

BUCKHEAD COMMUNITY BANCORP INC
Form S-4
June 28, 2007
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As filed with the Securities and Exchange Commission on June 28, 2007

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

BUCKHEAD COMMUNITY BANCORP, INC.

(Exact name of registrant as specified in its charter)

Georgia (State or other jurisdiction of incorporation or organization)	6022 (Primary Standard Industrial Classification Code Number) 415 East Paces Ferry Road Atlanta, Georgia 30305 (404) 504-2548	58-2265980 (I.R.S. Employer Identification No.)
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(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Marvin Cosgray

President and Chief Executive Officer

Buckhead Community Bancorp, Inc.

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415 East Paces Ferry Road

Atlanta, Georgia 30305

(404) 504-2548

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

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Treadwell Syfan, Esq.

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Atlanta, Georgia 30309

Gainesville, Georgia 30501

(404) 572-6600

(678) 207-2003

Approximate Date of Commencement of Proposed Sale of the Securities to the Public: As soon as practicable after the effective date of this Registration Statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, please check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered ⁽¹⁾	Proposed		Amount of registration fee
		maximum	offering price	
		per unit	aggregate offering price ⁽²⁾	
Common stock, \$0.01 par value	2,178,172 shares	\$25.00	\$54,454,300.00	\$1,672

⁽¹⁾ This amount is based upon the maximum number of shares of the registrant's common stock anticipated to be issued upon the consummation of the merger described in this Registration Statement.

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- ⁽²⁾ This amount is estimated solely for purposes of calculating the registration fee. It is calculated pursuant to paragraphs (f)(2) and (f)(3) of Rule 457 under the Securities Act of 1933, as amended, and is equal to the product of (a) \$25.00, the per share value of Buckhead Community common stock assigned in the Agreement and Plan of Reorganization, and (b) the maximum 2,149,371 shares of Buckhead Community common stock to be issued under the terms of the Agreement and Plan of Reorganization.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment that specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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Preliminary Subject to Completion Dated June 28, 2007

The information in this proxy statement-prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This proxy statement-prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

PROXY STATEMENT	PROSPECTUS
OF	OF
ALLIED BANCSHARES, INC.	BUCKHEAD COMMUNITY BANCORP, INC.
PROPOSED MERGER	YOUR VOTE IS VERY IMPORTANT

The boards of directors of Allied Bancshares, Inc. and Buckhead Community Bancorp, Inc. have each approved a transaction that will result in the merger of Allied with and into Buckhead Community. Buckhead Community will be the surviving bank holding company in the merger. Shareholders of Allied are being asked to approve the merger at a special meeting of shareholders to be held on _____, 2007. Buckhead Community shareholders are not required to approve the merger.

If the merger is completed, Allied shareholders will receive for each of their shares 1.20 shares of Buckhead Community common stock, \$30.00 in cash, or a combination of both. Each Allied shareholder may choose the form of consideration received, subject to allocation procedures such that no more than 25% of the aggregate merger consideration will be in the form of cash. Depending on the elections of other Allied shareholders, you may be permitted to receive a different allocation of stock and cash than other Allied shareholders, all of which is described in this document.

It is possible, however, that you may not receive the type(s) of consideration that you elect because your election is subject to adjustment to the extent necessary to ensure that the merger consideration paid to all Allied shareholders consists of at least 1,633,629 shares of Buckhead Community common stock. While Buckhead Community currently has no plans to list its stock on an exchange and there is no guarantee that a liquid market for Buckhead Community common stock will develop, Buckhead Community common stock issued pursuant to the merger will be registered under the Securities Act of 1933, as amended.

A special meeting of Allied's shareholders will be held at _____, on _____, 2007 at _____ .m. local time. At the special meeting, you will be asked to approve the Agreement and Plan of Reorganization by and among Buckhead Community, The Buckhead Community Bank, Allied and First National Bank of Forsyth County, which we also refer to in this proxy statement-prospectus as the merger agreement. Allied's board of directors recommends that you vote **FOR** approval of the merger agreement and urges you to sign and date the enclosed proxy card and return it promptly in the enclosed envelope to make sure that your vote is counted. Of course, if you attend the meeting, you may vote in person, even if you have returned your proxy card.

You should read this entire proxy statement-prospectus carefully because it contains important information about the merger. **In particular, you should read carefully the information under the section entitled Risk Factors, beginning on page 14.**

Neither the Securities and Exchange Commission nor any state securities regulators have approved or disapproved of the securities to be issued in the merger or determined if this document is truthful or complete. Any representation to the contrary is a criminal offense.

The shares of Buckhead Community common stock to be issued in the merger are not deposits or savings accounts or other obligations of any bank or savings association and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

This proxy statement-prospectus is dated _____, 2007 and is first being mailed to Allied's shareholders on or about _____, 2007.

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PLEASE NOTE

We have not authorized anyone to provide you with any information other than the information included in this proxy statement-prospectus and the documents to which we refer you herein. If someone provides you with other information, please do not rely on it.

This proxy statement prospectus has been prepared as of the date on the cover page. There may be changes in the affairs of Buckhead Community or Allied since that date that are not reflected in this document.

As used in this proxy statement-prospectus, the terms Buckhead Community and Allied refer to Buckhead Community Bancorp, Inc. and Allied Bancshares, Inc., respectively, and, where the context requires, Buckhead Community may refer to Buckhead Community Bancorp, Inc. and its subsidiary, The Buckhead Community Bank. Similarly, where context requires, Allied may refer to Allied Bancshares, Inc. and its subsidiary First National Bank of Forsyth County.

HOW TO OBTAIN ADDITIONAL INFORMATION

This proxy statement-prospectus incorporates important business and financial information about Allied that is not included in, or delivered with, this document. This information is available to security holders without charge upon written or verbal request. Shareholders should contact:

Allied Bancshares, Inc.

Attn: Chief Financial Officer

1700 Marketplace Blvd.

Cumming, GA 30041

Telephone: (770) 888-0063

In order to obtain timely copies of such information free of charge you must request the information no later than , 2007.

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ALLIED BANCSHARES, INC.

1700 Marketplace Blvd.

Cumming, Georgia 30041

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON _____, 2007

To the Shareholders of Allied Bancshares, Inc.:

Allied Bancshares, Inc. will hold a special meeting of shareholders at _____, on _____, 2007 at _____ .m., local time, for the following purposes:

1. *Merger.* To approve and adopt the Agreement and Plan of Reorganization, dated March 1, 2007, by and among Buckhead Community Bancorp, Inc., The Buckhead Community Bank, Allied Bancshares, Inc. and First National Bank of Forsyth County, pursuant to which Buckhead Community will acquire Allied and The Buckhead Community Bank will acquire First National Bank of Forsyth County. A copy of the merger agreement is attached to the accompanying proxy statement-prospectus as *Appendix A*.
2. *Other business.* To transact such other business as may properly come before the special meeting or any adjournments or postponements of the special meeting.

Only shareholders of record at the close of business on _____, 2007, the record date, are entitled to notice of and to vote at the special meeting or any adjournments or postponements of the special meeting. The approval of the Agreement and Plan of Reorganization requires the affirmative vote of a majority of the shares of Allied common stock outstanding on the record date.

After careful consideration, your board of directors supports the merger and recommends that you vote *FOR* approval of the Agreement and Plan of Reorganization.

YOUR VOTE IS VERY IMPORTANT. Whether or not you plan to attend the special meeting, please take the time to vote by completing, signing and mailing the enclosed proxy card in the accompanying postage-paid envelope. You may revoke your proxy at any time before it is voted by giving written notice of revocation to Allied's secretary, or by filing a properly executed proxy card of a later date with Allied's secretary, at or before the meeting. You may also revoke your proxy by attending and voting your shares in person at the meeting.

Allied's shareholders have dissenters' rights with respect to the merger under Georgia law. Shareholders who wish to assert their dissenters' rights and comply with the procedural requirements of Article 13 of the Georgia Business Corporation Code will be entitled to receive payment of the fair value of their shares in cash in accordance with Georgia law. A copy of Article 13 of the Georgia Business Corporation Code is attached as *Appendix C* to the proxy statement-prospectus.

We do not know of any other matters to be presented at the special meeting, but if other matters are properly presented, the persons named as proxies will vote on such matters at their discretion.

By Order of the Board of Directors

Cumming, Georgia

, 2007

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QUESTIONS AND ANSWERS

Q: On what am I being asked to vote?

A: You are being asked to approve the Agreement and Plan of Reorganization, which we may refer to as the merger agreement, and which provides for the acquisition of Allied by Buckhead Community.

Q: How does my board of directors recommend I vote on the merger agreement?

A: The board of directors of Allied recommends that you vote **FOR** approval of the merger agreement.

Q: Why is my board of directors recommending that I vote for approval of the merger agreement?

A: Your board of directors believes the merger is a strategic opportunity to combine with Buckhead Community, which is expected to create greater short- and long-term growth and shareholder value.

Q: What will happen to First National Bank of Forsyth County as a result of the merger?

A: If the merger occurs, the board of directors of Buckhead Community will promptly approve the merger of First National Bank of Forsyth County with and into The Buckhead Community Bank, which is a wholly owned subsidiary of Buckhead Community. We may refer to this transaction as the bank merger. The Buckhead Community Bank will be the surviving entity in the bank merger.

Q: What vote is required to approve the merger agreement?

A: Approval of the Agreement and Plan of Reorganization requires the affirmative vote of a majority of the outstanding shares of Allied common stock. The directors of Allied have agreed, subject to their fiduciary duties, to vote all of their 324,278 shares, or approximately 21.6% of the outstanding shares, in favor of the merger. See *The Merger Agreement* *Affiliate Agreements* beginning on page 45.

Q: What will I receive in the merger?

A: Allied shareholders will receive for each of their shares: 1.20 shares of Buckhead Community common stock, \$30.00 in cash, or a combination of both. Each Allied shareholder may choose the form of consideration received, subject to allocation procedures such that no more than 25% of the aggregate merger consideration will be in the form of cash. Depending on your election and the elections of other Allied shareholders, you may receive a lesser portion of your consideration in cash than you choose. See page 37 for further explanation.

Q: If I am an Allied shareholder, will I always receive the form of consideration I elect to receive?

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A: No. The total amount of cash to be paid in the merger is capped. Accordingly, there is no assurance that you will receive the form of consideration that you elect with respect to all shares of Allied common stock you hold. If the elections of all Allied shareholders result in an oversubscription of the pool of cash, the exchange agent will allocate the consideration you will receive between cash and Buckhead Community common stock in accordance with the proration procedures described beginning on page 37 of this proxy statement-prospectus.

Q: If I am an Allied shareholder, what happens if I do not make an election as to the form of consideration I will receive for my Allied common stock?

A: If you fail to make an election prior to the election deadline, other than because you are exercising your dissenters' rights, you will receive Buckhead Community common stock as consideration for your shares of Allied common stock, and will not receive any cash consideration. For more information concerning the merger consideration and election procedures, see The Merger Agreement on page 36.

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Q: What are the income tax consequences of the merger to me?

A: Powell Goldstein LLP has issued an opinion, which it will confirm as of the effective date of the merger, that the merger will qualify as a reorganization under Section 368(a) of the Internal Revenue Code. Allied shareholders who receive all stock consideration in the merger will not recognize gain for federal income tax purposes as a result of the surrender of Allied common stock for receipt of Buckhead Community common stock. However, to the extent that you may elect to receive cash consideration for your shares of Allied common stock, or receive cash as a result of the exercise of dissenters' rights or in lieu of a fractional share, you will recognize gain for federal income tax purposes. Your tax treatment will depend on your specific situation and many variables not within our control. You should consult your own tax advisor for a full understanding of the tax consequences of the merger to you.

Q: When do you expect the merger to be completed?

A: We currently expect to complete the merger in the third quarter of 2007, shortly after the special shareholders' meeting, assuming Allied shareholders and the applicable bank regulatory agencies approve the merger.

Q: Will I be able to sell the Buckhead Community common stock I receive pursuant to the merger?

A: Yes. While Buckhead Community currently has no plans to list its stock on an exchange and there is no guarantee that a liquid market for Buckhead Community common stock will develop, Buckhead Community common stock issued pursuant to the merger will be registered under the Securities Act of 1933, as amended. All shares of Buckhead Community common stock that you receive pursuant to the merger will be freely transferable unless you are deemed an affiliate of Allied at the time of the merger or become an affiliate of Buckhead Community. Affiliates of Allied may, however, be able to freely sell the shares they receive pursuant to the merger subject to applicable securities regulations. See "Resale of Buckhead Community Common Stock" on page 44.

Q: What should I do now?

A: After carefully reading and considering the information in this proxy statement-prospectus, indicate on your proxy card how you want to vote, sign the proxy card and mail it in the enclosed postage-paid envelope as soon as possible, so that your shares will be represented at the special meeting.

NOTE: If you sign and send in your proxy card and do not indicate how you want to vote, your proxy will be voted **FOR** the proposal to approve the merger agreement.

Q: What if I do not vote?

A: If you do not vote, by either signing and sending in your proxy card or attending and voting at the special meeting, it will have the same effect as voting your shares against the merger.

Q: If my shares are held in **street name by my broker, will my broker automatically vote my shares for me?**

A: No. Your broker will vote your shares of stock on the merger agreement only if you provide instructions on how to vote. You should instruct your broker on how to vote your shares, following the directions your broker provides. If you do not provide instructions to your

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broker, and your broker submits an unvoted proxy, the resulting broker nonvote will not be counted toward a quorum and your shares will not be voted at the special meeting, which will have the same effect as voting your shares against the merger.

Q: Can I change my vote after I deliver my proxy?

A: Yes. You can change your vote at any time before your proxy is voted at the special meeting. You can do this in three ways. First, you can revoke your proxy by giving written notice of revocation to Allied s

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secretary. Second, you can submit a new properly executed proxy with a later date to Allied's secretary, at or before the meeting. The latest proxy actually received before the meeting will be counted, and any earlier proxies will be revoked. Third, you can attend the special meeting and vote your shares in person. Any earlier proxy will be thereby revoked. However, simply attending the meeting without voting will not revoke your proxy.

Q: Should I send in my Allied stock certificates now?

A: No. If the merger is completed, Buckhead Community will send all Allied shareholders written instructions for exchanging Allied common stock certificates for the merger consideration.

Q: Am I entitled to dissenters' rights in connection with the merger?

A: Yes. If you wish, you may exercise dissenters' rights arising out of the transaction contemplated by the merger agreement and obtain a cash payment for the fair value of your shares under Georgia law. To exercise dissenters' rights, you must not vote in favor of the adoption and approval of the merger agreement, and you must strictly comply with all of the applicable requirements of Georgia law summarized under the heading Dissenters' Rights in this proxy statement-prospectus. The fair value of your shares may be more or less than the consideration to be paid in the merger. We have included a copy of the applicable provisions of Georgia law as *Appendix C* to this proxy statement-prospectus.

Q: Who can help answer my questions?

A: If you would like additional copies of this document, or if you would like to ask any questions about the merger and related matters, you should contact: Andrew Walker, Allied Bancshares, Inc., 1700 Marketplace Blvd., Cumming, Georgia, 30041, telephone: (678) 947-3595.

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SUMMARY

*We have prepared this summary of certain material information to assist you in your review of this proxy statement-prospectus. It is necessarily general and abbreviated, and it is not intended to be a complete explanation of all of the matters covered in this proxy statement-prospectus. To understand the merger and the issuance of cash and shares of Buckhead Community common stock in the merger, please see the more complete and detailed information in the sections that follow this summary, as well as the appendices and the documents incorporated into this proxy statement-prospectus by reference. You may obtain the information about Allied that is incorporated by reference in this document, without charge, by following the instructions in the section entitled *Where You Can Find Additional Information*. We urge you to read all of these documents in their entirety prior to returning your proxy or voting at the special meeting of Allied's shareholders.*

Each item in this summary refers to the page of this document on which that subject is discussed in more detail.

The Companies (See page 57 for Buckhead Community and page 130 for Allied)

BUCKHEAD COMMUNITY BANCORP, INC.

415 East Paces Ferry Road

Atlanta, Georgia 30305

(404) 504-2548

Buckhead Community is a Georgia corporation and a registered bank holding company headquartered in Atlanta, Georgia. Buckhead Community's banking subsidiary is The Buckhead Community Bank. The Buckhead Community Bank provides a full range of traditional banking services throughout the metropolitan Atlanta area through branch locations in the Midtown and Buckhead neighborhoods of Atlanta, in Alpharetta and in Sandy Springs, Fulton County, Georgia, as well as a loan production office in Suwanee, Forsyth County, Georgia.

As of December 31, 2006, Buckhead Community had consolidated total assets of approximately \$541.2 million, consolidated total gross loans of approximately \$378.3 million, consolidated total deposits of approximately \$472.1 million and consolidated shareholders' equity of approximately \$39.8 million, up 38.3%, 43.8%, 35.6% and 37.4%, respectively, from December 31, 2005. Buckhead Community had net income for the year ended December 31, 2006 of approximately \$5.3 million, or \$1.18 per diluted share, compared to \$0.86 per diluted share for the year ended December 31, 2005. As of March 31, 2007, Buckhead Community had consolidated total assets of \$578.2 million and total gross loans of \$403.3 million, up 6.8% and 6.6% respectively from December 31, 2006.

ALLIED BANCSHARES, INC.

1700 Marketplace Blvd.

Cumming, Georgia 30041

(678) 947-3595

Allied Bancshares, Inc. is a registered bank holding company headquartered in Cumming, Georgia. First National Bank of Forsyth County, Allied's banking subsidiary (FNB Forsyth), provides banking services through its main office in Forsyth County, Georgia and also operates a branch office in Hall County, Georgia.

At December 31, 2006, Allied had total consolidated assets of approximately \$191 million, total consolidated deposits of approximately \$168 million, total consolidated loans of approximately \$163 million, and consolidated shareholders' equity of approximately \$16 million. Allied had net income for the year ended December 31, 2006 of \$1.9 million, or \$1.13 per diluted share, compared to \$798.3 thousand or \$.51 per diluted share for the year ended December 31, 2005. As of March 31, 2007, Allied had consolidated total assets of \$203.7 million and total loans of \$172 million, up 6.6% and 5.5% respectively from December 31, 2006.

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The Merger Agreement (See page 36)

Under the terms of the merger agreement, Allied will merge with and into Buckhead Community with Buckhead Community being the surviving corporation. After the merger, First National Bank of Forsyth County will merge with and into The Buckhead Community Bank, with The Buckhead Community Bank being the surviving bank. Both Buckhead Community and The Buckhead Community Bank will continue their existence under Georgia law, while Allied and First National Bank of Forsyth County will cease to exist. The merger agreement is attached to this document as *Appendix A* and is incorporated into this proxy statement-prospectus by reference. We encourage you to read the entire merger agreement carefully, as it is the legal document that governs the merger.

What You Will Receive in the Merger (See page 36)

If the merger is completed, Allied shareholders will receive for each of their shares either: 1.20 shares of Buckhead Community common stock, \$30.00 in cash, or a combination of both. Each Allied shareholder may choose the form of consideration received, subject to allocation procedures such that no more than \$13.375 million, approximately 25% of the aggregate merger consideration, will be in the form of cash. Depending on your election and the elections of other Allied shareholders, you may receive a lesser proportion of your consideration in cash. Under the terms of the merger agreement, the exchange agent is allowed to use its discretion, within the parameters set forth in the merger agreement, in issuing cash and Buckhead Community common stock to Allied shareholders to ensure that the total cash consideration equals no greater than \$13.375 million. See Allocation and Proration Procedures, at page 37 for more information.

Because the exchange ratio is fixed, unless you receive only cash for your shares of Allied common stock, the ratio of the total per-share merger consideration to the per share price of Allied common stock will fluctuate depending on the current price of the Allied common stock. The total merger consideration will not be adjusted to compensate for any subsequent increase or decrease in the market prices of Allied or Buckhead Community stock. In addition, because neither Buckhead Community's nor Allied's shares are currently traded on a securities exchange or interdealer quotation system, and the market for sales of each company's stock is best characterized as irregular and illiquid, it may be difficult to determine the exact value of either Buckhead Community or Allied shares in the market at any given time.

No fractional shares of Buckhead Community common stock will be issued in connection with the merger. Instead, Buckhead Community will make a cash payment without interest to each shareholder of Allied who would otherwise receive a fractional share. The amount of such cash payment will be determined by multiplying the fraction of a share of Buckhead Community common stock otherwise issuable to such shareholder by \$25.00, the value attributed to each share of Buckhead Community common stock for purposes of this transaction.

Effect of the Merger on Allied Options (See page 38)

As of March 31, 2007, there were 118,500 outstanding options to purchase Allied common stock, with a weighted average exercise price of \$11.14 per share. Pursuant to the terms of the merger agreement, all of these outstanding options will be converted to options of Buckhead Community at the effective time, subject to adjustment as to the number of shares underlying such options and their respective exercise prices.

Effect of the Merger on Allied Warrants (See page 38)

Prior to the execution of the merger agreement, there were outstanding warrants for 287,142 shares of Allied common stock, with a weighted average exercise price of \$10.00 per share. Pursuant to the merger agreement, all outstanding Allied warrants will be converted into the right to receive merger consideration for shares of Allied common stock warrant holders would have been eligible to receive had they exercised their warrants immediately prior to the effective time, less the respective exercise prices for such warrants.

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Your Expected Tax Treatment as a Result of the Merger (See page 48)

We expect that Buckhead Community, Allied and Allied shareholders who receive all Buckhead Community common stock for their shares of Allied common stock will not recognize any gain or loss for United States federal income tax purposes as a result of the merger. The completion of the merger is conditioned on receipt of a tax opinion from Powell Goldstein LLP that the merger qualifies as a tax-free reorganization under Section 368(a) of the Internal Revenue Code of 1986, as amended (the Internal Revenue Code) and that Allied shareholders will not recognize gain or loss in connection with the exchange of their shares (except with respect to any cash received). The opinion will not bind the Internal Revenue Service, which could take a different view. This tax treatment will not apply to any Allied shareholder who elects to receive some proportion of cash consideration in the merger, or who receives cash pursuant to the exercise of dissenters' rights.

Any shareholder of Allied who receives cash in the merger, as a result of perfecting dissenters' rights under Georgia law, or otherwise, will recognize gain to the extent the cash received exceeds the shareholder's tax basis in his or her Allied common stock. See Material Federal Income Tax Consequences of the Merger for a more detailed discussion of the tax consequences of the merger.

Determining the actual tax consequences of the merger to you as an individual taxpayer can be complicated. The tax treatment will depend on your specific situation and many variables not within our control. For these reasons, we recommend that you consult your tax advisor concerning the federal and any applicable state, local or other tax consequences of the merger to you.

Dissenters' Rights You Will Have as a Result of the Merger (See page 38)

If the merger is completed, those shareholders of Allied who do not vote for the merger and who follow certain procedures as required by Georgia law and described in this proxy statement-prospectus will be entitled to exercise dissenters' rights and receive the fair value of their shares in cash under Georgia law. If you assert and perfect your dissenters' rights, you will not receive the merger consideration but will be entitled to receive the fair value of your shares of stock in cash as determined in accordance with Georgia law. The fair value of your shares may be more or less than the consideration to be paid in the merger. *Appendix C* includes the relevant provisions of Georgia law regarding these rights. See Dissenters' Rights beginning on page 37 of this proxy statement-prospectus.

Comparative Stock Prices (See page 62 for Buckhead Community and page 131 for Allied)

Neither shares of Buckhead Community nor shares of Allied common stock are trading on any securities exchange or interdealer quotation system. The last known sale price for a share of Buckhead Community common stock was \$30.00 on June 4, 2007. The last known sale price for a share of Allied common stock was \$30.00 on June 21, 2007. The market for sales of each company's stock is best characterized as irregular and illiquid, and it may be difficult to determine the exact value of either Buckhead Community or Allied shares in the market at any given time.

Reasons for the Merger (See page 24)

Allied's directors considered a number of factors in approving the terms of the merger, including:

the potential increase in market liquidity due to the increase in the number of shareholders and number of shares outstanding;

the ability of the combined institutions to compete in relevant banking and non-banking markets;

the probable increased efficiency and profitability of FNB Forsyth resulting from economies of scale;

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the advantage to FNB Forsyth resulting from the increase in products and services, which will be offered by the combined organizations;

the compatibility of management and business philosophy and the continued operation of FNB Forsyth as a community bank division of The Buckhead Community Bank;

the fixed nature of the exchange ratio and the possibility that if there is an increase in the market price of Buckhead Community common stock prior to completion of the merger the value to be received by Allied shareholders would be increased;

the tax-free basis of the stock consideration to be received by Allied shareholders;

the value of the shares of Buckhead Community offered to the Allied shareholders in relation to the estimated market value, book value and earnings per share of the Allied common stock;

the assessment by the board of directors of Allied of its strategic alternatives to the merger, including remaining an independent company and merging or consolidating with a company other than Buckhead;

the information regarding historical market prices and information with respect to Buckhead Community common stock, and the financial performance and condition, assets, liabilities, business operations, capital levels and prospects of each of Allied and Buckhead Community and their potential future values as separate entities and on a combined basis; and

the fairness opinion of Allied's financial advisor regarding the merger and the exchange ratio.

Opinion of Allied's Financial Advisor (See page 26)

In deciding to approve the merger, the board of directors of Allied considered the opinion of its financial advisor, Burke Capital Group, L.L.C. (Burke Capital). Burke Capital, an investment banking and financial advisory firm, has given a fairness opinion to the Allied board of directors that the terms of the merger are fair, from a financial point of view, to the shareholders of Allied. The opinion is based on and subject to the procedures, matters and limitations described in the opinion and other matters that Burke Capital considered relevant. The fairness opinion is attached to this proxy statement-prospectus as *Appendix B*. We urge all shareholders of Allied to read the entire opinion, which describes the procedures followed, matters considered and limitations on the review undertaken by Burke Capital in providing its opinion.

Your Board of Directors Recommends Shareholder Approval of the Merger Agreement (See page 22)

The board of directors of Allied has approved the merger agreement and believes that the merger is in the best interests of Allied's shareholders. The board unanimously recommends that you vote **FOR** approval of the merger agreement.

Information About the Shareholders Meeting (See page 21)

A special meeting of the shareholders of Allied will be held on _____, 2007, at _____, local time. The meeting will be held at _____. At the meeting, the shareholders of Allied will vote on the merger agreement described above and in the notice for the meeting. If you approve the merger agreement and the other conditions to completing the merger are satisfied, we expect to complete the merger during the third quarter of 2007, shortly after the special shareholders meeting.

Quorum and Vote Required at the Meeting (See page 21)

Shareholders who own Allied common stock at the close of business on _____, 2007, the record date, will be entitled to vote at the meeting. A majority of the issued and outstanding shares of Allied common stock,

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as of the record date for the meeting, must be present in person or by proxy at the meeting in order for a quorum to be present. If a quorum is not present at the meeting, the meeting will be adjourned, and no vote will be taken until and unless a quorum is present.

Approval of the merger agreement requires the affirmative vote of a majority of the shares of Allied common stock outstanding on the record date.

Share Ownership of Management (See page 42)

As of the record date for the special meeting, directors and executive officers of Allied had or shared voting or dispositive power over approximately 21.6% of the issued and outstanding Allied common stock. These individuals have agreed with Buckhead Community that they will vote the shares over which they have voting power, subject to their fiduciary duties, in favor of the merger agreement.

As of the record date for the meeting, directors and executive officers of Buckhead Community had or shared no voting or dispositive power over any of the issued and outstanding shares of Allied common stock.

Structure of the Merger (See page 23)

Allied Bancshares, Inc. and First National Bank of Forsyth County will cease to exist after the merger.

The business of First National Bank of Forsyth County will be conducted through The Buckhead Community Bank. Andrew Walker, the current President and Chief Executive Officer of Allied, will become the regional President for branches of The Buckhead Community Bank operating in Cobb, Forsyth, and Hall Counties.

Two current Allied directors, Andrew Walker and Jackson P. Turner, will be appointed to Buckhead Community's board of directors following the merger.

We Must Obtain Regulatory Approval to Complete the Merger (See page 45)

We cannot complete the merger unless we receive the approval of the Board of Governors of the Federal Reserve System (the Federal Reserve) and other applicable governmental authorities. The merger also requires approval from the Federal Deposit Insurance Corporation (FDIC) and the Georgia Department of Banking and Finance (GDBF). All regulatory applications and notices required to be filed prior to the merger have been filed, and we have received prior approval for the merger from the Federal Reserve. Although we do not know of any reason why we could not obtain the other necessary regulatory approvals in a timely manner, we cannot be certain when or if we will obtain them.

We Must Meet Several Conditions to Complete the Merger (See page 39)

In addition to the required regulatory approvals, the merger will only be completed if certain mutual conditions are met, including the following:

approval by Allied's shareholders of the merger agreement by the required vote;

receipt by Buckhead Community and Allied of an opinion from Powell Goldstein LLP that the merger qualifies as a tax-free reorganization;

receipt by Allied of an opinion from Burke Capital that the merger consideration is fair, from a financial point of view, to Allied's shareholders;

receipt by Buckhead Community of an agreement not to compete and an affiliate agreement from each Allied director;

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all representations and warranties of the parties to the merger agreement must be true and correct, except as to such inaccuracies as would not reasonably be expected to have a material adverse effect in the aggregate, and the parties must have performed in all material respects all of their obligations under the merger agreement;

delivery of certified copies of resolutions adopted by Allied's board of directors; and

additional conditions customary in transactions of this type.

If all regulatory approvals are received and the other conditions to completion are satisfied, Buckhead Community and Allied contemplate that they will complete the merger shortly after the special shareholders' meeting.

Termination and Termination Fee (See page 41)

The merger agreement may be terminated, either before or after shareholder approval, under certain circumstances described in detail later in this proxy statement-prospectus. If Buckhead Community terminates the merger agreement because Allied's board withdraws or changes its recommendation of the merger agreement, or recommends or approves an acquisition transaction other than the Buckhead Community merger, or if Allied terminates the merger agreement because it receives an acquisition offer, Allied (or its successor) must pay to Buckhead Community a termination fee of \$2.5 million.

Allied's Directors and Executive Officers Have Interests in the Merger that Differ from Your Interests (See page 42)

The executive officers and directors of Allied have interests in the merger in addition to their interests as shareholders of Allied generally. The members of the Allied board of directors knew about these additional interests and considered them when they adopted the merger agreement. Such interests include, among others:

the continuation of employee benefits;

provisions in the merger agreement relating to director and officer liability insurance and the indemnification of officers and directors of Allied for certain liabilities; and

potential change of control payments that may be owed following the merger.

These interests are more fully described in this proxy statement-prospectus under the heading "The Merger Agreement - Interests of Certain Persons in the Merger" at page 41.

Employee Benefits of Allied Employees after the Merger (See page 42)

Buckhead Community has agreed to offer to all current employees of Allied who become Buckhead Community employees as a result of the merger substantially similar employee benefits to those that Buckhead Community offers to its employees in similar positions.

Differences in Rights of Allied's Shareholders after the Merger (See page 51)

Allied shareholders who receive Buckhead Community common stock in the merger will become Buckhead Community shareholders as a result of the merger. Their rights as shareholders after the merger will be governed by Georgia law and by Buckhead Community's articles of incorporation and bylaws. The rights of Buckhead Community shareholders are different in certain respects from the rights of Allied's shareholders. The material differences are described later in this proxy statement-prospectus.

Accounting Treatment (See page 47)

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Buckhead Community is required to account for the merger as a purchase transaction for accounting and financial reporting purposes under accounting principles generally accepted in the United States of America (GAAP).

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The following table sets forth certain consolidated financial information of Buckhead Community. This information is based on, and should be read in conjunction with, the audited consolidated financial statements and related notes and the unaudited consolidated financial statements of Buckhead Community in the section of this proxy statement-prospectus titled *Audited Financial Statements for the Year Ended December 31, 2006*, at page 65, and *Unaudited Financial Statements for the Three Month Period Ended March 31, 2007*, at page 90.

	As of and for the Three Months Ended March 31,			As of and for the Years Ended December 31,			
	2007	2006	2006	2005	2004	2003	2002
(Dollar amounts in thousands, except per share amounts)							
Income Statement Data:							
Total interest and dividend income	\$ 11,243	\$ 7,675	\$ 37,888	\$ 21,984	\$ 12,454	\$ 8,999	\$ 6,842
Gross interest expense	5,959	3,371	18,346	9,012	3,659	3,022	3,180
Net interest income before provision for loan losses	5,284	4,304	19,542	12,972	8,795	5,977	3,662
Provision for loan losses	475	500	2,050	1,775	975	803	314
Net interest income after provision for loan losses	4,809	3,804	17,492	11,197	7,820	5,174	3,348
Noninterest income	490	578	1,829	1,778	581	691	545
Noninterest expense	3,251	2,495	11,239	7,953	5,480	3,943	2,878
Income (loss) before income taxes	2,048	1,887	8,082	5,022	2,921	1,922	1,015
Income tax provision (benefit)	709	664	2,820	1,744	881	603	248
Net income (loss)	1,339	1,223	5,262	3,278	2,040	1,319	767
Per Common Share:							
Net income (loss) basic	\$ 0.29	\$ 0.31	\$ 1.24	\$ 0.94	\$ 0.63	\$ 0.41	\$ 0.33
Net income (loss) diluted	0.29	0.28	1.18	0.86	0.58	0.38	0.30
Cash dividends declared	0	0	0	0	0	0	0
Book value	9.08	8.92	8.71	7.44	5.71	5.12	4.85
Period End Balances:							
Loans (net of loan loss reserve)	\$ 398,230	\$ 296,205	\$ 373,808	\$ 259,805	\$ 183,862	\$ 123,271	\$ 91,890
Earning assets ²	559,576	404,152	523,238	381,062	258,369	187,129	130,879
Total Assets	578,150	414,735	541,226	391,270	264,832	190,958	135,728
Deposit	506,719	369,804	472,089	348,259	219,847	159,328	106,412
Shareholders' equity	41,486	29,902	39,791	28,955	18,744	16,429	15,545
Average Balances:							
Loans	\$ 391,067	\$ 284,933	\$ 335,487	\$ 233,039	\$ 150,405	\$ 107,887	\$ 77,873
Earning assets ²	533,202	385,049	457,741	312,337	212,780	156,167	123,085
Total assets	558,116	400,833	470,482	320,330	221,003	160,392	114,845
Deposits	486,347	356,703	414,623	280,929	182,638	131,629	92,761
Shareholders' equity	40,543	29,632	32,444	23,806	17,587	15,867	9,580
Shares outstanding basic	4,564,344	3,919,494	4,227,932	3,491,643	3,226,648	3,208,248	2,346,615
Shares outstanding diluted	4,608,537	4,318,899	4,447,240	3,823,320	3,514,107	3,502,548	2,577,203
Performance Ratios:							
Return on average assets	0.97%	1.24%	1.12%	1.02%	0.92%	0.82%	0.67%
Return on average equity	13.39%	16.74%	16.22%	13.77%	11.60%	8.31%	8.01%
Net interest margin, taxable equivalent	4.02%	4.53%	4.27%	4.15%	4.13%	3.75%	3.12%
Efficiency ratio ³	56.33%	51.11%	52.59%	53.92%	58.45%	59.13%	68.41%
Average loans to average deposits	80.41%	79.88%	80.91%	82.95%	82.35%	81.96%	83.95%
Average equity to average assets	7.26%	7.39%	6.90%	7.43%	7.96%	9.89%	8.34%
Capital Ratios:							
Dividend payout ratio	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Tier I capital to risk adjusted assets	11.70%	10.27%	12.28%	10.97%	11.09%	11.58%	14.54%
Total capital to risk adjusted assets	12.95%	11.34%	13.63%	12.00%	12.18%	12.56%	15.44%
Tier I capital to average tangible assets	9.30%	9.06%	10.17%	9.69%	9.90%	9.01%	11.61%
Asset Quality Ratios:							
Nonperforming assets to total assets ⁴	1.23%	0.91%	1.53%	0.64%	0.01%	0.06%	0.27%
Loan loss reserve to nonperforming assets ⁴	70.33%	99.53%	54.36%	132.52%	9176.92%	1157.02%	260.99%

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Net loans charged-off to average loans	(0.01)%	0.01%	0.25%	0.37%	(0.01)%	0.32%	0.02%
Provision for loan loss to average loans ⁴	0.50%	0.70%	0.62%	0.77%	0.67%	0.74%	0.40%

-
- (1) Shares outstanding diluted are computed by taking the net income applicable to common stock divided by average number of common shares outstanding with the effect of dilutive options and warrants, etc. Basic and diluted shares outstanding have been adjusted to reflect stock splits in prior periods for purposes of calculating earnings per share.

 - (2) Earning Assets are determined by adding loans, loans held for sale, investment securities, deposits at the Federal Home Loan Bank, and federal funds sold.

 - (3) Noninterest expense divided by the sum of net interest income and noninterest income.

 - (4) Nonperforming assets include non-accrual loans and loans over 90 days past due.

Table of Contents**UNAUDITED COMPARATIVE PER SHARE DATA**

The following summary presents per share information for Buckhead Community and Allied on a historical, pro forma combined and pro forma diluted equivalent basis for the periods and as of the dates indicated below. The pro forma information gives effect to the Allied merger using the purchase method of accounting. This information should be read in conjunction with the companies' historical financial statements and related notes as well as financial data included elsewhere in this proxy statement-prospectus. The pro forma information should not be relied upon as being indicative of the historical results the companies would have had if the mergers had occurred before such periods or the future results that the companies will experience after the mergers.

Because the ratio of cash consideration to stock consideration to be issued in the merger is variable, pro forma data are provided as to two possible cash/stock consideration ratios. These ratios are not meant to illustrate a distinct, limited set of possibilities, but rather are meant to be points of reference on the continuous spectrum of possible cash/stock consideration ratios for the merger, and should be understood as such. While it is likely that the actual cash/stock consideration ratio for the merger will not be one of the exact ratios listed below, these ratios are meant to assist in illustrating the effects of changes in the ratio of cash/stock consideration on the associated financial metrics.

The pro forma combined income per diluted share has been computed based on the diluted average number of outstanding common shares of Buckhead Community adjusted for the additional shares to be issued in connection with the acquisition of Allied where each of 75% and 90% of the merger consideration will be in the form of stock. The Allied merger equivalent income per diluted share is based on the number of shares of Buckhead Community common stock into which each share of Allied common stock will be converted in the merger.

The pro forma combined book value per share is based upon the pro forma combined equity of Buckhead Community divided by the pro forma number of outstanding shares of the combined companies, where each of 75% and 90% of the merger consideration will be in the form of stock. The Allied merger equivalent book value per share is based on the number of shares of Buckhead Community common stock into which each share of Allied common stock will be converted in the merger.

The foregoing assumes that the shares of Buckhead Community common stock to be issued will have a value of \$25.00 per share, which was the value assigned to the Buckhead Community common stock in the merger agreement.

	Three Months Ended	Year Ended
	March 31, 2007	December 31, 2006
Net income per common share:		
Income (loss) per diluted share:		
Buckhead Community	\$ 0.29	\$ 1.18
Allied	0.31	1.13
Pro forma combined		
25% cash, 75% stock	0.25	1.00
10% cash, 90% stock	0.25	0.99
Allied merger equivalent ⁽¹⁾		
25% cash, 75% stock	0.30	1.22
10% cash, 90% stock	0.30	1.20
	As of	Year Ended
	March 31, 2007	December 31, 2006
Balance Sheet Data:		
Net book value per share:		
Buckhead Community	\$ 9.08	\$ 8.71
Allied	11.14	10.80
Pro forma combined		
25% cash, 75% stock	13.29	13.02
10% cash, 90% stock	13.86	13.60
Allied merger equivalent ⁽¹⁾		

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25% cash, 75% stock	16.05	15.93
10% cash, 90% stock	16.64	16.54
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⁽¹⁾ Calculated by multiplying the pro forma combined information by the exchange ratio of 1.20.

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SELECTED UNAUDITED PRO FORMA CONDENSED FINANCIAL INFORMATION

On March 1, 2007, Allied announced the signing of a definitive agreement to be acquired, along with its wholly-owned subsidiary FNB Forsyth, by Buckhead Community. The following unaudited pro forma condensed balance sheets and statements of income as of March 31, 2007 have been prepared to reflect the acquisition by Buckhead of 100% of Allied after giving effect to the adjustments described in the notes to the pro forma condensed financial statements. In the acquisition, Allied shareholders will receive total consideration of up to \$13.375 million in cash and at least 1,633,629, and up to 2,178,172 shares of Buckhead Community common stock, having an estimated aggregate value of \$54,454,300. The foregoing assumes that the shares of Buckhead Community common stock to be issued will have a value of \$25.00 per share, which is the per-share value that was assigned to Buckhead Community common stock in the merger agreement.

The acquisition will be accounted for as a purchase transaction. Under the purchase method of accounting, Buckhead Community records the assets and liabilities of the acquired entities at their fair values on the closing date of the acquisition. The pro forma condensed balance sheet has been prepared assuming the transaction was consummated on March 31, 2007. The pro forma condensed statement of income has been prepared assuming the transaction was consummated at the beginning of each period.

The selected unaudited pro forma condensed financial information is presented for illustrative purposes only and does not indicate either the operating results that would have occurred had the acquisition been consummated March 31, 2007 or at the beginning of each period, as the case may be, or future results of operations or financial condition. The selected unaudited pro forma condensed financial information is based upon assumptions and adjustments that Buckhead Community believes are reasonable. Only such adjustments as have been noted in the accompanying footnotes have been applied in order to give effect to the proposed transaction described in this proxy statement-prospectus.

These selected unaudited pro forma condensed financial statements should be read in conjunction with Allied's Annual Report on Form 10-KSB for the year ended December 31, 2006, and its 10-QSB for the three months ended March 31, 2007, which are both included with and incorporated by reference into this document and as otherwise contained herein, as well as the financial information for Buckhead Community, including the audited consolidated financial statements and related notes and the unaudited consolidated financial statements of Buckhead Community in the section of this proxy statement-prospectus titled "Audited Financial Statements for the Year Ended December 31, 2006," at page 65, and "Unaudited Financial Statements for the Three Month Period Ended March 31, 2007," at page 90.

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BUCKHEAD COMMUNITY BANCORP, INC. AND SUBSIDIARY
COMBINED WITH ALLIED BANCSHARES, INC. AND SUBSIDIARY
PRO FORMA CONDENSED BALANCE SHEET BASED ON 75% STOCK 25% CASH PURCHASE

AS OF MARCH 31, 2007

(Unaudited)

(Dollars in Thousands)

	Historical		Pro Forma Adjustments	Pro Forma
	Buckhead	Allied		Combined
Assets				
Cash and due from banks	\$ 7,242	\$ 2,899	\$	\$ 10,141
Interest bearing deposits in banks	389	3,027		3,416
Federal funds sold	50,364	9,837	(13,375) ⁽¹⁾	46,826
Investment securities	100,117	12,315		112,432
Loans, net (including loans held for sale)	402,893	169,889		572,782
Premises and equipment	6,251	3,539		9,790
Investment in Allied			54,454 ⁽¹⁾	
			(54,454) ⁽²⁾	
Intangible assets			9,359 ⁽²⁾	9,359
Goodwill			28,079 ⁽²⁾	28,079
Other assets	10,894	2,164		13,057
	\$ 578,150	\$ 203,670	\$ 24,063	\$ 805,882
Liabilities and Equity				
Deposits	\$ 506,719	\$ 180,112	\$	\$ 686,831
Federal funds purchased and securities under agreements to repurchase				
Other borrowings	10,690	5,000		15,690
Subordinated debentures	15,465			15,465
Other liabilities	3,790	1,542		5,332
Total liabilities	536,664	186,654		723,318
Equity				
Common stock	46		16 ⁽¹⁾	62
Capital surplus	27,404		41,063 ⁽¹⁾	68,467
Retained earnings	14,596			14,596
Other comprehensive loss	(522)			(523)
Unearned compensation	(38)			(38)
Treasury stock				
Equity of Allied		17,016	(17,016) ⁽²⁾	
Total equity	41,486	17,016	24,063	85,048
	\$ 578,150	\$ 203,670	\$ 24,063	\$ 805,882

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- (1) Payment of \$13,375,000 in cash (representing approximately 25% of total consideration) and issue of 1,643,172 of Buckhead common stock (with an assumed market value of \$25.00 per share) in exchange for 100% of the equity of Allied for a total consideration of \$54,454,300.
- (2) Elimination of investment in Allied and allocation of purchase price as follows: The excess of purchase price over the fair value of net assets acquired amounting to \$37,438,000 has been allocated as follows: 25% to intangible assets and 75% to goodwill. Upon consummation of this transaction, portions of the excess of the purchase price over the fair value of net assets acquired will be allocated to specific assets based on the fair value of these assets on the day of acquisition.

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BUCKHEAD COMMUNITY BANCORP, INC. AND SUBSIDIARY
COMBINED WITH ALLIED BANCSHARES, INC. AND SUBSIDIARY

PRO FORMA CONDENSED STATEMENT OF INCOME BASED ON 75% STOCK 25% CASH PURCHASE

(Unaudited)

(Dollars in Thousands, Except Per Share Data)

	Three Months Ended March 31, 2007			Pro Forma Combined
	Historical		Pro Forma Adjustments	
	Buckhead	Allied		
Interest income	\$ 11,243	\$ 3,996	\$ (175) ⁽¹⁾	\$ 15,065
Interest expense	5,959	2,033		7,992
Net interest income	5,284	1,963	(175)	7,073
Provision for loan loss	475	115		590
Net interest income after provision for loan losses	4,809	1,848	(175)	6,483
Other income	490	76		566
Other expense	3,251	1,092	234 ⁽²⁾	4,578
Income from continuing operations before income taxes	2,048	832	(409)	2,471
Income taxes	709	303	(155) ⁽³⁾	857
Income from continuing operations	\$ 1,339	\$ 529	\$ (254)	\$ 1,614
Income per share from continuing operations - basic				\$ 0.26
Income per share from continuing operations - diluted				\$ 0.25

	Year Ended December 31, 2006			Pro Forma Combined
	Historical		Pro Forma Adjustments	
	Buckhead	Allied		
Interest income	\$ 37,888	\$ 12,736	\$ (702) ⁽²⁾	\$ 49,922
Interest expense	18,346	5,634		23,980
Net interest income	19,542	7,102	(702)	25,942
Provision for loan loss	2,050	661		2,711
Net interest income after provision for loan losses	17,492	6,442	(702)	23,232
Other income	1,829	320		2,149
Other expense	11,239	3,647	936 ⁽¹⁾	15,822
Income from continuing operations before income taxes	8,082	3,115	(1,638)	9,559
Income taxes	2,820	1,204	(622) ⁽³⁾	3,401

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Income from continuing operations	\$ 5,262	\$ 1,911	\$ (1,016)	\$ 6,158
Income per share from continuing operations basic				\$ 1.05
Income per share from continuing operations diluted				\$ 1.00

-
- (1) Loss of interest on federal funds sold used to fund the acquisition using an average rate of 5.25%.
- (2) Pro forma adjustments to income resulting from the allocation of the purchase price of Allied as follows: Amortization of intangible assets using the straight-line method over an average period of 10 years. Based on the assumption that the excess purchase price over the fair value of the net assets acquired will be allocated 25% to amortizable intangible or tangible assets, the effect of these purchase adjustments will result in a decrease in net income of \$936,000 for each of the next five years.
- (3) Tax effect of pro forma adjustment for reduction in interest income and the amortization of intangible assets using a tax rate of 38%.

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BUCKHEAD COMMUNITY BANCORP, INC. AND SUBSIDIARY
COMBINED WITH ALLIED BANCSHARES, INC. AND SUBSIDIARY
PRO FORMA CONDENSED BALANCE SHEET BASED ON 90% STOCK 10% CASH PURCHASE

MARCH 31, 2007

(Unaudited)

(Dollars in Thousands)

	Historical Buckhead	Allied	Pro Forma Adjustments	Pro Forma Combined
Assets				
Cash and due from banks	\$ 7,242	\$ 2,899	\$	\$ 10,141
Interest bearing deposits in banks	389	3,027		3,416
Federal funds sold	50,364	9,837	(5,445) ⁽¹⁾	54,756
Investment securities	100,117	12,315		112,432
Loans, net (including loans held for sale)	402,893	169,889		572,782
Premises and equipment	6,251	3,539		9,790
Investment in Allied			54,454 ⁽¹⁾	
			(54,454) ⁽²⁾	
Intangible assets			9,359 ⁽²⁾	9,359
Goodwill			28,079 ⁽²⁾	28,079
Other assets	10,894	2,164		13,057
	\$ 578,150	\$ 203,670	\$ 31,993	\$ 813,812
Liabilities and Equity				
Deposits	\$ 506,719	\$ 180,112	\$	\$ 686,831
Federal funds purchased and securities under agreements to repurchase				
Other borrowings	10,690	5,000		15,690
Subordinated debentures	15,465			15,465
Other liabilities	3,790	1,542		5,332
Total liabilities	536,664	186,654		723,318
Equity				
Common stock	46		19 ⁽¹⁾	65
Capital surplus	27,404		48,990 ⁽¹⁾	76,394
Retained earnings	14,596			14,596
Other comprehensive loss	(522)			(523)
Unearned compensation	(38)			(38)
Treasury stock				
Equity of Allied		17,016	(17,016) ⁽²⁾	
Total equity	41,486	17,016	31,993	90,494
	\$ 578,150	\$ 203,670	\$ 31,993	\$ 813,812

(1)

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Payment of \$5,445,000 in cash (representing approximately 10% of total consideration) and issue of 1,960,344 of Buckhead common stock (with an assumed market value of \$25.00 per share) in exchange for 100% of the equity of Allied for a total consideration of \$54,454,300.

- (2) Elimination of investment in Allied and allocation of purchase price as follows: The excess of purchase price over the fair value of net assets acquired amounting to \$37,438,000 has been allocated as follows: 25% to intangible assets and 75% to goodwill. Upon consummation of this transaction, portions of the excess of the purchase price over the fair value of net assets acquired will be allocated to specific assets based on the fair value of these assets on the day of acquisition.

Table of Contents**BUCKHEAD COMMUNITY BANCORP, INC. AND SUBSIDIARY****COMBINED WITH ALLIED BANCSHARES, INC. AND SUBSIDIARY****PRO FORMA CONDENSED STATEMENT OF INCOME BASED ON 90% STOCK 10% CASH PURCHASE****(Unaudited)****(Dollars in Thousands, Except Per Share Data)**

	Three Months Ended March 31, 2007			Pro Forma Combined
	Historical		Pro Forma Adjustments	
	Buckhead	Allied		
Interest income	\$ 11,243	\$ 3,996	\$ (72) ⁽¹⁾	\$ 15,168
Interest expense	5,959	2,033		7,992
Net interest income	5,284	1,963	(72)	7,176
Provision for loan loss	475	115		590
Net interest income after provision for loan losses	4,809	1,848	(72)	6,586
Other income	490	76		566
Other expense	3,251	1,092	234 ⁽²⁾	4,578
Income from continuing operations before income taxes	2,048	832	(306)	2,574
Income taxes	709	303	(116) ⁽³⁾	896
Income from continuing operations	\$ 1,339	\$ 529	\$ (190)	\$ 1,678
Income per share from continuing operations basic				\$ 0.26
Income per share from continuing operations diluted				\$ 0.25

	Year Ended December 31, 2006			Pro Forma Combined
	Historical		Pro Forma Adjustments	
	Buckhead	Allied		
Interest income	\$ 37,888	\$ 12,736	\$ (285) ⁽¹⁾	\$ 50,339
Interest expense	18,346	5,634		23,980
Net interest income	19,542	7,102	(285)	26,359
Provision for loan loss	2,050	661		2,711
Net interest income after provision for loan losses	17,492	6,442	(285)	23,649
Other income	1,829	320		2,149
Other expense	11,239	3,647	936 ⁽²⁾	15,822
Income from continuing operations before income taxes	8,082	3,115	(1,221)	9,976
Income taxes	2,820	1,204	(464) ⁽³⁾	3,560
Income from continuing operations	\$ 5,262	\$ 1,911	\$ (757)	\$ 6,416

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Income per share from continuing operations basic	\$ 1.04
Income per share from continuing operations diluted	\$ 0.99

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- (1) Loss of interest on federal funds sold used to fund the acquisition using an average rate of 5.25%.
 - (2) Pro forma adjustments to income resulting from the allocation of the purchase price of Allied as follows: Amortization of intangible assets using the straight-line method over an average period of 10 years. Based on the assumption that the excess purchase price over the fair value of the net assets acquired will be allocated 25% to amortizable intangible or tangible assets, the effect of these purchase adjustments will result in a decrease in net income of \$936,000 for each of the next five years.
 - (3) Tax effect of pro forma adjustment for reduction in interest income and the amortization of intangible assets using a tax rate of 38%.

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RISK FACTORS

In addition to the other information included in this proxy statement-prospectus, you should carefully consider the matters described below in determining whether to adopt and approve the merger agreement.

Risk Relating to the Merger

Your merger consideration is fixed despite any changes in Buckhead Community's or Allied's stock prices.

Each share of Allied common stock you own will be converted into the right to receive either 1.20 shares of Buckhead Community common stock, cash in the amount of \$30.00 or a combination of both. The price of Buckhead Community common stock you receive, as well as the price of Allied common stock you currently own, may vary between the date of this proxy statement-prospectus and at the date of Allied's special meeting. Such variations in the prices of Buckhead Community and Allied common stock may result from changes in the business, operations or prospects of Buckhead Community or Allied, regulatory considerations, general market and economic conditions as well as other factors. Despite any such variations, the merger consideration you are entitled to receive will not change.

In addition, there is no established public trading market for shares of either Buckhead Community or Allied common stock. As a result, any markets in Buckhead Community or Allied common stock prior to the merger should be characterized as illiquid and irregular, nor is there any guarantee that a more liquid or regular market for Buckhead Community common stock will develop after the merger. At the time of the special meeting, you will not know the exact market value of Buckhead Community or Allied common stock. See "The Merger Agreement - What Allied Shareholders will Receive in the Merger" at page 36.

The form of consideration you ultimately receive in the merger could be different from the form you elect based on the form of consideration elected by other shareholders.

You and all other Allied shareholders will be permitted to make an election as to the form of consideration you would like to receive: cash, Buckhead Community common stock, or a combination of both. Because the total amount of cash to be issued in the merger is capped, the exchange agent will be allowed, subject to limitations set forth in the agreement, to adjust the form of consideration that you receive in order to ensure no more than \$13.375 million in cash is paid. Consequently, if the cash consideration is oversubscribed, you could receive a different form or a different ratio of consideration from the form or ratio you elect. See, "The Merger Agreement - Allocation and Proration Procedures," at page 37.

Combining our two companies may be more difficult, costly, or time-consuming than we expect.

Buckhead Community and Allied have operated, and, until completion of the merger, will continue to operate, independently. It is possible that the integration process could result in the loss of key employees or disruption of each company's ongoing business or inconsistencies in standards, procedures and policies that would adversely affect our ability to maintain relationships with clients and employees or to achieve the anticipated benefits of the merger. If we have difficulties with the integration process, we might not achieve the economic benefits we expect to result from the acquisition. As with any merger of banking institutions, there also may be business disruptions that cause the combined entity to lose customers or cause customers to take their deposits out of our banks and move their business to other financial institutions.

Regulatory approvals may not be received, may take longer than expected or may impose conditions that are not presently anticipated.

The merger must be approved by the Federal Reserve, the FDIC and the GDBF. The Federal Reserve, the FDIC and the GDBF will consider, among other factors, the competitive impact of the merger, our financial and

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managerial resources and the convenience and needs of the communities to be served. As part of that consideration, we expect that the Federal Reserve, the FDIC and the GDBF will review the capital position, safety and soundness, and legal and regulatory compliance matters and Community Reinvestment Act (CRA) matters. While the merger has received the prior approval of the Federal Reserve, there can be no assurance as to whether other necessary approvals will be received, the timing of those approvals, or whether any conditions will be imposed.

The market price of Buckhead Community common stock after the merger may be affected by factors different from those affecting the market price of Allied common stock or the Buckhead Community common stock currently.

The businesses of Buckhead Community and Allied differ in some respects and, accordingly, the results of operations of Buckhead Community and the market price of Buckhead Community's shares of common stock after the merger may be affected by factors different from those currently affecting the independent results of operations of each of Buckhead Community or Allied. For a discussion of the businesses of Buckhead Community and Allied and of certain factors to consider in connection with those businesses, see, Information About Allied, at page 130 and the documents that Allied has filed with the Securities and Exchange Commission (the SEC) that are incorporated by reference in this proxy statement-prospectus, as well as, Information About Buckhead Community, at page 57.

The merger agreement limits Allied's ability to pursue alternatives to the merger.

The merger agreement contains provisions that limit Allied's ability to discuss competing third-party proposals to acquire all or a significant part of Allied. In addition, Allied has agreed to pay Buckhead Community a fee of \$2.5 million if the transaction is terminated because Allied decides to pursue another acquisition transaction, among other things. These provisions might discourage a potential competing acquiror that might have an interest in acquiring all or a significant part of Allied from considering or proposing that acquisition, even if it were prepared to pay consideration with a higher per share price than that proposed in the merger, or might result in a potential competing acquiror proposing to pay a lower per share price to acquire Allied than it might otherwise have proposed to pay.

Certain directors and executive officers of Allied have interests in the merger other than their interests as shareholders.

Certain directors and executive officers of Allied have interests in the merger other than their interests as shareholders. The board of directors of Allied was aware of these interests at the time it approved the merger. These interests may cause Allied's directors and executive officers to view the merger proposal differently than you may view it. See, The Merger Agreement Interests of Certain Persons in the Merger, at page 42.

You will experience a substantial reduction in percentage ownership and voting power with respect to your shares as a result of the merger.

Allied shareholders will experience a substantial reduction in their respective percentage ownership interests and effective voting power through their stock ownership in Buckhead Community relative to their percentage ownership interest in Allied prior to the merger. If the merger is consummated, even if all shareholders of Allied chose to receive all stock consideration in the merger, current Allied shareholders would own approximately 32.3% of Buckhead Community's outstanding common stock, on a fully diluted basis, based on the number of shares of outstanding Buckhead Community common stock as of March 31, 2007. Accordingly, even if such shareholders were to vote as a group, such a group could still be outvoted by other Buckhead Community shareholders. In addition, the degree to which any individual Allied shareholder experiences dilution as a result of the merger is partially contingent on the proportion of cash and stock elected by other Allied shareholders. See, The Merger Agreement What Allied Shareholders will Receive in the Merger, at page 36.

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Risk Relating to Buckhead Community the Combined Company

Buckhead Community's business strategy includes the continuation of significant growth plans, and its financial condition and results of operations could be negatively affected if it fails to manage its growth effectively.

Buckhead Community has grown rapidly over the past several years and intends to continue to pursue a significant growth strategy for its business. Buckhead Community's prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies in significant growth stages of development. Buckhead Community may not be able to further expand its market presence in existing markets or to enter new markets successfully nor can it guarantee that any such expansion would not adversely affect its results of operations. Failure to manage growth effectively could have a material adverse effect on the business, future prospects, financial condition or results of operations of Buckhead Community, and could adversely affect its ability to successfully implement business strategies. Also, if such growth occurs more slowly than anticipated or declines, operating results of Buckhead Community could be materially adversely affected.

The ability of Buckhead Community to grow successfully will depend on a variety of factors including the continued availability of desirable business opportunities, the competitive responses from other financial institutions in its market areas and the ability to manage its growth. While the management of Buckhead Community believes it has the management resources and internal systems in place to manage future growth successfully, there can be no assurance that growth opportunities will be available or that any growth will be managed successfully.

Buckhead Community's recent results may not be indicative of its future results.

Buckhead Community may not be able to sustain its historical rate of growth and may not even be able to grow its business at all. In addition, Buckhead Community's recent and rapid growth may distort some of its historical financial ratios and statistics. In the future, Buckhead Community may not have the benefit of several recently favorable factors, such as a generally predictable interest rate environment, a strong residential mortgage market or the ability to find suitable expansion opportunities. Various factors, such as economic conditions, regulatory and legislative considerations and competition, may also impede or prohibit Buckhead Community's ability to expand its market presence. If Buckhead Community experiences a significant decrease in its historical rate of growth, its results of operations and financial condition may be adversely affected due to a high percentage of its operating costs being fixed expenses.

Substantial sales of Buckhead Community common stock could cause its stock price to fall.

If stockholders sell substantial amounts of Buckhead Community common stock in the public market following the merger, the market price of Buckhead Community common stock could fall. Such sales also might make it more difficult for Buckhead Community to sell equity or equity-related securities in the future at a time and price that it deems appropriate.

Buckhead Community and The Buckhead Community Bank operate in a heavily regulated environment.

The banking industry is heavily regulated. Subsequent to the merger, Buckhead Community and The Buckhead Community Bank will be subject, in certain respects, to regulation by the Federal Reserve, the FDIC, the GDBF, and the SEC. The success of Buckhead Community depends not only on competitive factors but also on state and federal regulations affecting banks and bank holding companies. The regulations are primarily intended to protect depositors, not shareholders. The ultimate effect of any proposed changes to the regulation of the financial institution industry cannot be predicted. Regulations now affecting Buckhead Community and Allied may be modified at any time and there is no assurance that such modification will not adversely affect the business of Buckhead Community and The Buckhead Community Bank. See, Supervision and Regulation, at page 132.

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Buckhead Community cannot guarantee that it will pay dividends to shareholders in the future.

The principal business operations of Buckhead Community are conducted through The Buckhead Community Bank. Cash available to pay dividends to shareholders of Buckhead Community is derived primarily, if not entirely, from dividends paid by The Buckhead Community Bank. After the merger, the ability of The Buckhead Community Bank to pay dividends to Buckhead Community, as well as Buckhead Community's ability to pay dividends to its shareholders, will continue to be subject to and limited by certain legal and regulatory restrictions. Further, any lenders making loans to Buckhead Community may impose financial covenants that may be more restrictive than regulatory requirements with respect to the payment of dividends by Buckhead Community. There can be no assurance of whether or when Buckhead Community may pay dividends after the merger.

Changes in the policies of monetary authorities could adversely affect Buckhead Community's profitability.

The results of operations of Buckhead Community are affected by credit policies of monetary authorities particularly the Federal Reserve. The instruments of monetary policy employed by the Federal Reserve include open market operations in U.S. government securities, changes in the discount rate or the federal funds rate on bank borrowing and changes in reserve requirements against bank deposits. Since June 30, 2004, the Federal Reserve has increased its target federal funds rate 17 times, from 1.00% to 5.25%. In view of changing conditions in the national economy and in the money markets, no prediction can be made as to possible future changes in interest rates, deposit levels, loan demand or the business and earnings of Buckhead Community.

Changes in interest rates could have an adverse effect on Buckhead Community's income.

Buckhead Community's profitability depends to a significant extent upon its net interest income. Net interest income is the difference between interest income on interest-earning assets, such as loans and investments, and interest expense on interest-bearing liabilities, such as deposits and borrowings. Buckhead Community's net interest income will be adversely affected if market interest rates change such that the interest Buckhead Community pays on deposits and borrowings increases faster than the interest earned on loans and investments. Changes in interest rates could also adversely affect the income of certain of Buckhead Community's non-interest income business. For example, if mortgage interest rates increase, the demand for residential mortgage loans will likely decrease, and this would have an adverse effect on Buckhead Community's mortgage origination fee income.

Changes in the allowances for loan losses could affect the profitability of Buckhead Community and The Buckhead Community Bank.

Management of The Buckhead Community Bank maintains an allowance for loan losses based upon, among other things, (1) historical experience, (2) an evaluation of local and national economic conditions, (3) regular reviews of delinquencies and loan portfolio quality, (4) current trends regarding the volume and severity of past due and problem loans, (5) the existence and effect of concentrations of credit and (6) results of regulatory examinations. Based upon such factors, management makes various assumptions and judgments about the ultimate collectibility of the respective loan portfolios. Although Buckhead Community believes that the allowance for loan losses at each of their branches is adequate, there can be no assurance that such allowances will prove sufficient to cover future losses. Future adjustment may be necessary if economic conditions differ or adverse developments arise with respect to non-performing or performing loans of the combined bank. Material additions to the allowance for loan losses would result in a material decrease in net income, and possibly capital, and could result in Buckhead Community's inability to pay dividends to its shareholders, among other adverse consequences.

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Competition in the banking industry is intense.

Competition in the banking and financial services industry is intense. In its primary market areas, Buckhead Community competes with other commercial banks, savings and loan associations, credit unions, finance companies, mutual funds, insurance companies, brokerages and investment banking firms operating locally and elsewhere. Many of these competitors are well-established and much larger financial institutions with substantially greater resources and lending limits than Buckhead Community and may offer certain services that it does not or cannot provide. The profitability of Buckhead Community depends upon its continued ability to compete effectively in its market areas. While Buckhead Community believes it can and does successfully compete with these other financial institutions in its primary market, it may face a competitive disadvantage as a result of its smaller size and lack of geographic diversification.

As a community bank, we have different lending risks than larger banks.

Buckhead Community provides services to its local communities. Buckhead Community's ability to diversify its economic risks is limited by its own local markets and economies. Buckhead Community lends primarily to individuals and to small to medium-sized businesses, which may expose it to greater lending risks than those of banks lending to larger, better-capitalized businesses with longer operating histories.

Buckhead Community manages its credit exposure through careful monitoring of loan applicants and loan concentrations in particular industries, and through loan approval and review procedures. Buckhead Community has established an evaluation process designed to determine the adequacy of its allowance for loan losses. While this evaluation process uses historical and other objective information, the classification of loans and the establishment of loan losses is an estimate based on experience, judgment and expectations regarding Buckhead Community's borrowers, the economies in which Buckhead Community and its borrowers operate, as well as the judgment of its regulators. Buckhead Community can make no assurance that its loan loss reserves will be sufficient to absorb future loan losses or prevent a material adverse effect on its business, profitability or financial condition.

Buckhead Community's success depends upon local economic conditions.

Buckhead Community's success depends to a certain extent on the general economic conditions of the geographic markets served by The Buckhead Community Bank. The local economic conditions in these areas have a significant impact on commercial, real estate and construction loans, the ability of borrowers to repay these loans and the value of the collateral securing these loans. Adverse changes in the economic conditions of the Southeastern United States in general, or in or around metropolitan Atlanta in particular, could negatively impact its financial results and have a negative effect on profitability.

Buckhead Community may not be able to maintain its historical growth rate, which may adversely affect its results of operations and financial condition.

Buckhead Community has grown substantially in the recent past from approximately \$391.3 million in total consolidated assets at December 31, 2005 to approximately \$541.2 million in total consolidated assets at December 31, 2006. This growth has been achieved primarily through internal organic growth. Buckhead Community's future profitability will depend in part on its continued ability to grow. Buckhead Community may not be able to sustain its historical rate of growth or may not be able to grow its business at all in the future. Buckhead Community may also not be able to obtain the capital or financing necessary to fund additional growth and may not be able to find suitable candidates for additional acquisitions in the future. Various factors, such as economic conditions, regulatory and legislative considerations and competition, may impede or prohibit Buckhead Community's ability to acquire additional banks and bank holding companies and open new branch offices. The acquisition of Allied and the transitional costs associated therewith, both from the perspective of tangible costs such as technology conversion as well as less tangible but very real costs to management time, may likewise impede the ability of Buckhead Community to maintain its historic growth rate.

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Buckhead Community's continued pace of growth may require it to raise additional capital in the future, but that capital may not be on favorable terms or available when it is needed.

Buckhead Community is required by federal and state regulatory authorities to maintain adequate levels of capital to support its operations. Buckhead Community's ability to raise additional capital, if needed, will depend on conditions in the capital markets at that time, which are outside its control, and on its financial performance. Accordingly, Buckhead Community cannot assure you of its ability to raise additional capital, if needed, on terms acceptable to it or at all. If Buckhead Community cannot raise additional capital when needed, its ability to further expand its operations through internal growth or acquisitions could be materially impaired.

Buckhead Community's directors and executive officers own a significant portion of its common stock and can influence stockholder decisions.

The directors and executive officers of Buckhead Community, as a group, beneficially owned approximately 56.8% of its fully diluted outstanding common stock as of March 31, 2007. Following the merger, if Allied shareholders elect to receive all stock as consideration in the merger, the directors and executive officers of the combined company are expected to beneficially own approximately 39.9% of the fully diluted outstanding common stock of the combined company. As a result of their ownership, the directors and executive officers of Buckhead Community have the ability, if they voted their shares in concert, to influence the outcome of all matters submitted to our stockholders for approval, including the election of directors.

Holders of Buckhead Community's subordinated debentures have rights that are senior to those of its common stockholders.

Buckhead Community has supported its continued growth by issuing trust preferred securities and accompanying junior subordinated debentures from two special purpose trusts. As of March 31, 2007, Buckhead Community had outstanding trust preferred securities and associated junior subordinated debentures with an aggregate principal amount of approximately \$15.5 million. Buckhead Community has unconditionally guaranteed the payment of principal and interest on the trust preferred securities. Also, the junior debentures issued to the special purpose trust that relate to those trust preferred securities are senior to Buckhead Community common stock, including shares that it issues in the merger. As a result, Buckhead Community must make payments on the junior subordinated debentures before it can pay any dividends on its common stock; in the event of Buckhead Community's bankruptcy, dissolution or liquidation, holders of its junior subordinated debentures must be satisfied before any distributions can be made on its common stock. Buckhead Community does have the right to defer distributions on its junior subordinated debentures (and related trust preferred securities) for up to five years, but during that time would not be able to pay dividends on its common stock.

Buckhead Community continually encounters technological change and it may have fewer resources than its competition to continue to invest in technological improvements.

The banking and financial services industry is undergoing rapid technological changes, with frequent introductions of new technology-driven products and services. In addition to better serving customers, the effective use of technology increases efficiency and enables financial institutions to reduce costs. Buckhead Community's future success will depend, in part, upon its ability to address the needs of its customers by using technology to provide products and services that enhance customer convenience, as well as create additional efficiencies in operations. Many of Buckhead Community's competitors have greater resources to invest in technological improvements, and Buckhead Community may not be able to effectively implement new technology-driving products and services, which could reduce its ability to effectively compete.

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A WARNING ABOUT FORWARD-LOOKING STATEMENTS

This proxy statement-prospectus includes forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). Forward-looking statements discuss future expectations, describe future plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. Forward-looking statements are generally identifiable by the use of forward-looking terminology such as anticipate, believe, continue, could, endeavor, estimate, expect, forecast, goal, intend, may, objective, potential, predict, project, seek, should, will and similar expressions of future intent.

The ability of Buckhead Community and Allied to predict results or the actual effect of future plans or strategies is inherently uncertain. Although Buckhead Community and Allied believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, actual results and performance could differ materially from those set forth in the forward-looking statements. Factors that could cause actual results and performance to differ from those expressed in the forward-looking statements include, but are not limited to:

The costs of integrating Buckhead Community's and Allied's operations, which may be greater than Buckhead Community expects.

Potential customer loss and deposit attrition as a result of the merger, and the failure to achieve expected gains, revenue growth and/or expense savings from such transactions.

Buckhead Community's ability to effectively manage interest rate risk and other market risk, credit risk and operational risk.

Buckhead Community's ability to manage fluctuations in the value of assets and liabilities and off-balance sheet exposure so as to maintain sufficient capital and liquidity to support Buckhead Community's business.

Buckhead Community's ability to keep pace with technological changes.

Buckhead Community's ability to develop competitive new products and services in a timely manner and the acceptance of such products and services by its customers and potential customers.

Buckhead Community's ability to expand into new markets.

The cost and other effects of material contingencies, including litigation contingencies.

Further easing of restrictions on participants in the financial services industry, such as banks, securities brokers and dealers, investment companies and finance companies, may increase competitive pressures and affect their ability to preserve our customer relationships and margins.

Possible changes in general economic and business conditions in the United States in general and in the larger region and communities we serve in particular may lead to deterioration in credit quality, thereby requiring increases in our provision for credit losses, or a reduced demand for credit, thereby reducing earning assets.

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The threat or occurrence of war or acts of terrorism and the existence or exacerbation of general geopolitical instability and uncertainty.

Possible changes in trade, monetary and fiscal policies, laws, and regulations, and other activities of governments, agencies, and similar organizations, including changes in accounting standards.

The cautionary statements in the Risk Factors section and elsewhere in this proxy statement-prospectus also identify important factors and possible events that involve risk and uncertainties that could cause actual results to differ materially from those contained in the forward-looking statements. Buckhead Community and Allied do not intend, and undertake no obligation, to update or revise any forward-looking statements, whether as a result of differences in actual results, changes in assumptions or changes in other factors affecting such statements.

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THE ALLIED SPECIAL SHAREHOLDERS MEETING

Purpose

You have received this proxy statement-prospectus because the board of directors of Allied is soliciting your proxy for the special meeting of shareholders to be held on _____, 2007 at _____ at _____ .m. Each copy of this proxy statement-prospectus mailed to holders of Allied common stock is accompanied by a proxy card for use at the meeting and at any adjournments of the meeting.

At the meeting, shareholders will consider and vote upon:

the merger agreement; and

any other matters that are properly brought before the meeting, or any adjournments of the meetings.

If you have not already done so, please complete, date and sign the accompanying proxy card and return it promptly in the enclosed, postage paid envelope. If you do not return your properly executed card, or if you do not attend and cast your vote at the special meeting, the effect will be a vote against the merger agreement.

Record Date; Quorum and Vote Required

The record date for the special meeting is _____, 2007. Allied's shareholders of record as of the close of business on that day will receive notice of and will be entitled to vote at the special meeting. As of _____, 2007, there were _____ shares of Allied common stock outstanding and entitled to vote at the meeting. The outstanding shares are held by approximately _____ holders of record.

The presence, in person or by proxy, of a majority of the shares of Allied common stock entitled to vote on the merger agreement is necessary to constitute a quorum at the meeting. Each share of Allied common stock outstanding on the record date, entitles its holder to one vote on the merger agreement and any other proposal that may properly come before the meeting.

To determine the presence of a quorum at the meeting, Allied will also count as present at the meeting the shares of Allied common stock present in person but not voting, and the shares of common stock for which Allied has received proxies but with respect to which the holders of such shares have abstained.

Approval of the merger agreement requires the affirmative vote of the holders of a majority of the issued and outstanding shares of Allied common stock as of the record date for the special meeting.

As of the record date for the meeting, Allied's directors and executive officers beneficially owned a total of 354,178 shares, or approximately 21.6% of the outstanding shares of Allied common stock. These individuals have agreed with Buckhead Community that they will vote their shares in favor of the merger agreement, except as may be limited by their fiduciary obligations.

Solicitation and Revocation of Proxies

If you have delivered a signed proxy card for the meeting, you may revoke it at any time before it is voted by:

attending the meeting and voting in person;

giving written notice revoking your proxy to Allied's secretary prior to the date of the meeting; or

submitting a signed proxy card that is dated later than your initial proxy card to Allied's secretary.

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The proxy holders will vote as directed on all proxy cards that are received at or prior to the meeting and that are not subsequently revoked. If you complete, date and sign your proxy card but do not provide instructions as to your vote, the proxy holders will vote your shares **FOR** approval of the merger agreement. If any other matters are properly presented at the meeting for consideration, the persons named in the proxy card will have discretionary authority to vote your shares on those matters. Allied's board of directors is not aware of any matter to be presented at the meeting other than the proposal to approve the merger agreement.

If you hold shares of Allied in a broker's name (sometimes called "street name" or "nominee name"), then you must provide voting instructions to your broker. If your broker does not have discretionary authority to vote or instructions on how to vote your shares, then your shares will not be voted on any matters, including the vote on the merger. A vote that is not cast for this reason is called a "broker nonvote." Broker nonvotes will be treated as shares present for determining whether a quorum is present at the meeting. However, a broker nonvote will be treated as a vote against the merger agreement. Broker nonvotes will not be counted for other matters properly brought at the special meeting.

Allied will bear the cost of soliciting proxies from its shareholders. Allied will solicit shareholder votes by mail, and perhaps by telephone or other means of telecommunication. Directors, officers and employees of Allied may also solicit shareholder votes in person. If these individuals solicit your vote in person, by telephone or by other means of telecommunication, they will receive no additional compensation for doing so. Allied will reimburse brokerage firms and other persons representing beneficial owners of shares for their reasonable expenses in forwarding solicitation material to those beneficial owners.

You should not send any stock certificates with your proxy card. If the merger agreement is approved, you will receive instructions for exchanging your stock certificates after the merger has been completed.

Dissenters' Rights

Allied's shareholders have dissenters' rights with respect to the merger under Georgia law. Shareholders who wish to assert their dissenters' rights and comply with the procedural requirements of Article 13 of the Georgia Business Corporation Code ("GBCC") will be entitled to receive payment of the fair value of their shares in cash in accordance with Georgia law. For more information regarding the exercise of these rights, see, "Dissenters' Rights," at page 38.

Recommendation of the Board of Directors of Allied

Allied's board of directors has approved the merger agreement and the transactions contemplated thereby, believes that the merger is in the best interests of Allied and its shareholders, and recommends that you vote *FOR* approval of the merger agreement.

In the course of reaching its decision to approve the merger agreement and the transactions contemplated in the merger agreement, Allied's board of directors, among other things, consulted with its legal advisor, Stewart, Melvin & Frost, LLP, regarding the legal terms of the merger agreement, and with its financial advisor, Burke Capital, regarding the fairness of the merger consideration from a financial point of view. For a discussion of the factors considered by the board of directors in reaching its conclusion, see, "Background of and Reasons for the Merger" Background of the Merger, at page 23, and "Reasons for the Merger," at page 24.

Shareholders should note that Allied's directors have certain interests in, and may derive benefits as a result of, the merger that are in addition to their interests as shareholders of Allied. See, "The Merger Agreement" Interest of Certain Persons in the Merger, at page 42.

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PROPOSAL 1: THE MERGER

Structure of the Merger

The merger agreement provides for the merger of Allied with and into Buckhead Community, with Buckhead Community being the surviving entity in the merger. After the merger, FNB Forsyth will merge with and into The Buckhead Community Bank, with The Buckhead Community Bank being the surviving entity. Each share of Allied common stock issued and outstanding at the effective time of the merger will be converted into the right to receive either 1.2 shares of Buckhead Community common stock or \$30.00 in cash or a combination of both. Buckhead Community will appoint Andrew K. Walker and Jackson P. Turner, current Allied directors, to the board of directors of Buckhead Community.

Background of the Merger

Since FNB Forsyth began operations on April 5, 2004, the board of directors of Allied has worked to increase shareholder value through growth and profitable operation. In early 2006, the board of directors began to confront how best to continue the extraordinary growth of Allied and FNB Forsyth in light of soon reaching capital limitations under the banking regulations. The May 2006 strategic planning meeting of the board considered the capital constraint and developed possible alternatives to address this capital issue while balancing shareholder value considerations. Analysis showed that if the growth of the bank's business were to continue at its current pace, FNB Forsyth would outgrow its capital in the first half of 2007.

During the second and third quarters of 2006, management continued to study the company's strategic options including interviews with several investment banking firms. The objective of these discussions was to explore the possibility of a merger of Allied and FNB Forsyth with a larger financial institution and to project the stock valuation that might result from such a merger. Management weighed the merger alternative against the increase in shareholder value that might be achieved on a stand alone basis. It became apparent that the interests of the shareholders would be best served by merger, because valuations of banks in merger acquisitions were at a cyclical high and knowledgeable market observers believed that the proliferation of banks in recent years might depress future valuations for banks desiring to sell. Management also considered that FNB Forsyth had been operating in almost ideal economic conditions, which would not continue indefinitely. At the October 18, 2006 board meeting, the board accepted management's recommendation to attempt to sell Allied and FNB Forsyth through a merger and authorized management to enter into discussions with Burke Capital, an investment banking firm. The board agreed upon valuation expectations so that the best value could be realized. On October 26, 2006, Allied received an unsolicited offer from an out-of-state bank holding company. Management presented the offer to the board the same day. On November 1, 2006, the board engaged Burke Capital as financial advisor to Allied and the board.

During November and early December 2006, Burke Capital identified and contacted other potential merger partners to determine their level of interest in merging with Allied. Buckhead Community was contacted during this period. Buckhead Community reviewed Allied's financial information and several meetings were conducted between the management of the two companies. Buckhead Community expressed a high level of interest in Allied. At the same time, the out-of-state bidder elected to increase their offer for the company.

On December 18 and 19, 2006, both potential merger partners made presentations to the board. As a result of these presentations and extensive analysis provided by Burke Capital, the board expressed a preference for the Buckhead Community offer. On December 21, 2006, Buckhead delivered a formal expression of interest for a merger of the two companies.

On December 28, 2006, the executive committee of the Allied board of directors met with Burke Capital, and the committee voted to make a recommendation to the full board that the Buckhead Community offer be accepted and that a letter of intent embodying the terms contained in Buckhead Community's expression of interest be pursued. This recommendation came with the condition that certain matters be negotiated with Buckhead Community through Burke Capital.

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The Allied board met on December 28, 2006, and adopted the executive committee's recommendation to pursue a letter of intent with Buckhead Community.

In January 2007, Buckhead Community delivered a proposal for the merger that addressed major financial regulatory and structural considerations. The proposed terms and conditions were approved by the Allied board on January 17, 2007.

On January 22, 2007, Buckhead Community began its due diligence review of Allied and FNB Forsyth. In turn, Allied conducted a due diligence review of Buckhead Community during the week of February 1, 2007. There were no negative findings by either party that were material to the proposed terms of the merger.

During February a proposed merger agreement was delivered to Allied management by Buckhead Community. Management raised several issues, which were discussed thoroughly by both parties and their counsel. In particular clarification was made regarding director warrants and the structure of the cash election portion of the consideration for the merger.

On February 28, 2007, the Buckhead Community board of directors approved the Agreement. On March 1, 2007, the Allied board of directors met with Burke Capital and Allied's legal counsel to review the agreement. During the meeting, Burke issued its opinion to the Allied board that the transaction was fair, from a financial point of view, to Allied shareholders, a copy of which is included as *Appendix B* to this proxy statement-prospectus. At the conclusion of the meeting, the Allied board adopted a resolution approving the merger and the execution of the merger agreement. This was followed by a press release on March 1, 2007.

Reasons for the Merger

General

The financial and other terms of the merger agreement resulted from arm's-length negotiations between Buckhead Community's and Allied's representatives. Buckhead Community's and Allied's boards of directors also considered many factors in determining the consideration Allied's shareholders would receive in the merger. Those factors included:

the comparative financial condition, results of operations, current business and future prospects of Buckhead Community and Allied;
and

the market price, liquidity and historical earnings per share of Buckhead Community common stock and Allied common stock. The following discussion of the information and factors considered by the Buckhead Community board of directors and the Allied board of directors is not intended to be exhaustive but includes all of the material factors the respective boards considered. In reaching their determinations to approve the merger, and, with respect to the Allied board of directors, to recommend the merger, neither the Buckhead Community board of directors nor the Allied board of directors assigned any relative or specific weight to the following factors, and individual directors may have given different weight to different factors.

Buckhead Community

In deciding to pursue an acquisition of Allied, Buckhead Community's management and board of directors noted, among other things, the following:

information presented by the management of the Buckhead Community concerning the business, operations, earnings, asset quality, and financial condition of Allied and FNB Forsyth;

the financial terms of the merger, including the relationship of the value of the consideration issuable in the Merger to the market value, tangible book value, and earnings per share of Allied's common stock;

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the ability of the operations of Allied Bancshares to contribute to the Buckhead Community's earnings after the effective time of the merger;

the various effects of Buckhead Community becoming a public reporting company under the regulation of the Securities and Exchange Commission as a result of the merger, including increased liquidity for holders of Buckhead Community's common stock;

the compatibility of FNB Forsyth's management team, strategic objectives and geographic footprint with those of the The Buckhead Community Bank;

the opportunity to leverage the infrastructure of the Buckhead Community;

the nonfinancial terms of the merger, including the treatment of the merger as a tax-free reorganization for federal income tax purposes; and

the likelihood of the merger being approved by applicable regulatory authorities without undue conditions or delay.

Allied

In deciding to be acquired, Allied's management and board of directors noted, among other things, the following:

the value of the consideration to be received by Allied's shareholders relative to the book value and earnings per share of Allied common stock;

information concerning Buckhead Community's financial condition, results of operations and business prospects;

the financial terms of recent business combinations in the financial services industry and a comparison of the multiples of selected combinations with the terms of the proposed merger with Buckhead Community;

the fact that the acquisition of Buckhead Community common stock will be tax-free to Allied's shareholders (except to the extent of any cash received);

the opinion of Burke Capital that the consideration to be received by Allied's shareholders in the merger is fair from a financial point of view; and

the alternatives to the merger, including remaining an independent institution in the competitive and regulatory environment for financial institutions generally.

Allied's board of directors recommends that Allied's shareholders vote *FOR* the proposal to approve the merger agreement.

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OPINION OF BURKE CAPITAL

Allied retained Burke Capital to act as its financial advisor in connection with a possible business combination. Burke Capital is a nationally recognized investment banking firm whose principal business specialty is financial institutions. In the ordinary course of its investment banking business, Burke Capital is regularly engaged in the valuation of financial institutions and their securities in connection with mergers and acquisitions and other corporate transactions.

Burke Capital acted as financial advisor to Allied in connection with its proposed merger with Buckhead Community and participated in certain of the negotiations leading to the merger agreement. In connection with Burke Capital's engagement, Allied asked Burke Capital to evaluate the fairness of the merger consideration to Allied's stockholders from a financial point of view. At the March 1, 2007 meeting of the Allied board to evaluate the merger, Burke Capital delivered to the board its oral and written opinion that, based upon and subject to various matters set forth in its opinion, the merger consideration was fair to Allied's stockholders from a financial point of view. At this meeting, the Allied board voted to approve the merger and subsequently executed the merger agreement on March 1, 2007.

THE FULL TEXT OF BURKE CAPITAL'S WRITTEN OPINION IS ATTACHED AS *APPENDIX B* TO THIS PROXY STATEMENT-PROSPECTUS. THE OPINION OUTLINES MATTERS CONSIDERED AND QUALIFICATIONS AND LIMITATIONS ON THE REVIEW UNDERTAKEN BY BURKE CAPITAL IN RENDERING ITS OPINION. THE DESCRIPTION OF THE OPINION SET FORTH BELOW IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE OPINION. WE URGE YOU TO READ THE ENTIRE OPINION CAREFULLY IN CONNECTION WITH YOUR CONSIDERATION OF THE PROPOSED MERGER.

BURKE CAPITAL'S OPINION SPEAKS ONLY AS OF THE DATE OF THE OPINION. THE OPINION WAS DIRECTED TO THE ALLIED BOARD AND IS DIRECTED ONLY TO THE FAIRNESS OF THE MERGER CONSIDERATION TO ALLIED SHAREHOLDERS FROM A FINANCIAL POINT OF VIEW. IT DOES NOT ADDRESS THE UNDERLYING BUSINESS DECISION OF ALLIED TO ENGAGE IN THE MERGER OR ANY OTHER ASPECT OF THE MERGER AND IS NOT A RECOMMENDATION TO ANY ALLIED SHAREHOLDER AS TO HOW SUCH SHAREHOLDER SHOULD VOTE AT THE SHAREHOLDER MEETING WITH RESPECT TO THE MERGER, OR ANY OTHER MATTER.

In connection with rendering its March 1, 2007 opinion, Burke Capital reviewed and considered, among other things:

The merger agreement and certain of the schedules thereto;

Certain publicly available financial statements and other historical financial information of Allied and Buckhead that it deemed relevant;

Projected earnings estimates for Allied for the years ending December 31, 2007 through 2010 prepared by and reviewed with senior management of Allied and the views of senior management regarding Allied's business, financial condition, results of operations and future prospects;

Projected earnings estimates for Buckhead Community for the years ending December 31, 2007 through 2010 prepared by and reviewed with senior management of Buckhead Community and the views of senior management regarding Buckhead Community's business, financial condition, results of operations and future prospects;

Internal financial and operating information with respect to the business, operations and prospects of both Allied and Buckhead Community furnished to Burke Capital by Allied and Buckhead Community that is not publicly available;

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The trading price and volume of Buckhead Community's common stock, which is not listed on any public exchange and compared the price and volume with publicly-traded companies that Burke Capital deemed relevant;

The resulting fully diluted ownership of Allied in the pro forma organization assuming a hypothetical 100% transaction compared with various levels of financial and franchise contribution;

The earnings, book value and tangible book value per share of Allied's common stock relative to the pro forma equivalent earnings, book value and tangible book value per share of the pro forma organization;

The pro forma financial impact of the merger on Buckhead Community's ability to complete a transaction from a regulatory standpoint with an emphasis on the pro forma capital ratios, based on assumptions determined by senior management of Allied, Buckhead Community and Burke Capital;

The financial terms of other recent business combinations in the commercial banking industry, to the extent publicly available;

The current market environment generally and the banking environment in particular; and

Such other information, financial studies, analyses and investigations and financial, economic and market criteria as it considered relevant.

ALLIED'S BOARD OF DIRECTORS DID NOT LIMIT THE INVESTIGATIONS MADE OR THE PROCEDURES FOLLOWED BY BURKE CAPITAL IN GIVING ITS OPINION.

In performing its reviews and analyses and in rendering its opinion, Burke Capital assumed and relied upon the accuracy and completeness of all the financial information, analyses and other information that was publicly available or otherwise furnished to, reviewed by or discussed with it and further relied on the assurances of management of Allied and Buckhead Community that they were not aware of any facts or circumstances that would make such information inaccurate or misleading. Burke Capital was not asked to and did not independently verify the accuracy or completeness of such information and it did not assume responsibility or liability for the accuracy or completeness of any of such information. Burke Capital did not make an independent evaluation or appraisal of the assets, the collateral securing assets or the liabilities, contingent or otherwise, of Allied or Buckhead Community or any of their respective subsidiaries, or the ability to collect any such assets, nor was it furnished with any such evaluations or appraisals. Burke Capital is not an expert in the evaluation of allowances for loan losses and it did not make an independent evaluation of the adequacy of the allowance for loan losses of Allied or Buckhead Community, nor did it review any individual credit files relating to Allied or Buckhead Community, Burke Capital assumed, with both Allied's and Buckhead Community's consent, that the respective allowances for loan losses for both Allied and Buckhead Community were adequate to cover such losses and will be adequate on a pro forma basis for the combined entity. In addition, Burke Capital did not conduct any physical inspection of the properties or facilities of Allied or Buckhead Community. Burke Capital is not an accounting firm and it relied on the reports of the independent accountants of Allied and the Directors of Buckhead Community for the accuracy and completeness of the financial statements furnished to it.

Burke Capital's opinion was necessarily based upon market, economic and other conditions as they existed on, and could be evaluated as of, the date of its opinion. Burke Capital assumed, in all respects material to its analysis, that all of the representations and warranties contained in the merger agreement and all related agreements are true and correct, that each party to such agreements will perform all of the covenants required to be performed by such party under such agreements and that the conditions precedent in the merger agreement are not waived. Burke Capital also assumed that there has been no material change in Allied's and Buckhead Community's assets, financial condition, results of operations, business or prospects since the date of the last financial statements made available to them, that Allied and Buckhead Community will remain as going concerns for all periods relevant to its analyses.

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In rendering its March 1, 2007 opinion, Burke Capital performed a variety of financial analyses. The following is a summary of the material analyses performed by Burke Capital, but is not a complete description of all the analyses underlying Burke Capital's opinion. The summary includes information presented in tabular format. In order to fully understand the financial analyses, these tables must be read together with the accompanying text. The tables alone do not constitute a complete description of the financial analyses. The preparation of a fairness opinion is a complex process involving subjective judgments as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. The process, therefore, is not necessarily susceptible to a partial analysis or summary description. Burke Capital believes that its analyses must be considered as a whole and that selecting portions of the factors and analyses considered without considering all factors and analyses, or attempting to ascribe relative weights to some or all such factors and analyses, could create an incomplete view of the evaluation process underlying its opinion. Also, no company included in Burke Capital's comparative analyses described below is identical to Allied or Buckhead Community and no transaction is identical to the merger. Accordingly, an analysis of comparable companies or transactions involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies and other factors that could affect the public trading values or merger transaction values, as the case may be, of Allied or Buckhead Community and the companies to which they are being compared.

The earnings projections used and relied upon by Burke Capital in its analyses were based upon internal projections of Allied and Buckhead Community. Burke Capital assumed for purposes of its analyses that such performance would be achieved. Burke Capital expressed no opinion as to such financial projections or the assumptions on which they were based. The financial projections furnished to Burke Capital by Allied and Buckhead Community were prepared for internal purposes only and not with a view towards public disclosure. These projections, as well as the other estimates used by Burke Capital in its analyses, were based on numerous variables and assumptions which are inherently uncertain and, accordingly, actual results could vary materially from those set forth in such projections.

In performing its analyses, Burke Capital also made numerous assumptions with respect to industry performance, business and economic conditions and various other matters, many of which cannot be predicted and are beyond the control of Allied, Buckhead Community and Burke Capital. The analyses performed by Burke Capital are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than suggested by such analyses. Burke Capital prepared its analyses solely for purposes of rendering its opinion and provided such analyses to the Allied board at the March 1, 2007 meeting. Estimates on the values of companies do not purport to be appraisals or necessarily reflect the prices at which companies or their securities may actually be sold. Such estimates are inherently subject to uncertainty and actual values may be materially different. Accordingly, Burke Capital's analyses do not necessarily reflect the value of Allied's common stock or Buckhead Community's common stock or the prices at which Allied's or Buckhead Community's common stock may be sold at any time.

Table of Contents**Summary of Proposed Merger**

Burke Capital reviewed the financial terms of the proposed transaction whereby the holders of Allied common stock shall be entitled to receive, in exchange for their shares of Allied stock, 1.20 shares of Buckhead Community common stock, \$30.00 in cash or a combination thereof such that no more than \$13.375 million, approximately 25% of the aggregate merger consideration, will be in the form of cash. Holders of outstanding warrants shall receive cash, stock or some combination thereof equal to the per share consideration paid for common stock, minus the applicable exercise price per warrant. Holders of outstanding Allied options to purchase Allied common stock will be converted to options of Buckhead Community as described in the Agreement. Based upon the terms of the Agreement and an implied Buckhead stock price of \$25.00, Burke Capital calculated merger consideration of \$53,550,390 or \$30.00 per fully diluted Allied share on March 1, 2007, the date of the Allied board meeting. Utilizing Allied's December 31, 2006 unaudited financial information, Burke Capital calculated the following ratios:

Deal Value Consideration:		Deal Multiples:	
Aggregate Price / Fully Diluted Share	\$ 30.00	Transaction Value / LTM Net Income	27.67x
Merger Consideration for Common Shares	\$ 45,120,000	Transaction Value / Book Value	3.29x
Merger Consideration for Warrant Holders	\$ 5,742,840	Transaction Value / Tangible Book Value	3.29x
Merger Consideration for Option Holders	\$ 2,687,550	Core Deposit Premium	31.09%
	\$ 53,550,390	Price / Assets	28.95%

* Deal multiples based on December 31, 2006 unaudited financial results.

The fully diluted share count is based upon Allied's 1,504,000 outstanding common shares, 287,142 outstanding warrants to purchase common shares at a weighted average exercise price of \$10.00 and 142,500 outstanding options to purchase common stock at a weighted average strike price of \$11.14. This analysis assumes no options are exercised prior to closing.

Analysis of Selected Merger Transactions*Atlanta Metropolitan Area Transactions*

In order to address the specific valuation considerations within the Atlanta that Allied serves, Burke Capital selected a group of comparable Atlanta merger and acquisition transactions and compared the pricing multiples to the multiples implied by the merger consideration. Specifically, Burke Capital selected bank merger and acquisition transactions according to the following criteria:

Merger and acquisition transactions announced after January 1, 2005; and

Seller located within the Atlanta metropolitan statistical area (MSA).

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Burke Capital selected 15 transactions fitting the criteria listed above as being comparable to the proposed merger. The 15 comparable transactions selected included the following:

Buyer	State	Seller	State
United Community Banks Inc.	GA	Gwinnett Commercial Group Inc.	GA
UCBH Holdings Inc.	CA	Summit Bank Corp.	GA
United Community Banks Inc.	GA	Southern Bancorp Inc.	GA
Royal Bank of Canada	NC	FLAG Financial Corp.	GA
PrivateBancorp Inc.	IL	Piedmont Bancshares Inc.	GA
First Charter Corp.	GA	GBC Bancorp Inc	GA
Alabama National BanCorp.	AL	PB Financial Services Corp.	GA
Security Bank Corp.	GA	Homestead Bank	GA
BB&T Corp.	NC	Main Street Banks Inc.	GA
Security Bank Corp.	GA	Neighbors Bancshares Inc.	GA
Gwinnett Commercial Group Inc.	GA	Buford Banking Group Inc.	GA
Synovus Financial Corp.	GA	Riverside Bancshares Inc.	GA
FLAG Financial Corp.	GA	First Capital Bancorp, Inc.	GA
First Horizon National Corp.	TN	West Metro Financial Services	GA
Security Bank Corp.	GA	SouthBank	GA

Burke Capital reviewed the multiples of transaction value at announcement to last twelve months (LTM) earnings, transaction value to book value, transaction value to tangible book value, transaction value to assets, and book premium to core deposits and computed high, low, mean, median, and quartile multiples and premiums for the transactions. These multiples and premiums were applied to Allied's financial information as of and for the period ended December 31, 2006 and were used to impute a transaction price. As illustrated in the following table, Burke Capital derived an imputed range of values per share of Allied's common stock of \$26.24 to \$29.87 based upon the median and mean multiples of the selected Atlanta MSA transactions.

	Median Multiple	Implied Value/Share	Buckhead Merger Consideration ⁽¹⁾
Transaction Value / LTM Earnings	24.19x	\$ 26.52	27.67x
Transaction Value / Book Value	2.94x	\$ 27.06	3.29x
Transaction Value / Tangible Book Value	3.28x	\$ 29.87	3.29x
Tangible Book Premium / Core Deposits	29.83%	\$ 29.22	31.09%
Transaction Value / Assets	25.02%	\$ 26.24	28.95%
	Average Valuation	\$ 27.78	\$ 30.00
	Implied Range	\$ 26.24	\$ 29.87

⁽¹⁾ Assumes Buckhead implied stock valuation of \$25.00 per share.

The analysis showed that the merger consideration of \$30.00 per fully diluted share is above the range of values imputed by all the mean and median multiples of the comparable Atlanta MSA transactions and significantly above the implied average valuation of the comparables universe.

Southeastern Transactions

Burke Capital, in addition to analyzing Atlanta MSA transactions, selected a group of comparable Southeastern merger and acquisition transactions and compared the pricing multiples to the multiples implied by the merger consideration. Specifically, Burke Capital selected bank merger and acquisition transactions according to the following criteria:

Merger and acquisition transactions announced after January 1, 2004;

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Seller located within the Southeastern United States AL, AR, FL, GA, KY, MS, NC, SC, TN, VA;

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Seller assets between \$100 million and \$500 million;

Seller with ROAA greater than 100 bps in the latest period prior to announcement.

Burke Capital selected 35 transactions fitting the criteria listed above as being comparable to the proposed merger. The 35 comparable transactions selected included the following:

Buyer	State	Seller	State
WGNB Corp.	GA	First Haralson Corp.	GA
Castle Creek Capital LLC	CA	BankFirst Bancorp Inc.	FL
Superior Bancorp	AL	People s Community Bancshares	FL
Gateway Financial Holdings	VA	Bank of Richmond NA	VA
Sun American Bancorp	FL	Independent Community Bank	FL
Centerstate Banks of Florida	FL	Valrico Bancorp Inc.	FL
Reserve Finl Associates LLC	OH	Business Bank of Florida Corp	FL
United Community Banks Inc.	GA	Southern Bancorp Inc.	GA
IBERIABANK Corp.	LA	Pulaski Investment Corp.	AR
Castle Creek Capital LLC	CA	Bankshares Inc.	FL
Citizens First Corp.	KY	Kentucky Banking Centers	KY
First Charter Corp.	NC	GBC Bancorp Inc	GA
Security Bank Corp.	GA	Homestead Bank	GA
Riverside Banking Company	FL	First Cmnty Bank Holding Corp.	FL
GB&T Bancshares Inc.	GA	Mountain Bancshares Inc.	GA
Union Bankshares Corp.	VA	Prosperity B&TC	VA
Synovus Financial Corp.	GA	Banking Corporation of Florida	FL
Liberty Shares Inc.	GA	Peoples Banking Corporation	GA
Whitney Holding Corp.	LA	First National Bancshares Inc.	FL
Commerce Bancorp Inc.	NJ	Palm Beach County Bank	FL
Farmers Capital Bank Corp.	KY	Citizens Bancorp Inc.	KY
First Security Group Inc.	TN	Jackson Bank & Trust	TN
Home Bancshares Inc.	AR	Mountain View Bancshares Inc.	AR
First Citizens Bancorp.	SC	Summit Financial Corp.	SC
First National Security Co.	AR	First Community Banking Corp.	AR
Capital City Bank Group Inc.	FL	First Alachua Banking Corp.	FL
City Holding Co.	WV	Classic Bancshares Inc.	KY
First Citizens Bancorp.	SC	People s Cmnty Capital Corp	SC
Whitney Holding Corp.	LA	Destin Bancshares Inc.	FL
First Bank Corp	AR	Bor Bancshares Inc.	AR
United Community Banks Inc.	GA	Liberty National Bancshares	GA
Capital City Bank Group Inc.	FL	Farmers & Merchants Bank	GA
First Community Corp.	SC	DutchFork Bancshares Inc.	SC
Whitney Holding Corp.	LA	Madison Bancshares Inc.	FL
Capital City Bank Group Inc.	FL	Quincy State Bank	FL

Burke Capital reviewed the multiples of transaction value at announcement to last twelve months earnings, transaction value to book value, transaction value to tangible book value, transaction value to assets and book premium to core deposits and computed high, low, mean, median, and quartile multiples and premiums for the transactions. These multiples and premiums were applied to Allied s financial information as of and for the period ended December 31, 2006 and were used to impute a transaction price. As illustrated in the following table, Burke Capital derived an imputed range of values per share of Allied s common stock of \$23.19 to \$27.55 based upon the median and mean multiples of the selected Southeastern transactions.

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	Median Multiple	Implied Value/ Share	Buckhead Merger Consideration⁽¹⁾
Transaction Value / LTM Earnings	20.87 x	\$ 23.19	27.67 x
Transaction Value / Book Value	3.00 x	\$ 27.55	3.29 x
Transaction Value / Tangible Book Value	3.00 x	\$ 27.55	3.29 x
Tangible Book Premium / Core Deposits	23.95%	\$ 25.57	31.09%
Transaction Value / Assets	24.14%	\$ 25.40	28.95%
	Average Valuation	25.85	\$ 30.00
	Implied Range	23.19	\$ 27.55

⁽¹⁾ Assumes Buckhead implied stock valuation of \$25.00 per share.

The analysis showed that the merger consideration of \$30.00 per fully diluted share is above the range of all values imputed by the mean and median multiples of the comparable Southeastern transactions and significantly above the implied average valuation of the comparables universe.

Discounted Cash Flow Analysis

Using a discounted cash flow analysis, Burke Capital estimated the present value of the future stream of earnings and dividends that Allied could produce based upon an internal earnings and balance sheet forecast for 2007 through 2010. Burke Capital performed discounted cash flow analyses based upon terminal values to both earnings and tangible equity.

In order to derive the terminal value of Allied's earnings stream beyond 2009, Burke Capital assumed terminal value multiples ranging from 15.0x to 18.0x of fiscal year 2010 net income. The dividend streams and terminal values were then discounted to present values using different estimated discount rates (ranging from 13.0% to 17.0%) chosen to reflect different assumptions regarding the required rates of return to holders or prospective buyers of Allied common stock. This discounted cash flow analysis indicated a value range between \$22.51 and \$30.02 per share of Allied common stock.

The value of the consideration offered by Buckhead Community to Allied in the merger is \$30.00 per fully diluted share of Allied common stock on, which is at the high end of the range of values imputed from the discounted cash flow analysis.

Contribution Analysis

Burke Capital computed the contribution of Buckhead Community and Allied to various elements of the pro forma entity's income statement, excluding estimated cost savings and operating synergies, as well as balance sheet and franchise. The following table compares the pro forma ownership in the combined company, assuming a hypothetical 100% transaction, to each Company's respective contribution to each element of the analysis.

	Contribution	
	Allied	Buckhead
Pro Forma Fully Diluted Ownership	31.65%	68.35%
Earnings (000 \$)		
2006A Earnings	26.89%	73.11%
2007E Earnings	28.92%	71.08%
Balance Sheet (12/31/2006)(000 \$)		
Loans, net	29.50%	70.50%
Assets	25.40%	74.60%
Deposits	26.31%	73.69%
Equity	29.03%	70.97%
Tangible Equity	29.03%	70.97%