



**FOR IMMEDIATE RELEASE**

**PRIVATE BANCORP OF AMERICA, INC. REPORTS SECOND QUARTER 2020 FINANCIAL RESULTS**

- Net income for the quarter was \$2.1 million, up 9% for the quarter and 98% year-over-year.
- Net interest income for the quarter was \$11.6 million, up 0.7% for the quarter and 15% year-over-year.
- Net interest margin for the quarter was 3.66% compared to 4.46% in the first quarter and 4.70% in the prior year.
- Total assets increased \$88.1 million, or 7%, for the quarter and \$333 million, or 36%, year-over-year.
- Total loans increased to \$1.0 billion up 15% for the quarter and up 29% year-over-year
- Funded \$158.2 million in loans through the Paycheck Protection Program.
- Total deposits increased to \$1.0 billion up 8% for the quarter and up 42% year-over-year
- Non-interest-bearing deposits increased 27% during the quarter and 83% year-over-year.
- The Allowance for Loan Losses increased \$1.5 million to \$11.1 million in response to increasing uncertain economic conditions.
- No delinquent or past due loans at June 30, 2020

La Jolla, Calif. – July 20, 2020 (GLOBE NEWSWIRE) - Private Bancorp of America, Inc. (OTCQX:PBAM), (“Company”) and CalPrivate Bank (“Bank”) announced unaudited financial results for the second quarter ending June 30, 2020. For the second quarter of 2020, the Company reported net income of \$2.1 million or \$0.37 per diluted share.

The Bank remains focused on ensuring the safety and prosperity of our employees and clients during the ongoing COVID-19 crisis and continues operating at most of our locations with modified branch hours. During the quarter, the Bank supported our clients and acquired new clients by participating in the Small Business Administrations’ Paycheck Protection Program (“PPP”). The Bank funded 611 loans for \$158.2 million and collected approximately \$5.5 million in fees from PPP lending efforts. These fees are anticipated to be accretive to non-interest income over approximately the next two years.

As of June 30, 2020, 56 loans totaling \$97.5 have been granted loan deferrals in relation to COVID-19. The Bank had no past due loans at the end of the quarter. Criticized assets were \$5.3 million, consisting of 5 relationships all related to the impacts of COVID-19. Classified assets were \$4.8 million at quarter end, of which the largest loan was a well secured \$3.5 million credit. There were no doubtful credits or charge offs in the quarter.

The Allowance for Loan Losses increased \$1.5 million to \$11.1 million in the quarter with a resulting coverage ratio of 1.08% compared to \$9.6 million or 1.07% at the first quarter of 2020 and \$7.6 million or 0.96% at the second quarter of 2019. The increase in the Allowance for Loan Losses was primarily due to qualitative factors related to the general economic outlook in the markets we serve and the potential

impact on the loan portfolio resulting from economic uncertainties related to COVID-19. Excluding the impact of PPP loans, the coverage ratio on the loan portfolio increased to 1.28%.

Tom Wornham, CEO of the Company and the Bank said, “Our growth continues to come from all of our business lines throughout our Coastal Southern California footprint. We are very appreciative of the support of our clients and shareholders; as well as the hard work of our Team Members, who are successfully implementing our organic growth strategy. We continue to implement our pandemic and business continuity plans, allowing us to run our business safely and soundly. The COVID-19 environment still creates uncertain economic factors. The Bank maintains strong on balance sheet and contingent liquidity positions with a liquidity ratio at 20% at the end of the quarter and loan-to-deposit ratio of 99.03%.

We have adjusted the way we do business to protect our Team Members and Clients. In an effort to mitigate the impact on the Bank, we increased our on-balance sheet liquidity. We continue to increase our loan loss reserves, and remain in constant communication with our borrowers, a cornerstone of our relationship-based model.”

Rick Sowers, President of the Company and Bank added, “Our team has done a tremendous job responding to client needs during the past quarter. Its clear that their dedication to the success of our clients and the communities we serve is at the forefront of everything we do. This has led to growth in both our existing relationships and the establishment of new ones as a result of our efforts in the PP Program and our solutions-based approach. It is the focus on local businesses and families that continues to highlight the importance of community banks like CalPrivate in our financial systems and labor markets.”

The Company reported net income of \$2.1 million or \$0.37 per diluted share for the quarter ended June 30, 2020 compared with net income of \$1.9 million or \$0.34 per diluted share in the first quarter and \$1.1 million or \$0.20 per diluted share for the same period last year. Net interest income was \$11.6 million for the second quarter of 2020, representing a \$85 thousand or 0.70%, increase compared to the first quarter of 2020 and a \$1.5 million or 15.1% increase, compared to the same period in 2019. Net interest margin for the second quarter of 2020 was 3.66% compared with 4.46% for the first quarter of 2020 and 4.70% for the same period in 2019. The decrease in the net interest margin for the quarter was attributable to decreased market rates as a result of rate cuts in the Fed Funds Rate, costs associated with calling wholesale brokered deposits and the effect of lower yielding PPP loans. The yield on earning assets for the second quarter of 2020 was 4.29% compared with 5.35% in the first quarter and 5.67% for the same period in 2019. The yield on loans for the quarter decreased to 5.30% compared to 5.99% in the first quarter of this year and decreased from 6.13% in the second quarter of 2019. The cost of total funding sources was 0.69% for the quarter compared with 0.95% in the first quarter and 1.04% for the same period in 2019. The funding cost for the quarter was negatively impacted by accelerating the premium of wholesale CDs by 11 bps. Additionally, the decrease in funding costs was due to repricing of floating rate client deposit costs and an increase in non-interest-bearing deposit balances.

Non-interest income was \$1.4 million for the second quarter of 2020, representing a \$232 thousand or 20% increase compared to the first quarter of 2020 and a \$772 thousand or 127% increase compared to the same period in 2019. The increase in non-interest income for the quarter and compared to a year ago is primarily due to gains from investment sales offset by fewer gains from SBA loans sales. SBA loan sales for the second quarter were \$3.4 million with a 10.4% trade premium compared with \$11.2 million with a 9.8% trade premium in the first quarter of 2020 and \$4.7 million with a 10.3% trade premium in the second quarter of 2019.

Non-interest expense was \$8.7 million for the second quarter of 2020 representing a \$45 thousand increase, or 1%, compared to the first quarter of 2020 and a \$465 thousand, or 6% increase, compared to the same period in 2019. The increase in first quarter expenses was primarily due to increases in salaries and commissions partially offset by a decrease in professional fees. The increase compared to the second quarter of 2019 was due to increases in facilities and professional services. Approximately \$186 thousand of salary and other expense for the quarter was attributed to COVID-19 and PPP related expenses.

The Company increased total assets to \$1.3 billion at June 30, 2020, representing an increase of \$88.1 million or 7% compared to the first quarter of 2020 and \$333 million or 36% compared to the same period in 2019. Total loans increased \$132.4 million, or 15%, from the first quarter to \$1.0 billion at June 30, 2020 and increased \$231.2 million, or 29%, from the second quarter of 2019. Substantially all of the loan growth for the quarter was related to PPP loans.

“The Company’s second quarter of 2020 was marked by the significant increase in non-interest-bearing deposits from relationship clients and the successful execution of the Paycheck Protection Program. The CalPrivate Bank team members reacted magnificently to the challenges of work-at-home and maintained our *Distinctly Different*<sup>TM</sup> client service levels, a hallmark of the Bank,” said Selwyn Isakow, Chairman of the Board of PBAM and the Bank. “The Board and management continue to closely monitor the loan portfolio in these uncertain times, seeking to assist our valued clients in meeting their goals, while also enhancing the Loan Loss Reserve based on the precariousness of external factors. The Bank also has evaluated and enhanced our Diversity, Equity and Inclusion Policy and the organization continues to encourage Team member community service activities.”

### **About Private Bancorp of America, Inc.**

Private Bancorp of America, Inc. (OTCQX: PBAM), is the holding company for CalPrivate Bank. CalPrivate Bank provides a Distinctly Different banking experience through unparalleled service and creative funding solutions to high net worth individuals, professionals, locally owned businesses and real estate entrepreneurs. Customers are serviced through offices in Coronado, San Diego, La Jolla, Newport Beach, El Segundo and Beverly Hills as well as efficient electronic banking offerings. The Bank also offers various portfolio and government guaranteed lending programs, including SBA and cross-border Export-Import Bank programs. CalPrivate Bank is an SBA Preferred Lender and a Bauer Financial 5 star rated bank.

### **Investor Relations Contact**

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### **Safe Harbor Paragraph**

*This press release includes forward-looking statements that involve inherent risks and uncertainties. Private Bancorp of America, Inc. cautions readers that a number of important factors could cause actual results to differ materially from those in the forward-looking statements. These factors include the effects of the COVID-19 pandemic and related government actions on the Bank and its customers, loan losses, economic conditions and competition in the geographic and business areas in which Private Bancorp of America, Inc. operates, our ability to successfully integrate and develop business through the addition of*

*new personnel and facilities and merged banks, whether our efforts to expand loan, product and service offerings will prove profitable, the effects of the bank mergers and acquisitions in our markets, system failures and internet security, inflation, fluctuations in interest rates, legislation and governmental regulation. You should not place undue reliance on forward-looking statements and we undertake no obligation to update those statements whether as a result of changes in underlying factors, new information, future events or otherwise.*

**PRIVATE BANCORP OF AMERICA, INC.**  
**CONSOLIDATED BALANCE SHEET**  
(Unaudited)  
(Dollars in thousands)

	June 30, 2020	March 31, 2020	Dollar change	Percentage change	June 30, 2019	Dollar change	Percentage change
<b>Assets</b>							
Cash and due from banks	\$ 18,431	\$ 24,966	\$ (6,535)	-26.2%	\$ 26,410	\$ (7,979)	-30.2%
Interest-bearing deposits in other financial institutions	1,200	3,192	(1,992)	-62.4%	2,447	(1,247)	-51.0%
Interest-bearing deposits at Federal Reserve Bank	179,615	192,996	(13,381)	-6.9%	14,227	165,388	1162.5%
Total cash and due from banks	199,246	221,154	(21,908)	-9.9%	43,084	156,162	362.5%
Interest-bearing time deposits with other institutions	5,758	5,756	2	0.0%	2,254	3,504	155.5%
Investment securities available for sale	27,664	49,327	(21,663)	-43.9%	84,719	(57,055)	-67.3%
Loans	1,026,509	894,076	132,433	14.8%	795,345	231,164	29.1%
Allowance for loan losses	(11,100)	(9,598)	(1,502)	15.6%	(7,637)	(3,463)	45.3%
Net loans	1,015,409	884,478	130,931	14.8%	787,708	227,701	28.9%
Federal Home Loan Bank stock, at cost	4,602	4,060	542	13.3%	4,060	542	13.3%
Right of use asset	5,632	6,022	(390)	-6.5%	7,271	(1,639)	0.0%
Premises and equipment, net	3,055	3,052	3	0.1%	2,669	386	14.5%
Other intangible assets	1,281	1,267	14	1.1%	904	377	41.7%
Deferred tax asset	4,141	4,141	-	0.0%	4,409	(268)	-6.1%
Accrued interest receivable	3,556	3,122	434	13.9%	2,731	825	30.2%
Other assets	3,668	3,502	166	4.7%	738	2,930	397.0%
<b>Total assets</b>	<b>\$ 1,274,012</b>	<b>\$ 1,185,881</b>	<b>\$ 88,131</b>	<b>7.4%</b>	<b>\$ 940,547</b>	<b>\$ 333,465</b>	<b>35.5%</b>
<b>Liabilities and Shareholders' Equity</b>							
<b>Liabilities</b>							
Noninterest bearing	\$ 452,155	\$ 355,225	\$ 96,930	27.3%	\$ 247,153	\$ 205,002	82.9%
Interest Bearing	584,451	607,062	(22,611)	-3.7%	485,011	99,440	20.5%
Total deposits	1,036,606	962,287	74,319	7.7%	732,164	304,442	41.6%
FHLB borrowings	105,000	95,000	10,000	10.5%	82,000	23,000	28.0%
Other borrowings	17,936	17,934	2	0.0%	17,929	7	0.0%
Accrued interest payable and other liabilities	14,097	12,497	1,600	12.8%	10,599	3,498	33.0%
<b>Total liabilities</b>	<b>1,173,639</b>	<b>1,087,718</b>	<b>85,921</b>	<b>7.9%</b>	<b>842,692</b>	<b>330,947</b>	<b>39.3%</b>
<b>Shareholders' equity</b>							
Common stock	69,512	69,165	347	0.5%	68,740	772	1.1%
Additional paid-in capital	3,002	3,254	(252)	-7.7%	2,823	179	6.3%
Retained earnings	26,984	24,839	2,145	8.6%	25,997	987	3.8%
Accumulated other comprehensive income	875	905	(30)	-3.3%	295	580	196.6%
<b>Total stockholders' equity</b>	<b>100,373</b>	<b>98,163</b>	<b>2,210</b>	<b>2.3%</b>	<b>97,855</b>	<b>2,518</b>	<b>2.6%</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 1,274,012</b>	<b>\$ 1,185,881</b>	<b>\$ 88,131</b>	<b>7.4%</b>	<b>\$ 940,547</b>	<b>\$ 333,465</b>	<b>35.5%</b>

**PRIVATE BANCORP OF AMERICA, INC.**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(Unaudited)  
(Dollars in thousands, except per share amounts)

	For the three months ended						
	June 30, 2020	March 31, 2020	Dollar change	Percentage change	June 30, 2019	Dollar change	Percentage change
<b>Interest Income</b>							
Loans	\$ 13,293	\$ 13,129	\$ 164	1.2%	\$ 11,442	\$ 1,851	16.2%
Investment securities	251	401	(150)	-37.4%	601	(350)	-58.2%
Deposits in other financial institutions	91	304	(213)	-70.1%	126	(35)	-27.8%
Total interest income	<u>13,635</u>	<u>13,834</u>	<u>(199)</u>	<u>-1.4%</u>	<u>12,169</u>	<u>1,466</u>	<u>12.0%</u>
<b>Interest Expense</b>							
Deposits	1,356	1,710	(354)	-20.7%	1,340	16	1.2%
Borrowings	659	589	70	11.9%	736	(77)	-10.5%
Total interest expense	<u>2,015</u>	<u>2,299</u>	<u>(284)</u>	<u>-12.4%</u>	<u>2,076</u>	<u>(61)</u>	<u>-2.9%</u>
<b>Net interest income</b>	11,620	11,535	85	0.7%	10,093	1,527	15.1%
Provision for loan losses	1,511	997	514	51.6%	996	515	51.7%
<b>Net interest income after provision for loan losses</b>	<u>10,109</u>	<u>10,538</u>	<u>(429)</u>	<u>-4.1%</u>	<u>9,097</u>	<u>1,012</u>	<u>11.1%</u>
<b>Noninterest income:</b>							
Service charges on deposit accounts	143	173	(30)	-17.3%	117	26	22.2%
Net gain on sale of loans	210	679	(469)	-69.1%	307	(97)	-31.6%
Gain on sale of investment securities	751	-	751	NM	4	747	18675.0%
Other noninterest income	274	294	(20)	-6.8%	178	96	53.9%
Total noninterest income	<u>1,378</u>	<u>1,146</u>	<u>232</u>	<u>20.2%</u>	<u>606</u>	<u>772</u>	<u>127.4%</u>
<b>Noninterest expense:</b>							
Salary and employee benefits	5,790	5,552	238	4.3%	5,892	(102)	-1.7%
Occupancy and equipment	900	884	16	1.8%	641	259	40.4%
Data processing	561	518	43	8.3%	490	71	14.5%
Professional services	628	859	(231)	-26.9%	364	264	72.5%
Other expenses	827	848	(21)	-2.5%	854	(27)	-3.2%
Total noninterest expense	<u>8,706</u>	<u>8,661</u>	<u>45</u>	<u>0.5%</u>	<u>8,241</u>	<u>465</u>	<u>5.6%</u>
<b>Income before provision for income taxes</b>	2,781	3,023	(242)	-8.0%	1,462	1,319	90.2%
Provision for income taxes	711	1,116	(405)	-36.3%	411	300	73.0%
<b>Net income</b>	<u>\$ 2,070</u>	<u>\$ 1,907</u>	<u>\$ 163</u>	<u>8.5%</u>	<u>\$ 1,051</u>	<u>\$ 1,019</u>	<u>97.0%</u>
<b>Net income available to common shareholders</b>	<u>\$ 2,038</u>	<u>\$ 1,874</u>	<u>\$ 164</u>	<u>8.8%</u>	<u>\$ 1,031</u>	<u>\$ 1,007</u>	<u>97.7%</u>
<b>Earnings per share</b>							
Basic earnings per share	\$ 0.37	\$ 0.34	\$ 0.03	8.8%	\$ 0.21	\$ 0.16	80.4%
Diluted earnings per share	\$ 0.37	\$ 0.34	\$ 0.03	8.8%	\$ 0.20	\$ 0.17	84.2%
Average shares outstanding	5,435,155	5,488,197	(53,042)	-1.0%	5,027,437	407,718	8.1%
Diluted average shares outstanding	5,453,597	5,555,376	(101,779)	-1.8%	5,133,305	320,292	6.2%

**PRIVATE BANCORP OF AMERICA, INC.**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(Unaudited)  
(Dollars in thousands, except per share amounts)

	For the six months ended			
	June 30, 2020	June 30, 2019	Dollar change	Percentage change
<b>Interest Income</b>				
Loans	\$ 26,421	\$ 21,953	\$ 4,468	20.4%
Investment securities	652	1,274	(622)	-48.8%
Deposits in other financial institutions	395	259	136	52.5%
Total interest income	<u>27,468</u>	<u>23,486</u>	<u>3,982</u>	<u>17.0%</u>
<b>Interest Expense</b>				
Deposits	3,066	2,547	519	20.4%
Borrowings	1,248	1,215	33	2.7%
Total interest expense	<u>4,314</u>	<u>3,762</u>	<u>552</u>	<u>14.7%</u>
<b>Net interest income</b>	23,154	19,724	3,430	17.4%
Provision for loan losses	2,508	1,385	1,123	81.1%
<b>Net interest income after provision for loan losses</b>	<u>20,646</u>	<u>18,339</u>	<u>2,307</u>	<u>12.6%</u>
<b>Noninterest income:</b>				
Service charges on deposit accounts	317	210	107	51.0%
Net gain on sale of loans	889	654	235	35.9%
Gain on sale of investment securities	751	25	726	2904.0%
Other noninterest income	568	269	299	111.2%
Total noninterest income	<u>2,525</u>	<u>1,158</u>	<u>1,367</u>	<u>118.0%</u>
<b>Noninterest expense:</b>				
Salary and employee benefits	11,343	11,101	242	2.2%
Occupancy and equipment	1,784	1,314	470	35.8%
Data processing	1,079	1,014	65	6.4%
Professional services	1,487	750	737	98.3%
Other expenses	1,675	1,578	97	6.1%
Total noninterest expense	<u>17,368</u>	<u>15,757</u>	<u>1,611</u>	<u>10.2%</u>
<b>Income before provision for income taxes</b>	5,803	3,740	2,063	55.2%
Provision for income tax	1,827	1,102	725	65.8%
<b>Net income</b>	<u>\$ 3,976</u>	<u>\$ 2,638</u>	<u>\$ 1,338</u>	<u>50.7%</u>
<b>Net income available to common shareholders</b>	<u>\$ 3,909</u>	<u>\$ 2,589</u>	<u>\$ 1,320</u>	<u>51.0%</u>
<b>Earnings per share</b>				
Basic earnings per share	\$ 0.71	\$ 0.52	\$ 0.19	37.5%
Diluted earnings per share	\$ 0.71	\$ 0.51	\$ 0.20	40.4%
Average shares outstanding	5,488,160	5,012,604	475,556	9.5%
Diluted average shares outstanding	5,530,697	5,118,471	412,226	8.1%

PRIVATE BANCORP OF AMERICA, INC.  
Consolidated average balance sheet, interest, yield and rates  
(Unaudited)  
(Dollars in thousands)

	For the three months ended								
	June 30, 2020			March 31, 2020			June 30, 2019		
	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate
<b>Interest-Earnings Assets:</b>									
Deposits in other financial institutions	\$ 231,621	\$ 91	0.16%	\$ 104,156	\$ 304	1.17%	\$ 23,651	\$ 126	2.14%
Investment securities	38,539	251	2.61%	54,456	401	2.95%	89,102	601	2.70%
Loans	1,008,220	13,293	5.30%	881,655	13,129	5.99%	748,846	11,442	6.13%
Total interest-earning assets	1,278,380	13,635	4.29%	1,040,267	13,834	5.35%	861,599	12,169	5.67%
Noninterest-earning assets	15,104			47,975			35,521		
<b>Total Assets</b>	<b>\$ 1,293,484</b>			<b>\$ 1,088,242</b>			<b>\$ 897,120</b>		
<b>Interest-Bearing Liabilities</b>									
Interest-bearing transaction accounts	\$ 73,509	\$ 26	0.14%	\$ 83,471	\$ 165	0.80%	\$ 33,191	\$ 66	0.80%
Money market	394,523	476	0.49%	391,262	973	1.00%	320,310	720	0.90%
Savings deposits	8,863	2	0.09%	9,212	6	0.26%	6,779	5	0.30%
Certificates of deposit	126,545	852	2.71%	113,964	566	2.00%	98,004	549	2.25%
<b>Total Interest-Bearing Deposits</b>	<b>603,440</b>	<b>1,356</b>	<b>0.90%</b>	<b>597,909</b>	<b>1,710</b>	<b>1.27%</b>	<b>458,284</b>	<b>1,340</b>	<b>1.17%</b>
FHLB advances	100,385	387	1.55%	63,394	317	2.01%	65,797	423	2.58%
Other borrowings	17,934	272	6.07%	17,933	272	6.07%	14,711	313	8.29%
<b>Total Interest-Bearing Liabilities</b>	<b>118,319</b>	<b>659</b>	<b>2.24%</b>	<b>81,327</b>	<b>589</b>	<b>3.05%</b>	<b>80,508</b>	<b>736</b>	<b>3.67%</b>
Noninterest-bearing deposits	458,631			298,418			260,295		
<b>Total Funding Sources</b>	<b>1,180,390</b>	<b>2,015</b>	<b>0.69%</b>	<b>977,654</b>	<b>2,299</b>	<b>0.95%</b>	<b>799,087</b>	<b>2,076</b>	<b>1.04%</b>
Noninterest-bearing liabilities	12,964			13,022			11,069		
Shareholders' equity	100,130			97,566			86,964		
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 1,293,484</b>			<b>\$ 1,088,242</b>			<b>\$ 897,120</b>		
Net interest spread			3.60%			4.40%			4.62%
Net interest income		\$ 11,620			\$ 11,535			\$ 10,093	
Net interest margin			3.66%			4.46%			4.70%

PRIVATE BANCORP OF AMERICA, INC.

Condensed Balance Sheets

(Unaudited)

(Dollars in thousands, except per share amounts)

	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019
<b>Assets</b>					
Cash and due from banks	\$ 205,004	\$ 226,910	\$ 111,368	\$ 90,108	\$ 45,338
Investment securities	27,664	49,327	51,179	73,171	84,719
Loans	1,026,509	894,076	885,556	820,989	795,345
Allowance for loan losses	(11,100)	(9,598)	(8,601)	(7,893)	(7,637)
Net loans	1,015,409	884,478	876,955	813,096	787,708
Right of use asset	5,632	6,022	6,452	6,877	7,271
Premises and equipment, net	3,055	3,052	3,165	2,947	2,669
Other assets and interest receivable	17,248	16,092	16,868	13,786	12,842
<b>Total assets</b>	<b>\$ 1,274,012</b>	<b>\$ 1,185,881</b>	<b>\$ 1,065,987</b>	<b>\$ 999,985</b>	<b>\$ 940,547</b>
<b>Liabilities and Shareholders' Equity</b>					
<b>Liabilities</b>					
Noninterest Bearing	\$ 452,155	\$ 355,225	\$ 268,116	\$ 266,205	\$ 247,153
Interest Bearing	584,451	607,062	582,139	557,800	485,011
Total Deposits	1,036,606	962,287	850,255	824,005	732,164
Borrowings	122,936	112,934	107,932	72,930	99,929
Accrued interest payable and other liabilities	14,097	12,497	12,120	9,779	10,599
<b>Total liabilities</b>	<b>1,173,639</b>	<b>1,087,718</b>	<b>970,307</b>	<b>906,714</b>	<b>842,692</b>
<b>Shareholders' equity</b>					
Common stock	69,512	69,165	69,159	68,804	68,740
Additional paid-in capital	3,002	3,254	3,048	2,997	2,823
Retained earnings	26,984	24,839	22,905	20,917	25,997
Accumulated other comprehensive income	875	905	568	553	295
<b>Total shareholders' equity</b>	<b>100,373</b>	<b>98,163</b>	<b>95,680</b>	<b>93,271</b>	<b>97,855</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 1,274,012</b>	<b>\$ 1,185,881</b>	<b>\$ 1,065,987</b>	<b>\$ 999,985</b>	<b>\$ 940,547</b>
Book value per common share	\$ 17.99	\$ 17.57	\$ 17.15	\$ 16.84	\$ 17.60
Tangible book value per common share	\$ 17.76	\$ 17.35	\$ 16.96	\$ 16.66	\$ 17.44

Regulatory Capital Ratios (PBAM) <sup>1</sup>

	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019
Tier 1 leverage ratio	7.57%	8.79%	9.17%	9.54%	10.69%
Tier 1 risk-based capital ratio	9.66%	9.20%	9.86%	10.24%	11.10%
Common equity Tier 1 ratio	9.66%	9.20%	9.86%	10.24%	11.10%
Total risk-based capital ratio	12.60%	11.91%	12.71%	13.09%	14.10%
Tangible equity / tangible assets	7.79%	8.18%	8.88%	9.24%	10.32%

<sup>1</sup> Preliminary ratios for June 30, 2020

PRIVATE BANCORP OF AMERICA, INC.

Condensed Statements of Income

(Unaudited)

(Dollars in thousands, except per share amounts)

	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019
Interest income	\$ 13,635	\$ 13,834	\$ 13,472	\$ 13,222	\$ 12,169
Interest expense	2,015	2,299	2,400	2,253	2,076
<b>Net interest income</b>	<b>11,620</b>	<b>11,535</b>	<b>11,072</b>	<b>10,969</b>	<b>10,093</b>
Provision for loan losses	1,511	997	708	9,737	996
<b>Net interest income after provision for loan losses</b>	<b>10,109</b>	<b>10,538</b>	<b>10,364</b>	<b>1,232</b>	<b>9,097</b>
<b>Noninterest income</b>	<b>1,378</b>	<b>1,146</b>	<b>1,021</b>	<b>584</b>	<b>606</b>
Salary and employee benefits	5,790	5,552	5,427	6,341	5,892
Occupancy and equipment	900	884	832	793	641
Data processing	561	518	631	588	490
Professional services	628	859	726	639	364
Other expenses	827	848	946	570	854
<b>Total noninterest expense</b>	<b>8,706</b>	<b>8,661</b>	<b>8,562</b>	<b>8,931</b>	<b>8,241</b>
<b>Income (loss) before provision for income taxes</b>	<b>2,781</b>	<b>3,023</b>	<b>2,823</b>	<b>(7,115)</b>	<b>1,462</b>
Income taxes	711	1,116	857	(2,081)	411
Net income (loss)	\$ 2,070	\$ 1,907	\$ 1,966	\$ (5,034)	\$ 1,051
<b>Net income (loss) available to common shareholders</b>	<b>\$ 2,038</b>	<b>\$ 1,874</b>	<b>\$ 1,931</b>	<b>\$ (4,950)</b>	<b>\$ 1,031</b>
<b>Earnings (loss) per share</b>					
Basic earnings (loss) per share	\$ 0.37	\$ 0.34	\$ 0.36	\$ (0.91)	\$ 0.21
Diluted earnings (loss) per share	\$ 0.37	\$ 0.34	\$ 0.35	\$ (0.89)	\$ 0.20
Average shares outstanding	5,435,155	5,488,197	5,414,056	5,465,278	5,027,437
Diluted average shares outstanding	5,453,597	5,555,376	5,492,930	5,563,931	5,133,305

Performance Ratios

	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019
ROAA	0.64%	0.70%	0.77%	-2.06%	0.47%
ROAE	8.31%	7.86%	8.53%	-20.30%	4.85%
ROTE	8.42%	7.96%	8.01%	-20.50%	4.90%
Net interest margin	3.66%	4.46%	4.47%	4.67%	4.70%
Net interest spread	3.60%	4.40%	4.40%	4.59%	4.62%
Efficiency ratio	66.98%	68.30%	70.80%	77.30%	77.03%
Noninterest expense / average assets	2.71%	3.20%	3.33%	3.65%	3.68%

PRIVATE BANCORP OF AMERICA, INC.

Average Balances

(Unaudited)

(Dollars in thousands)

	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019
Total assets	\$ 1,293,484	\$ 1,088,242	\$ 1,018,944	\$ 970,864	\$ 897,120
Earning assets	\$ 1,278,380	\$ 1,040,267	\$ 982,032	\$ 931,781	\$ 861,599
Total loans	\$ 1,008,220	\$ 881,655	\$ 845,199	\$ 816,281	\$ 748,846
Total deposits	\$ 1,062,071	\$ 896,327	\$ 842,229	\$ 778,821	\$ 718,579
Total equity	\$ 100,130	\$ 97,566	\$ 91,464	\$ 98,391	\$ 86,964

Loan Balances by Type

(Dollars in thousands)

	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019
Real estate - investor owned	\$ 234,806	\$ 246,026	\$ 245,658	\$ 247,953	\$ 245,068
Real estate - owner occupied	240,587	234,771	225,778	192,739	175,112
Real estate - multifamily	66,431	67,550	68,308	68,536	67,839
Real estate - single family	57,521	58,429	59,487	59,782	56,783
Commercial business	385,329	245,610	243,438	204,166	201,892
Land and construction	26,327	27,044	32,151	37,918	37,966
Consumer	8,046	7,300	6,172	5,585	7,035
Total loans held for investment	1,019,047	886,730	880,992	816,679	791,695
Loans held for sale	7,462	7,346	4,564	4,310	3,650
Total loans, including loans held for sale	1,026,509	894,076	885,556	820,989	795,345
Allowance for loan losses	(11,100)	(9,598)	(8,601)	(7,893)	(7,637)
Net loans	\$ 1,015,409	\$ 884,478	\$ 876,955	\$ 813,096	\$ 787,708

Deposits by Type

(Dollars in thousands)

	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019
Non interest bearing DDA	\$ 452,155	\$ 355,225	\$ 268,116	\$ 266,205	\$ 247,153
Interest bearing DDA	63,805	108,368	112,397	47,805	29,583
Savings & MMA	427,685	366,109	350,563	394,128	363,803
Retail CD	8,493	8,484	6,989	7,132	7,025
Jumbo CD	84,468	124,101	112,190	108,735	84,600
Total deposits	\$ 1,036,606	\$ 962,287	\$ 850,255	\$ 824,005	\$ 732,164

Asset Quality

(Dollars in thousands)

	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019
Total Loans	\$ 1,026,509	\$ 894,076	\$ 885,556	\$ 820,989	\$ 795,345
30-89 day past due loans	\$ -	\$ 297	\$ -	\$ -	\$ 155
90+ day past due loans	\$ -	\$ -	\$ -	\$ -	\$ -
Nonaccrual loans	\$ -	\$ 663	\$ -	\$ -	\$ -
NPAs / Assets	0.00%	0.00%	0.00%	0.00%	0.00%
NPLs / loans & OREO	0.00%	0.07%	0.00%	0.00%	0.00%
Net quarterly charge-offs	\$ -	\$ -	\$ -	\$ 9,481	\$ -
Net charge-offs/avg loans (annualized)	0.00%	0.00%	0.00%	4.65%	0.00%
Allowance for loan losses to loans	1.08%	1.07%	0.97%	0.96%	0.96%
Allowance for loan losses to nonaccrual loans	NM	1447.66%	NM	NM	NM