

PACIFIC ENTERPRISE BANCORP AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL CONDITION
AUDITED

	As of December 31, 2017	As of December 31, 2016
ASSETS:		
Cash and Due from Banks	\$ 2,075,424	\$ 3,082,291
Interest-bearing deposits in Banks	94,721,766	84,535,784
Federal Funds Sold	5,000	15,000
Investments	488,490	3,532,145
Total Loans	<u>396,422,370</u>	<u>376,413,792</u>
Deferred Loan Costs, Net	4,560,947	5,029,378
Allowance for loan losses	<u>(3,526,556)</u>	<u>(3,816,611)</u>
NET LOANS	<u>397,456,761</u>	<u>377,626,559</u>
Federal Reserve Bank And other Stock, at Cost	2,603,993	2,288,593
Fixed Assets, net	997,601	1,213,534
Accrued Interest and Other Assets	9,686,321	9,903,628
TOTAL ASSETS	<u>\$ 508,035,356</u>	<u>\$ 482,197,534</u>
LIABILITIES:		
Deposits		
Noninterest-bearing Demand	\$ 66,879,500	\$ 84,765,835
Savings, NOW, and Money Market Accounts	166,500,466	147,151,980
Time Deposits	211,443,721	186,518,725
TOTAL DEPOSITS	<u>444,823,687</u>	<u>418,436,540</u>
Subordinated Debt	13,000,000	13,000,000
Accrued Interest and Other Liabilities	4,296,907	4,331,571
TOTAL LIABILITIES	<u>462,120,594</u>	<u>435,768,111</u>
SHAREHOLDERS EQUITY:		
Common Stock	26,742,639	26,309,934
Paid-in Capital	217,292	1,568,081
Accumulated Other Comprehensive Income (Loss)	2,545	5,440
Retained Earnings	<u>18,952,286</u>	<u>18,545,968</u>
TOTAL SHAREHOLDERS' EQUITY	<u>45,914,762</u>	<u>46,429,423</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 508,035,356</u>	<u>\$ 482,197,534</u>

PACIFIC ENTERPRISE BANCORP AND SUBSIDIARY
STATEMENT OF OPERATIONS
AUDITED

	For the Year Ended December 31,	
	2017	2016
INTEREST INCOME		
Interest and Fees on Loans	\$ 29,494,388	\$ 26,254,904
Interest on Investments, Federal Funds Sold and Other	1,258,464	856,169
TOTAL INTEREST INCOME	30,752,852	27,111,073
INTEREST EXPENSE		
Interest on Interest Bearing Deposits	4,491,233	3,083,960
Interest Expense on FHLB Advances and Subordinated Debt	1,080,854	1,080,877
TOTAL INTEREST EXPENSE	5,572,087	4,164,837
NET INTEREST INCOME	25,180,765	22,946,236
Provision for loan losses	120,000	220,000
NET INTEREST INCOME AFTER PROVISION	25,060,765	22,726,236
NON-INTEREST INCOME		
Service Charges, Fees and Other Income	770,476	1,005,023
Servicing Fee Income	177,858	356,802
Gain on sale of Loans	1,372,449	1,694,844
TOTAL NON-INTEREST INCOME	2,320,783	3,056,669
NON-INTEREST EXPENSE		
Salaries and Employee Benefits	17,444,328	14,181,266
Occupancy and Equipment Expenses	934,397	835,063
Other Expenses	4,889,674	3,942,379
TOTAL NON-INTEREST EXPENSE	23,268,399	18,958,708
INCOME BEFORE INCOME TAXES	4,113,149	6,824,197
Income Tax	1,852,338	2,854,190
NET INCOME	\$ 2,260,811	\$ 3,970,007