



CCBN Top Banker Panel

Dan Yates, CEO | November 5, 2021

De Novo Surprises

*Reality was
different
than
projections*

De Novo Surprises

Higher Pre-opening Expenses

- Double the Plan

Faster Growth

- Effectiveness of Shareholder Club
- Fewer Competitors
- Secondary Capital Raise

De Novo Surprises

Bottom Line Impact

- Cost of Talent
 - More FTEs than Plan
- Cost of Technology
- Global Pandemic/PPP
 - Interest Rates/Lower NIM
 - Fee Income/Early Profitability
 - Lack of Loan Issues
 - Free PR/Community Service

De Novo Challenges

Historically Low Rate Environment

- NIM Squeeze
- Anecdote – Growth Rate
- Fee Income

Talent Competition

- Higher Salaries

Path to Profitability Delayed

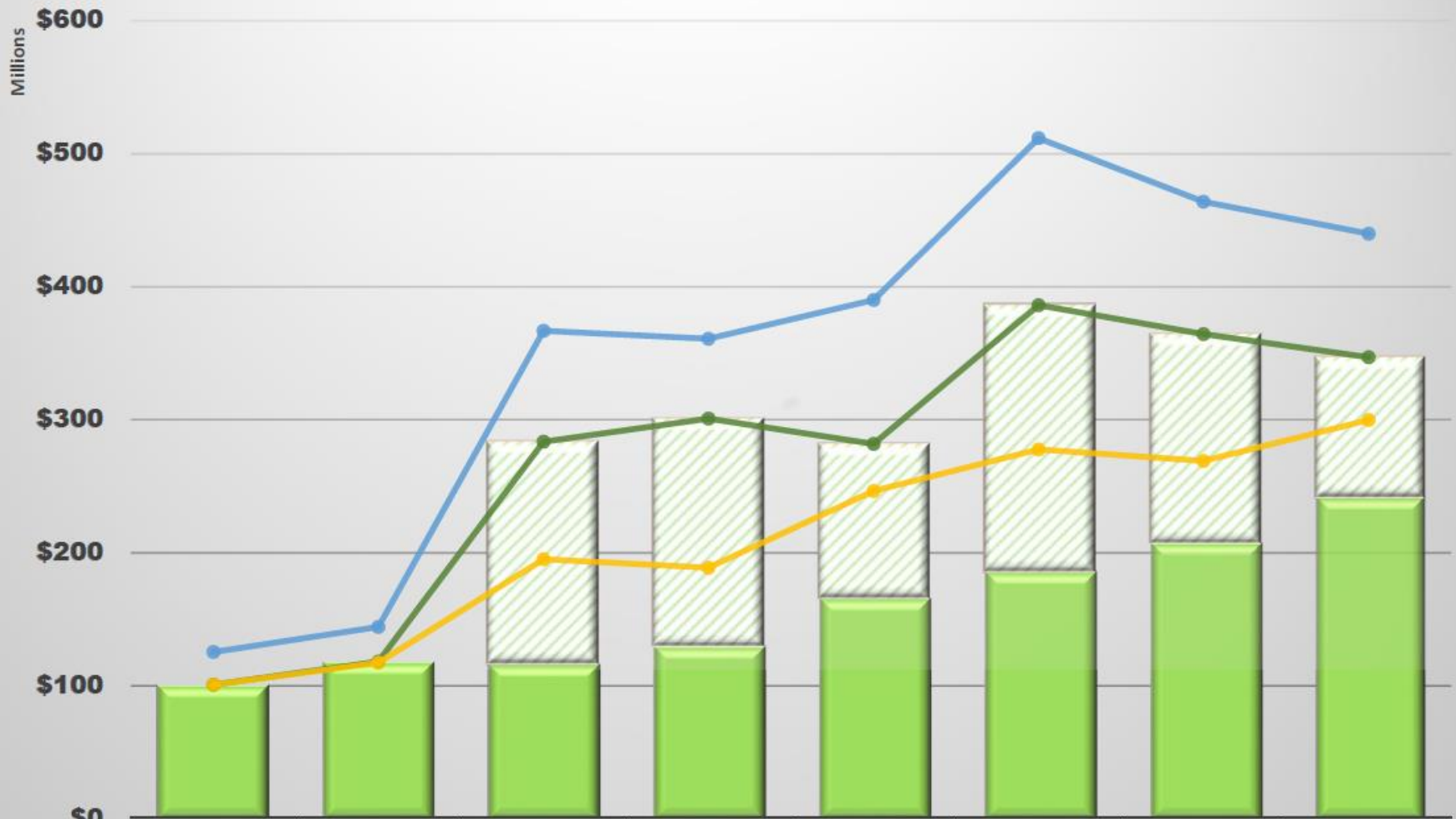
- Higher Breakeven/More Assets
- Higher Expenses
- Lower Margins
- PPP Non-recurring \$10MM fees

De Novo Challenges

Clunky Client Experience

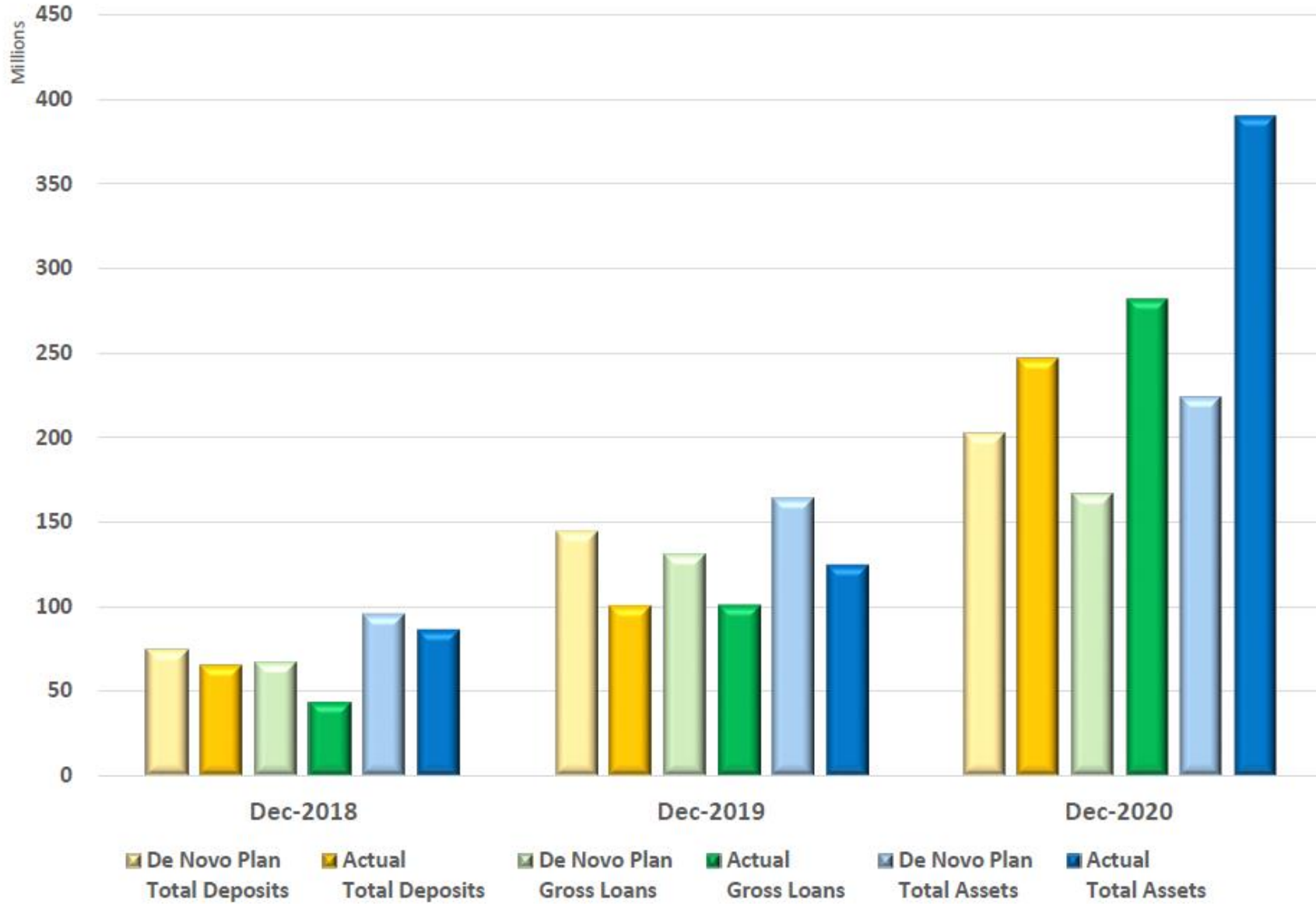
- Onboarding Loans and Deposits (KYC)
- Scaling FTE - Managing Overhead
- Investing in Technology a Necessity

Endeavor Bank Growth

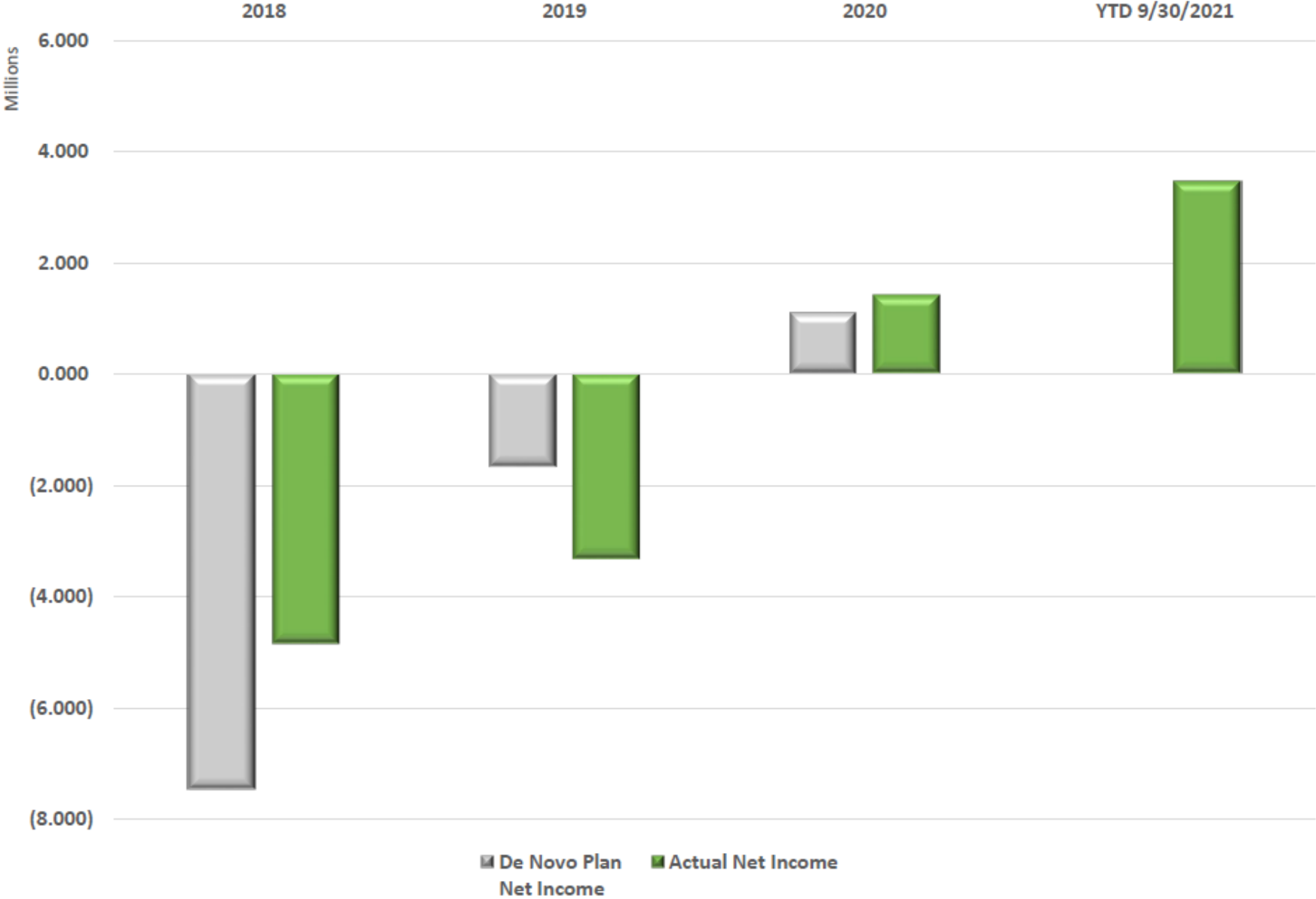


	Dec-2019	Mar 2020	Jun 2020	Sep-2020	Dec-2020	Mar-2021	Jun-2021	Sep-2021
PPP Loans		-	166,957,000	171,040,000	116,058,000	200,379,000	157,273,000	105,755,000
Core Loans	100,870,512	118,157,844	116,542,703	129,771,531	165,720,565	185,768,633	207,085,709	241,239,873
Gross Loans	100,870,512	118,157,844	283,499,703	300,811,531	281,778,565	386,147,633	364,358,709	346,994,873
Total Deposits	100,749,767	117,321,725	195,269,852	188,831,662	246,477,766	277,698,013	269,025,826	299,811,836
Total Assets	125,421,096	144,311,175	366,931,450	360,948,757	390,030,117	511,648,993	463,855,185	439,853,238

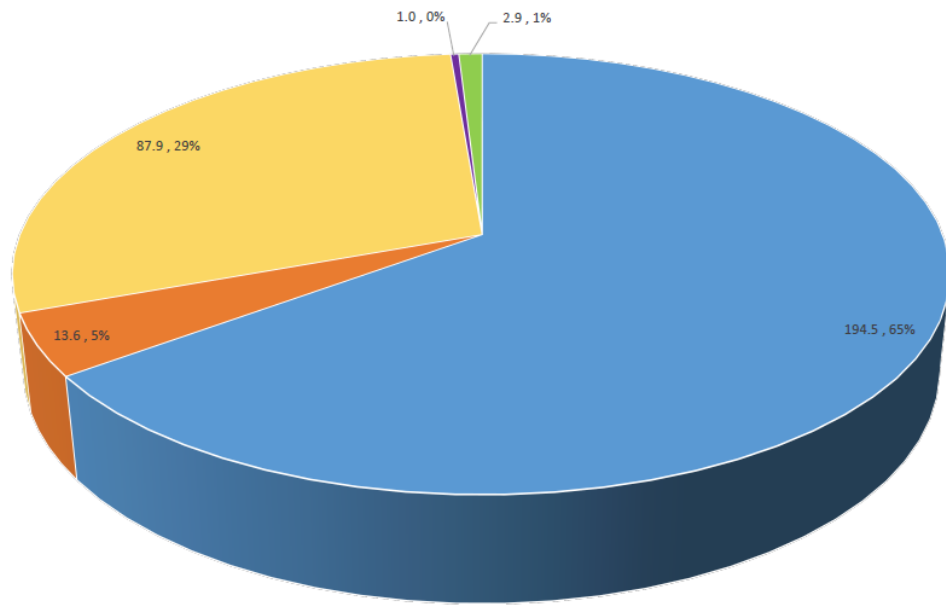
Endeavor Bank DeNovo Growth



Endeavor Bank De Novo Net Income

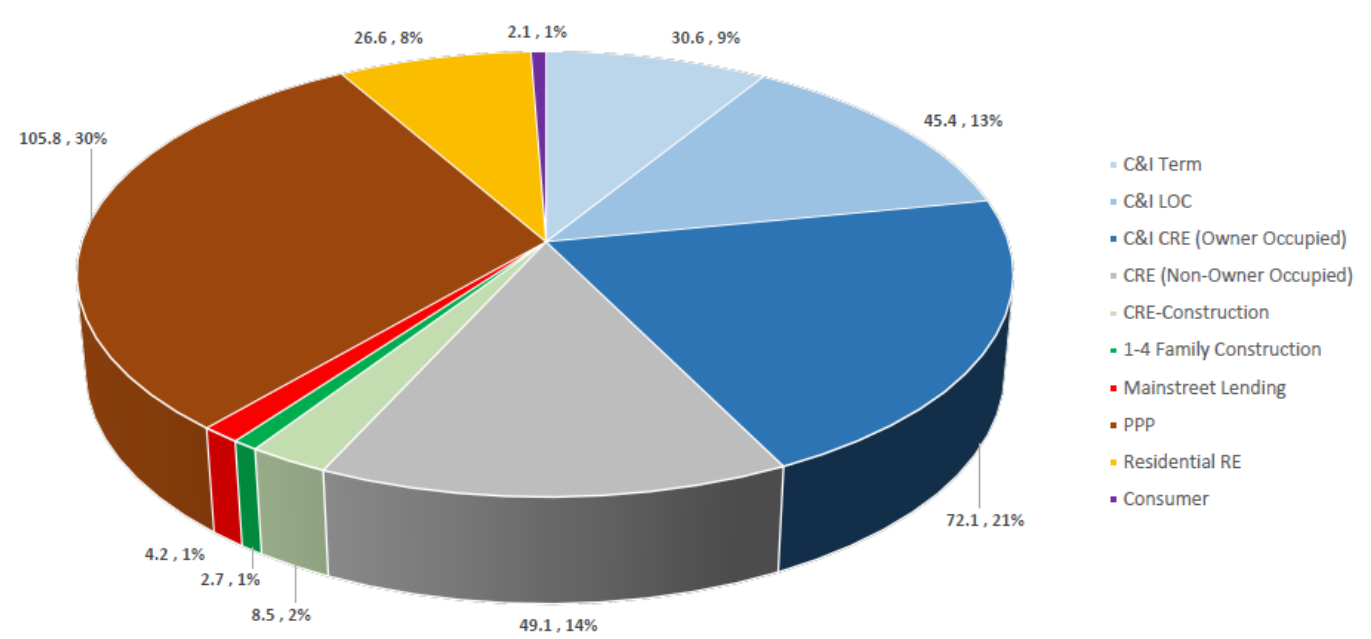


**Endeavor Bank
Total Deposits by Type (Millions)
9-30-2021**



• Total Demand Accounts • Total IB DDA • Total MMDA • Total Savings • Total CD

**Endeavor Bank
Total Loans by Type (Millions)
9-30-2021**



- C&I Term
- C&I LOC
- C&I CRE (Owner Occupied)
- CRE (Non-Owner Occupied)
- CRE-Construction
- 1-4 Family Construction
- Mainstreet Lending
- PPP
- Residential RE
- Consumer

Post – De Novo

Holding Company

- Sub-debt/Capital
- New Business Lines

NII Initiatives

- Wealth Management
- Mortgage Division
- SBA 7a Program