



FOR IMMEDIATE RELEASE

PRIVATE BANCORP OF AMERICA, INC. REPORTS RECORD THIRD QUARTER 2020 FINANCIAL RESULTS

- Net income for the quarter was \$2.5 million, or \$0.45 per diluted share
- Net interest margin for the quarter was 3.94% compared to 3.66% in the prior quarter
- Total loans were \$1.0 billion up 2% for the quarter
- Allowance for loan losses (“ALL”) to total loans of 1.22%
- No doubtful credits or charge offs in the quarter and no loan delinquencies at end of quarter
- Non-performing assets represent 0.14% of total assets
- COVID-19 loan deferrals declined to \$34.4 million, or 3% of total loans from \$97.5 million the prior quarter
- Total deposits were \$1.0 billion down 1% for the quarter and up 25% year-over-year
- Non-interest-bearing deposits increased 4% during the quarter and represent 46% of total deposits
- Cost of deposits were 0.27% in the third quarter, compared with 0.51% in the prior quarter
- Non-interest expense declined 5%, compared to the second quarter

La Jolla, Calif. – October 26, 2020 (GLOBE NEWSWIRE) - Private Bancorp of America, Inc. (OTCQX:PBAM), (“Company”) and CalPrivate Bank (“Bank”) announced unaudited financial results for the third quarter ending September 30, 2020. For the third quarter of 2020, the Company reported net income of \$2.5 million or \$0.45 per diluted share.

The Bank remains concerned about the safety and prosperity of our employees and clients during the ongoing COVID-19 crisis and during the quarter resumed normal branch hours at most of our locations. The Bank has \$154.2 million in SBA PPP loans outstanding and worked with clients during the quarter to submit applications to the SBA for loan forgiveness. By the end of the quarter 206 loans representing \$99.8 million in loan balances and \$3.2 million in potential loan fees had been submitted to the SBA.

As of September 2020, the number of COVID-19 related loan deferrals decreased to 16 loans totaling \$34.4 million or 3% of total loans from 56 loans and \$97.5 million in the second quarter of 2020. The Bank had no past due loans at the end of the quarter and two loans totaling \$1.7 million on non-accrual. Criticized assets were \$4.9 million, consisting of 5 relationships all related to the impacts of COVID-19. Classified assets increased \$3.6 million to \$7.7 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 \$1.6 million to \$12.7 million in the quarter with a resulting coverage ratio of 1.22% of total loans outstanding, including PPP loans, compared to \$11.1 million or 1.08% at the second quarter of 2020 and \$7.9 million or 0.96% at the third 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 1.43%.

Rick Sowers, President and CEO of the Company and the Bank stated, “The Team continues to focus on the safety and prosperity of our clients and the communities we serve through our Relationship based business model. We are pleased with the continued progress we are making in increasing our operating leverage, reducing expenses, protecting our net interest margin and growing the Bank in a safe and sound manner. The third quarter included higher gain on sale from loans generated by our SBA Team and a significant reduction in deposit and funding costs.”

The Company reported net income of \$2.5 million or \$0.45 per diluted share for the quarter ended September 30, 2020 compared with net income of \$2.1 million or \$0.37 per diluted share in the second quarter and a loss of \$5 million or \$0.89 per diluted share for the same period last year. Net interest income was \$12.5 million for the third quarter of 2020, representing an \$877 thousand or 7.50%, increase compared to the second quarter of 2020 and a \$1.5 million or 13.9% increase, compared to the same period in 2019. Net interest margin for the third quarter of 2020 was 3.94% compared with 3.66% for the second quarter of 2020 and 4.67% for the same period in 2019. The increase in the net interest margin for the quarter was attributable to lower funding costs as a result of proactive repositioning and repricing of the deposit portfolio. The yield on earning assets for the third quarter of 2020 was 4.37% compared with 4.29% in the second quarter and 5.63% for the same period in 2019. The yield on loans for the quarter decreased to 5.21% compared to 5.30% in the second quarter of this year and decreased from 6.07% in the third quarter of 2019. The cost of total funding sources was 0.47% for the quarter compared with 0.69% in the second quarter and 1.04% for the same period in 2019.

Non-interest income was \$936 thousand for the third quarter of 2020, representing a \$442 thousand or 32% decrease compared to the second quarter of 2020 and a \$352 thousand or 60% increase compared to the same period in 2019. The decrease in non-interest income for the quarter is due to \$751 thousand in security gains recorded in the second quarter partially offset by a \$344 thousand increase in revenues from SBA loan sales. The increase in non-interest income compared to a year ago is primarily due to \$391 thousand in additional gains from the sale of SBA loans partially offset by \$125 thousand in securities gains recorded in the third quarter of 2019. SBA loan sales for the third quarter were \$6.2 million with a 13.8% trade premium compared with \$3.4 million with a 10.4% trade premium in the second quarter of 2020 and \$4.4 million with a 10.5% trade premium in the third quarter of 2019.

Non-interest expense was \$8.2 million for the third quarter of 2020 representing a \$474 thousand decrease, or 5%, compared to the second quarter of 2020 and a \$699 thousand, or 8% decrease, compared to the same period in 2019. The decrease in second quarter expenses was primarily due to decreases in salaries and benefits and professional fees. The decrease compared to the first quarter of 2019 was due to decreases in salaries and benefits and professional services partially offset by an increase in other expense.

The Company reported total assets of \$1.2 billion at September 30, 2020, representing a decrease of \$29.8 million or 2% compared to the second quarter of 2020 and an increase of \$244 million or 24% compared to the same period in 2019. The decrease in assets was largely due to repaying term FHLB advances offset by a \$16.2 million, or 2% increase in loans, from the second quarter to \$1.0 billion at September 30, 2020 and increased \$221.8 million, or 27%, from the third quarter of 2019. Substantially all of the loan growth for the quarter was related to real estate loans.

“The Company continues to perform strongly. During the quarter, the CEO transition announced in January was completed. Rick Sowers is now President and CEO of both PBAM and CalPrivate Bank. We again thank Tom Wornham for leading the organization to where we are today”, said Selwyn Isakow, Chairman of the Board of PBAM and the Bank. “The third quarter was highlighted by a higher net interest margin, improved efficiency ratio and greater clarity on the strength of the loan portfolio. The macro-environment

in which we operate remains uncertain. Caution and diligence are our focus as we plan on taking advantage of dislocations in the industry to expand our client base with additional relationship-driven prospects seeking superior service and more creative solutions to their challenges and opportunities, provided by exceptional bankers.”

On October 21, PBAM appointed Leda Csanka to the board of CalPrivate Bank, increasing the number of directors to thirteen. Ms. Csanka brings over 30 years of deep technology experience within financial services. She has held diverse IT and leadership roles with a multinational banking and financial services firm, having tenures within programming, architecture, infrastructure, standardization and strategic leadership for retail, direct and commercial banking, investment banking, asset management and insurance services. Ms. Csanka later became Chief Technology Officer and a member of the executive team of a leading broker-dealer that provided retail financial services to investment programs of banks and credit unions. Isakow stated “We welcome Leda to the Bank board and are delighted to add someone who has such a depth of knowledge and understanding of technology in our industry at a time when our systems are integral to future exceptional client service and bank efficiency.”

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)

	September 30, 2020	June 30, 2020	Dollar change	Percentage change	September 30, 2019	Dollar change	Percentage change
Assets							
Cash and due from banks	\$ 10,985	\$ 13,641	\$ (2,656)	-19.5%	\$ 29,480	\$ (18,495)	-62.7%
Interest-bearing deposits in other financial institutions	930	1,200	(270)	-22.5%	563	367	65.2%
Interest-bearing deposits at Federal Reserve Bank	143,431	184,405	(40,974)	-22.2%	57,810	85,621	148.1%
Total cash and due from banks	155,346	199,246	(43,900)	-22.0%	87,853	67,493	76.8%
Interest-bearing time deposits with other institutions	5,760	5,758	2	0.0%	2,255	3,505	155.4%
Investment securities available for sale	26,525	27,664	(1,139)	-4.1%	73,170	(46,645)	-63.7%
Loans	1,042,786	1,026,509	16,277	1.6%	820,989	221,797	27.0%
Allowance for loan losses	(12,682)	(11,100)	(1,582)	14.3%	(7,893)	(4,789)	60.7%
Net loans	1,030,104	1,015,409	14,695	1.4%	813,096	217,008	26.7%
Federal Home Loan Bank stock, at cost	4,602	4,602	-	0.0%	4,060	542	13.3%
Right of use asset	5,186	5,632	(446)	-7.9%	6,877	(1,691)	-24.6%
Premises and equipment, net	2,859	3,055	(196)	-6.4%	2,947	(88)	-3.0%
Other intangible assets	1,364	1,281	83	6.5%	978	386	39.5%
Deferred tax asset	4,141	4,141	-	0.0%	4,409	(268)	-6.1%
Accrued interest receivable	3,883	3,556	327	9.2%	2,569	1,314	51.1%
Other assets	4,424	3,668	756	20.6%	1,771	2,653	149.8%
Total assets	\$ 1,244,194	\$ 1,274,012	\$ (29,818)	-2.3%	\$ 999,985	\$ 244,209	24.4%
Liabilities and Shareholders' Equity							
Liabilities							
Noninterest bearing	\$ 471,324	\$ 452,155	\$ 19,169	4.2%	\$ 266,205	\$ 205,119	77.1%
Interest Bearing	557,455	584,451	(26,996)	-4.6%	557,800	(345)	-0.1%
Total deposits	1,028,779	1,036,606	(7,827)	-0.8%	824,005	204,774	24.9%
FHLB borrowings	80,000	105,000	(25,000)	-23.8%	55,000	25,000	45.5%
Other borrowings	17,938	17,936	2	0.0%	17,930	8	0.0%
Accrued interest payable and other liabilities	14,227	14,097	130	0.9%	9,779	4,448	45.5%
Total liabilities	1,140,944	1,173,639	(32,695)	-2.8%	906,714	234,230	25.8%
Shareholders' equity							
Common stock	69,540	69,512	28	0.0%	68,804	736	1.1%
Additional paid-in capital	3,230	3,002	228	7.6%	2,997	233	7.8%
Retained earnings	29,521	26,984	2,537	9.4%	20,917	8,604	41.1%
Accumulated other comprehensive income	959	875	84	9.6%	553	406	73.4%
Total stockholders' equity	103,250	100,373	2,877	2.9%	93,271	9,979	10.7%
Total liabilities and stockholders' equity	\$ 1,244,194	\$ 1,274,012	\$ (29,818)	-2.3%	\$ 999,985	\$ 244,209	24.4%

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

	For the three months ended						
	September 30, 2020	June 30, 2020	Dollar change	Percentage change	September 30, 2019	Dollar change	Percentage change
Interest Income							
Loans	\$ 13,578	\$ 13,293	\$ 285	2.1%	\$ 12,497	\$ 1,081	8.7%
Investment securities	231	251	(20)	-8.0%	544	(313)	-57.5%
Deposits in other financial institutions	51	91	(40)	-44.0%	181	(130)	-71.8%
Total interest income	<u>13,860</u>	<u>13,635</u>	<u>225</u>	<u>1.7%</u>	<u>13,222</u>	<u>638</u>	<u>4.8%</u>
Interest Expense							
Deposits	707	1,356	(649)	-47.9%	1,605	(898)	-56.0%
Borrowings	656	659	(3)	-0.5%	648	8	1.2%
Total interest expense	<u>1,363</u>	<u>2,015</u>	<u>(652)</u>	<u>-32.4%</u>	<u>2,253</u>	<u>(890)</u>	<u>-39.5%</u>
Net interest income	12,497	11,620	877	7.5%	10,969	1,528	13.9%
Provision for loan losses	1,582	1,511	71	4.7%	9,737	(8,155)	-83.8%
Net interest income after provision for loan losses	<u>10,915</u>	<u>10,109</u>	<u>806</u>	<u>8.0%</u>	<u>1,232</u>	<u>9,683</u>	<u>786.0%</u>
Noninterest income:							
Service charges on deposit accounts	141	143	(2)	-1.4%	137	4	2.9%
Net gain on sale of loans	554	210	344	163.8%	163	391	239.9%
Gain on sale of investment securities	0	751	(751)	-100.0%	125	(125)	-100.0%
Other noninterest income	241	274	(33)	-12.0%	159	82	51.6%
Total noninterest income	<u>936</u>	<u>1,378</u>	<u>(442)</u>	<u>-32.1%</u>	<u>584</u>	<u>352</u>	<u>60.3%</u>
Noninterest expense:							
Salary and employee benefits	5,365	5,790	(425)	-7.3%	6,341	(976)	-15.4%
Occupancy and equipment	864	900	(36)	-4.0%	793	71	9.0%
Data processing	643	561	82	14.6%	588	55	9.4%
Professional services	514	628	(114)	-18.2%	639	(125)	-19.6%
Other expenses	846	827	19	2.3%	570	276	48.4%
Total noninterest expense	<u>8,232</u>	<u>8,706</u>	<u>(474)</u>	<u>-5.4%</u>	<u>8,931</u>	<u>(699)</u>	<u>-7.8%</u>
Income (loss) before provision for income taxes	3,619	2,781	838	30.1%	(7,115)	10,734	-150.9%
Provision for income taxes	1,084	711	373	52.5%	(2,081)	3,165	-152.1%
Net income (loss)	<u>\$ 2,535</u>	<u>\$ 2,070</u>	<u>\$ 465</u>	<u>22.5%</u>	<u>\$ (5,034)</u>	<u>\$ 7,569</u>	<u>-150.4%</u>
Net income (loss) available to common shareholders	<u>\$ 2,499</u>	<u>\$ 2,038</u>	<u>\$ 461</u>	<u>22.6%</u>	<u>\$ (4,950)</u>	<u>\$ 7,449</u>	<u>-150.5%</u>
Earnings (loss) per share							
Basic earnings (loss) per share	\$ 0.45	\$ 0.37	\$ 0.08	21.6%	\$ (0.91)	\$ 1.36	-149.5%
Diluted earnings (loss) per share	\$ 0.45	\$ 0.37	\$ 0.08	21.6%	\$ (0.89)	\$ 1.34	-150.6%
Average shares outstanding	5,499,970	5,435,155	64,815	1.2%	5,465,278	34,692	0.6%
Diluted average shares outstanding	5,516,013	5,453,597	62,416	1.1%	5,563,931	(47,918)	-0.9%

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

	For the nine months ended			
	September 30, 2020	September 30, 2019	Dollar change	Percentage change
Interest Income				
Loans	\$ 39,999	\$ 34,449	\$ 5,550	16.1%
Investment securities	883	1,818	(935)	-51.4%
Deposits in other financial institutions	446	440	6	1.4%
Total interest income	<u>41,328</u>	<u>36,707</u>	<u>4,621</u>	<u>12.6%</u>
Interest Expense				
Deposits	3,773	4,152	(379)	-9.1%
Borrowings	1,904	1,863	41	2.2%
Total interest expense	<u>5,677</u>	<u>6,015</u>	<u>(338)</u>	<u>-5.6%</u>
Net interest income	35,651	30,692	4,959	16.2%
Provision for loan losses	<u>4,091</u>	<u>11,122</u>	<u>(7,031)</u>	<u>-63.2%</u>
Net interest income after provision for loan losses	31,560	19,570	11,990	61.3%
Noninterest income:				
Service charges on deposit accounts	457	347	110	31.7%
Net gain on sale of loans	1,444	817	627	76.7%
Gain on sale of investment securities	751	150	601	400.7%
Other noninterest income	808	428	380	88.8%
Total noninterest income	<u>3,460</u>	<u>1,742</u>	<u>1,718</u>	<u>98.6%</u>
Noninterest expense:				
Salary and employee benefits	16,707	17,462	(755)	-4.3%
Occupancy and equipment	2,649	2,109	540	25.6%
Data processing	1,721	1,602	119	7.4%
Professional services	2,001	1,395	606	43.4%
Other expenses	2,521	2,153	368	17.1%
Total noninterest expense	<u>25,599</u>	<u>24,721</u>	<u>878</u>	<u>3.6%</u>
Income (loss) before provision for income taxes	9,421	(3,409)	12,830	-376.4%
Provision for income taxes	<u>2,910</u>	<u>(1,014)</u>	<u>3,924</u>	<u>-387.0%</u>
Net income (loss)	<u>\$ 6,511</u>	<u>\$ (2,395)</u>	<u>\$ 8,906</u>	<u>-371.9%</u>
Net income (loss) available to common shareholders	<u>\$ 6,407</u>	<u>\$ (2,351)</u>	<u>\$ 8,758</u>	<u>-372.5%</u>
Earnings (loss) per share				
Basic earnings (loss) per share	\$ 1.17	\$ (0.46)	\$ 1.63	-354.3%
Diluted earnings (loss) per share	\$ 1.16	\$ (0.45)	\$ 1.61	-357.8%
Average shares outstanding	5,492,123	5,163,512	328,611	6.4%
Diluted average shares outstanding	5,522,929	5,262,165	260,764	5.0%

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

	For the three months ended								
	September 30, 2020			June 30, 2020			September 30, 2019		
	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate
Interest-Earnings Assets:									
Deposits in other financial institutions	\$ 191,912	\$ 51	0.11%	\$ 231,621	\$ 91	0.16%	\$ 35,658	\$ 181	2.01%
Investment securities	31,727	231	2.91%	38,539	251	2.61%	79,842	544	2.73%
Loans	1,037,195	13,578	5.21%	1,008,220	13,293	5.30%	816,281	12,497	6.07%
Total interest-earning assets	1,260,834	13,860	4.37%	1,278,380	13,635	4.29%	931,781	13,222	5.63%
Noninterest-earning assets	10,529			15,104			39,083		
Total Assets	<u>\$ 1,271,363</u>			<u>\$ 1,293,484</u>			<u>\$ 970,864</u>		
Interest-Bearing Liabilities									
Interest-bearing transaction accounts	\$ 59,624	\$ 19	0.13%	\$ 73,509	\$ 26	0.14%	\$ 37,644	\$ 69	0.73%
Money market	402,286	349	0.35%	394,523	476	0.49%	372,008	959	1.02%
Savings deposits	9,024	2	0.09%	8,863	2	0.09%	7,099	5	0.28%
Certificates of deposit	97,444	337	1.38%	126,545	852	2.71%	100,705	572	2.25%
Total Interest-Bearing Deposits	568,378	707	0.49%	603,440	1,356	0.90%	517,456	1,605	1.23%
FHLB advances	100,924	384	1.51%	100,385	387	1.55%	63,301	376	2.36%
Other borrowings	17,937	272	6.07%	17,934	272	6.07%	17,929	272	6.07%
Total Interest-Bearing Liabilities	118,861	656	2.20%	118,319	659	2.24%	81,230	648	3.16%
Noninterest-bearing deposits	467,845			458,631			261,365		
Total Funding Sources	1,155,084	1,363	0.47%	1,180,390	2,015	0.69%	860,051	2,253	1.04%
Noninterest-bearing liabilities	13,740			12,964			12,422		
Shareholders' equity	102,539			100,130			98,391		
Total Liabilities and Shareholders' Equity	<u>\$ 1,271,363</u>			<u>\$ 1,293,484</u>			<u>\$ 970,864</u>		
Net interest spread			3.90%			3.60%			4.59%
Net interest income		\$ 12,497			\$ 11,620			\$ 10,969	
Net interest margin			3.94%			3.66%			4.67%

PRIVATE BANCORP OF AMERICA, INC.

Condensed Balance Sheets

(Unaudited)

(Dollars in thousands, except per share amounts)

	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019
Assets					
Cash and due from banks	\$ 155,346	\$ 199,246	\$ 221,154	\$ 105,610	\$ 87,853
Interest-bearing time deposits with other institutions	5,760	5,758	5,756	5,758	2,255
Investment securities	26,525	27,664	49,327	51,179	73,170
Loans	1,042,786	1,026,509	894,076	885,556	820,989
Allowance for loan losses	(12,682)	(11,100)	(9,598)	(8,601)	(7,893)
Net loans	1,030,104	1,015,409	884,478	876,955	813,096
Right of use asset	5,186	5,632	6,022	6,452	6,877
Premises and equipment, net	2,859	3,055	3,052	3,165	2,947
Other assets and interest receivable	18,414	17,248	16,092	16,868	13,787
Total assets	\$ 1,244,194	\$ 1,274,012	\$ 1,185,881	\$ 1,065,987	\$ 999,985
Liabilities and Shareholders' Equity					
Liabilities					
Noninterest Bearing	\$ 471,324	\$ 452,155	\$ 355,225	\$ 268,116	\$ 266,205
Interest Bearing	557,455	584,451	607,062	582,139	557,800
Total Deposits	1,028,779	1,036,606	962,287	850,255	824,005
Borrowings	97,938	122,936	112,934	107,932	72,930
Accrued interest payable and other liabilities	14,227	14,097	12,497	12,120	9,779
Total liabilities	1,140,944	1,173,639	1,087,718	970,307	906,714
Shareholders' equity					
Common stock	69,540	69,512	69,165	69,159	68,804
Additional paid-in capital	3,230	3,002	3,254	3,048	2,997
Retained earnings	29,521	26,984	24,839	22,905	20,917
Accumulated other comprehensive income	959	875	905	568	553
Total shareholders' equity	103,250	100,373	98,163	95,680	93,271
Total liabilities and shareholders' equity	\$ 1,244,194	\$ 1,274,012	\$ 1,185,881	\$ 1,065,987	\$ 999,985
Book value per common share	\$ 18.50	\$ 17.99	\$ 17.57	\$ 17.15	\$ 16.84
Tangible book value per common share	\$ 18.26	\$ 17.76	\$ 17.35	\$ 16.96	\$ 16.66
Shares outstanding	5,580,456	5,578,884	5,586,270	5,577,968	5,539,938

Regulatory Capital Ratios (PBAM) ¹

	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019
Tier 1 leverage ratio	7.92%	7.57%	8.79%	9.17%	9.54%
Tier 1 risk-based capital ratio	11.35%	9.66%	9.20%	9.86%	10.24%
Common equity Tier 1 ratio	11.35%	9.66%	9.20%	9.86%	10.24%
Total risk-based capital ratio	14.63%	12.60%	11.91%	12.71%	13.09%
Tangible equity / tangible assets	8.20%	7.79%	8.18%	8.88%	9.24%

¹ Preliminary ratios for Sept 30, 2020

PRIVATE BANCORP OF AMERICA, INC.

Condensed Statements of Income

(Unaudited)

(Dollars in thousands, except per share amounts)

	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019
Interest income	\$ 13,860	\$ 13,635	\$ 13,834	\$ 13,472	\$ 13,222
Interest expense	1,363	2,015	2,299	2,400	2,253
Net interest income	12,497	11,620	11,535	11,072	10,969
Provision for loan losses	1,582	1,511	997	708	9,737
Net interest income after provision for loan losses	10,915	10,109	10,538	10,364	1,232
Noninterest income	936	1,378	1,146	1,021	584
Salary and employee benefits	5,365	5,790	5,552	5,427	6,341
Occupancy and equipment	864	900	884	832	793
Data processing	643	561	518	631	588
Professional services	514	628	859	726	639
Other expenses	846	827	848	946	570
Total noninterest expense	8,232	8,706	8,661	8,562	8,931
Income (loss) before provision for income taxes	3,619	2,781	3,023	2,823	(7,115)
Income taxes	1,084	711	1,116	857	(2,081)
Net income (loss)	\$ 2,535	\$ 2,070	\$ 1,907	\$ 1,966	\$ (5,034)
Net income (loss) available to common shareholders	\$ 2,499	\$ 2,038	\$ 1,874	\$ 1,931	\$ (4,950)
Earnings (loss) per share					
Basic earnings (loss) per share	\$ 0.45	\$ 0.37	\$ 0.34	\$ 0.36	\$ (0.91)
Diluted earnings (loss) per share	\$ 0.45	\$ 0.37	\$ 0.34	\$ 0.35	\$ (0.89)
Average shares outstanding	5,499,970	5,435,155	5,488,197	5,414,056	5,465,278
Diluted average shares outstanding	5,516,013	5,453,597	5,555,376	5,492,930	5,563,931

Performance Ratios

	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019
ROAA	0.79%	0.64%	0.70%	0.77%	-2.06%
ROAE	9.84%	8.31%	7.86%	8.53%	-20.30%
ROTE	9.96%	8.42%	7.96%	8.01%	-20.50%
Net interest margin	3.94%	3.66%	4.46%	4.47%	4.67%
Net interest spread	3.90%	3.60%	4.40%	4.40%	4.59%
Efficiency ratio	61.28%	66.98%	68.30%	70.80%	77.30%
Noninterest expense / average assets	2.58%	2.71%	3.20%	3.33%	3.65%

PRIVATE BANCORP OF AMERICA, INC.

Average Balances
(Unaudited)

(Dollars in thousands)

	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019
Total assets	\$ 1,271,363	\$ 1,293,484	\$ 1,088,242	\$ 1,018,944	\$ 970,864
Earning assets	\$ 1,260,834	\$ 1,278,380	\$ 1,040,267	\$ 982,032	\$ 931,781
Total loans	\$ 1,037,195	\$ 1,008,220	\$ 881,655	\$ 845,199	\$ 816,281
Total deposits	\$ 1,036,223	\$ 1,062,071	\$ 896,327	\$ 842,229	\$ 778,821
Total equity	\$ 102,539	\$ 100,130	\$ 97,566	\$ 91,464	\$ 98,391

Loan Balances by Type
(Dollars in thousands)

	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019
Real estate - investor owned	\$ 231,787	\$ 234,806	\$ 246,026	\$ 245,658	\$ 247,953
Real estate - owner occupied	250,286	240,587	234,771	225,778	192,739
Real estate - multifamily	64,268	66,431	67,550	68,308	68,536
Real estate - single family	59,994	57,521	58,429	59,487	59,782
Commercial business	237,316	231,832	245,610	243,438	204,166
SBA PPP loans	154,210	153,497	-	-	-
Land and construction	28,277	26,327	27,044	32,151	37,918
Consumer	7,559	8,046	7,300	6,172	5,585
Total loans held for investment	1,033,697	1,019,047	886,730	880,992	816,679
Loans held for sale	9,089	7,462	7,346	4,564	4,310
Total loans, including loans held for sale	1,042,786	1,026,509	894,076	885,556	820,989
Allowance for loan losses	(12,682)	(11,100)	(9,598)	(8,601)	(7,893)
Net loans	\$ 1,030,104	\$ 1,015,409	\$ 884,478	\$ 876,955	\$ 813,096

Deposits by Type
(Dollars in thousands)

	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019
Non interest bearing DDA	\$ 471,324	\$ 452,155	\$ 355,225	\$ 268,116	\$ 266,205
Interest bearing DDA	56,837	63,805	108,368	112,397	47,805
Savings & MMA	396,233	427,685	366,109	350,563	394,128
Retail CD	8,401	8,493	8,484	6,989	7,132
Jumbo CD	95,984	84,468	124,101	112,190	108,735
Total deposits	\$ 1,028,779	\$ 1,036,606	\$ 962,287	\$ 850,255	\$ 824,005

Asset Quality
(Dollars in thousands)

	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019
Total Loans	\$ 1,042,786	\$ 1,026,509	\$ 894,076	\$ 885,556	\$ 820,989
30-89 day past due loans	\$ -	\$ -	\$ 297	\$ -	\$ -
90+ day past due loans	\$ -	\$ -	\$ -	\$ -	\$ -
Nonaccrual loans	\$ 1,743	\$ -	\$ 663	\$ -	\$ -
NPAs / Assets	0.14%	0.00%	0.06%	0.00%	0.00%
NPLs / loans & OREO	0.17%	0.00%	0.07%	0.00%	0.00%
Net quarterly charge-offs	\$ -	\$ -	\$ -	\$ -	\$ 9,481
Net charge-offs/avg loans (annualized)	0.00%	0.00%	0.00%	0.00%	4.65%
Allowance for loan losses to loans	1.22%	1.08%	1.07%	0.97%	0.96%
Allowance for loan losses to nonaccrual loans	727.60%	NM	1447.66%	NM	NM