32,344,071**	23,668,979
Total deposits	**34,570,293**	25,408,838
Other liabilities	**166,002**	123,552
	34,736,295	25,532,390
Stockholders' equity		
Common stock, par value $.01 per share; 10,000,000 shares authorized, issued and outstanding **3,766,810** and 791,060 shares	**37,668**	7,911
Additional paid-in capital	**11,134,030**	6,005,696
Accumulated deficit	**(5,793,654)**	(4,498,676)
Accumulated other comprehensive income	**17,760**	17,706
	5,395,804	1,532,637
	$ 40,132,099	$ 27,065,027

The accompanying notes are an integral part of these financial statements.

AmericasBank Corp. and Subsidiary

Consolidated Statements of Operations

Years Ended December 31,	2004	2003
Interest revenue		
Loans and leases, including fees	**$ 1,477,125**	$ 1,240,252
Federal funds sold and Federal Home Loan Bank deposit	**119,093**	80,363
Preferred trust securities	**30,000**	30,000
Mortgage-backed securities	**155**	3,479
Other	**8,384**	9,079
Total interest revenue	**1,634,757**	1,363,173
Interest expense		
Deposits	**779,527**	750,535
Net interest income	**855,230**	612,638
Provision for loan and lease losses	**20,000**	75,000
Net interest income after provision for loan and lease losses	**835,230**	537,638
Noninterest revenue		
Service charges on deposit accounts and other fees	**58,707**	43,060
Mortgage banking gains and fees	**151,810**	261,565
Total noninterest revenue	**210,517**	304,625
Noninterest expenses		
Salaries	**1,070,295**	846,096
Employee benefits	**251,049**	155,540
Occupancy	**143,344**	130,756
Furniture and equipment	**101,704**	79,928
Other	**774,333**	748,704
Total noninterest expenses	**2,340,725**	1,961,024
Loss before income taxes	**(1,294,978)**	(1,118,761)
Income taxes	**-**	-
Net loss	**$ (1,294,978)**	$ (1,118,761)
Loss per common share - basic and diluted	**$ (0.41)**	$ (1.84)

The accompanying notes are an integral part of these financial statements.

AmericasBank Corp. and Subsidiary

Consolidated Statements of Changes in Stockholders' Equity

	Common stock		Additional		Accumulated other	
	Shares	Par value	paid-in capital	Accumulated deficit	comprehensive income	Comprehensive income
Balance, December 31, 2002	**591,000**	**$ 5,910**	**$ 5,411,548**	**$(3,379,915)**	**$ 20,798**	
Net loss	-	-	-	(1,118,761)	-	$ (1,118,761)
Unrealized loss on investment securities available for sale, net	-	-	-	-	(3,092)	(3,092)
Comprehensive income						$ (1,121,853)
Common stock issued, net	200,060	2,001	594,148	-	-	
Balance, December 31, 2003	**791,060**	**7,911**	**6,005,696**	**(4,498,676)**	**17,706**	
Net loss	-	-	-	(1,294,978)	-	$ (1,294,978)
Unrealized gain on investment securities available for sale, net	-	-	-	-	54	54
Comprehensive income						$ (1,294,924)
Restricted common stock issued, net	100,000	1,000	128,500	-	-	
Common stock issued, net	2,875,750	28,757	4,999,834	-	-	
Balance, December 31, 2004	**3,766,810**	**$ 37,668**	**$11,134,030**	**$(5,793,654)**	**$ 17,760**	

The accompanying notes are an integral part of these financial statements.

AmericasBank Corp. and Subsidiary

Consolidated Statements of Cash Flows

Years Ended December 31,	2004	2003
Cash flows from operating activities		
Interest received	**$ 1,691,667**	$ 1,361,648
Fees and commissions received	**54,703**	61,416
Interest paid	**(767,999)**	(747,113)
Proceeds from sales of loans held for sale	**27,487,511**	29,469,637
Originations of loans held for sale	**(27,723,708)**	(26,682,126)
Cash paid to suppliers and employees	**(2,156,546)**	(1,848,297)
	(1,414,372)	1,615,165
Cash flows from investing activities		
Proceeds from maturity and call of investment securities Available for sale	**18,298**	220,528
Redemption of Federal Home Loan Bank stock	**26,300**	-
Redemption of Federal Reserve Bank stock	**-**	30,400
Acquisition of mortgage company	**(145,000)**	-
Loans and leases made, net of principal collected	**(15,944,520)**	(2,379,279)
Proceeds from sale of foreclosed real estate	**23,453**	-
Purchase of premises and equipment	**(269,404)**	(331,879)
	(16,290,873)	(2,460,230)
Cash flows from financing activities		
Net increase in time deposits	**8,266,791**	6,170,087
Net increase (decrease) in other deposits	**894,664**	(1,040,917)
Proceeds from issuance of common stock	**5,028,591**	596,149
	14,190,046	5,725,319
Net increase (decrease) in cash and cash equivalents	**(3,515,199)**	4,880,254
Cash and cash equivalents at beginning of year	**8,738,746**	3,858,492
Cash and cash equivalents at end of year	**$ 5,223,547**	$ 8,738,746

The accompanying notes are an integral part of these financial statements.

AmericasBank Corp. and Subsidiary

Consolidated Statements of Cash Flows
(Continued)

Years Ended December 31,	**2004**	2003
Reconciliation of net loss to net cash provided by operating activities		
Net loss	**$(1,294,978)**	$(1,118,761)
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation and amortization	**146,987**	114,709
Loss on disposal of premises and equipment	**-**	18,356
Provision for loan and lease losses	**20,000**	75,000
Amortization of security premiums	**140**	2,027
Gain on sale of foreclosed real estate	**(4,004)**	-
Amortization of loan premium and other intangible assets	**3,499**	3,334
Increase (decrease) in		
Deferred loan fees and costs, net	**123,423**	(6,314)
Accrued interest payable	**11,528**	3,422
Other liabilities	**30,922**	53,695
Decrease (increase) in		
Loans held for sale	**(388,007)**	2,525,946
Accrued interest receivable	**(70,153)**	(572)
Other assets	**6,271**	(55,677)
	$(1,414,372)	$ 1,615,165
Noncash investing activity		
Transfer of loans to foreclosed real estate	**$ -**	$ 42,166

The accompanying notes are an integral part of these financial statements.

AmericasBank Corp. and Subsidiary

Notes to Consolidated Financial Statements

1. Summary of Significant Accounting Policies

The accounting and reporting policies reflected in the financial statements conform to generally accepted accounting principles and to general practices within the banking industry. Management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of commitments and contingent liabilities at the date of the financial statements and revenues and expenses during the year. Actual results could differ from those estimates.

Principles of consolidation

The consolidated financial statements include the accounts of AmericasBank Corp. (the Company) and its subsidiary AmericasBank (the Bank). Intercompany balances and transactions have been eliminated.

Business

The Bank provides credit and deposit services to individuals and businesses located in Baltimore County, Baltimore City and surrounding areas of central Maryland.

Reclassifications

Certain reclassifications have been made to the 2003 financial statements to conform with the current year presentation.

Cash and cash equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash on hand, amounts due from banks, and federal funds sold. Generally, federal funds are purchased and sold for one-day periods.

Investment securities

As securities are purchased, management determines if the securities should be classified as held to maturity or available for sale. Securities which management has the intent and ability to hold to maturity are recorded at amortized cost which is cost adjusted for amortization of premiums and accretion of discounts to maturity. Securities held to meet liquidity needs or which may be sold before maturity are classified as available for sale and carried at fair value with unrealized gains and losses included in stockholders' equity on an after-tax basis. Premiums are amortized and discounts are accreted using the interest method.

Gains and losses on disposal are determined using the specific-identification method.

Federal Reserve Bank and Federal Home Loan Bank Stock

Federal Reserve Bank and Federal Home Loan Bank stock are carried at cost, which approximates fair value.

Loans held for sale

Loans held for sale are carried at the lower of aggregate cost or market value. Market value is determined based on outstanding investor commitments or, in the absence of such commitments, based on current investor yield requirements. Gains and losses on loan sales are determined using the specific-identification method.

1. **Summary of Significant Accounting Policies** (Continued)

Loans and leases

Loans and leases are stated at face value, plus deferred origination costs, less deferred origination fees and the allowance for loan and lease losses.

Interest on loans is accrued based on the principal amounts outstanding. Origination fees and costs are amortized to income over the terms of the loans using an approximate interest method. The accrual of interest is discontinued when any portion of the principal or interest is ninety days past due and collateral is insufficient to discharge the debt in full.

Loans are considered impaired when, based on current information, management considers it unlikely that the collection of principal and interest payments will be made according to contractual terms. Generally, loans are not reviewed for impairment until the accrual of interest has been discontinued. If collection of principal is evaluated as doubtful, all payments are applied to principal.

The allowance for loan and lease losses represents an amount which, in management's judgment, will be adequate to absorb probable losses on existing loans and other extensions of credit that may become uncollectible. Management's judgment in determining the adequacy of the allowance is based on evaluations of the collectibility of loans. Management performs an ongoing review of its portfolio, maintaining a watch list of problem loans. These problem loans are graded and assigned risk-based factors for potential loan losses. The remaining loans are assigned risk-based factors, based on loan type, without a detailed review of the individual credits. Actual loan performance may differ from management's estimates.

Foreclosed real estate

Real estate acquired through foreclosure is recorded at the lower of cost or fair market value on the date acquired. In general, cost equals the Bank's investment in the property at the time of foreclosure. Losses incurred at the time of acquisition of the property are charged to the allowance for loan and lease losses. Subsequent reductions in the estimated value of the property are included in other operating expenses.

Premises and equipment

Premises and equipment are recorded at cost less accumulated depreciation. Depreciation is computed using the straight-line method.

Goodwill and Other Intangible Assets

Goodwill represents the cost in excess of the fair value of net assets acquired (including identifiable intangibles) in transactions accounted for as purchases. SFAS No. 142, *Goodwill and Other Intangible Assets,* requires that goodwill no longer be amortized over an estimated useful life, but rather be tested at least annually for impairment. Impairment is the condition that exists when the carrying amount of goodwill exceeds its implied fair value. The implied fair value of goodwill is the amount determined by deducting the estimated fair value of all tangible and identifiable intangible net assets of the reporting unit to which goodwill has been allocated from the estimated fair value of the reporting unit. If the recorded value of goodwill exceeds its implied value, an impairment charge is recorded for the excess. Intangible assets other than goodwill, which are determined to have finite lives, continue to be amortized on straight-line or accelerated bases over periods ranging from one to fifteen years.

Computer software is recorded at cost and amortized over three to five years using the straight-line method.

Loan premiums are amortized over fifteen years.

Advertising costs

The Bank expenses advertising costs as they are incurred.

Stock-based compensation

The Company uses the intrinsic value method to account for stock-based employee compensation plans in accordance with Accounting Principles Board Opinion No. 25, *Accounting for Stock Issued to Employees.* Under this method, compensation cost is recognized for awards of shares of common stock to employees only if the quoted market price of the stock at any measurement date is greater than the amount the employee must pay to acquire the stock. As permitted, the Company has elected to adopt the disclosure-only provisions of SFAS No. 123, *Accounting for Stock-Based Compensation.* The following table summarizes the pro forma effect on net loss and loss per share of common stock using an optional fair value-based method, rather than the intrinsic value-based method, to account for stock-based compensation awarded in 2004:

	2004
Net loss as reported	$(1,294,978)
Total stock-based employee compensation expense determined under fair value-based method	(238,357)
Pro forma net loss	$(1,533,335)
Net loss per share - basic and diluted	
As reported	$ (0.41)
Pro forma	$ (0.49)

The weighted average fair value of options granted in 2004 was $0.65 per share. The value was estimated using the Black-Scholes option pricing model and the following weighted average assumptions:

Expected volatility	27.44%
Risk-free interest rate	4.00%
Dividend yield	0.00%
Expected lives	10 years

Income taxes

The provision for income taxes includes taxes payable for the current year and deferred income taxes. Deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities, using enacted tax rates in effect for the year in which the differences are expected to reverse.

Comprehensive income

Comprehensive income includes net income and the unrealized gain or loss net of related income taxes on investment securities available for sale.

Loss per share

Loss per common share is determined by dividing net loss by the weighted average number of common shares outstanding during the period. There were 3,140,330 and 607,443 weighted average common shares outstanding during 2004 and 2003.

Diluted earnings per share is determined by adjusting average shares of common stock outstanding by the potentially dilutive effects of stock options and warrants outstanding. The dilutive effects of stock options are computed using the treasury stock method. In loss periods, the potentially dilutive effect of stock options and warrants are excluded since the effect would be anti-dilutive.

2. Acquisition

On October 5, 2004, AmericasBank completed the acquisition of certain assets and assumed certain liabilities of uvm Mortgage Marketing, Inc. of Towson, Maryland. The principal and sole shareholder of uvm Mortgage Marketing Inc. agreed to a five-year employment agreement and became the manager of the Towson mortgage production office.

The purchase price of $274,500 consisted of cash and 100,000 restricted shares of AmericasBank Corp. common stock that vest over two years. In determining the purchase price, a discount was applied to the value of the restricted shares after taking into account operating losses of the Company, the volume of stock sales in the market, the trading market of the stock, and any resale agreement provisions included in the terms of the acquisition. Furniture, equipment, trade name, and customer lists acquired as part of the purchase were recorded at fair value and are being amortized over their useful lives ranging from three to five years. Goodwill in the amount of $266,985 was recorded and will be tested at least annually for impairment. The Goodwill will be amortized over 15 years for income tax purposes.

The Bank assumed the remaining term of a three year lease for 1,179 square feet of office space located in Towson, Maryland. The lease payments were determined to be at market and rent will be expensed monthly for the 34 months remaining on the lease.

The consolidated financial statements include the results of operations of uvm Mortgage Marketing, Inc. since the date of purchase.

The following schedule summarizes investing activities related to the acquisition included in the consolidated statements of cash flows for the year ended December 31, 2004:

	2004
Fair value of tangible and intangible assets acquired	$ 7,515
Goodwill acquired	266,985
Estimated fair value of restricted stock issued as part of acquisition	(129,500)
Cash paid for acquisition	$ 145,000

Operating results of uvm Mortgage Marketing, Inc., prior to the purchase date, are not readily determinable.

3. Cash and Equivalents

The Bank normally carries balances with other banks that exceed the federally insured limit. The average balances carried in excess of the limit were **$344,866** for 2004 and $718,900 for 2003. The Bank also sells federal funds on an unsecured basis to the same banks. Average balances sold were **$8,218,600** for 2004 and $6,773,988 for 2003. Banks are required to carry noninterest-bearing cash reserves at specified percentages of deposit balances. The Bank's normal amount of cash on hand and on deposit with other banks is sufficient to satisfy the reserve requirements.

4. Investment Securities

Investment securities are summarized as follows:

December 31, 2004	Amortized cost	Unrealized gains	Unrealized losses	Fair value
Available for sale				
Preferred trust	**$ 300,000**	**$ 17,760**	**$ -**	**$ 317,760**
Mortgage-backed	**422**	**-**	**-**	**422**
Equity	**30,000**	**-**	**-**	**30,000**
	$ 330,422	**$ 17,760**	**$ -**	**$ 348,182**

December 31, 2003	Amortized cost	Unrealized gains	Unrealized losses	Fair value
Available for sale				
Preferred trust	$ 300,000	$ 17,760	$ -	$ 317,760
Mortgage-backed	18,860	-	54	18,806
Equity	30,000	-	-	30,000
	$ 348,860	$ 17,760	$ 54	$ 366,566

4. Investment Securities (Continued)

Contractual maturities at December 31, 2004 and 2003 are shown below. Actual maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties. All investment securities held by the Company at December 31, 2004 and 2003 were classified as available for sale.

	Available for sale	
December 31, 2004	Amortized cost	Fair value
Maturing		
Over one to five years	**$ 300,000**	**$317,760**
Mortgage-backed, due in monthly installments	**422**	**422**
Equity security	**30,000**	**30,000**
	$ 330,422	**$348,182**
December 31, 2003		
Maturing		
Over one to five years	$ 300,000	$317,760
Mortgage-backed, due in monthly installments	18,860	18,806
Equity security	30,000	30,000
	$ 348,860	$366,566

No investment securities were sold prior to maturity in 2004 or 2003.

There were no pledged investment securities at December 31, 2004 or 2003.

AmericasBank Corp. and Subsidiary

Notes to Consolidated Financial Statements
(Continued)

5. Loans

Major classifications of loans are as follows:

	2004	2003
Residential real estate	**$ 15,743,998**	$ 3,213,352
Construction and land development	**3,975,815**	735,246
Commercial, including real estate	**5,688,317**	5,669,224
Commercial finance leases	**3,751,607**	4,893,607
Home equity	**2,171,661**	922,186
Installment	**369,151**	283,147
	31,700,549	15,716,762
Deferred loan origination fees, net of cost	**(140,260)**	(16,837)
Allowance for loan and lease losses	**(315,127)**	(275,077)
	$ 31,245,162	$ 15,424,848

The following table presents the maturities or repricing periods of our loan portfolio at December 31, 2004:

Loan Maturity Distribution at December 31, 2004

	1 year or less	1-5 years	After 5 years	Total
Residential real estate	$ 2,058,525	$ 1,729,393	$ 11,956,080	$15,743,998
Construction and land development	1,713,482	1,307,761	954,572	3,975,815
Commercial, including real estate	803,517	1,030,777	3,854,023	5,688,317
Commercial finance leases	293,054	3,458,553	-	3,751,607
Home equity	-	207,146	1,964,515	2,171,661
Installment	161,041	131,902	76,208	369,151
Total loans	$ 5,029,619	$ 7,865,532	$ 18,805,398	$31,700,549
Fixed rate	$ 3,030,620	$ 6,761,799	$ 3,103,919	$12,896,338
Variable rate	1,998,999	1,103,733	15,701,479	18,804,211
Total loans	$ 5,029,619	$ 7,865,532	$ 18,805,398	$31,700,549

5. **Loans** (Continued)

Transactions in the allowance for loan and lease losses were as follows:

	2004	2003
Balance, beginning of year	**$ 275,077**	$ 252,769
Provision charged to operations	**20,000**	75,000
Recoveries	**20,407**	1,348
	315,484	329,117
Loans charged off	**357**	54,040
Balance, end of year	**$ 315,127**	$ 275,077
Loans past due 90 days or more and still accruing interest	**$ 121,616**	$ -

Loans classified as nonaccrual and the associated unrecorded interest is as follows:

	2004	2003
Nonaccrual loans	**$ 54,126**	$ 35,000
Unrecorded interest on nonaccrual loans	**6,521**	1,925

As of December 31, 2004 and 2003, management had not classified any loans as impaired other than the nonaccrual loans.

The Bank makes loans and leases to customers located primarily in Baltimore County, Baltimore City, and surrounding areas of central Maryland. Although the loan portfolio is diversified, its performance will be influenced by the regional economy.

6. Credit Commitments

Outstanding loan commitments, unused lines of credit, and letters of credit were as follows:

	2004	2003
Unused lines of credit		
Commercial mortgage	**$ 712,145**	$ -
Residential mortgage	**144,297**	-
Commercial	**398,503**	536,407
Home-equity lines	**445,104**	253,410
	$ 1,700,049	$ 789,817
Construction and land development loan commitments	**$ 1,326,321**	$ 836,926
Letters of Credit	**$ 89,768**	$ 148,955

Loan commitments and lines of credit are agreements to lend to a customer as long as there is no violation of any condition to the contract. Loan commitments generally have variable interest rates, fixed expiration dates, and may require payment of a fee. Lines of credit generally have variable interest rates. Such lines do not represent future cash requirements because it is unlikely that all customers will draw upon their lines in full at any time. Letters of credit are commitments issued to guarantee the performance of a customer to a third party.

The Bank's maximum exposure to credit loss in the event of nonperformance by the customer is the contractual amount of the credit commitment. Loan commitments, lines of credit, and letters of credit are made on the same terms, including collateral, as outstanding loans. Management is not aware of any accounting loss to be incurred by funding these loan commitments.

7. Insider Loans and Deposits

The officers and directors of the Bank enter into loan transactions with the Bank in the ordinary course of business. These loans are made on the same terms, including interest rates and collateral, as those prevailing at the time for comparable loans with unrelated borrowers. At December 31, 2004 and 2003, the total amounts of loans outstanding to officers and directors, including loans to their related interests, were **$394,959** and $1,127,242, respectively. Activity in the loans during 2004 and 2003 was as follows:

	2004	2003
Balance, beginning of year	**$ 1,127,242**	$1,069,073
New loans	**205,000**	200,000
Payments	**(100,557)**	(141,831)
Changes in officers and directors	**(836,726)**	-
Balance, end of year	**$ 394,959**	$1,127,242

At December 31, 2004 and 2003, the total amounts of deposits outstanding from officers and directors, including their related interests, were **$1,457,511** and $988,987, respectively.

8. Premises and Equipment

A summary of premises and equipment and the related depreciation follows:

	Useful lives	**2004**	2003
Land		**$ 143,000**	$ 143,000
Building and improvements	40 years	**783,497**	625,503
Furniture and equipment	3 - 7 years	**462,712**	410,257
Leasehold improvements	10 years	**42,521**	42,521
		1,431,730	1,221,281
Accumulated depreciation		**468,170**	352,559
Net premises and equipment		**$ 963,560**	$ 868,722
Depreciation expense		**$ 115,611**	$ 97,814

Included in other assets at December 31, 2004 and 2003, is computer software carried at an amortized cost of **$82,134** and $54,555, respectively. Software amortization expense was **$31,376** and $16,895 in 2004 and 2003, respectively.

9. Deposits

Major classifications of interest-bearing deposits are as follows:

	2004	2003
NOW accounts	**$ 273,931**	$ 178,889
Advances from borrowers for insurance and taxes	**53,110**	25,675
Money market	**1,289,164**	708,438
Savings	**5,716,711**	6,011,613
Certificates of deposit, $100,000 or more	**5,017,339**	2,744,247
Other certificates of deposit	**19,993,816**	14,000,117
	$ 32,344,071	$ 23,668,979

At December 31, 2004, certificates of deposit mature as follows:

Maturing in one year or less	**$ 6,951,605**
Maturing over one through two years	**8,212,267**
Maturing over two through three years	**3,897,395**
Maturing over three through four years	**5,300,928**
Maturing over four through five years	**648,960**
	$ 25,011,155

10. Lease

The Bank occupies its Highlandtown location under the terms of a lease dated June 6, 2000. The lease commenced on December 17, 2000. The lease has an original term of five years with two options to renew for five years each.

The Bank assumed the liability for a lease in Towson, Maryland as part of the acquisition of the assets of uvm Mortgage Marketing. The lease commenced on June 16, 2001 and had a term of three years. On April 21, 2004, a supplemental lease agreement was executed extending the lease for a period of three additional years.

The leases call for the following minimum payments:

Year	Amount
2005	$37,317
2006	20,160
2007	13,600
	$71,077

Rent expense was **$40,054** and $30,570 for 2004 and 2003, respectively.

11. Other Noninterest Expenses

A summary of other noninterest expenses follows:

	2004	2003
Professional services	**$ 182,632**	$ 243,291
Data processing services	**122,290**	101,790
Advertising and promotion	**73,979**	51,789
ATM and credit card processing	**71,862**	37,098
FDIC and regulatory assessment	**65,765**	43,322
Amortization of intangible assets	**34,875**	27,847
Liability insurance	**43,208**	32,659
Telephone	**40,343**	49,717
Postage and courier	**39,924**	39,540
Stationery, printing, and supplies	**19,765**	27,273
Correspondent bank charges	**16,399**	42,898
Loan expenses	**15,603**	5,016
Other	**47,688**	46,464
	$ 774,333	$ 748,704

12. Income Taxes

The Company has not incurred any income tax liability since its inception.

The statutory federal income tax rate was 34% for 2004 and 2003. The Company's effective tax rate for 2004 and 2003, was zero due to the net operating losses. The provision (benefit) for income taxes is reconciled as follows:

	2004	2003
Loss before income taxes	**$ (1,294,978)**	$(1,118,761)
Tax provision at statutory rate	**$ (440,293)**	$ (380,379)
Increase (decrease) resulting from		
State income taxes, less federal benefit	**(59,828)**	(51,684)
Net operating loss carryover	**500,121**	432,063
Provision for income taxes	$ -	$ -

The components of the net deferred taxes at December 31, 2004 and 2003 are as follows:

Deferred tax assets		
Allowance for loan losses	**$ 84,574**	$ 76,850
Intangible assets	**27,922**	35,428
Net operating loss and charitable contribution carryforward	**2,021,726**	1,519,891
Accumulated depreciation	**16,566**	17,809
Net deferred tax before valuation allowance	**2,150,788**	1,649,978
Valuation allowance	**2,150,788**	1,649,978
Net deferred tax asset	**$ -**	$ -

A 100% valuation allowance has been recorded against the net deferred tax asset since it is more likely than not that it will not be realized.

At December 31, 2004 and 2003, the Company has net operating loss carryforwards of approximately **$5,232,241** and $3,933,331 available to offset future taxable income. The current carryforwards will expire beginning in 2017.

13. Stockholders' Equity

Stock options

In prior years, the Company granted stock options in accordance with the 1998 Stock Option Plan. When the stock options are vested, they may be exercised. The option price is equal to the estimated fair market value of the common stock at the date of grant. The options expire ten years after the date of grant if not exercised.

On March 11, 2004, the Company adopted the 2004 Stock Incentive Plan that was subsequently approved by the shareholders in June 2004. The option price is equal to the estimated fair market value of the common stock at the date of grant. The options expire ten years after the date of grant if not exercised. Vesting of certain options may be subject to achievement of specific financial and non-financial performance objectives as set forth in the grants. The variable vesting feature of the plan will require the Company to record compensation expense in periods where the fair market value of the Company's common stock exceeds the exercise price of the options. A total of 1,283,121 shares are eligible to be issued under the plan.

Information with respect to stock options is as follows for the years ended December 31:

	2004		2003	
	Shares	**Weighted average exercise price**	Shares	Weighted average exercise price
Outstanding at beginning of year	**24,180**	**$10.12**	24,180	$10.12
Exercised	-	-	-	-
Granted	**1,144,500**	**2.00**	-	-
Forfeited	-	-	-	-
Outstanding at end of year	**1,168,680**	**2.17**	**24,180**	10.12

A summary of information about stock options outstanding is as follows at December 31, 2004:

Options Outstanding			
Weighted average exercise price	Shares	Weighted average remaining life (Years)	Shares underlying options currently exercisable
$ 2.00	1,144,500	9.34	100,450
7.00	2,220	5.50	2,220
10.00	17,170	3.72	17,170
12.00	4,790	3.99	4,790
2.17	1,168,680	9.23	124,630

Stock warrants

On September 2, 1998, the Company issued to the holders of record of its common stock on September 1, 1998, a dividend of one common stock purchase warrant for each share of common stock then held by the stockholders (the A Warrants). Each A Warrant entitles the holder to purchase one share of common stock at an exercise price of $10 per share, subject to adjustment for certain events, beginning any time after April 1, 2000, until the A Warrants expire on September 1, 2008. As of December 31, 2004 there were 300,000 A Warrants outstanding.

In connection with a unit offering on October 9, 1998, the Company issued warrants (B Warrants) to purchase an aggregate of 196,000 shares of the Company's common stock. Each B Warrant entitles the holder to purchase one share of common stock at an exercise price of $13 per share, subject to adjustment for certain events, beginning any time after April 8, 2000, until the B Warrants expire on September 1, 2008. As of December 31, 2004, there were 196,000 B Warrants outstanding.

In connection with a private placement offering on May 31, 2002, the Company issued 95,000 warrants (the C Warrants) to purchase an aggregate of 475,000 shares of the Company's stock. Each C Warrant entitles the holder to purchase five shares of common stock at an exercise price of $5 per share, subject to adjustment for certain events, beginning any time after March 1, 2003, until the C Warrants expire on September 1, 2008. As of December 31, 2004, there were 475,000 C Warrants outstanding.

In connection with a private placement offering on March 28, 2003, the Company issued 200,060 shares of Series A Preferred Stock and stock warrants (the E Warrants) to purchase an aggregate of 200,060 shares of the Company's stock. Each E Warrant entitles the holder to purchase one share of common stock at an exercise price of $3.20 per share, subject to adjustment for certain events, beginning any time after March 1, 2003, until the E Warrants expire on September 1, 2008. On December 2, 2003, the Series A Preferred Stock was exchanged for 200,060 shares of the Company's common stock on a one-for-one basis. As of December 31, 2004 there were 200,060 E Warrants outstanding.

AmericasBank Corp. and Subsidiary

Notes to Consolidated Financial Statements
(Continued)

14. Parent Company Financial Information

The balance sheets as of December 31, 2004 and 2003, and statements of operations for the years then ended, for AmericasBank Corp. (Parent only) are presented below:

Balance Sheets

December 31,	**2004**	2003
Assets		
Cash	**$ 129,937**	$ 1,325
Investment in subsidiary	**5,265,867**	1,531,312
Other assets	**-**	36,264
	$ 5,395,804	$ 1,568,901
Liabilities and Stockholders' Equity		
Due to subsidiary	**$ -**	$ 36,264
Stockholders' equity		
Common stock	**37,668**	7,911
Additional paid-in capital	**11,134,030**	6,005,696
Accumulated deficit	**(5,793,654)**	(4,498,676)
Accumulated other comprehensive income	**17,760**	17,706
	5,395,804	1,532,637
	$ 5,395,804	$ 1,568,901

Statements of Operations

Years Ended December 31,	**2004**	2003
Revenue	**$ 21**	$ -
Expenses	**-**	(3,838)
Income (loss) before undistributed net loss of subsidiary	**21**	(3,838)
Equity in undistributed net loss of subsidiary	**(1,294,999)**	(1,114,923)
Net loss	**$(1,294,978)**	$(1,118,761)

15. Capital Standards

The Federal Reserve Board and The Federal Deposit Insurance Corporation have adopted risk-based capital standards for banking organizations. These standards require ratios of capital to assets for minimum capital adequacy and to be classified as well capitalized under prompt corrective action provisions. The capital ratios and minimum capital requirements for the Company and the Bank are as follows:

AmericasBank Corp. (in thousands)	Actual		Minimum capital adequacy		To be well capitalized	
December 31, 2004	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total capital (to risk-weighted assets)	$5,398	19.94%	$2,166	8.00%	$ 2,708	10.00%
Tier 1 capital (to risk-weighted assets)	5,083	18.77%	1,083	4.00%	1,625	6.00%
Tier 1 capital (to average assets)	5,083	13.19%	1,554	4.00%	1,942	5.00%
December 31, 2003						
Total capital (to risk-weighted assets)	$1,708	9.61%	$1,422	8.00%	$ 1,777	10.00%
Tier 1 capital (to risk-weighted assets)	1,485	8.36%	711	4.00%	1,066	6.00%
Tier 1 capital (to average assets)	1,485	5.40%	1,100	4.00%	1,375	5.00%
AmericasBank (in thousands)						
December 31, 2004						
Total capital (to risk-weighted assets)	$5,269	19.46%	$2,166	8.00%	$ 2,708	10.00%
Tier 1 capital (to risk-weighted assets)	4,954	18.30%	1,083	4.00%	1,625	6.00%
Tier 1 capital (to average assets)	4,954	12.85%	1,554	4.00%	1,942	5.00%
December 31, 2003						
Total capital (to risk-weighted assets)	$1,707	9.60%	$1,422	8.00%	$ 1,777	10.00%
Tier 1 capital (to risk-weighted assets)	1,484	8.35%	711	4.00%	1,066	6.00%
Tier 1 capital (to average assets)	1,484	5.40%	1,100	4.00%	1,375	5.00%

Tier 1 capital consists of common stock, surplus, and retained earnings. Total capital includes a limited amount of the allowance for loan losses. In calculating risk-weighted assets, specified risk percentages are applied to each category of asset and off-balance-sheet items.

15. Capital Standards (Continued)

Failure to meet the capital requirements could affect the Bank's ability to pay dividends and accept deposits and may significantly affect the operations of the Bank.

On August 3, 2001, the Company and Bank entered into a Written Agreement with the Federal Reserve Board and the Maryland Division of Financial Regulation. The Agreement requires improvements to the operations of the Company including, but not limited to, maintaining adequate capital, improving management oversight, monitoring loans acquired from third parties, improving internal controls, monitoring sensitivity to market risk, and improving analysis of the adequacy of the allowance for loan losses. The Company is prohibited from paying cash dividends or incurring additional debt without prior approval from the regulators. The Company is required to submit regular written reports stating the progress in complying with the Agreement. The Company is limited in the amount of brokered deposits it may accept.

As of December 31, 2004, the Company and the Bank met the regulatory requirements to be considered well capitalized.

16. Fair Value of Financial Instruments

Fair value estimates, methods, and assumptions are summarized below for the Company's financial instruments as of December 31, 2004 and 2003.

The carrying value and estimated fair value of financial instruments is summarized as follows:

	2004		2003	
	Carrying value	**Estimated fair value**	Carrying value	Estimated fair value
Assets				
Cash and cash equivalents	**$ 5,223,547**	**$ 5,223,547**	$ 8,738,746	$ 8,738,746
Investment securities	**348,182**	**348,182**	366,566	366,566
Loans held for sale	**1,617,048**	**1,617,048**	1,229,041	1,249,120
Loans	**31,245,162**	**31,192,213**	15,424,848	15,482,743
Liabilities				
Deposits	**$ 34,570,293**	**$ 34,668,816**	$ 25,408,838	$ 25,875,302

Cash and cash equivalents

The carrying amount for cash and cash equivalents approximates fair value due to the short maturity of these instruments.

Investment securities

The fair value of investment securities is based on bid prices received from an external pricing service.

Loans held for sale

The fair value of loans held for sale is based on commitments to sell loans classified as held for sale to a correspondent lender.

Loans

The fair value of loans was calculated by discounting the anticipated cash flows based on contractual maturity, weighted-average coupon, and discount rate.

Deposits

The fair value of deposits with no stated maturity, such as noninterest-bearing deposits, interest-bearing now accounts, money market, and passbook and statement savings, is deemed to be equal to the carrying amounts. The fair value of certificates of deposit is based on the discounted value on contractual cash flows. The discount rate for certificates of deposit was estimated using the rate currently offered for deposits of similar remaining maturities.

17. Selected Quarterly Financial Data

A summary of selected quarterly financial data is as follows for the years ended December 31:

	First quarter	Second quarter	Third quarter	Fourth quarter
		(Unaudited)		
2004:				
Interest revenue	**$ 329,712**	**$ 346,893**	**$ 404,109**	**$ 554,043**
Net interest income	**157,394**	**177,188**	**218,132**	**302,516**
Provision for loan and lease losses	**5,000**	**7,500**	**7,500**	**-**
Loss before income taxes	**(363,060)**	**(321,019)**	**(346,810)**	**(264,089)**
Net loss	**(363,060)**	**(321,019)**	**(346,810)**	**(264,089)**
Loss per common share:				
Basic and diluted	**$ (0.25)**	**$ (0.09)**	**$ (0.09)**	**$ (0.07)**
2003:				
Interest revenue	328,279	345,409	336,845	352,640
Net interest income	154,776	142,694	146,062	169,106
Provision for loan and lease losses	30,000	15,000	15,000	15,000
Loss before income taxes	(127,310)	(317,561)	(354,959)	(318,931)
Net loss	(127,310)	(317,561)	(354,959)	(318,931)
Loss per common share:				
Basic and diluted	$ (0.22)	$ (0.54)	$ (0.60)	$ (0.49)

Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There has been no occurrence requiring a response to this Item.

Item 8A. Controls and Procedures

As of the end of the period covered by this annual report on Form 10-KSB, AmericasBank Corp.'s Chief Executive Officer and Chief Financial Officer evaluated the effectiveness of AmericasBank Corp.'s disclosure controls and procedures. Based upon that evaluation, AmericasBank Corp.'s Chief Executive Officer and Chief Financial Officer concluded that AmericasBank Corp.'s disclosure controls and procedures are effective. Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed by AmericasBank Corp. in the reports that it files or submits under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

In addition, there were no changes in AmericasBank Corp.'s internal controls over financial reporting (as defined in Rule 13a-15 or Rule 15d-15 under the Securities Act of 1934, as amended) during the quarter ended December 31, 2004 that have materially affected, or are reasonably likely to materially affect, AmericasBank Corp.'s internal control over financial reporting.

Item 8B. Other Information

In January 2005, we learned that the Federal Reserve Bank of Richmond had terminated the Memorandum of Understanding that we entered into on October 25, 2001. The termination was deemed effective as of August 13, 2004, subsequent to a consumer affairs examination conducted by the Federal Reserve Bank of Richmond.

PART III

Item 9. Directors, Executive Officers, Promoters and Control Persons; Compliance with Section 16(a) of the Exchange Act

Directors and Executive Officers

AmericasBank Corp.'s directors and executive officers and AmericasBank's directors and executive officers are as follows:

Name	Age (1)	Position	Director Since
Lee W. Warner	50	Chairman and Director of AmericasBank and AmericasBank Corp.	1998
Mark H. Anders	50	President, Chief Executive Officer and Director of AmericasBank and AmericasBank Corp.	2003
Nicholas J. Belitsos, M.D.	54	Secretary and Director of AmericasBank and AmericasBank Corp.	1998
J. Clarence Jameson, III	73	Director of AmericasBank and AmericasBank Corp. (2)	2001
Savas J. Karas	38	Director of AmericasBank and AmericasBank Corp.	2004
John D. Muncks	56	Executive Vice President AmericasBank and Americas Bank Corp.	n/a
Mark D. Noar, M.D.	51	Vice Chairman and Director of AmericasBank and AmericasBank Corp.	1998
Kenneth D. Pezzulla	75	Director of AmericasBank and AmericasBank Corp.	1996
A. Gary Rever	52	Chief Financial Officer, Executive Vice President, Assistant Secretary, and Director of AmericasBank and AmericasBank Corp.	2003
Ramon F. Roig, Jr., M.D.	70	Director of AmericasBank and AmericasBank Corp.	1998
Graylin E. Smith	46	Director of AmericasBank and AmericasBank Corp.	2004
John C. Weiss, III	56	Director of AmericasBank and AmericasBank Corp.	2004

(1) As of December 31, 2004.

(2) Mr. Jameson also served as a director from 1996 to 1999.

Messrs. Karas, Pezzulla, Smith and Weiss' terms as directors of AmericasBank Corp. expire at the 2007 annual meeting of stockholders of AmericasBank Corp.

Messrs. Belitsos, Roig and Warner's terms as directors of AmericasBank Corp. expire at the 2006 annual meeting of stockholders of AmericasBank Corp.

Messrs. Anders, Jameson, Noar and Rever's terms as directors of AmericasBank Corp. expire at the 2005 annual meeting of stockholders of AmericasBank Corp.

LEE W. WARNER is a Chartered Financial Consultant, a Certified Financial Planner, an Accredited Estate Planner, and a Chartered Life Underwriter. He is the chairman and chief executive officer of The L. Warner Companies, Inc., an investment advisory firm that specializes in integrated financial services with specific focus on creative personal planning and executive benefit consulting. He has served in that capacity since December 1992.

MARK H. ANDERS is the president and chief executive officer of AmericasBank Corp. and AmericasBank. He has served in that capacity for AmericasBank since July 18, 2003 and for AmericasBank Corp. since November 13, 2003. From May 31, 2003 to his employment as President, Mr. Anders served as a consultant to AmericasBank. Prior to joining AmericasBank, from October 1999 to August 2002, Mr. Anders was the president and chief executive officer of BankAnnapolis, a Maryland state chartered commercial bank and president of its holding company, Annapolis Bancorp, Inc. From October 1995 until January 1999, Mr. Anders served as the president and chief executive officer of Sterling Bancorp and its subsidiary bank, Sterling Bank & Trust Co., a commercial bank located in Baltimore, Maryland. From September 1991 to September 1995, Mr. Anders was a senior executive at Towson, Maryland based Bank of Maryland.

NICHOLAS J. BELITSOS, M.D. currently practices internal medicine and gastroenterology in Baltimore, Maryland and is president of Nicholas J. Belitsos, M.D., P.A. He has served in that capacity for the past 15 years.

J. CLARENCE JAMESON, III, currently is the president and a principal of Jameson and Associates, P.A., a public accounting firm, and has served in that capacity for over 18 years. From June 1996 to January 1, 2000, Mr. Jameson was president and chairman of the Board of AmericasBank Corp., and from December 1997 to January 1, 2000, Mr. Jameson was vice president and chairman of the board of directors of AmericasBank. From February 1994 to June 1995, Mr. Jameson was chairman of the board of directors of Maryland Bank Corp., the savings and loan holding company of MarylandsBank, FSB. Mr. Jameson also was a director of MarylandsBank, FSB from February 1994 to June 1995. Mr. Jameson also was an organizer of the Bank of Maryland and its holding company, Bank Maryland Corp., and he served as chairman of the board of directors of both entities from 1985 to 1990.

SAVAS J. KARAS, is the founder and principal of Enterprise Solutions Group, Inc., a Hunt Valley, Maryland business solutions company. Mr. Karas founded the company in January 1994. Previously, he served as a manager with the firm of Booz-Allen and Hamilton from 1990 to 1993, and as a consultant with PricewaterhouseCoopers from 1989 to 1990. Mr. Karas is a Certified Public Accountant, a Certified Management Consultant, a Six Sigma blackbelt, and holds a Masters in Business Administration with a concentration in Accounting from Loyola College. Mr. Karas has also served as a member of the Board of Directors for the Weinberg YMCA of Central Maryland since 2003.

MARK D. NOAR, M.D. currently is a gastroenterologist in Baltimore, Maryland and is a principal of Endoscopic Microsurgery Associates, P.A., which is a medical practice in Baltimore, Maryland. He has served in that capacity for over 12 years. Dr. Noar also is the medical director and the chief executive officer of The Endoscopy Center, Inc., which operates an ambulatory surgery center. He has served in that capacity for over ten years.

KENNETH D. PEZZULLA became chairman of AmericasBank Corp. and AmericasBank on January 1, 2000 and served in that capacity until May 2001. From June 1996 to February 2000, Mr. Pezzulla was the secretary of AmericasBank Corp., and from December 1997 to February 2000, Mr. Pezzulla was the secretary of AmericasBank. Mr. Pezzulla currently is a member of Pezzulla and Pezzulla, LLC, a Towson law firm, and has served in that capacity since 1995. Mr. Pezzulla had a solo legal practice from 1957 to 1995. Mr. Pezzulla was a director of Rushmore Trust & Savings, FSB, from 1989 to October 1997, and was a director of its predecessor, LaCarona Building and Loan Association, from 1963 to 1989. Mr. Pezzulla was president of LaCarona Building and Loan Association from 1985 to 1988.

A. GARY REVER is an executive vice president and the chief financial officer of AmericasBank and AmericasBank Corp. and has served in that capacity for AmericasBank since August 4, 2003 and for AmericasBank Corp. since November 13, 2003. Prior to joining AmericasBank, from August 2000 to August 2003, Mr. Rever was the chief financial officer of Avatech Solutions, Inc., a public company that provides design automation and data management solutions for the manufacturing, building design, engineering and infrastructure and facilities management markets. From 1991 to May 1995, Mr. Rever was the chief financial officer of Towson, Maryland based Bank of Maryland. In that position, Mr. Rever was responsible for all staff functions including operations, human resources, facilities and branch administration. Mr. Rever retained his responsibilities at Bank of Maryland following its sale to Mason-Dixon Bancshares, Inc. in May 1995 and in 1998 consolidated the operating functions of Mason-Dixon's subsidiary banks into Mason-Dixon Business Services, LLC, a service corporation formed to eliminate redundancies and reduce costs. Mr. Rever became president of the service corporation and served in that position through Mason-Dixon's acquisition by BB&T Corporation in July 1999 and until June 2000. From July 1999 until June 2000, Mr. Rever worked to facilitate Mason-Dixon's operations into BB&T Corporation. Mr. Rever is a Certified Public Accountant

RAMON F. ROIG, JR.., M.D. currently practices internal medicine and gastroenterology in Baltimore, Maryland and is President of Ramon F. Roig, M.D., P.A. He has served in that capacity since 1974.

GRAYLIN E. SMITH, is a Certified Public Accountant and currently a partner with SB & Company, LLC. Mr. Smith is a founder of the firm and has served as a partner since February 2005. From July 2003 to January 2005, Mr. Smith was a partner with Abrams, Foster, Nole & Williams, P.A. in Baltimore, Maryland. From May 2002 to June 2003, Mr. Smith was a partner with the firm of Ernst & Young, LLP. From June 1981 to May 2002, he was with the firm of Arthur Andersen, LLP. He was appointed partner in September 1996. Mr. Smith is a past Chair of the Maryland Association of Certified Public Accountants and is the present Treasurer of the Associated Black Charities.

JOHN C. WEISS, III, currently serves as Chairman and CEO of Claragen, Inc., a development-stage biopharmaceutical company. He has served in that capacity since April, 2004. He also serves as Executive Director of the Entrepreneurship Program at the Robert G. Merrick School of Business, University of Baltimore. He has served in this capacity since 1999. He formerly served as Executive in Residence for the Office of Research and Development at the University of Maryland, Baltimore from July 2002 thru June 2004. Since 1990, Mr. Weiss has served on the board of trustees of the St. Agnes Healthcare Foundation in Baltimore, Maryland. Since 1995, he has served on the boards of visitors of Towson University and the University of Maryland, Baltimore. Mr. Weiss has formerly served in the capacity as either director or partner of several venture capital firms, namely, the Maryland Venture Capital Trust from 1990 to 2002, Anthem Capital, L.P. from 1992 to 1996, and Arete Ventures, Inc. from 1984 to 1990. From 2000 to 2002, Mr. Weiss served as interim Executive Director of the Baltimore City Parking Authority, Inc. Mr. Weiss formerly served on the board of directors of Chesapeake Biological Laboratories, Inc., Baltimore, Maryland, from 1986 to 1998 and was its president from 1996 to 1998. Mr. Weiss is also an active member of several other community and civic boards in the Baltimore area. Mr. Weiss has a Master of Business Administration degree from Loyola College, Baltimore, Maryland.

The directors of AmericasBank Corp. are divided into three classes, with each class containing one-third of the total number of directors, as near as is possible. Each director serves for a term ending on the date of the third annual meeting of shareholders following the annual meeting at which such director was elected. Pursuant to the charter of AmericasBank Corp., the term of office of one of the three classes of directors expires each year. The officers of AmericasBank Corp. are elected annually by the board of directors following the annual meeting of stockholders and serve for terms of one year or until their successors are duly elected and qualified except where a longer term is expressly provided in an employment contract duly authorized and approved by the board of directors of AmericasBank Corp.

Directors of AmericasBank are elected annually by AmericasBank Corp., its sole stockholder.

Executive Officers Who are Not Directors

JOHN D. MUNCKS, is an executive vice president and chief lending officer of AmericasBank. He has over 20 years of banking experience in the Baltimore and Washington, D.C. metropolitan areas specializing in commercial transactions. Prior to joining AmericasBank on July 28, 2003, Mr. Muncks was a principal of Sign

Effects, Inc., an electronic sign business, from November 2000 until its sale in February 2003. From 1991 until 1998, Mr. Muncks served as an Executive Vice President for Signet Bank – Maryland working in both senior lending and credit capacities. Mr. Muncks was retired from 1998 until November 2000.

Audit Committee Matters

AmericasBank Corp. has a standing Audit Committee. The Audit Committee currently has five members: Graylin E. Smith (Chairman), J. Clarence Jameson, III, Savas J. Karas, Kenneth D. Pezzulla and John C. Weiss, III. The Audit Committee's functions and responsibilities are described in a written charter that was adopted by AmericasBank Corp.'s Board of Directors.

Pursuant to Securities and Exchange Commission regulations, we are required to disclose in this annual report whether one or more members of our audit committee are "audit committee financial experts" and the names of those members. If we do not have an audit committee financial expert on the audit committee, we are required to explain why that is the case.

The Securities and Exchange Commission has defined "audit committee financial expert" as a person who has the following attributes:

- An understanding of generally accepted accounting principles and financial statements;
- The ability to assess the general application of such principles in connection with the accounting for estimates, accruals, and reserves;
- Experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by our financial statements or experience actively supervising one or more persons engaged in such activities;
- An understanding of internal controls and procedures for financial reporting.; and
- An understanding of audit committee functions.

AmericasBank Corp.'s Board of Directors determined that Graylin E. Smith meets the definition of an "audit committee financial expert." The Board of Directors has also determined that Mr. Smith is independent as that term is used in Item 7(d)(3)(iv) of Schedule 14A under the Securities Exchange Act of 1934, as amended.]

The Board of Directors believes that the audit committee, as is it presently constituted, is able to carry out its functions fully and in the best interests of stockholders.

Compliance with Section 16(a) of the Exchange Act

AmericasBank Corp. did not have a class of equity securities registered pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), at any time during AmericasBank Corp.'s fiscal year ended December 31, 2003. Accordingly, there is no requirement upon AmericasBank Corp.'s officers, directors and 10% or greater shareholders to file any reports required pursuant to Section 16(a) of the Exchange Act.

Code of Ethics

AmericasBank Corp.'s Board of Directors has adopted a code of ethics that applies to its principal executive officer, principal accounting officer or controller, or persons performing similar functions. A copy of the Code of Ethics for Senior Financial Officers is included as an exhibit to this annual report.

Item 10. Executive Compensation

Director Compensation

Currently, directors do not receive fees for their services. We may compensate our directors in the future.

Executive Compensation

The following table sets forth the compensation paid by AmericasBank to its chief executive officer during 2004, 2003 and 2002. AmericasBank had no other executive officer who received compensation in excess of $100,000 during 2004.

Summary Compensation Table

		Annual Compensation		Long-term Compensation	
Name and Principal Position	Year	Salary ($)	Bonus ($)	Securities Underlying Options (#)	All Other Compensation
Mark H. Anders, President & CEO (1)					
	2004	$ 125,000	$ -	-	$ 17,132 (5)
	2003	$ 57,291	-	-	$ 7,255 (5)
A. Gary Rever, EVP & CFO (2)					
	2004	$ 105,000	$ -	-	$ 14,522 (6)
	2003	$ 43,750	-	-	$ 5,004 (6)
John D. Muncks, EVP (3)					
	2004	$ 95,000	$ -	-	$ 14,522 (7)
	2003	$ 41,045	-	-	$ 5,630 (7)
J. Scott Sturgill, President & CEO (4)					
	2004	$ -	$ -	-	$ -
	2003	$ 49,788	-	-	$ 5,625
	2002	$ 90,000	-	-	$ -

(1) Mr. Anders has served as our president and chief executive officer since July 18, 2003. Mr. Anders also received $15,000 of consulting fees from us in 2003.
(2) Mr. Rever has served as our executive vice president and chief financial officer since August 4, 2003.
(3) Mr. Muncks has served as our executive vice president and chief lending officer since July 28, 2003.
(4) Mr. Sturgill served as our president and chief executive officer from June 5, 2001 to July 18, 2003.
(5) Other compensation for Mr. Anders included a car allowance and paid health insurance of $9,000 and $8,132, respectively for 2004, and $4,125 and $3,130, respectively, for 2003.
(6) Other compensation for Mr. Rever included a car allowance and paid health insurance of $6,000 and $8,522, respectively for 2004, and $2,500 and $2,504, respectively, for 2003.
(7) Other compensation for Mr. Muncks included a car allowance and paid health insurance of $6,000 and $8,522, respectively for 2004, and $2,500 and $3,130, respectively, for 2003.

The following table contains information concerning the grant of stock options made during the last completed fiscal year to Messrs. Anders and Rever and Muncks.

Individual Grants

Name	Number of Securities Underlying Options Granted	% of Total Options Granted to Employees in Fiscal Year	Exercise or Base Price ($/Share)(1)	Expiration Date
Mark H. Anders(2)	320,000	27.96%	$2.00	12/31/2013
A. Gary Rever(2)	267,500	23.37%	2.00	12/31/2013
John D. Muncks(2)	215,000	18.79%	2.00	12/31/2013

(1) The exercise price is equal to the fair market value on the date of grant.

(2) The options granted to Messrs. Anders, Rever and Muncks are subject to the following vesting requirements:

General Vesting Rules. Subject to the limitations described under "Vesting Adjustments" below, the stock options granted to Messrs. Anders, Rever, Muncks and other key employees will vest and become exercisable in accordance with the following provisions:

(i) 10% of the options will vest on the date of grant.

(ii) If (a) AmericasBank's return on average assets (ROAA) for each period shown in the chart below is greater than or equal to 95% of the "ROAA Hurdle" for that period, and (b) the amount of the AmericasBank's average assets for each period shown in the chart below is greater than or equal to 95% of the "Average Assets Hurdle" for that period, then the percentage of the options set forth under "Percentage of Options Vesting" for that period, plus any options that were eligible to vest in a prior period but which did not vest under the terms of paragraphs (ii) through (vi) of "General Vesting Rules" (but specifically excluding any options that failed to vest under the terms of paragraph A, paragraph B, and/or paragraph C of "Vesting Adjustments" below), will vest one year after the last day of that period:

Period	Percentage of Options Vesting	ROAA Hurdle	Average Assets Hurdle
January 1, 2004 – December 31, 2004	11.67%	-1.25%	$40,542,000
January 1, 2005 – December 31, 2005	11.67%	0.25%	$59,672,000
January 1, 2006 – December 31, 2006	11.67%	0.5%	$71,471,000
January 1, 2007 – December 31, 2007	17.50%	0.75%	$84,024,000
January 1, 2008 – December 31, 2008	17.50%	1.00%	$95,583,000
January 1, 2009 – December 31, 2009	6.67%	1.25%	$105,708,000
January 1, 2010 – December 31, 2010	6.66%	1.40%	$116,137,000
January 1, 2011 – December 31, 2011**	6.66%	1.50%	$127,814,000
January 1, 2012 – December 31, 2012**	**	1.50%	$127,814,000
January 1, 2013 – December 31, 2013**	**	1.50%	$127,814,000

**See paragraph (vi) below.

(iii) If AmericasBank's ROAA for any period is less than 95% of the ROAA Hurdle for that period, then the number of options that are eligible to vest one year after the last day of that period as shown in the chart above will be reduced (but not below zero) by the same percentage as the percentage by which the ROAA Hurdle for that period exceeds AmericasBank's ROAA for that period. The adjustments set forth in this paragraph (iii) is in addition to the adjustments set forth in paragraph (iv) below. The computations required under this paragraph (iii) will be made before giving effect to any adjustment required under paragraph (iv) below.

(iv) If AmericasBank's average assets for any period is less than 95% of the Average Assets Hurdle for that period, then the number of options that are eligible to vest one year after the last day of that period as shown in the chart above will be reduced (but not below zero) by the same percentage as the percentage by which the Average Assets Hurdle for that period exceeds AmericasBank's average assets for that period. The adjustments set forth in this paragraph (iv) are in addition to the adjustments set forth in paragraph (iii) above. The computations required under this paragraph (iv) will be made before giving effect to any adjustment required under paragraph (iii) above.

(v) Notwithstanding the provisions of paragraph (ii), paragraph (iii), and paragraph (iv) above, but subject to the provisions of paragraph A, paragraph B, and paragraph C under "Vesting Adjustments" below, if, for any period, any options fail to vest as a result of the application of paragraph (ii), paragraph (iii), and/or paragraph (iv) above, but AmericasBank's ROAA for the applicable period exceeds the ROAA Hurdle for that period <u>or</u> AmericasBank's average assets for the applicable period exceeds the Average Assets Hurdle for that period, then the number of options that are eligible to vest one year after the last day of that period as shown in the chart above will be reduced (but not below zero) in accordance with the following formula:

$$P = (B-A)$$

Where:

P = the percentage reduction in the number of options that are eligible to vest one year after the last day of that period;

A = (i) if AmericasBank's ROAA for the applicable period exceeds the ROAA Hurdle for that period, the amount of such excess (expressed as a percentage); or (ii) if AmericasBank's average assets for the applicable period exceeds the Average Assets Hurdle for that period, the amount of such excess (expressed as a percentage); and

B = (i) if the ROAA Hurdle for the applicable period exceeds AmericasBank's ROAA for that period, the amount of such excess (expressed as a percentage); or (ii) if the Average Assets Hurdle for the applicable period exceeds AmericasBank's average assets for that period, the amount of such excess (expressed as a percentage);

provided, however, that if, for any period, P is less than or equal to zero, then no reduction in the number of options that are eligible to vest one year after the end of that period shall be made under paragraph (iii) or paragraph (iv) above or this paragraph (v).

(vi) If the vesting criteria under paragraph (ii) under "General Vesting Rules" above for the period commencing on January 1, 2011 and ending on December 31, 2011 are satisfied, then no additional vesting will occur for the period commencing on January 1, 2012 and ending on December 31, 2012 or the period commencing on January 1, 2013 and ending on December 31, 2013. If the vesting criteria under paragraph (ii) under "General Vesting Rules" above for the period commencing on January 1, 2011 and ending on December 31, 2011 are not satisfied, but the vesting criteria for the period commencing on January 1, 2012 and ending on December 31, 2012 are satisfied, then no additional vesting will occur for the period commencing on January 1, 2013 and ending on December 31, 2013.

In addition, all options generally will immediately vest upon a "change of control" (as defined in the new management employee's employment agreement) or if the employee is terminated without cause or terminates his employment for good reason, as described in the employment agreement. Also, any options that remain unvested as of December 31, 2014 will terminate.

Vesting Adjustments. The vesting provisions set forth under "General Vesting Rules" above will be subject to adjustment as follows:

A. *Charge-Off Amount Adjustment.* If, for any period shown in the chart above, the Charge-Off Amount (defined below) is greater than the Charge-Off Threshold, then the number of options that are eligible to vest one year after the last day of that period under "General Vesting Rules" above will be reduced by 5% (but not below zero) for each 0.1% by which the Charge-Off Amount exceeds 0.3%.

"Charge-Off Amount" means, for any fiscal period, the aggregate amount of loan and lease charge-offs made by AmericasBank, as determined in accordance with generally accepted accounting principles and bank regulatory requirements.

"Charge-Off Threshold" means, for any fiscal period, 0.3% of AmericasBank's aggregate gross loans and leases extended during such period, as determined in accordance with generally accepted accounting principles and bank regulatory requirements.

The adjustments set forth in this paragraph A are in addition to the adjustments set forth in paragraph B and paragraph C below. The computations required under this paragraph A will be made before giving effect to any adjustment required under paragraph B and paragraph C(ii) below.

B. *Non-Performing Amount Adjustment.* If, as of the last day of any period shown in the chart above, the Non-Performing Amount (defined below) is greater than the Non-Performing Threshold (defined below), then the number of options that are eligible to vest one year after the last day of that period under "General Vesting Rules" above will be reduced by 5% (but not below zero) for each 0.1% by which the Non-Performing Amount exceeds 1.0%.

"Non-Performing Amount" means, as of any determination date, the amount of AmericasBank's total loans and leases outstanding that have been classified as "non-performing" (or similar status) by AmericasBank. "Non-Performing Threshold" means, as of any determination date, 1.0% of AmericasBank's total loans and leases outstanding, as determined in accordance with generally accepted accounting principles and bank regulatory requirements.

The adjustments set forth in this paragraph B are in addition to the adjustments set forth in paragraph A above and paragraph C below. The computations required under this paragraph B will be made before giving effect to any adjustment required under paragraph A above and paragraph C(ii) below.

C. *Regulatory Rating Adjustments.*

(i) If, as of the last day of any period as shown in the chart above commencing on or after the earlier of

(a) December 31, 2005, or

(b) the first date on which AmericasBank's overall composite rating is better than or equal to 2,

AmericasBank's overall composite rating is 3 or lower, then none of the options that are eligible to vest one year after the last day of that period under "General Vesting Rules" above will vest.

(ii) If, as of the last day of any period as shown in the chart above commencing on or after the earlier of

(a) December 31, 2005, or

(b) the first date on which AmericasBank's overall composite rating is better than or equal to 2,

the rating for AmericasBank's management and/or asset quality is 3 or lower, then the number of options that are eligible to vest one year after the last day of that period under "General Vesting Rules" above will be reduced by 50%. The adjustments set forth in this paragraph C(ii) are in addition to the adjustments set forth in paragraph A and paragraph B above. The computations required under this paragraph C(ii) will be made before giving effect to any adjustment required under paragraph A and paragraph B above.

(iii) If, as of the last day of any period as shown in the chart above commencing on or after the earlier of

(a) December 31, 2005, or

(b) the first date on which the rating for AmericasBank's overall composite rating is better than or equal to 2,

the rating for AmericasBank's management and/or asset quality has been 3 or lower for two consecutive periods, then none of the options that are eligible to vest one year after the last day of that period under "General Vesting Rules" above will vest.

In the event any of our outstanding warrants are exercised, other than in connection with a cashless exercise, we will grant Messrs. Anders, Rever and Muncks, either pursuant to a stockholder approved stock option plan or otherwise, options to purchase additional shares of common stock at an exercise price equal to, as of the date of exercise of the warrant, the lesser of the fair market value of our common stock or the warrant exercise price. The number of options we will grant in such event will equal an amount such that our management would own, assuming the exercise of all options held by management, the same percentage of us both before and after the exercise of the warrants.

The following table sets forth information on the aggregate number of shares of common stock underlying unexercised options held as of December 31, 2004 by Messrs. Anders, Rever and Muncks.

Aggregate Options Table

Name	Number of Securities Underlying Unexercised Options at December 31, 2004		Value of Unexercised in-the-Money Options at December 31, 2004	
	Exercisable	Unexercisable	Exercisable	Unexercisable
Mark H. Anders	32,000	320,000	$0	$0
A. Gary Rever	26,750	267,500	$0	$0
John D. Muncks	21,500	215,000	$0	$0

The exercise price of these options is $2.00 per share. The market value of the common stock was $1.85 per share, which is the sales price at which shares of common stock were last sold in over the counter trading on December 31, 2004.

Employment Agreements

AmericasBank has entered into employment agreements with each of Mark H. Anders, A. Gary Rever and John D. Muncks.

Mark H. Anders

Effective July 18, 2003, AmericasBank entered into an employment agreement with Mr. Anders. Pursuant to the agreement, Mr. Anders will serve as the President and Chief Executive Officer of AmericasBank. The agreement has an initial term of five years. After the first anniversary date and continuing on each anniversary date thereafter, the agreement will be extended for an additional year such that the remaining term shall be five years unless written notice of non-renewal is provided to Mr. Anders at least ten and not more than 30 days following the anniversary date.

The agreement provides for an initial salary of $125,000. The compensation committee of the board of directors, which currently is comprised of directors Mark D. Noar, (Chairman), Nicholas J. Belitsos, M.D., J. Clarence Jameson, III, Savas F. Karas, and Ramon F. Roig, M.D., will review Mr. Anders' base salary annually and Mr. Anders will be entitled to a five percent increase if he receives a satisfactory performance evaluation from the compensation committee. The agreement does not provide standards that Mr. Anders must meet to achieve a satisfactory performance evaluation; rather such standards will be determined by the compensation committee in its discretion. In addition, the base salary will be renegotiated upwards when and if AmericasBank achieves a one percent return on average assets, as defined under general accounting principles of the banking industry, for any fiscal year. Mr. Anders is also entitled to participate in the 2004 Stock Incentive Plan in addition to any other bonus, incentive or other executive compensation programs made available to senior management of AmericasBank. See "Incentive Compensation - 2004 Stock Incentive Plan."

The agreement terminates upon Mr. Anders' death, permanent disability or by mutual written agreement. In addition, Mr. Anders may terminate the agreement within six months following a "change in control," as described below, for good reason as described in the agreement or without good reason by providing sixty days prior written notice. AmericasBank may terminate the agreement for certain events constituting cause as described in the agreement, subject to a notice and cure period described in the agreement and determination of cause by two-thirds of the non-employee members of the board of directors. AmericasBank may also terminate the agreement without cause provided that it provides sixty days prior written notice to Mr. Anders.

If Mr. Anders terminates the agreement for good reason, or if AmericasBank terminates Mr. Anders' employment without cause and a change in control has not occurred within the immediately preceding six months and AmericasBank has less than a .75% return on average assets for the immediately proceeding twelve months, than Mr. Anders is entitled to severance pay and liquidated damages in amount equal to his monthly base salary, to be paid in monthly installments, for a period of one year. If AmericasBank has a return on average assets greater than .75% but less than 1%, Mr. Anders is entitled to an amount equal to his monthly base salary, to be paid in monthly installments, for a period of eighteen months. If AmericasBank has a return on average assets greater than 1%, Mr. Anders is entitled to an amount equal to his monthly base salary, to be paid in monthly installments, for a period of two years.

Pursuant to the employment agreement, a "change in control" will occur upon:

- the acquisition, by any person or persons acting in concert of the then outstanding voting securities of either AmericasBank or AmericasBank Corp., if, after the transaction, the acquiring person (or persons) owns, controls or holds with power to vote fifty percent (50%) or more of any class of voting securities of AmericasBank or AmericasBank Corp., as the case may be;

- the approval, by the stockholders of either AmericasBank or AmericasBank Corp. of a reorganization, merger or consolidation, with respect to which persons who were the stockholders of either AmericasBank or AmericasBank Corp., as the case may be, immediately prior to such reorganization, merger or consolidation do not, immediately thereafter, own more than fifty percent (50%) of the combined voting power entitled to vote in the election of directors of the reorganized, merged or consolidated company's then outstanding voting securities;

- the sale, transfer or assignment of all or substantially all of the assets of the AmericasBank or AmericasBank Corp. to any third party; or

- within any twelve-month period (beginning one year after the effective date of the employment agreement) the persons who were directors of AmericasBank immediately before the beginning of such twelve-month period (the "Incumbent Directors") cease to constitute at least a majority of such board of directors; provided that any director who was not a director as of the effective date of the employment agreement will be deemed to be an Incumbent Director if that director was elected to such board of directors by, or on the recommendation of or with the approval of, a majority of the directors who then qualified as Incumbent Directors.

In the event a change in control has occurred as described in the first three provisions above and the employment agreement is terminated, Mr. Anders is entitled to the following:

- If the price paid by the entity or entities acquiring voting securities, voting control or assets is less than the then current book value of AmericasBank or AmericasBank Corp., Mr. Anders will receive a lump sum payment equal to his current annual base salary;

- If the price paid is equal or greater than book value but less than two times book value, Mr. Anders will receive a lump sum payment using the calculations involving return on average assets as provided in the event Mr. Anders terminates the agreement for good reason as described above; and

- If the price paid is equal or greater than two times book value, Mr. Anders will receive a lump sum payment equal to 2.99 times his average annual salary over the prior five years and will be paid such lump sum within 30 days of the effective date of termination of the employment agreement.

In the event a change in control has occurred as described in the fourth provision above and the employment agreement is terminated, Mr. Anders is entitled to a lump sum payment using the calculations involving return on average assets as provided in the event Mr. Anders terminates the agreement for good reason as described above.

In the event a change in control occurred, Mr. Anders would receive:

- $125,000 if the price paid by the entity or entities acquiring voting securities, voting control or assets was less than current book value;

- if the price paid was equal or greater than book value but less than two times book value or if the change in control occurs pursuant to the fourth change in control provision described above:

  - $125,000 if the return on average assets is less than .75%;
  - $187,500 if the return on average assets if greater than .75% but less than 1%; and
  - $250,000 if the return on average assets is greater than 1%

- $373,750 if the price paid was equal to or greater than two times book value.

Mr. Anders' agreement also contains a provision whereby AmericasBank agrees to maintain in an escrow account an amount equal to Mr. Anders' annual base salary. These escrowed funds are to be used as a source or partial source of any of the termination payments described above. Currently, Mr. Anders is waiving this requirement.

A. Gary Rever and John D. Muncks

On July 28, 2003 and August 4, 2003, AmericasBank entered into employment agreements with Mr. Muncks and Mr. Rever, respectively. Mr. Rever serves as an Executive Vice President and the Chief Financial Officer while Mr. Muncks serves as an Executive Vice President and the Chief Lending Officer. Mr. Rever's agreement has an initial term of five years. After the third anniversary date and continuing on each anniversary date thereafter, the agreement will be extended for an additional year such that the remaining term shall be three years unless written notice of non-renewal is provided to Mr. Rever at least ten and not more than 30 days following the anniversary date. Mr. Muncks' agreement has an initial term of three years. After the second anniversary date and continuing on each anniversary date thereafter, the agreement will be extended for an additional year such that the remaining term shall be two years unless written notice of non-renewal is provided to Mr. Muncks at least ten and not more than 30 days following the anniversary date.

Mr. Rever's agreement provides for an initial salary of $105,000 and Mr. Muncks' agreement provides for an initial salary of $95,000. Mr. Rever and Mr. Muncks base salaries will be reviewed annually by the compensation committee of the board of directors and each will be entitled to receive a five percent increase if he receives a satisfactory performance evaluation from the compensation committee. Mr. Rever's and Mr. Muncks' agreements do not provide standards that they must meet to achieve a satisfactory performance evaluation; rather such standards will be determined by the compensation committee in its discretion. In addition, their base salaries will be renegotiated upwards when and if AmericasBank achieves a one percent return on average assets for any fiscal year. Mr. Rever and Mr. Muncks also are entitled to participate in the 2004 Stock Incentive Plan in addition to any other bonus, incentive or other executive compensation programs made available to senior management of AmericasBank. See "- Incentive Compensation - 2004 Stock Incentive Plan."

The agreements have the same termination provisions as those found in Mr. Anders' employment agreement. If Mr. Rever or Mr. Muncks terminates their agreement for good reason, or if AmericasBank terminates their employment without cause and a change in control has not occurred within the immediately preceding six months and AmericasBank has less than a .75 % return on average assets for the immediately proceeding twelve months, than Mr. Rever and Mr. Muncks are entitled to severance pay and liquidated damages in amount equal to their monthly base salary, to be paid in monthly installments, for a period of nine months. If AmericasBank has a return on average of assets greater than 1%, Mr. Rever and Mr. Muncks are entitled to an amount equal to their monthly base salary, to be paid in monthly installments, for a period of one year.

In the event a change in control has occurred as described in the first three "change in control" provisions described for Mr. Anders and the employment agreements are terminated, Mr. Rever and Mr. Muncks are entitled to the following:

- If the price paid by the entity or entities acquiring voting securities, voting control or assets is less than the then current book value of AmericasBank or AmericasBank Corp., Mr. Rever and Mr. Muncks will receive a lump sum payment equal to 75% of their current annual base salary; and

- If the price paid is equal or greater than book value but less than two times book value, Mr. Rever and Mr. Muncks will receive a lump sum payment equal to 1.00 times their average annual salary over the prior five years and will be paid such lump sum within 30 days of the effective date of termination of the employment agreement.

The fourth "change in control" provision described above in Mr. Anders' employment agreement does not constitute a change in control under Mr. Rever' s and Mr. Muncks' employment agreements.

In the event a change in control occurred as of December 31, 2004, Mr. Rever would receive $78,750 if the price paid was less than book value and $105,000 if the price paid was equal or greater than book value but less than two times book value. Mr. Muncks would receive $71,250 if the price paid was less than book value and $95,000 if the price paid was equal to or greater than book value but less than two times book value.

Mr. Rever's and Mr. Muncks' agreements also contain a provision whereby AmericasBank agrees to maintain in an escrow account an amount equal to 75% of their annual base salary. These escrowed funds are to be used as a source or partial source of any of the termination payments described above. Currently, Messer's Rever and Muncks are waiving this requirement.

All three employment agreements contain a non-competition clause. Pursuant to this clause, Mr. Anders, Mr. Rever and Mr. Muncks agree that upon termination of their employment for any reason, thereafter for a period equal to the greater of six months or the period during which they are receiving termination payments, they will not, within a 20 mile radius of AmericasBank's main office, either directly or indirectly, on their behalf or in the service or on behalf of others, work in any capacity which involves duties and responsibilities similar to those they perform for us or engage in any business which is the same or essentially the same as ours.

In addition to the non-competition clause, all three agreements contain a non-solicitation clause. Pursuant to this clause, Mr. Anders, Mr. Rever and Mr. Muncks agree that upon termination of their employment for any reason, thereafter for a period equal to the greater of 12 months or the period during which they are receiving termination payments, they will not, within a 20 mile radius of AmericasBank's main office, solicit or divert or attempt to solicit or divert our customers, including actively sought potential customers, with whom Mr. Anders, Mr. Rever or Mr. Muncks had material contact during the last two years of their respective employment, for products or services that are competitive with ours. In addition, Mr. Anders, Mr. Rever and Mr. Muncks agree not to solicit, recruit or hire away, either directly or indirectly, an employee of AmericasBank or any affiliate.

The non-competition and non-solicitation of customer clauses may be waived with our prior written consent.

Item 11. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth certain information as of December 31, 2004, with respect to compensation plans under which equity securities of AmericasBank Corp. are authorized for issuance.

Equity Compensation Plan Information

Plan category	Number of securities to be issued upon exercise of outstanding options and warrants (a)	Weighted-average exercise price of outstanding options and warrants (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
1998 equity compensation plan approved by security holders(1)	24,180	$10.12	49,820
2004 equity compensation plan approved by security holders(2)	1,144,500	$ 2.00	138,621

(1) Refers to the AmericasBank Corp. 1998 Stock Option Plan.

(2) Refers to the AmericasBank Corp. 2004 Stock Incentive Plan.

Security Ownership

The following table sets forth the beneficial ownership of AmericasBank Corp.'s capital stock as of March 11, 2005 by (i) persons believed by AmericasBank Corp. to beneficially own more than five percent (5%) of the common stock; (ii) AmericasBank Corp.'s directors and executive officers; and (iii) all directors and executive officers of AmericasBank Corp. as a group. Unless otherwise noted below, we believe that each person named in the table has or will have the sole voting and sole investment power with respect to each of the securities reported as owned by such person.

Name and Address of Beneficial Owner (1)	Shares of Common Stock	Warrants to Purchase Common Stock	Options to Purchase Common Stock	Total Number of Shares of Common Stock Beneficially Owned	Percent of Common Stock Ownership
Lee W. Warner (2)	135,000	125,000	280	260,280	6.69%
Mark H. Anders (3)	25,000	-	32,000	57,000	1.50%
Nicholas J. Belitsos, M.D (4)	106,034	96,034	1,560	203,628	5.27%
J Clarence Jameson, III (5)	190,000	295,365	-	485,365	11.95%
Savas J. Karas	250	-	-	250	0.01%
John D. Muncks (6)	25,000	-	21,500	46,500	1.23%
Mark D. Noar, M.D. (7)	52,510	92,510	860	145,880	3.78%
Kenneth D. Pezzulla (8)	6,300	13,050	11,560	30,910	0.82%
A. Gary Rever (9)	25,000	-	26,750	51,750	1.36%
Ramon F. Roig, M.D. (10)	63,100	98,100	1,720	162,920	4.21%
Graylin E. Smith	250	-	-	250	0.01%
John C. Weiss, III	250	-	-	250	0.01%
Directors and Officers as a Group, twelve (12) people	628,694	720,059	96,230	1,444,983	31.53%
John Sheldon Clark 1633 Broadway, 30th Floor New York, NY 10019 (11)	270,000	-	-	270,000	7.17%

(1) Unless otherwise indicated, the address of each person listed in the foregoing table is the address of AmericasBank Corp.

The total number of shares beneficially owned includes shares of capital stock owned by the named persons as of March 11, 2005 and shares of common stock subject warrants and/or options held by the named persons that are exercisable as of, or within 60 days of, March 11, 2005.

The shares of common stock subject to warrants or options are deemed outstanding for the purpose of computing the percentage ownership of the person holding the warrants or options, but are not deemed outstanding for the purpose of computing the percentage ownership of any other person.

(2) The shares of common stock and the warrants are held jointly with Mr. Warner's wife, as to which Mr. Warner shares voting and investment power.

(3) 25,000 of the shares of common stock are held for the benefit of Mr. Anders' IRA, as to which Mr. Anders has sole voting and investment power.
(4) 5,000 of the shares of common stock and 5,000 of the warrants are held for the benefit of the Nicholas J. Belitsos, M.D. Profit Sharing Trust, as to which Dr. Belitsos is the sole trustee; 51,000 shares of the common

stock and 1,000 of the warrants are held jointly with Dr. Belitsos' wife, as to which Dr. Belitsos shares voting and investment power; 700 shares of the common stock and 700 warrants are held by dependent children; and 1,000 of the shares of common stock and 1,000 of the warrants are held by Dr. Belitsos' wife. Dr. Belitsos disclaims beneficial ownership as to the shares of common stock and warrants held by his wife.

(5) 154,650 of the shares of common stock and 274,065 of the warrants are held jointly with Mr. Jameson's wife, as to which Mr. Jameson shares voting and investment power; 25,700 of the shares of common stock and 18,700 of the warrants are held for the benefit of Mr. Jameson's IRA, as to which Mr. Jameson has sole voting and investment power; and 9,600 of the shares of the common stock and 2,600 of the warrants are held by Mr. Jameson's wife's IRA. Mr. Jameson disclaims beneficial ownership as to the shares of common stock and warrants held by his wife's IRA.

(6) 25,000 of the shares of common stock are held for the benefit of Mr. Muncks' IRA, as to which Mr. Muncks has sole voting and investment power.

(7) 34,265 of the shares of common stock and 50,265 of the warrants are held jointly with Dr. Noar's wife, as to which Dr. Noar shares voting and investment power; 13,821 of the shares of common stock and 37,821 of the warrants are held by dependent children; 2,187 of the shares of the common stock and 2,187 of the warrants are held for the benefit of Dr. Noar's IRA, as to which Dr. Noar has sole voting and investment power; and 2,187 of the shares of the common stock and 2,187 of the warrants are held by Dr. Noar's wife's IRA.

(8) 3,000 of the shares of common stock and 3,000 of the warrants are held for the benefit of Mr. Pezzulla's IRA, as to which Mr. Pezzulla has sole voting and investment power and 3,250 shares of common stock and 10,000 warrants are held jointly with Mr. Pezzulla's wife.

(9) 25,000 of the shares of common stock are held for the benefit of Mr. Rever's IRA, as to which Mr. Rever has sole voting and investment power.

(10) 3,000 of the shares of the common stock and 3,000 of the warrants are held for the benefit of Dr. Roig's IRA, as to which Dr. Roig has sole voting and investment power; 3,000 shares are held jointly with Dr. Roig's wife; 42,100 of the shares of common stock and 42,100 of the warrants are held for the benefit of Raymond F. Roig, Jr., M.D. P.A. Profit Sharing Plan & Trust, as to which Dr. Roig is the sole trustee; and 2,000 of the shares of common stock and 2,000 of the warrants are held for the benefit of Dr. Roig's wife's IRA, as to which Mrs. Roig has sole voting and investment power. Dr Roig disclaims beneficial ownership as to the shares of common stock and warrants held for the benefit of his wife's IRA.

(11) Based on information filed with the Securities and Exchange Commission by John Sheldon Clark, Mr. Clark has indicated that he has beneficial ownership of 270,000 shares of common stock.

Item 12. Certain Relationships and Related Transactions

AmericasBank has had in the past, and expects to have in the future, banking transactions with directors and executive officers and the business and professional organizations in which they are associated in the ordinary course of business. Any loans and loan commitments are made in accordance with all applicable laws. In the opinion of management, these transactions do not and will not involve more than the normal risk of collectibility or present other unfavorable features. Directors or officers with any personal interest in any loan application are excluded from considering any such loan application. The aggregate amount of loans outstanding at December 31, 2004 and 2003 to AmericasBank's directors, officers and their affiliates was approximately $394,959 and $1,127,242.

Mr. Karas has provided and may continue to provide consulting services to AmericasBank Corp. and AmericasBank. For the years ended December 31, 2004 and 2003, we paid Mr. Karas an aggregate of $20,000 and $0, respectively, for these services.

In addition to the foregoing provisions regarding the terms of our banking transactions with our directors and executive officers, any business transactions with our or AmericasBank's directors, executive officers or holders of five percent or more of our capital stock, will be made on terms that are no less favorable to us and AmericasBank than those that could be obtained from unaffiliated third parties.

Item 13. Exhibits

The following exhibits are filed with or incorporated by reference into this report.

Exhibit No.	Description of Exhibit
*3.1	Articles of Incorporation of AmericasBank Corp.
3.2	Articles of Amendment
3.3	Articles Supplementary adding Series A Preferred Stock
3.4	Articles Supplementary removing Series A Preferred Stock
##3.5	Second Amended and Restated Bylaws of AmericasBank Corp.
*4.1	Form of Common Stock Certificate of AmericasBank Corp.
*4.2	Form of Purchase Warrant, Series A
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** 14	Code of Ethics for Senior Financial Officers
*21.	Subsidiaries of AmericasBank Corp.
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31.2	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

The exhibits which are denominated with an asterisk (*) were previously filed by AmericasBank Corp. as a part of, and are hereby incorporated by reference from, AmericasBank Corp.'s Registration Statement on Form SB-2, as amended, under the Securities Act of 1933, Registration Number 333-110947.

The exhibit which is denominated with two asterisks (**) were previously filed by AmericasBank Corp as a part of, and is hereby incorporated by reference from, AmericasBank Corp.'s Annual Report on Form 10-KSB filed on March 30, 2004.

The exhibits which are denominated with the number sign (#) were previously filed by AmericasBank Corp as a part of, and are hereby incorporated by reference from, AmericasBank Corp.'s Quarterly Report on Form 10-QSB filed on May 14, 2004.

The exhibit which is denominated with two numbers signs (##) was previously filed by AmericasBank Corp as a part of, and is hereby incorporated by reference from, AmericasBank Corp.'s Quarterly Report on Form 10-QSB filed on August 13, 2004.

The exhibits which are denominated with the at sign (@) were previously filed by AmericasBank Corp. as a part of, and are hereby incorporated by reference from, AmericasBank Corp.'s Registration Statement on Form S-8, under the Securities Act of 1933, as amended (Registration Number 333-119373).

Note: Exhibits 10.1 through 10.9, relate to management contracts or compensatory plans or arrangements.

Item 14. Principal Accountant Fees and Services.

Audit and Non-Audit Fees

The following table presents fees for professional audit services rendered by Rowles & Co, LLP for the audit of AmericasBank Corp.'s annual consolidated financial statements for the years ended December 31, 2004 and December 31, 2003 and fees billed for other services rendered by Rowles & Co., LLP during those periods.

	December 31,	
	2004	2003
Audit fees(1)	$ 30,519	$ 24,677
Audit related fee(2)	5,934	8,264
Tax fees(3)	4,576	5,118
All other fees(4)	648	7,299
Total	$ 41,677	$ 45,358

(1) Audit Fees consist of fees billed for professional services rendered for the audit of AmericasBank Corp.'s consolidated annual financial statements and review of the interim consolidated financial statements included in quarterly reports, and services that are normally provided by Rowles & Company in connection with statutory and regulatory filings or engagements.

(2) Audit-Related Fees consist of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of AmericasBank Corp's consolidated financial statements and are not reported under "Audit Fees."

(3) Tax Fees consist of fees billed for professional services rendered for federal and state tax compliance, tax advice and tax planning.

(4) All Other Fees consist of fees for services other than the services reported above. In 2003, this category included internal audits.

Policy on Audit Committee Pre-Approval of Audit and Non-Audit Services of Independent Auditor

Before the accountant is engaged by AmericasBank Corp. or AmericasBank to render any audit or non-audit services, the engagement is approved by AmericasBank Corp.'s audit committee.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AMERICASBANK CORP.

Date: March 29, 2005

By: /s/ Mark H. Anders
Mark H. Anders, President

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Name	Position	Date
/s/ Lee W. Warner Lee W. Warner	Chairman, Director	March 30, 2005
/s/ Mark H. Anders Mark H. Anders	President, CEO and Principal Executive Officer; Director	March 29, 2005
/s/ Nicholas J. Belitsos, M.D. Nicholas J. Belitsos, M.D.	Secretary, Director	March 30, 2005
/s/ J. Clarence Jameson, III J. Clarence Jameson, III	Director	March 29, 2005
/s/ Savas J. Karas Savas J. Karas	Director	March 30, 2005
/s/ Mark D. Noar, M.D Mark D. Noar, M.D.	Vice Chairman; Director	March 29, 2005
/s/ Kenneth D. Pezzulla Kenneth D. Pezzulla	Director	March 29, 2005
/s/ A. Gary Rever A. Gary Rever	Executive Vice President, Chief Financial Officer; Principal Financial Officer and Principal Accounting Officer; Director, Assistant Secretary	March 29, 2005
/s/ Ramon Roig, M.D. Ramon F. Roig, M.D.	Director	March 29, 2005
/s/ Graylin E. Smith Graylin E. Smith	Director	March 30, 2005
/s/ John C. Weiss, III John C. Weiss, III	Director	March 29, 2005

SUPPLEMENTAL INFORMATION TO BE FURNISHED WITH REPORTS FILED PURSUANT TO SECTION 15(D) OF THE EXCHANGE ACT BY NON-REPORTING ISSUERS

AmericasBank Corp. has not sent and will not send to its security holders an annual report other than this annual report on Form 10-KSB. Subsequent to the date of this filing, AmericasBank Corp. intends to provide proxy materials to its security holders in connection with its annual meeting of security holders. A copy of such proxy materials will be furnished to the Securities and Exchange Commission for its information and AmericasBank Corp. understands that such materials will not be considered to be filed or subject to the liabilities of Section 18 of the Exchange Act.

EXHIBIT INDEX

Exhibit No.	Description of Exhibit
*3.1	Articles of Incorporation of AmericasBank Corp.
3.2	Articles of Amendment
3.3	Articles Supplementary adding Series A Preferred Stock
3.4	Articles Supplementary removing Series A Preferred Stock
##3.5	Second Amended and Restated Bylaws of AmericasBank Corp.
*4.1	Form of Common Stock Certificate of AmericasBank Corp.
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The exhibits which are denominated with an asterisk (*) were previously filed by AmericasBank Corp. as a part of, and are hereby incorporated by reference from, AmericasBank Corp.'s Registration Statement on Form SB-2, as amended, under the Securities Act of 1933, Registration Number 333-110947.

The exhibit which is denominated with two asterisks (**) were previously filed by AmericasBank Corp as a part of, and is hereby incorporated by reference from, AmericasBank Corp.'s Annual Report on Form 10-KSB filed on March 30, 2004.

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The exhibits which are denominated with the at sign (@) were previously filed by AmericasBank Corp. as a part of, and are hereby incorporated by reference from, AmericasBank Corp.'s Registration Statement on Form S-8, under the Securities Act of 1933, as amended (Registration Number 333-119373).

Note: Exhibits 10.1 through 10.9, relate to management contracts or compensatory plans or arrangements.

Exhibit 3.2

ARTICLES OF AMENDMENT
OF
AMERICASBANK CORP.

AMERICASBANK CORP., a Maryland corporation (which is hereinafter called the "Corporation"), hereby certifies to the State Department of Assessments and Taxation of Maryland (which is hereinafter referred to as the "SDAT") that:

FIRST: The Charter of the Corporation is hereby amended by increasing the number of authorized shares of common stock from five million (5,000,000) to ten million (10,000,000), and from and after the acceptance of these Articles of Amendment by the SDAT, the first paragraph of Article FIFTH of the Charter is deleted in its entirety and replaced with the following:

"The total authorized capital stock of the Corporation is Fifteen Million (15,000,000) shares, consisting of Ten Million (10,000,000) shares of common stock, with a par value of $.01 per share, and Five Million (5,000,000) shares of preferred stock, with a par value of $.01 per share. The aggregate par value of all authorized shares is $150,000."

SECOND: The Board of Directors of the Corporation, pursuant to and in accordance with the Charter and Bylaws of the Corporation and the Maryland General Corporation Law (the "MGCL"), duly advised the foregoing amendments and the shareholders of the Corporation entitled to vote on the foregoing amendment, pursuant to and in accordance with the Charter and Bylaws of the Corporation and the MGCL, duly approved the foregoing amendment.

IN WITNESS WHEREOF, the Corporation has caused these Articles of Amendment to be signed in its name and on its behalf by a President and attested to by its Assistant Secretary as of this 10th day of June, 2004; and its President acknowledges that these Articles of Amendment are the act of the Corporation, and he further acknowledges that, as to all matters or facts set forth herein which are required to be verified under oath, such matters and facts are true in all material respects to the best of his knowledge, information and belief, and that this statement is made under the penalties for perjury.

ATTEST: AMERICASBANK CORP.

/s/ A. Gary Rever
A. Gary Rever, Asst. Secretary

By /s/ Mark H. Anders (SEAL)
Mark H. Anders, President

Exhibit 3.3

AMERICASBANK CORP.

ARTICLES SUPPLEMENTARY

AmericasBank Corp., a Maryland corporation (the "Corporation"), hereby certifies to the State Department of Assessments and Taxation of Maryland that:

FIRST: Pursuant to the authority expressly vested in the Board of Directors of the Corporation by Article Fifth of the Charter of the Corporation, the Board of Directors has duly divided and classified Six Hundred Twenty-Five Thousand (625,000) shares of the authorized but unissued Preferred Stock, par value \$0.01 per share, of the Corporation into a series designated as "Series A Preferred Stock" of the Corporation, and has provided for the issuance of such series.

SECOND: The reclassification increases the number of shares classified as Series A Preferred Stock from Zero (0) shares prior to the reclassification to Six Hundred Twenty-Five Thousand (625,000) shares immediately after the reclassification. The reclassification decreases the number of shares classified as Preferred Stock from Five Million (5,000,000) shares prior to the reclassification to Four Million Three Hundred Seventy-Five Thousand (4,375,000) shares immediately after the reclassification.

THIRD: The terms of the Series A Preferred Stock as set by the Board of Directors, including the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications, and the terms or conditions of redemption, are as follows:

(a) <u>Dividends</u>. When, as, and if any dividends or other distributions of cash, securities, or other property are declared by the Board of Directors of the Company in respect of any issued and outstanding shares of the Corporation's common stock, \$0.01 par value per share (the "Common Stock"), each holder of Series A Preferred Stock will be entitled to receive an amount of such cash, securities, or other property per share of Series A Preferred Stock that is equal to the per share amount of such cash, securities, or other property which is payable to the holders of the Company's Common Stock.

(b) <u>Voting Power</u>. Except as provided in Section (d) of this ARTICLE THIRD, the holders of Series A Preferred Stock shall have the right to vote together with the holders of the Corporation's Common Stock, and not as a separate class or voting group, on all matters presented to the Corporation's stockholders. Each share of Series A Preferred Stock entitles the holder of that share to one vote.

(c) <u>Voluntary or Involuntary Dissolution, Liquidation or Winding Up of the Corporation</u>.

(i) <u>Preference Right</u>. Upon the liquidation, dissolution, or winding-up of the Corporation, whether voluntary or involuntary, before any payment or distribution shall be made to any holders of Junior Stock (as defined below), the holders of Series A Preferred Stock shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders, whether from capital, surplus or earnings (the "Proceeds"), an amount per share equal to the Preference Amount (as defined below) or such lesser amount remaining after the claims of all creditors have been satisfied. If such payment shall have been made in full to all holders of shares of Series A Preferred Stock, the remaining assets of the Corporation shall be distributed among the holders of Junior Stock (as defined below), according to their respective rights and preferences and in each case according to their respective number of shares. If the Proceeds are insufficient to pay each holder of Series A Preferred Stock an amount per share equal to the Preference Amount, then each such holder shall share in the Proceeds in the same proportion that the number of shares of Series A Preferred Stock registered in the name of such holder bears to the total number of shares of Series A Preferred Stock then outstanding.

(ii) Preference Amount. The "Preference Amount" per share of Series A Preferred Stock shall be $3.20 (as equitably adjusted for stock splits, stock dividends, and other recapitalization events directly affecting the Series A Preferred Stock).

(iii) Merger, Consolidation, etc. Notwithstanding the foregoing, upon any (i) sale, lease or other disposition of all or substantially all of the assets of the Corporation, (ii) consolidation or merger of the Corporation with or into any other corporation or other entity or person, or any other corporate reorganization, in which the stockholders of the Corporation immediately prior to such consolidation, merger or reorganization, own less than 50% of the outstanding voting power of the surviving entity (or its parent) following the consolidation, merger or reorganization, or (iii) transaction (or series of related transactions involving a person or entity, or a group of affiliated persons or entities) in which in excess of 50% of the Corporation's outstanding voting power is transferred, the holders of Series A Preferred Stock shall be entitled to receive the cash, securities or other property in the amount that they would have received under paragraph (c)(ii) upon a liquidation or such amount per share offered to the holders of the Corporation's Common Stock, whichever amount is greater.

(iv) Junior Stock. As used in these Articles Supplementary, the term "Junior Stock" shall mean the Common Stock and any other class or series of shares of the Corporation hereafter authorized over which Series A Preferred Stock have preference or priority in the distribution of assets on any liquidation, dissolution or winding up of the Corporation.

(d) Restrictions on Certain Corporate Action. So long as any Series A Preferred Stock are outstanding, in addition to any other vote of shareholders required by law or by the Corporation's Charter, the affirmative vote of the holders of at least a majority of the Series A Preferred Stock, acting as a single class, given in person or by proxy, at any meeting called for the purpose, shall be necessary for effecting or validating:

(i) Any amendment, supplement or alteration to the Charter of the Corporation (of which these Articles Supplementary are a part) which affects materially or adversely the preferences, voting powers or other rights of the Series A Preferred Stock; *provided, however,* that for purposes of this subparagraph, any amendment, supplement or alteration to the Charter of the Corporation which authorizes or creates, or increases the authorized amount of, any shares of Junior Stock shall not be deemed to affect materially or adversely the preferences, voting powers or other rights of the Series A Preferred Stock; or

(ii) The creation or authorization of any shares of any class or series, or any security convertible into shares of any class or series, (1) ranking prior to or on a parity with the Series A Preferred Stock in the distribution of assets on any liquidation, dissolution, or winding up of the Corporation or (2) ranking prior to the Series A Preferred Stock in the payment of dividends.

(e) No Other Rights. Except as required by law, the Series A Shares shall not have any relative, participating, optional or other special rights and powers other than as set forth herein.

FOURTH: Except as otherwise provided by the express provisions of these Articles Supplementary, nothing herein shall limit, by inference or otherwise, the discretionary right of the Board of Directors of the Corporation to classify and reclassify and issue any unissued shares of any series or class of the Corporation's capital stock and to fix or alter all terms thereof to the full extent provided by the Charter of the Corporation.

FIFTH: The Board of Directors of the Corporation, at a meeting duly called and held, authorized and adopted resolutions designating and classifying the capital stock of the Corporation as set forth in these Articles Supplementary.

[Signatures on next page]

IN WITNESS WHEREOF, the Corporation has caused these Articles Supplementary to be signed and acknowledged in its name and on its behalf by its Chairman and President and attested to by its Secretary on this 28 day of March, 2003.

ATTEST:

AmericasBank Corp.
A Maryland Corporation

/s/ Nicholas Belitsos, M.D.
Nicholas Belitsos, M.D.
Secretary

By: /s/ Lee Warner
Lee Warner
Chairman and President

CERTIFICATE

THE UNDERSIGNED, Chairman and President of AmericasBank Corp., a Maryland corporation (the "Corporation"), who executed on behalf of the Corporation the foregoing Articles Supplementary of which this certificate is made a part, hereby acknowledges in the name and on behalf of the Corporation the foregoing Articles Supplementary to be the corporate act of the Corporation and hereby certifies that to the best of his knowledge, information and belief, the matters and facts set forth therein with respect to the authorization and approval thereof are true in all material respects, under the penalties of perjury.

/s/ Lee Warner
Lee Warner, Chairman and President

Exhibit 3.4

AMERICASBANK CORP.

ARTICLES SUPPLEMENTARY

AmericasBank Corp., a Maryland corporation (the "Corporation"), hereby certifies to the State Department of Assessments and Taxation of Maryland that:

FIRST: Pursuant to the authority expressly vested in the Board of Directors of the Corporation by Article Fifth of the Charter of the Corporation, the Board of Directors has duly classified the Six Hundred Twenty-Five Thousand (625,000) shares of the authorized but unissued Series A Preferred Stock, par value $0.01 per share, of the Corporation, into undesignated and unclassified shares of the preferred stock of the Corporation.

SECOND: The reclassification increases the number of undesignated shares of preferred stock from Four Million Three Hundred Seventy-Five Thousand (4,375,000) shares immediately before the reclassification to Five Million (5,000,000) shares immediately after the reclassification. The reclassification decreases the number of shares classified as Series A Preferred Stock from Four Million Three Hundred Seventy-Five Thousand (4,375,000) shares immediately prior to the reclassification to zero (0) shares immediately after the reclassification.

THIRD: Except as otherwise provided by the express provisions of these Articles Supplementary, nothing herein shall limit, by inference or otherwise, the discretionary right of the Board of Directors of the Corporation to classify and reclassify and issue any unissued shares of any series or class of the Corporation's capital stock and to fix or alter all terms thereof to the full extent provided by the Charter of the Corporation.

FIFTH: The Board of Directors of the Corporation, at a meeting duly called and held, authorized and adopted resolutions reclassifying the capital stock of the Corporation as set forth in these Articles Supplementary.

[Signatures on next page]

IN WITNESS WHEREOF, AmericasBank Corp. has caused these Articles Supplementary to be signed and acknowledged in its name and on its behalf by its Vice President and attested to by its Assistant Secretary on this 29th day of September, 2004; and its Vice President acknowledges that these Articles Supplementary are the act of AmericasBank Corp., and he further acknowledges that, as to all matters or facts set forth herein which are required to be verified under oath, such matters and facts are true in all material respects to the best of his knowledge, information and belief, and that this statement is made under the penalties for perjury.

ATTEST:

AmericasBank Corp.
A Maryland Corporation

/s/ A. Gary Rever
A. Gary Rever
Asst. Secretary

By: /s/ John D. Muncks
John D. Muncks
Executive Vice President

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
AmericasBank Corp.
Towson, Maryland

As independent registered public accounting firm, we hereby consent to the incorporation of our report dated February 9, 2005, on the consolidated financial statements of AmericasBank Corp. and Subsidiary (the Company) included in this Form 10-KSB into the Company's previously filed registration statement on Form S-8, File No. 333-119373.

/s/ Rowles & Company, LLP

Baltimore, Maryland
February 9, 2005

Exhibit 31.1

I, Mark H. Anders, certify that:

1. I have reviewed this annual report on Form 10-KSB of AmericasBank Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;

4. The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in the Exchange Act Rules 13A-15(e) and 15(d)-15(e) for the small business issuer and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) [Paragraph omitted pursuant to SEC Release No. 33-8238 and 34-47986]

   c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the small business issuer's internal controls over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal controls over financial reporting; and

5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of small business issuer's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: March 29, 2005 By: /s/ Mark H. Anders
Name: Mark H. Anders
Title: Chairman, President and Chief Executive Officer

Exhibit 31.2

I, A. Gary Rever, certify that:

1. I have reviewed this annual report on Form 10-KSB of AmericasBank Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;

4. The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in the Exchange Act Rules 13A-15(e) and 15(d)-15(e) for the small business issuer and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) [Paragraph omitted pursuant to SEC Release No. 33-8238 and 34-47986]

   c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the small business issuer's internal controls over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal controls over financial reporting; and

5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of small business issuer's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: March 29, 2005

By: /s/ A. Gary Rever
Name: A. Gary Rever
Title: Executive Vice President and Chief Financial Officer

Exhibit 32

CERTIFICATIONS PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officers of AmericasBank Corp. (the "Company") each certifies that the Annual Report on Form 10-KSB for the year ended December 31, 2004 fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and information contained in that Form 10-KSB fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/Mark H. Anders

Mark H. Anders
Chairman, President and Chief Executive Officer
March 29, 2005

/s/ A. Gary Rever

A. Gary Rever
Executive Vice President and Chief Financial Officer
March 29, 2005

This certification is made solely for the purpose of 18 U.S.C. Section 1350, subject to the knowledge standard contained therein, and not for any other purpose.