

Liberty Bay Bank

Financial Report (Unaudited)

3rd Quarter Ended September 30, 2014

(All dollars in thousands)

Balance Sheet

	September 30, 2014	December 31, 2013
ASSETS		
Cash and due from banks	\$ 1,376	\$ 1,134
Short-term and overnight investments	5,295	2,805
Investment securities	14,387	11,819
Total loans	52,097	47,203
Allowance for loan & lease losses	(652)	(652)
Net Loans	51,445	46,551
Premises & equipment	539	629
Other Assets	1,832	1,719
Total Assets	\$ 74,874	\$ 64,657
LIABILITIES & EQUITY		
Deposits:		
Non-interest checking	\$ 13,456	\$ 10,180
Interest checking, money market & savings	28,639	31,214
Time deposits	21,971	14,516
Total deposits	64,066	55,910
Borrowed Funds	3,000	1,000
Other liabilities	189	233
Total Liabilities	67,255	57,143
Shareholders' equity	7,619	7,514
Total Liabilities and Equity	\$ 74,874	\$ 64,657

Capital Ratios:

Leverage Ratio	11.0%	12.0%
Tier I Risk Based Capital	14.5%	16.0%
Total Risk Based Capital	15.7%	17.2%
Allowancs for Loan Loss Reserves to Loans	1.25%	1.38%

Income Statement

	3rd Quarter Ended		Nine Months Ended	
	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
Interest income:				
Loans	\$ 718	\$ 621	\$ 2,078	\$ 1,809
Investment securities	53	41	145	64
Other	3	7	8	23
Total interest income	774	669	2,231	1,896
Interest expense:				
Checking and savings accounts	31	40	89	161
Time deposits	30	18	85	48
Borrowed Funds	1	-	1	-
Total interest expense	62	58	175	209
Net interest income	712	611	2,056	1,687
Provision for loan losses	-	-	-	8
Net interest income after provision	712	611	2,056	1,679
Non-interest income:				
Service charges and fees	14	17	40	66
Mortgage banking income, net	10	19	28	59
Other Income	-	-	44	1
Total non-interest income	24	36	112	126
Non-interest expense:				
Compensation and benefits	420	369	1,200	1,135
Occupancy & equipment expense	95	92	289	278
Other expenses	203	180	642	610
Total non-interest expense	718	641	2,131	2,023
Net Income (Loss)	\$ 18	\$ 6	\$ 37	\$ (218)

Operating Ratios:

Net Interest Margin	4.29%	4.31%	4.24%	3.83%
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