

C3bank

November 2019

History & Overview

- Founded in 1981

- Purchased in March of 2014 by 3 local Southern California investors

- Primarily an Online Banking institution, focused on CRE

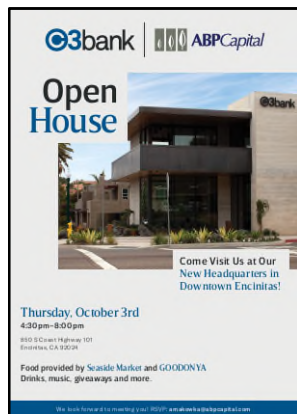
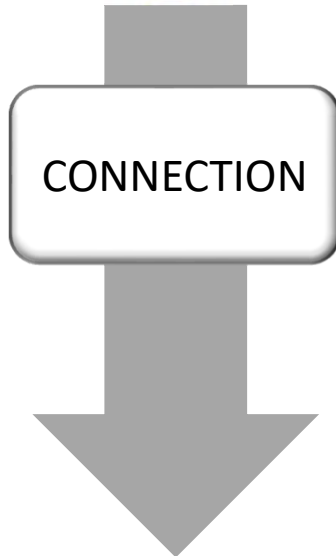
- Focused on Loan Platform and Growth first 3 years resulting in 387% net loan portfolio growth since purchase (as of Q2 2019)

- Last 2+ years focused on Deposit Platform, New Product / Development, Treasury Management

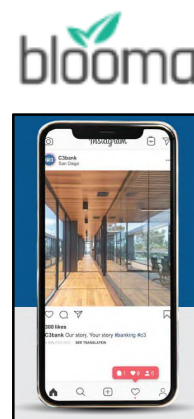
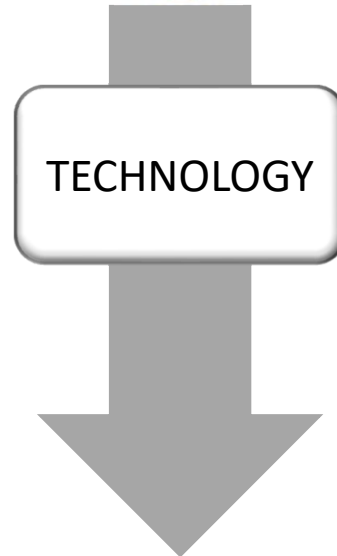
- Recent actions include:
 - Developing a new brand
 - Relocating headquarters w/ flagship branch
 - Investing in deposit technology
 - Community bank events

Differentiation

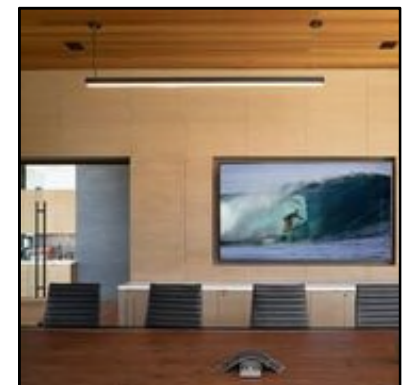
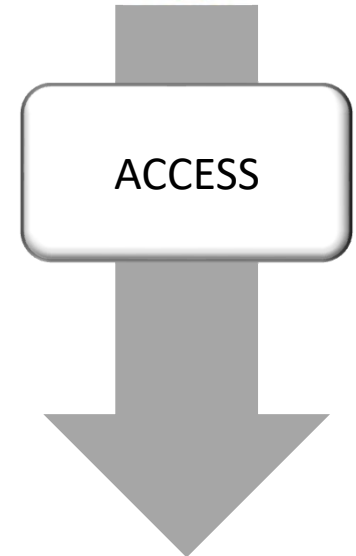
 **Connect**



 **reate**

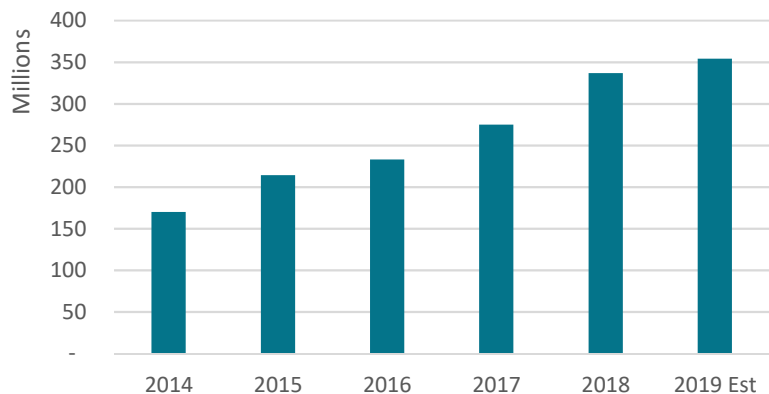


 **ultivate**

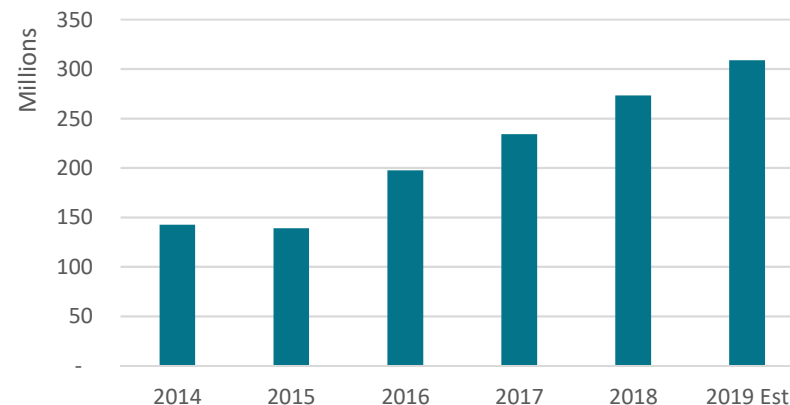


Financial Trends

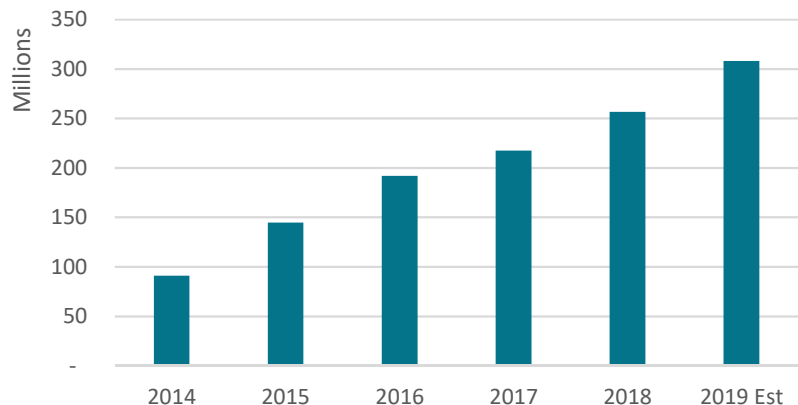
Total Assets



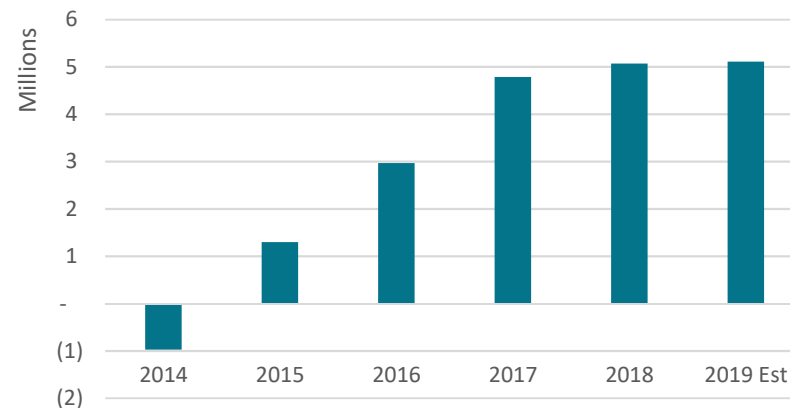
Deposits



Loans

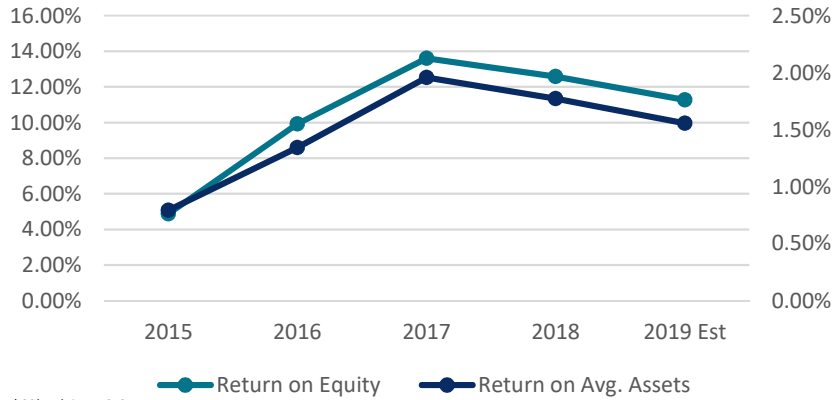


Net Income



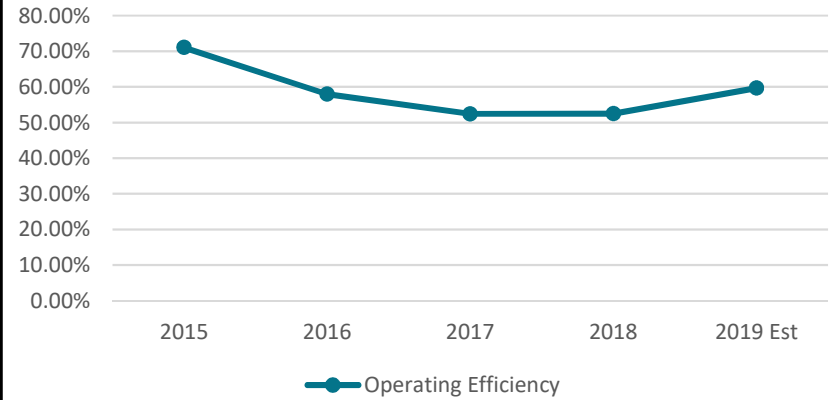
Key Ratio Trends

Earnings Trend

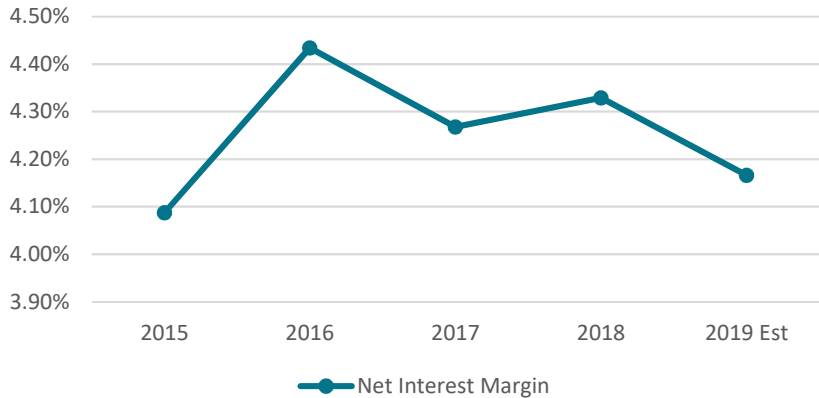


*C3bank is an S-Corp

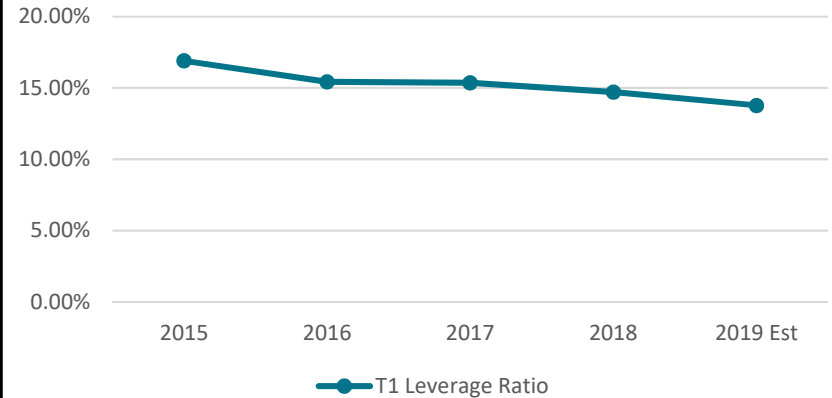
Operating Efficiency



Net Interest Margin

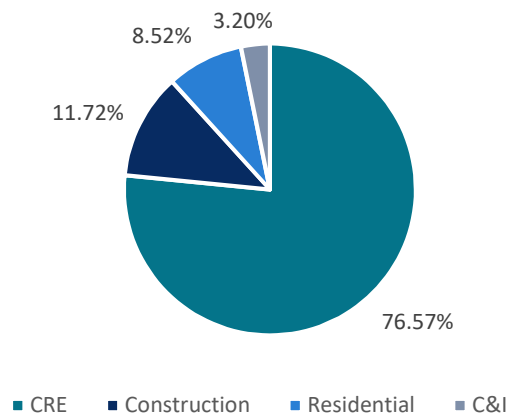


Tier 1 Leverage Ratio

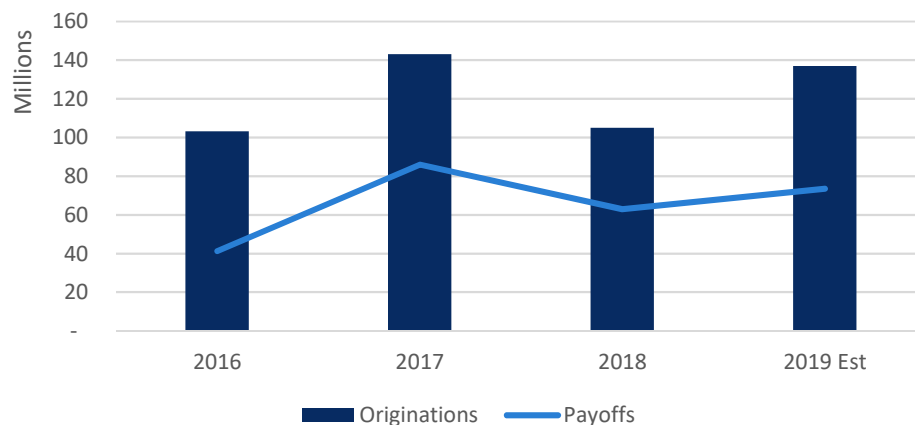


Loan Portfolio

Loan Portfolio Q2 2019



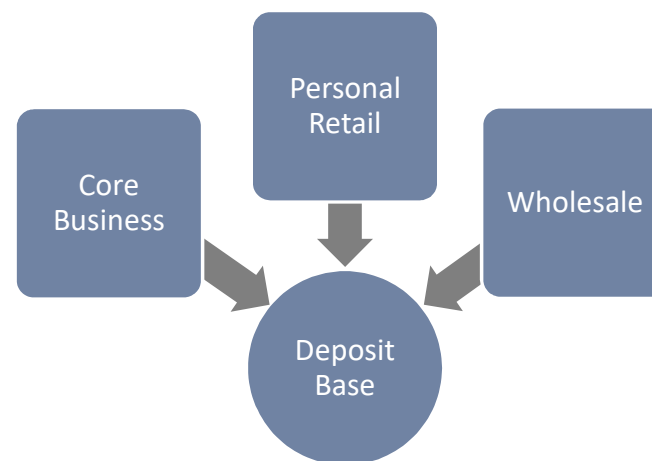
Origination & Payoff Trend



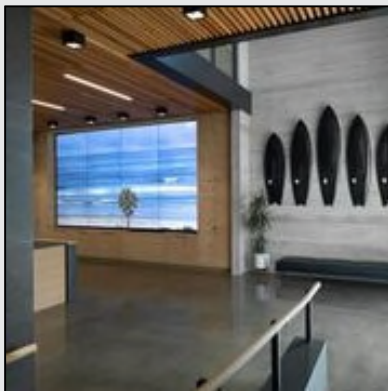
	Concentration		
	2017	2018	2019
Total CRE (Incl. Constr.)	409.12%	432.17%	477.81%
Construction	39.73%	49.93%	63.40%

	LTV		
	2017	2018	2019
CRE (excl. Bridge)	51.00%	50.70%	51.15%
Bridge	47.60%	46.70%	55.50%
Construction	42.70%	35.50%	35.40%

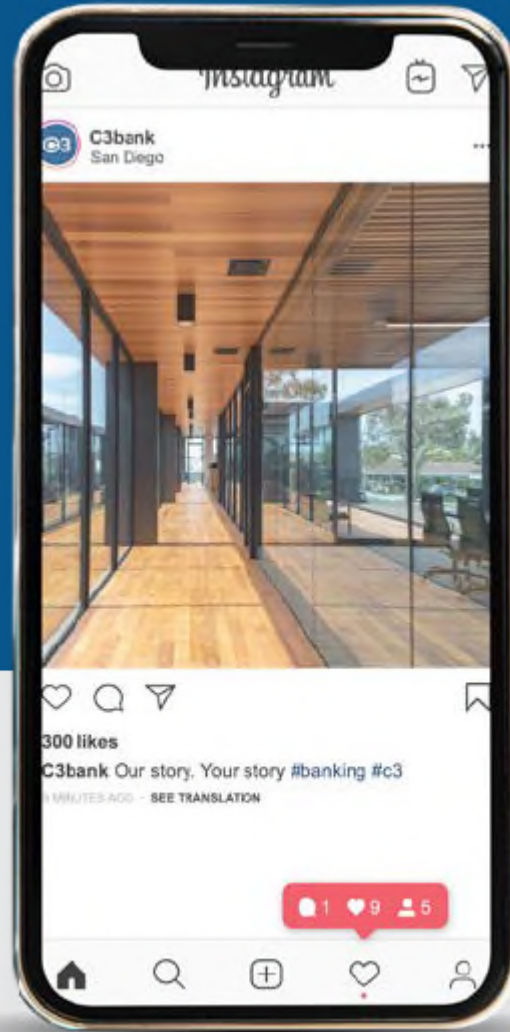
*2019 values as of Q2



Community - Encinitas Headquarters



Community – Branding & Strategic Partnerships

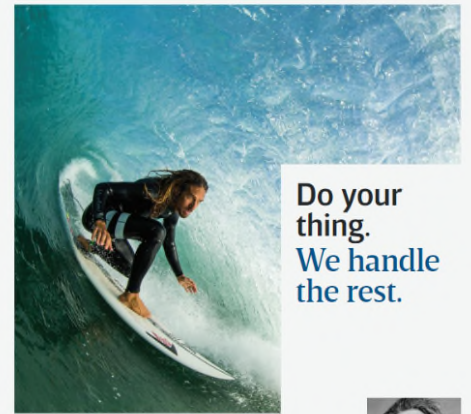


Joe banks with us.

We partner with brands who dare to dream like Joe Kudla with Vuori.

**Dream Big.
Work Hard.**

Come visit us at our new Encinitas branch, 850 S Coast Hwy 101.



**Do your thing.
We handle the rest.**



Rob banks with us.

C3bank of Encinitas will help you and local brands, like Rob Machado Surfboards, succeed.

Come visit us at our new Encinitas branch, 850 S Coast Hwy 101.



Challenges

INTERNAL

- Deposit vs Loan growth
- Deploying “best in class” technology-based deposit platform
- Maintaining access to decision makers combined with Bank growth

EXTERNAL

- Flat / inverted yield curve
- Future state of deposit platforms (i.e. Brokered CD's, Broker / Dealers)
- Strong labor market