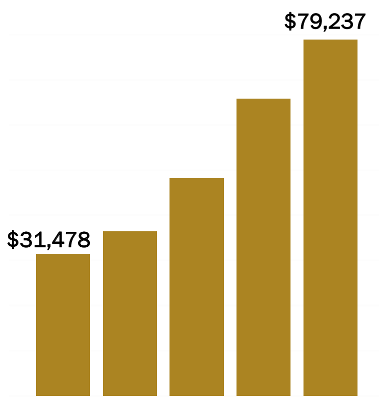
2024 ANNUAL REPORT

Summit Bank's new office in Redmond, Oregon.

FINANCIAL HIGHLIGHTS (DOLLARS IN THOUSANDS)	2020	2021	2022	2023	2024
REVENUE	$ 31,478	$ 36,408	$ 48,210	$ 65,730	$ 79,237
NET INCOME	$ 7,933	$ 10,871	$ 13,553	$ 8,921	$ 11,306
TIER 1 CAPITAL	$ 63,117	$ 89,601	$ 104,419	$ 114,756	$ 126,978
TOTAL ASSETS	$ 761,136	$ 902,510	$ 968,984	$ 1,078,370	$ 1,254,851
TOTAL LOANS	$ 583,209	$ 628,182	$ 743,800	$ 922,241	$ 1,047,922
TOTAL DEPOSITS	$ 657,136	$ 794,669	$ 857,119	$ 916,943	$ 1,113,885

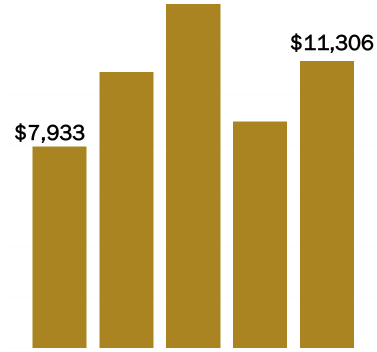
REVENUE (CAGR)

+26%



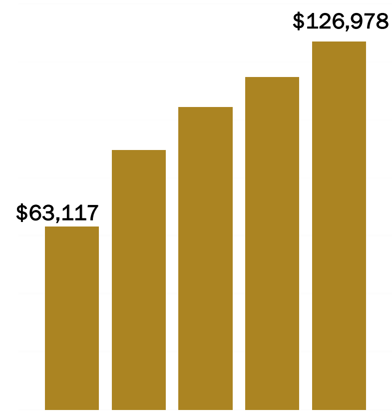
NET INCOME (CAGR)

+9%



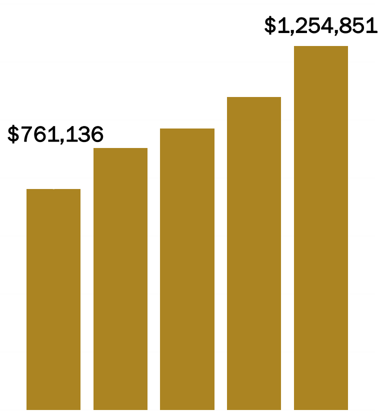
TOTAL TIER 1 CAPITAL (CAGR)

+19%



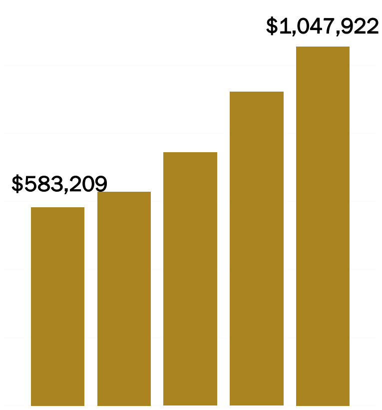
TOTAL ASSETS (CAGR)

+13%



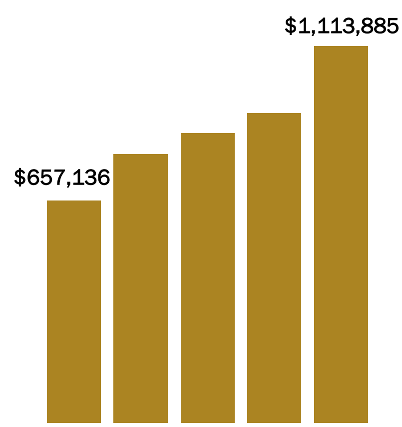
TOTAL LOANS (CAGR)

+16%



TOTAL DEPOSITS (CAGR)

+14%



CAGR = Compounded Annual Growth Rate for Years 2020 through 2024

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SUMMITBANK
GROUP, INC.

To our shareholders,

As we look back on 2024, we are pleased to announce another year of strong financial performance for Summit Bank. This is the time when we reflect on our commitment to serve local businesses and individuals with personalized, relationship-based banking. Our results for 2024 highlight steady growth, financial stability and continued investment in the communities we serve.

Notable highlights for the year include pre-tax net income of $11.3 million or $1.45 per fully diluted share. This is an increase of $2.39 million or $0.30 per share over the fiscal year of 2023. Thanks to a concentrated effort in all of our markets, we achieved solid deposit growth in 2024 of $196.9 million or 21.5 percent. This growth was attributed primarily to the addition of new business and client relationships, as well as the retention of our longtime clients.

As part of the strategy to meet the growing demand for community-based business banking, we opened two new full-service offices this year, including a new office in downtown Redmond. This location provides a community banking option for Central Oregon residents who live or work in or near Redmond.

In addition to gaining momentum in Central Oregon, a full- service office was added in Washington County/Westside Portland in Hillsboro in 2024. This expansion was driven by growing demand from our metropolitan Portland clients. The location enhances access to Summit's local banking options.

Strong loan growth over the year resulted in a 13.8% increase or $125.4 million. Loan growth was slowed compared to the previous years that featured 10 consecutive quarters of year over year loan growth exceeding 20%. Increasing long-term rates and a decline in acquisition, development, and construction activity in our markets led to reduced loan demand.

Summit Bank maintains a highly liquid balance sheet with cash and securities of $178.4 million at the end of the year which is $47.2 million higher than December 31, 2023. The Bank continues to be well-capitalized and grew shareholder's equity $13.1 million to $108.7 million in 2024

Base of the Three Sisters Mountains in Central Oregon

SUMMITBANK
GROUP, INC.

Impactful progress in product development is being made. Digital banking services were enhanced by introducing TransferNow, an account-to-account (A2A) transfer platform that enables clients to seamlessly move funds between their accounts at nearly all US-based financial institutions, and FedNow Services, a real-time instant payment system enabling our clients to receive funds instantaneously from payers.

We are also excited to introduce BAI12, a standardized file format that will enable efficient integration of financial data into various accounting software systems. Deployment of Verafin, an advanced fraud detection and prevention solution, utilizes cutting-edge technology to monitor and protect against fraudulent activities, ensuring the security of our client's financial information. These enhancements to our product line reflect our dedication to providing innovative, secure, and user-centric financial solutions to meet the evolving needs of our clients.

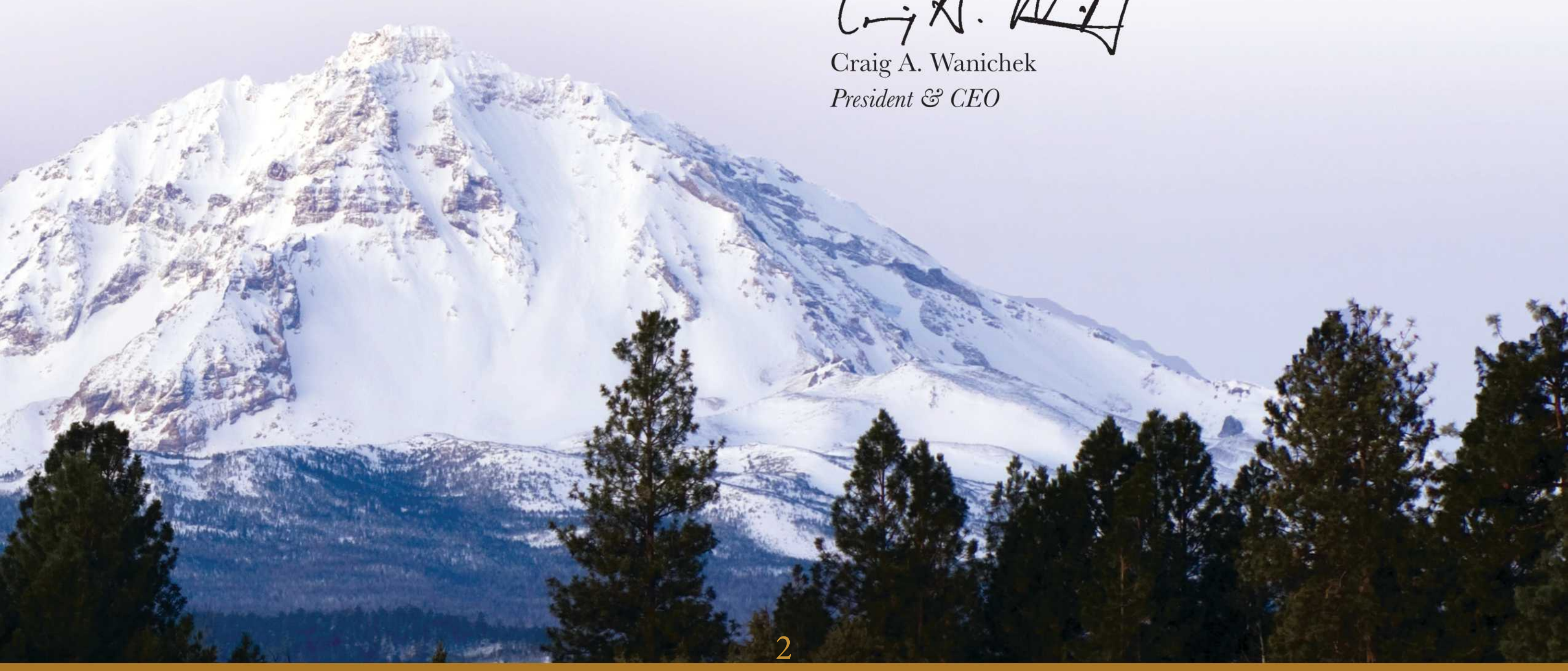
Among the good things that happened in 2024, Summit Bank was recognized for the fourth year in a row by Oregon Business Magazine as one of the "100 Best Companies to Work For in the State of Oregon," landing number 19 out of 33 large companies. Our goal continues to be the best place in Oregon to work and bank.

As we close 2024, we reflect on what has truly been an outstanding year for Summit Bank. To our shareholders – we extend our heartfelt gratitude for your support and trust in us. Despite a dynamic economic landscape, Summit Bank has remained resilient, adaptable and committed to our mission of giving back to the communities we serve. We look forward to building upon this foundation in the years to come.

Sincerely,

R. Paul Weinhold
Board Chair

Craig A. Wanichek
President & CEO



delap

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Independent Auditors' Report

To the Board of Directors and Stockholders of
Summit Bank Group, Inc. and Subsidiary

Opinion

We have audited the accompanying consolidated balance sheets of Summit Bank Group, Inc. and Subsidiary (collectively, "the Company") as of December 31, 2024 and 2023, and the related consolidated statements of income, comprehensive income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, "the financial statements"). In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Summit Bank Group, Inc. and Subsidiary as of December 31, 2024 and 2023, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (U.S.).

We have also audited, in accordance with auditing standards generally accepted in the U.S. (GAAS), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated March 18, 2025, expressed an unmodified opinion.

Basis for Opinion

We conducted our audits in accordance with GAAS. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the U.S.; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audits.

Delap LLP

March 18, 2025

CONSOLIDATED BALANCE SHEETS

	December 31	
	2024	2023
ASSETS		
Cash and cash equivalents:		
Cash and due from financial institutions	$ 23,988,959	$ 20,056,416
Interest-bearing deposits with other financial institutions	4,698,690	10,698,549
Deposits with Federal Reserve Bank	105,240,253	43,646,908
Total cash and cash equivalents	133,927,902	74,401,873
Investment securities available-for-sale, at estimated fair value	44,474,163	56,762,642
Loans, less allowance for credit losses of $12,575,668 and $12,308,605 as of 2024 and 2023	1,035,346,033	909,932,479
Interest receivable	4,034,590	3,951,787
FHLB and PCBB stock, at cost	1,085,200	2,594,100
Premises and equipment, net of accumulated depreciation	11,705,705	10,315,177
Deferred income taxes, net	1,508,529	2,571,502
Repossessed assets, net	456,800	672,135
Cash surrender value of bank-owned life insurance	8,694,364	8,373,759
Other assets	13,617,269	8,794,798
	1,120,922,655	1,003,968,379
Total assets	$ 1,254,850,555	$ 1,078,370,252
LIABILITIES and STOCKHOLDERS' EQUITY		
Liabilities:		
Deposits:		
Noninterest-bearing demand	$ 173,956,823	$ 175,717,297
Savings and interest-bearing demand	849,459,516	687,862,650
Time deposits	90,467,712	53,363,003
Total deposits	1,113,884,051	916,942,950
Interest payable	545,852	96,525
Other liabilities	11,636,363	7,396,975
Repurchase agreements and secured borrowings	1,572,812	38,603,528
Term borrowings, net of debt issuance costs	18,483,729	19,674,899
Total liabilities	1,146,122,807	982,714,877
Stockholders' equity:		
Preferred stock, no par value; 1,000,000 shares authorized; none issued	-	-
Common stock, no par value; 10,000,000 shares authorized, 7,719,480 and 7,677,786 shares outstanding as of 2024 and 2023	31,681,593	31,082,804
Retained earnings	78,617,552	67,311,492
Accumulated other comprehensive income (loss)	(1,571,397)	(2,738,921)
Total stockholders' equity	108,727,748	95,655,375
Total liabilities and stockholders' equity	$ 1,254,850,555	$ 1,078,370,252

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME

	Year Ended December 31	
	2024	2023
Interest income:		
Interest and fees on loans	$ 72,313,100	$ 58,739,937
Interest on investment securities	716,440	983,051
Interest on deposits with other banks	5,161,368	5,499,289
Total interest income	78,190,908	65,222,277
Interest expense	27,253,754	18,748,452
Net interest income	50,937,154	46,473,825
Provision for credit losses	7,391,626	8,966,362
Net interest income after provision for credit losses	43,545,528	37,507,463
Noninterest income:		
Early termination gains on loans	592,446	834,998
Bank card and interchange fees	550,916	691,581
Service charges on deposit accounts	256,855	124,912
Real estate lease income	16,200	43,815
Loan servicing fees	128,923	140,939
Bank-owned life insurance income	300,679	168,300
Gains (losses) on sales and write-downs of repossessed assets, net	(1,633,013)	(1,824,101)
Other	833,143	327,429
Total noninterest income	1,046,149	507,873
Noninterest expense:		
Salaries and employee benefits	20,058,496	17,532,075
Occupancy and equipment expense	1,716,477	1,379,927
Data processing	1,676,477	1,374,784
Repossessed assets expenses	197,540	139,998
Other	5,920,249	5,369,017
Total noninterest expense	29,569,239	25,795,801
Income before income taxes	15,022,438	12,219,535
Income tax provision	3,716,378	3,298,746
Net income	$ 11,306,060	$ 8,920,789
Earnings per share:		
Basic	$ 1.47	$ 1.16
Diluted	$ 1.45	$ 1.15

The accompanying notes are an integral part of these consolidated financial statements.

SUMMITBANK Group, Inc. and Subsidiary

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year Ended December 31	
	2024	2023
Net income	$ 11,306,060	$ 8,920,789
Other comprehensive income (loss):		
Change in unrealized gains (losses) on investment securities available-for-sale	1,577,045	1,887,819
Tax effect of the change in unrealized gains (losses) on investment securities available-for-sale	(409,521)	(455,983)
Comprehensive income	$ 12,473,584	$ 10,352,625

SUMMITBANK Group, Inc. and Subsidiary

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the Years Ended December 31, 2024 and 2023

	Common Stock		Retained	Accumulated Other Comprehensive	
	Shares	Amount	Earnings	Income (loss)	Total
Balance, December 31, 2022	7,645,194	$ 30,403,794	$ 58,390,703	$ (4,170,757)	$ 84,623,740
Net income			8,920,789		8,920,789
Other comprehensive income (loss)				1,431,836	1,431,836
Stock options exercised	5,860	59,889			59,889
Share-based compensation	26,732	619,121			619,121
Balance, December 31, 2023	7,677,786	31,082,804	67,311,492	(2,738,921)	95,655,375
Net income			11,306,060		11,306,060
Other comprehensive income (loss)				1,167,524	1,167,524
Share-based compensation	41,694	598,789			598,789
Balance, December 31, 2024	7,719,480	$ 31,681,593	$ 78,617,552	$ (1,571,397)	$ 108,727,748

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31	
	2024	2023
Cash flows from operating activities:		
Net income	$ 11,306,060	$ 8,920,789
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	872,527	643,499
Share-based compensation	598,789	619,121
Gain on debt extinguishment	(375,000)	-
Amortization of investment premiums, net	198,392	301,063
Provision for credit losses	7,391,626	8,966,362
Amortization of debt issuance costs	58,830	41,100
Bank-owned life insurance income	(300,679)	(168,300)
Losses (gains) on sales of repossessed assets, net	1,570,113	1,781,601
Write-downs of repossessed assets	62,900	42,500
Deferred income taxes	653,452	(375,956)
Ineffective portion of interest rate swaps	(206,400)	(527,700)
Change in:		
Interest receivable and other assets	(1,935,370)	(634,334)
Deferred loan fees	448,556	1,530,296
Interest payable and other liabilities	1,718,810	947,072
Net cash provided by operating activities	22,062,605	22,087,113
Cash flows from investing activities:		
Proceeds from redemption (purchases) of FHLB stock	1,508,900	(1,076,400)
Principal payments and maturities of investment securities	13,667,130	7,784,576
Net proceeds from sales of loans	9,608,218	288,964
Purchases of loans	-	(1,001,741)
Proceeds from sales of repossessed assets	2,029,416	2,676,500
Purchase of bank-owned life insurance	(19,926)	(19,927)
Loans originated, net of principal collected	(146,102,644)	(189,743,374)
Purchases of premises and equipment	(2,263,055)	(3,911,849)
Net cash used in investing activities	(121,571,961)	(185,003,251)
Cash flows from financing activities:		
Net increase in deposits	196,941,101	59,824,152
Increase (decrease) in repurchase agreements and secured borrowings	(37,030,716)	37,114,387
Repurchase of term borrowings, net of gain	(875,000)	-
Proceeds from stock options exercised	-	59,889
Net cash provided by financing activities	159,035,385	96,998,428
Net increase in cash and cash equivalents	59,526,029	(65,917,710)
Cash and cash equivalents, beginning of year	74,401,873	140,319,583
Cash and cash equivalents, end of year	$ 133,927,902	$ 74,401,873
Supplemental information:		
Cash paid during the year for interest	$ 26,804,427	$ 18,802,519
Cash paid during the year for income taxes	3,257,617	2,821,181
Increase (decrease) in operating lease liabilities	2,969,905	(273,766)
Change in unrealized gains (losses) on investment securities available-for-sale, net of deferred income taxes	1,167,524	1,431,836
Transfer of loans to repossessed assets	3,447,093	4,830,126

The accompanying notes are an integral part of these consolidated financial statements.

1. **Summary of Significant Accounting Policies**:

Basis of Presentation – The consolidated financial statements include the accounts of Summit Bank Group, Inc. (the Holding Company), a bank holding company and its wholly-owned subsidiary, Summit Bank (the Bank). As of December 31, 2024 the Holding Company had 10,000,000 shares of common stock authorized of which 7,719,480 were outstanding. All significant intercompany accounts and transactions have been eliminated in consolidation.

Nature of Operations – The Bank provides commercial banking, financing, real estate lending and other services primarily in Lane, Deschutes, Multnomah, and Washington counties in Oregon.

Financial Statement Presentation – The accounting and reporting policies of the Holding Company conform with accounting principles generally accepted in the United States of America (GAAP) and prevailing practices within the banking industry. The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimates are the allowance for credit losses and fair value estimates. The Bank has evaluated subsequent events through March 18th, 2025, the date the consolidated financial statements were available to be issued.

Cash and Cash Equivalents – For purposes of reporting cash flows, cash and cash equivalents are cash on-hand and due from financial institutions. Such amounts include both interest-bearing and non-interest-bearing deposits with other financial institutions, short-term time deposits, and federal funds sold on an overnight basis and may exceed amounts insured by the Federal Deposit Insurance Corporation (FDIC).

Investment Securities – The Bank classifies all investments in debt securities as available-for-sale. Securities available-for-sale are held for indefinite periods of time and may be sold in response to changes in market interest rates, shifts in the maturity mix or concentration of Bank assets or liabilities, or to alleviate liquidity demands. Securities designated as available-for-sale are reported at estimated fair value. Unrealized gains and losses are excluded from earnings and are included in accumulated other comprehensive income (loss) in stockholders' equity, net of applicable deferred taxes. Principally all of the Bank's debt securities were issued by the U.S. government, its agencies or sponsored enterprises. These securities carry the explicit or implicit guarantee of the U.S. government.

Gains and losses realized on sales of securities are recognized using the specific identification method. Interest income on securities is included in income using the effective interest method. Interest income includes accretion and amortization of discounts and premiums resulting from securities purchased at other than par value. Both are calculated using a "constant yield" methodology either to maturity (for securities purchased at a discount) or to "earliest call date" for (for securities purchased at a premium). Premiums and discounts on mortgage backed securities are amortized/accreted based upon current and expected future rates of prepayments on the securities.

The Bank evaluates its securities classified as available-for-sale that are in an unrealized loss position and assesses whether it intends to sell or it is more likely than not that it will be required to sell a security before recovery of its amortized cost basis.

For investment securities that the Bank either does not intend to sell or will not be required to sell prior to recovery of the amortized cost basis, the Bank would separate the amount of the impairment into the amount that is credit related (credit loss component) and the amount due to all other factors. The credit loss component equal to the difference between the security's amortized cost basis and the present value of its expected future cash flows discounted at the security's effective yield would be recognized as an allowance for credit losses and recorded in earnings. The remaining difference between the security's fair value and the present value of expected future cash flows would be due to factors that are not credit related and would be recognized in other comprehensive income (loss). Management believes that any unrealized losses on investment securities at December 31, 2024 are temporary and/or not credit related. Therefore, there was no allowance for credit losses for investment securities as of December 31, 2024 nor December 31 2023.

Loans and Income Recognition – Loans are stated at the amount of unpaid principal, reduced by net deferred loan origination fees and an allowance for credit losses. Interest on loans is calculated using the simple-interest method on daily balances of the principal amounts outstanding. Accrual of interest is discontinued on a loan when management believes, after considering economic and business conditions and collection efforts, that the borrower's financial condition is such that collection of the interest is doubtful. Payments received on nonaccrual loans are applied to the principal balance and no interest income is recognized. Interest income is subsequently recognized only to the extent cash payments are received satisfying all delinquent principal and interest amounts, and the prospects for future payments in accordance with the loan agreement appear relatively certain. A nonaccrual loan may be restored to accrual status when none of its principal and interest is due and unpaid and the Bank expects full repayment of the remaining contractual principal and interest, or when it otherwise becomes well secured and in the process of collection. Loan origination fees, net of associated direct costs, if significant, are deferred and amortized using the interest or straight-line method over the contractual life of the loan as an adjustment to the yield of the related loan. If a loan is repaid prior to maturity, any remaining unamortized net deferred origination fees and costs are recognized in income at the time of repayment.

Allowance for Credit Losses – The Allowance for Credit Losses (ACL) under ASU 2016-13 utilizes the CECL methodology, which estimates the expected loan losses over the contractual life of the loans in the loan portfolio of the Bank. The ACL is established through a provision for credit losses charged to expense. While management has allocated the allowance for credit losses to various loan classes, the allowance is general in nature and is available for the loan portfolio in its entirety.

The ACL is determined through monthly assessments of the present value of expected future cash flows within the loan portfolio, which is deducted from each loan's amortized cost basis to determine the expected credit losses within the loan portfolio. The ACL is estimated using relevant and reliable available information, which is derived from both internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts. Additions to and recaptures from the ACL are charged to current period earnings through the provision for credit losses. Loan amounts that are determined to be uncollectible are charged directly against the ACL and netted against amounts recovered on previously charged-off loans.

The ACL is comprised of reserves measured on a collective (pool) basis using a quantitative DCF model for all loan classes with similar risk characteristics and then qualitatively adjusted for current market conditions. The principal pool segments for the loan portfolio are as follows:

- Small Commercial Equipment
- Commercial Real Estate Secured
- Commercial Construction and Development
- Commercial Non Real Estate Secured
- Consumer Homeowner's Association Construction
- Consumer Real Estate Secured
- Consumer Non Real Estate Secured

The quantitative non-linear DCF model utilizes anticipated period cash flows determined on a loan-level basis. The anticipated cash flows take into account contractual principal and interest payments, anticipated segment level prepayments, probability of defaults and historical loss given defaults. The Bank's historical loss experience along with industry peer loss experience were evaluated against a selection of 22 national, state and local macroeconomic factors with the factors most highly correlated to historical loss experience selected for each loan pool segment. The most significant factors for charge-off market risk for the loan portfolio as a whole are; National Unemployment, Oregon Employment, and National Producer Price. The most significant factors for the Small Commercial Equipment pool segment are; National Real Disposable Income Growth, National Consumer Confidence, and National Price Indices. The Bank utilizes a quarterly updated nine quarter reasonable and supportable forecast for the macroeconomic factors, after which the loss expectation for each pool segment reverts to its historical mean. An ACL on accrued interest receivable balances is not measured as these balances are written-off in a timely manner as a reduction to interest income when loans are placed on nonaccrual status.

Additionally, the allowance for credit losses calculation includes subjective adjustments for qualitative risk factors that are likely to cause estimated credit losses to differ from historical experience. These qualitative adjustments may increase or reduce reserve levels and include adjustments for lending management experience and risk tolerance, loan review and audit results, asset quality and portfolio trends, loan portfolio growth, industry concentrations, trends in underlying collateral, external factors and economic conditions not already captured by the quantitative analytics.

Loans are individually evaluated for credit losses if they do not share similar risk characteristics of other loans within their respective pools. Individually evaluated loans are loans to borrowers experiencing financial difficulty such that full satisfaction of the contractual terms of the loan are in question, including all loans with an internally assigned risk rating of "8" or "9".

For collateral dependent loans, the Bank calculates the allowance as the difference between the amortized cost of the loan and the fair market value of the collateral. The fair market value of the collateral is determined by either the discounted expected future cash flows from the operation of the collateral or the appraised value of the collateral, less costs to sell. If the fair value of the collateral is greater than the amortized cost of the loan, no reserve is recorded.

The Bank reports certain loans as modifications when the Bank grants a concession(s) (other than minor adjustments to payment schedules) to a borrower experiencing financial difficulties that it would not otherwise consider. Examples of such concessions include extending the maturity date(s) or providing a lower interest rate than would normally be available for a transaction of similar risk. A modified loan is considered to be impaired and as such would be individually evaluated for impairment.

Federal and state bank regulatory agencies, as an integral part of their examination process, periodically review the Bank's ACL. Such agencies may require the Bank to recognize additions to the allowance in the future based on their judgment of the information available to them at the time of their examinations.

Allowance for Credit Losses on Unfunded Loan Commitments – The Bank also records an ACL on unfunded loan commitments and letters of credit for all such commitments where the Bank lacks the option to unconditionally cancel the obligation. Expected credit losses are calculated based on an estimate of what will be funded which is derived from historical utilization rates (for revolving credit facilities) and from the term of the facility (for non-revolving credit facilities) and the quantitative ACL rate for the appropriate loan pool segment. The ACL on unfunded commitments and letters of credit was $40,760 and $461,135 at December 31, 2024 and 2023, respectively and is included in "Other Liabilities" on the consolidated balance sheets, with changes to the balance being charged to current period earnings through the provision for credit losses.

Federal Home Loan Bank (FHLB) and Pacific Coast Bankers' Bank (PCBB) Stock – FHLB and PCBB stock consists of the following at December 31:

	2024	2023
FHLB stock	$ 645,200	$ 2,154,100
PCBB stock	440,000	440,000
	$ 1,085,200	$ 2,594,100

The Bank, as a member of the FHLB system, is required to maintain a minimum level of investment in FHLB stock based on specific percentages of its outstanding mortgages, total assets and FHLB advances. At December 31, 2024, the Bank's minimum required investment was $645,200. Stock redemptions may be requested at par value and are made at the discretion of the FHLB. The Bank's investment in FHLB stock is carried at cost, which approximates its fair value. The Bank evaluates its investment in FHLB stock for impairment as needed. The Bank's determination of whether this investment is impaired is based on its assessment of the ultimate recoverability of cost rather than by recognizing temporary declines in value.

The Bank also holds an investment in its primary correspondent bank, PCBB. This investment is carried at cost, which approximates its fair value.

Premises and Equipment – Premises and equipment are stated at cost, net of accumulated depreciation. Additions and betterments are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. Gains or losses realized from sales or retirements are reflected in current operations. Depreciation is computed by the straight-line method over the estimated useful lives of the assets.

Impairment of Long-lived Assets – The Bank accounts for long-lived assets at amortized cost. Management reviews long-lived assets for possible impairment whenever events or circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of impairment, management would prepare an estimate of future cash flows (undiscounted and without interest charges) expected to result from the use of the asset and its eventual disposition. If these estimated cash flows were less than the carrying amount of the asset, an impairment loss would be recognized to write down the asset to its estimated fair value.

Repossessed Assets – Repossessed assets consist of commercial equipment and commercial real property and are considered held-for-sale. Repossessed assets are initially recorded at fair value at the date of acquisition based on current appraisals and management's estimate of value, establishing a new cost basis. Any excess of the loan balance over the net realizable value of the property is charged to the allowance for credit losses when a property is acquired. Subsequent to acquisition, valuations are periodically performed by management and the assets are carried at the lower of carrying amount or fair value less estimated costs to sell. Gains and losses on sales, write-downs, and changes in valuation allowances are recorded in noninterest income.

The valuation of repossessed assets is subjective in nature and may be adjusted in future periods because of changes in economic conditions. The valuation of repossessed assets is also subject to review by bank regulatory authorities who may require increases or decreases to carrying amounts based on their evaluation of the information available to them at the time of their examination of the Bank.

Bank-owned Life Insurance (BOLI) - The Bank is the owner and beneficiary of BOLI on certain Bank officers. BOLI policies are recorded at their cash surrender values (net of surrender charges). Income from BOLI policies is recognized when earned and is included in noninterest income.

Advertising – Advertising costs are charged to expense during the period in which they are incurred. Advertising expenses were $210,080 and $218,055 for the years ended December 31, 2024 and 2023, respectively.

Income Taxes – Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are calculated on differences between the financial statement and tax basis of assets and liabilities using tax rates in effect for the year in which the differences are expected to be realized. A valuation allowance is recognized if, based on the available evidence, it is determined it is more likely than not that some portion or all of the deferred tax assets will not be realized. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through income tax provision.

Uncertain tax positions that meet the more likely than not recognition threshold are measured to determine the amount of benefit to recognize. An uncertain tax position is measured at the amount of benefit that management believes has a greater than 50% likelihood of realization upon settlement. The Bank's policy is to recognize interest and penalties related to income tax settlements as a component of income tax provision.

The Bank files income tax returns for federal and various state jurisdictions. There is no material impact of potential tax uncertainties on the Bank's consolidated financial condition or results of operations as of or for the year ended December 31, 2024.

Transfers of Financial Assets - Transfers of financial assets are accounted for as sales when control over the assets has been surrendered. Control over transferred assets is deemed to be surrendered when (1) the assets have been isolated from the Bank, (2) the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets, and (3) the Bank does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity.

Derivative Instruments – The Bank uses derivative financial instruments (interest rate swaps) to limit exposure to changes in interest rates related to specific loan assets. Derivatives entered into by the Bank are designated as fair value hedges and generally exhibit perfect effectiveness between changes in the value of the interest rate swap and the hedged instrument (loan asset), with any identified ineffectiveness between the value of the swap and the hedged instrument being recorded in earnings. All derivatives and related hedged loans are recognized in the consolidated balance sheet at their fair values. Changes in the fair value of a derivative that is highly effective, along with the loss or gain on the hedged loan asset that is attributable to the hedged risk, are recorded in current-period earnings. The Bank formally documents all relationships between hedging instruments and hedged assets, as well as its risk-management objective and strategy for undertaking various hedged transactions. The Bank also formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values of hedged items. The Bank would discontinue hedge accounting when: (1) it is determined that a derivative is no longer effective in offsetting changes in the fair value of the associated hedged loan asset; (2) the derivative expires or is sold, terminated, or exercised; or (3) management determines that designation of the derivative as a hedge instrument is no longer appropriate. The hedged loan asset would no longer be adjusted for changes in fair value and the derivative would be carried at its fair value in the consolidated balance sheet, with changes in its fair value recognized in current-period earnings.

Stockholders' Equity and Earnings Per Share – Basic earnings per share are computed by dividing net income by the weighted average number of shares outstanding during the period. Diluted earnings per share include the effect of common stock equivalents that would arise from the exercise of stock options and the vesting of restricted stock and restricted stock units discussed in Note 9. All references in the financial statements and notes to the number of shares outstanding, per-share amounts, and stock option data of the Holding Company's common stock have been restated to reflect the cumulative effect of stock split activity for all prior periods.

Share-Based Compensation – GAAP requires companies to measure compensation expense for all share-based payments based on the fair value of the awards at the grant date and recognize such costs as an expense over the requisite service period (which is generally the vesting period). See Note 9 for discussion of the Bank's share-based compensation arrangements.

Small Business Administration (SBA) Loans Sales and Servicing—The Bank holds in its portfolio certain loans where the government guaranteed portion of the loans (with loan servicing retained) has been sold for proceeds equal to the principal amount of loans, as adjusted to yield interest to the investor based upon the current market rates at the time of sale. The Bank records an asset representing the right to service sold loans when it retains significant servicing rights. This asset is included in other assets in the accompanying consolidated balance sheet. The carrying value of loans sold is allocated between the loans and the servicing rights, based on their relative fair values. The fair value of servicing rights is estimated by discounting estimated future cash flows from servicing using discount rates that approximate current market rates and using estimated prepayment rates. The net servicing rights, i.e. the excess of estimated fair value of servicing rights less the estimated cost of servicing if any, are carried at the lower of cost or market and are amortized in proportion to, and over the period of the estimated net servicing income, assuming prepayments. The Bank held no servicing rights assets as of December 31, 2024 and 2023.

New Accounting Pronouncements – In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The amendments in this ASU are intended to provide more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income tax paid information. The ASU requires disclosure in the rate reconciliation of specific categories as well as additional information for reconciling items that meet a quantitative threshold. The amendment requires on an annual basis a reconciliation broken out into specified categories with certain reconciling items further broken out by nature and jurisdiction to the extent those items exceed a specified threshold. In addition, all entities are required to disclose income taxes paid, net of refunds received disaggregated by federal, state/local, and foreign and by jurisdiction if the amount is at least 5% of total income tax payments, net of refunds received. The new standard is effective for the Bank for annual periods beginning after December 15, 2025, with early adoption permitted. An entity should apply the amendments in this ASU on a prospective basis. The Bank expects this ASU to only impact its disclosure requirements and does not expect the adoption of this ASU to have a material impact on its business operations or the Bank's consolidated financial statements.

2. Restricted Assets:

The Bank must meet reserve requirements as established by Federal Reserve Board (FRB) regulation which were zero at both December 31, 2024 and 2023. When and if the reserve requirement is not zero, the Bank complies with such requirements by holding cash on hand and maintaining average reserve balances on deposit with its primary correspondent bank in accordance with the regulations.

3. Investment Securities Available-for-Sale:

The tables below detail the amortized cost and estimated fair values of available-for-sale investment securities, as well as the amount of any unrealized losses and the length of time these unrealized losses existed as of the dates indicated:

	December 31, 2024							
	Available-for-Sale				Securities in Continuous Unrealized Loss Position for Less Than 12 Months		Securities in Continuous Unrealized Loss Position for 12 Months or Longer	
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value	Estimated Fair Value	Unrealized Loss	Estimated Fair Value	Unrealized Loss
Obligations of U.S. Government and U.S. sponsored agencies	$ 35,038,731	$ -	$ (1,166,260)	$ 33,872,471	$ -	$ -	$ 33,872,471	$ (1,166,260)
Mortgage-backed securities	11,571,327	-	(969,635)	10,601,692	-	-	10,601,692	(969,635)
	$ 46,610,057	$ -	$ (2,135,894)	$ 44,474,163	$ -	$ -	$ 44,474,163	$ (2,135,894)

	December 31, 2023							
	Available-for-Sale				Securities in Continuous Unrealized Loss Position for Less Than 12 Months		Securities in Continuous Unrealized Loss Position for 12 Months or Longer	
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value	Estimated Fair Value	Unrealized Loss	Estimated Fair Value	Unrealized Loss
Obligations of U.S. Government and U.S. sponsored agencies	$ 46,141,308	$ -	$ (2,417,536)	$ 43,723,772	$ -	$ -	$ 43,723,772	$ (2,417,536)
Mortgage-backed securities	14,334,272	-	(1,295,403)	13,038,870	-	-	13,038,870	(1,295,403)
	$ 60,475,580	$ -	$ (3,712,939)	$ 56,762,642	$ -	$ -	$ 56,762,642	$ (3,712,939)

The unrealized losses on the Bank's investment securities were solely attributable to increases in market interest rates subsequent to their purchase by the Bank. The Bank expects the fair value of these securities to recover as the securities approach their maturity dates or sooner if market yields for such securities decline. The Bank does not believe that these securities are other than temporarily impaired because of their credit quality or related to any issuer or industry specific event. Based on Management's evaluation and intent, the unrealized losses related to the investment securities in the above tables are considered temporary.

The amortized cost and estimated fair value of investment securities at December 31, 2024 and 2023 are shown below by contractual maturity or projected average life depending on the type of security. Obligations of U.S. government sponsored agencies are shown by contractual maturity. Mortgage-backed securities are disclosed by projected average life.

	Available-for-Sale December 31 2024	
	Amortized Cost	Estimated Fair Value
Due in one year or less	$ 21,914,201	$ 21,461,394
Due after one year through five years	22,545,410	20,918,319
Due after five years through ten years	2,150,447	2,094,450
Due after ten years	-	-
	$ 46,610,057	$ 44,474,163

	Available-for-Sale December 31 2023	
	Amortized Cost	Estimated Fair Value
Due in one year or less	$ 5,005,284	$ 4,962,543
Due after one year through five years	52,931,022	49,330,514
Due after five years through ten years	2,539,274	2,469,584
Due after ten years	-	-
	$ 60,475,580	$ 56,762,642

There were no sales of investment securities during 2024 or 2023.

At December 31, 2024, investment securities with a total estimated fair value of $44,466,499 and amortized cost of $46,602,077 were pledged for potential FHLB borrowings, repurchase agreements and other purposes. At December 31, 2023, investment securities with a total estimated fair value of $56,754,290 and amortized cost of $60,466,739 were pledged for potential FHLB borrowings, repurchase agreements and other purposes.

4. Loans and Allowance for Credit Losses:

Major classifications of loans at December 31 are as follows:

	2024	2023
Real Estate		
Acquisition, Development & Construction	$ 72,348,267	$ 41,915,850
Commercial	259,773,139	253,853,976
Multifamily	127,652,303	87,905,681
Owner Occupied	258,215,019	233,924,228
Commercial and Industrial		
Small Commercial Equipment	60,012,051	75,795,735
Other Commercial & Industrial	247,539,145	206,821,711
Consumer		
Secured	18,638,079	18,134,794
Unsecured	2,395,112	2,091,969
	1,046,573,117	920,443,944
Capitalized Loan Origination Costs (Fees), net	1,348,584	1,797,140
	1,047,921,701	922,241,084
Allowance for Credit Losses	(12,575,668)	(12,308,605)
Loans receivable, net	$ 1,035,346,033	$ 909,932,479

Risk Elements – The Bank manages credit risk through lending limit constraints, credit review, approval policies and extensive ongoing internal monitoring. Additionally, credit risk is managed via diversification of the loan portfolio by loan, industry and borrower type as well as limits on the aggregation of debt to a single borrower. The Bank also obtains periodic credit file reviews from independent third-parties as part of its ongoing credit monitoring process and loans are underwritten so as to ensure the highest probability of repayment in full, according to board-approved policies and procedures. The following are the loan segment risk characteristics of the Bank's portfolio:

Acquisition, Development & Construction– includes both loans and lines of credit for the purpose of purchasing, carrying and developing land into commercial developments or residential subdivisions. Also included in this designation are loans and lines of credit for construction of residential, multi-family and commercial buildings. Generally, the primary source of repayment is dependent upon the sale or refinance of the real estate collateral. Construction lending can involve a higher level of risk than other types of lending because funds are advanced based on a prospective value of the project at completion, the total estimated construction cost of the project, and the borrowers' equity at risk. Additionally, the repayment of the loan may be conditional on the success of the ultimate project which could be subject to interest rate changes, governmental regulations, general economic conditions and the ability of the borrower to sell or lease the property or refinance the indebtedness. The bank attempts to mitigate the risks associated with this type of credit by limiting concentration exposure and utilizing enhanced underwriting procedures as outlined in proprietary policies and procedures as approved by the board of directors not less than annually.

Commercial Real Estate – loans in this category are assigned to one of two specific subcategories:

- Commercial – includes loans to finance income-producing commercial properties. Loans in this class include retail centers, hotels, office buildings, single-tenant retail buildings, warehouses and other properties where the source of repayment on the loan comes primarily from non-related tenant lease income. There are board-approved enhanced underwriting procedures in place that govern the approval and funding of these types of loans.
- Owner Occupied – includes loans secured by business facilities to finance business operations, equipment and owner-occupied facilities for commercial customers. Generally, the primary source of repayment is the operating cash flow from business activities of the owner of the property or related entity.

Multi-family Real Estate – these loans are secured by – and are generally repaid by the lease income from – real estate properties built to house 5 or more families in a single property or complex. Apartment buildings and complexes are the major collateral in this category. This category does not include 1-4 family rental properties.

Commercial & Industrial - loans in this category are assigned to one of three specific subcategories:

- Small Commercial Equipment – includes loans secured by commercial equipment, typically rolling stock. The primary source of repayment is generally derived from income generated by utilization of the equipment collateralizing the loans, and thus, is more subject to potential disruption relative to larger and more diversified borrowers. The lack of significant secondary sources of repayment results in a higher risk of loss and thus these loans carry market rates of interest that are higher than the Bank's other loan types. These loans possess homogeneous risk characteristics unique to small business lending to the transportation industry. These risks are mitigated via ongoing industry trend analysis and through concentration limits on the portfolio as a whole as well as within industry subclasses. The majority of these loans are originated to borrowers outside of the Bank's primary market areas of Lane, Deschutes and Multnomah and Washington counties, throughout the continental United States.
- Other Commercial and Industrial – The primary source of repayment for these loans is generally cash flow from continuing business operations. Under the Bank's policy, primary and secondary repayment sources must be identified upon approval and prior to funding.

Consumer – the Bank engages in limited consumer lending of both a secured and unsecured nature. This primarily takes the form of home equity lines of credit and personal and professional lines of credit which may or may not be secured by tangible collateral.

Loans serviced for others are not included in the accompanying consolidated balance sheets. The unpaid principal balances of such serviced loans were $36,584,206 and $30,433,485 at December 31, 2024 and 2023, respectively.

The loan portfolio at December 31, 2024 and 2023 includes $143,887,777 and $115,893,769 respectively, of loans which have rates of interest that change more often than annually. Additionally, the loan portfolio at December 31, 2024 and 2023 includes fixed rate loans of $171,660,190 and $149,597,638, respectively, that are effectively converted to variable rate loans via interest rate swaps. There were no loans at their contractual floors at December 31 2024 nor December 31, 2023.

Changes in the allowance for credit losses for the year ended December 31, 2024 are as follows:

	Beginning Balance	Charge-offs	Recoveries	Provision	Ending Balance	Individual Evaluation	General Allocation
Real Estate							
Acquisition, Development & Construction	$ 351,274	$ -	$ -	$ 263,977	$ 615,251		$ 615,251
Commercial	1,004,518	-	-	(61,351)	943,167		943,167
Multifamily	405,367	-	-	93,302	498,669		498,669
Owner Occupied	1,328,312	-	-	49,058	1,377,370	154,159	1,223,211
Commercial and Industrial							
Small Commercial Equipment	7,657,417	(7,667,626)	312,367	5,441,459	5,743,617	114,256	5,629,361
Other Commercial & Industrial	1,492,001	(207,385)	438	2,032,097	3,317,151	1,864,363	1,452,788
Consumer							
Secured	69,505	-	-	10,668	80,174	7,796	72,378
Unsecured	211	-	-	58	269		269
Total	$ 12,308,605	$ (7,875,011)	$ 312,805	$ 7,829,269	$ 12,575,668	$ 2,140,574	$ 10,435,094

Changes in the allowance for loan losses for the year ended December 31, 2023 are as follows:

	Beginning Balance	ASU 2016-13 Adoption	Charge-offs	Recoveries	Provision	Ending Balance	Individual Evaluation	General Allocation
Real Estate								
Acquisition, Development & Construction	$ 648,661	$ (440,137)	$ -	$ -	$ 142,751	$ 351,274	$ -	$ 351,274
Commercial	2,604,918	(1,851,304)	-	-	250,903	1,004,518	-	1,004,518
Multifamily	429,807	(295,335)	-	-	270,894	405,367	-	405,367
Owner Occupied	1,841,591	(978,287)	-	-	465,009	1,328,312	182,746	1,145,566
Commercial and Industrial								
Small Commercial Equipment	3,790,938	4,982,919	(8,102,700)	-	6,986,260	7,657,417	236,774	7,420,643
Other Commercial & Industrial	2,171,176	(1,296,264)	(9,782)	2,162	624,708	1,492,001	566,891	925,110
Consumer								
Secured	171,784	(103,364)	-	-	1,086	69,505	9,455	60,050
Unsecured	5,829	(4,553)	-	-	(1,064)	211	-	211
Total	$ 11,664,704	$ 13,674	$ (8,112,482)	$ 2,162	$ 8,740,546	$ 12,308,605	$ 995,866	$ 11,312,739

Risk Rating – The monitoring process of the Bank's loan portfolio includes periodic reviews of individual loans with a risk rating assigned to each loan. Risk ratings are assigned according to various qualitative and quantitative measurements.

- Risk ratings 1 – 6 represent increasing degrees of risk within the regulatory definition of "Pass" loans as ratings move from 1 to 6. Regulatory bodies do not draw distinctions between these categories; as such, assignment of these ratings is for internal management purposes only.
- Risk Rating 7 – loans in this category adhere to the regulatory definition of "Special Mention" loans. A Special Mention loan has potential weaknesses that deserve management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the loan or in the Bank's credit position at some future date. Special Mention loans are not adversely classified and do not expose the Bank to sufficient risk to warrant adverse classification.
- Risk Rating 8 – loans in this category adhere to the regulatory definition of "Substandard." Loans classified Substandard are inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged, if any. Loans so classified must have a well-defined weakness or weaknesses that jeopardize the liquidation of the borrower's debt. They are characterized by the distinct possibility that the Bank will sustain some loss if the deficiencies are not corrected.

- Risk Rating 9 – loans in this category adhere to the regulatory definition of "Doubtful." Loans classified Doubtful have all of the weaknesses inherent in those classified Substandard with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently known facts, conditions and values, highly questionable and improbable.
- Risk Rating 10 – loans in this category adhere to the regulatory definition of "Loss." Loans classified Loss are uncollectible and of such little value that their continuance as a bankable asset is not warranted. When identified, these loans are charged off.

Loans risk rated 8, 9 or 10 are reviewed regularly to assess the ability of the borrowers to service all interest and principal obligations and, as a result, the risk ratings may be adjusted accordingly. In the event that full collection of principal and interest is not reasonably assured, the loan is appropriately downgraded and if warranted, placed on nonaccrual status even though the loan may be current as to principal and interest payments. Additionally, such loans are individually evaluated for ACL purposes and an assessment is made as to whether the loan warrants a write down of the loan.

The following tables present the Bank's loan portfolio by loan type and credit quality indicator as of December 31, 2024 and 2023:

	Term Loans by Year of Origination							
	2024	2023	2022	2021	2020	Prior	Revolving	Total
Real Estate - Acquisition, Development and Construction								
Pass (Ratings 1-6)	$ 7,587,494	$ 38,724,786	$ 21,423,203	$ 4,612,784	$ -	$ -	$ -	$ 72,348,267
Special Mention (Rating 7)	-	-	-	-	-	-	-	-
Substandard (Rating 8)	-	-	-	-	-	-	-	-
Doubtful (Rating 9)	-	-	-	-	-	-	-	-
Total	$ 7,587,494	$ 38,724,786	$ 21,423,203	$ 4,612,784	$ -	$ -	$ -	$ 72,348,267
Current period gross charge-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Real Estate - Commercial								
Pass (Ratings 1-6)	$ 13,041,793	$ 58,580,561	$ 37,987,081	$ 40,147,464	$ 21,682,845	$ 79,326,137	$ 1,500,000	$ 252,265,880
Special Mention (Rating 7)	-	-	1,147,789	-	2,749,155	3,610,315	-	7,507,259
Substandard (Rating 8)	-	-	-	-	-	-	-	-
Doubtful (Rating 9)	-	-	-	-	-	-	-	-
Total	$ 13,041,793	$ 58,580,561	$ 39,134,870	$ 40,147,464	$ 24,432,000	$ 82,936,452	$ 1,500,000	$ 259,773,139
Current period gross charge-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Real Estate - Multifamily								
Pass (Ratings 1-6)	$ 4,357,866	$ 60,908,030	$ 27,051,670	$ 15,879,209	$ 5,334,697	$ 13,134,492	$ 986,342	$ 127,652,303
Special Mention (Rating 7)	-	-	-	-	-	-	-	-
Substandard (Rating 8)	-	-	-	-	-	-	-	-
Doubtful (Rating 9)	-	-	-	-	-	-	-	-
Total	$ 4,357,866	$ 60,908,030	$ 27,051,670	$ 15,879,209	$ 5,334,697	$ 13,134,492	$ 986,342	$ 127,652,303
Current period gross charge-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Real Estate - Owner Occupied								
Pass (Ratings 1-6)	$ 27,054,776	$ 64,063,813	$ 43,178,316	$ 46,035,462	$ 26,350,072	$ 44,084,803	$ 145,000	$ 250,912,242
Special Mention (Rating 7)	-	808,129	853,277	1,540,177	-	2,559,604	-	5,761,187
Substandard (Rating 8)	-	-	-	1,151,708	-	389,883	-	1,541,590
Doubtful (Rating 9)	-	-	-	-	-	-	-	-
Total	$ 27,054,776	$ 64,871,942	$ 44,031,593	$ 48,727,346	$ 26,350,072	$ 47,034,290	$ 145,000	$ 258,215,019
Current period gross charge-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Commercial and Industrial - Small Commercial Equipment								
Pass (Ratings 1-6)	$ 22,510,536	$ 18,966,849	$ 11,140,927	$ 3,042,668	$ 32,006	$ -	$ -	$ 55,692,986
Special Mention (Rating 7)	91,792	106,976	154,695	47,568	2,996	-	-	404,028
Substandard (Rating 8)	114,300	1,290,455	1,511,300	684,581	135,813	68,074	-	3,804,523
Doubtful (Rating 9)	-	49,715	51,300	9,500	-	-	-	110,515
Total	$ 22,716,628	$ 20,413,995	$ 12,858,223	$ 3,784,317	$ 170,816	$ 68,074	$ -	$ 60,012,051
Current period gross charge-offs	$ 866,207	$ 4,820,488	$ 2,132,149	$ 579,601	$ 80,418	$ 75,629	$ -	$ 8,554,493
Commercial and Industrial - Other								
Pass (Ratings 1-6)	$ 50,183,885	$ 71,223,890	$ 49,277,974	$ 19,884,861	$ 6,007,520	$ 10,914,645	$ 26,910,062	$ 234,402,837
Special Mention (Rating 7)	72,468	1,469,232	1,881,765	476,832	-	455,172	2,433,324	6,788,793
Substandard (Rating 8)	3,507	500,000	5,310,029	206,202	11,636	66,143	249,999	6,347,516
Doubtful (Rating 9)	-	-	-	-	-	-	-	-
Total	$ 50,259,860	$ 73,193,122	$ 56,469,768	$ 20,567,894	$ 6,019,156	$ 11,435,960	$ 29,593,385	$ 247,539,145
Current period gross charge-offs	$ -	$ -	$ -	$ -	$ -	$ 9,782	$ -	$ 9,782
Consumer - Secured								
Pass (Ratings 1-6)	$ 1,699,357	$ 1,928,790	$ 2,072,582	$ 2,304,065	$ 1,365,250	$ 3,612,076	$ 5,577,999	$ 18,560,120
Special Mention (Rating 7)	-	-	-	-	-	-	-	-
Substandard (Rating 8)	-	-	-	-	-	77,959	-	77,959
Doubtful (Rating 9)	-	-	-	-	-	-	-	-
Total	$ 1,699,357	$ 1,928,790	$ 2,072,582	$ 2,304,065	$ 1,365,250	$ 3,690,035	$ 5,577,999	$ 18,638,079
Current period gross charge-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Consumer - Unsecured								
Pass (Ratings 1-6)	$ -	$ -	$ -	$ 24,000	$ -	$ -	$ 2,371,113	$ 2,395,112
Special Mention (Rating 7)	-	-	-	-	-	-	-	-
Substandard (Rating 8)	-	-	-	-	-	-	-	-
Doubtful (Rating 9)	-	-	-	-	-	-	-	-
Total	$ -	$ -	$ -	$ 24,000	$ -	$ -	$ 2,371,113	$ 2,395,112
Current period gross charge-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

	Term Loans by Year of Origination							
	2023	2022	2021	2020	2019	Prior	Revolving	Total
Real Estate - Acquisition, Development and Construction								
Pass (Ratings 1-6)	$ 27,747,158	$ 4,651,230	$ 5,059,011	$ -	$ -	$ 1,518,166	$ 2,940,285	$ 41,915,850
Special Mention (Rating 7)	-	-	-	-	-	-	-	-
Substandard (Rating 8)	-	-	-	-	-	-	-	-
Doubtful (Rating 9)	-	-	-	-	-	-	-	-
Total	$ 27,747,158	$ 4,651,230	$ 5,059,011	$ -	$ -	$ 1,518,166	$ 2,940,285	$ 41,915,850
Current period gross charge-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Real Estate - Commercial								
Pass (Ratings 1-6)	$ 49,799,282	$ 46,254,283	$ 41,978,915	$ 25,747,591	$ 29,228,944	$ 60,212,191	$ -	$ 253,221,206
Special Mention (Rating 7)	-	-	-	-	632,770	-	-	632,770
Substandard (Rating 8)	-	-	-	-	-	-	-	-
Doubtful (Rating 9)	-	-	-	-	-	-	-	-
Total	$ 49,799,282	$ 46,254,283	$ 41,978,915	$ 25,747,591	$ 29,861,714	$ 60,212,191	$ -	$ 253,853,976
Current period gross charge-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Real Estate - Multifamily								
Pass (Ratings 1-6)	$ 29,351,135	$ 21,929,334	$ 16,165,790	$ 5,803,781	$ 4,844,902	$ 8,843,306	$ 967,435	$ 87,905,681
Special Mention (Rating 7)	-	-	-	-	-	-	-	-
Substandard (Rating 8)	-	-	-	-	-	-	-	-
Doubtful (Rating 9)	-	-	-	-	-	-	-	-
Total	$ 29,351,135	$ 21,929,334	$ 16,165,790	$ 5,803,781	$ 4,844,902	$ 8,843,306	$ 967,435	$ 87,905,681
Current period gross charge-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Real Estate - Owner Occupied								
Pass (Ratings 1-6)	$ 48,822,754	$ 53,055,329	$ 45,581,898	$ 28,432,240	$ 15,878,408	$ 33,663,322	$ 120,000	$ 225,553,951
Special Mention (Rating 7)	-	554,079	2,410,323	-	1,411,810	2,414,833	-	6,791,045
Substandard (Rating 8)	-	-	1,183,114	-	-	396,118	-	1,579,232
Doubtful (Rating 9)	-	-	-	-	-	-	-	-
Total	$ 48,822,754	$ 53,609,408	$ 49,175,335	$ 28,432,240	$ 17,290,217	$ 36,474,273	$ 120,000	$ 233,924,228
Current period gross charge-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
Commercial and Industrial - Small Commercial Equipment								
Pass (Ratings 1-6)	$ 31,728,299	$ 25,992,793	$ 12,249,379	$ 2,159,946	$ 130,271	$ 72,975	$ -	$ 72,333,663
Special Mention (Rating 7)	429,542	864,818	313,230	50,478	4,373	-	-	1,662,441
Substandard (Rating 8)	188,738	708,832	474,277	62,341	77,359	41,954	-	1,553,501
Doubtful (Rating 9)	51,000	130,891	52,038	12,200	-	-	-	246,130
Total	$ 32,397,579	$ 27,697,334	$ 13,088,925	$ 2,284,965	$ 212,002	$ 114,929	$ -	$ 75,795,735
Current period gross charge-offs	$ 866,207	$ 4,820,488	$ 2,132,149	$ 579,601	$ 80,418	$ 75,629	$ -	$ 8,554,493
Commercial and Industrial - Other								
Pass (Ratings 1-6)	$ 64,679,442	$ 56,767,991	$ 26,519,709	$ 9,220,635	$ 4,697,585	$ 12,583,997	$ 23,847,206	$ 198,316,565
Special Mention (Rating 7)	162,422	4,883,474	67,555	5,944	72,912	116,011	250,000	5,558,318
Substandard (Rating 8)	500,000	2,101,955	225,011	13,136	-	106,726	-	2,946,827
Doubtful (Rating 9)	-	-	-	-	-	-	-	-
Total	$ 65,341,865	$ 63,753,420	$ 26,812,275	$ 9,239,715	$ 4,770,497	$ 12,806,733	$ 24,097,206	$ 206,821,711
Current period gross charge-offs	$ -	$ -	$ -	$ -	$ -	$ 9,782	$ -	$ 9,782
Consumer - Secured								
Pass (Ratings 1-6)	$ 2,044,550	$ 2,351,486	$ 2,361,969	$ 1,627,575	$ 1,579,199	$ 2,003,656	$ 5,939,879	$ 17,908,314
Special Mention (Rating 7)	-	-	-	-	-	131,928	-	131,928
Substandard (Rating 8)	-	-	-	-	-	94,553	-	94,553
Doubtful (Rating 9)	-	-	-	-	-	-	-	-
Total	$ 2,044,550	$ 2,351,486	$ 2,361,969	$ 1,627,575	$ 1,579,199	$ 2,230,136	$ 5,939,879	$ 18,134,794
Current period gross charge-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Consumer - Unsecured								
Pass (Ratings 1-6)	$ -	$ -	$ 24,501	$ -	$ -	$ 8,876	$ 2,058,592	$ 2,091,969
Special Mention (Rating 7)	-	-	-	-	-	-	-	-
Substandard (Rating 8)	-	-	-	-	-	-	-	-
Doubtful (Rating 9)	-	-	-	-	-	-	-	-
Total	$ -	$ -	$ 24,501	$ -	$ -	$ 8,876	$ 2,058,592	$ 2,091,969
Current period gross charge-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

The following tables present an aged analysis of past due and nonaccrual loans at December 31, 2024 and 2023:

As of December 31, 2024	30-59 Days Past Due Still Accruing	60-89 Days Past Due Still Accruing	Greater than 90 Days Past Due Still Accruing	Nonaccrual	Total Past Due and Nonaccrual	Total Current	Total Loans Receivable
Real Estate							
Acquisition, Development & Construction	$ -	$ -	$ -	$ -	$ -	$ 72,348,267	$ 72,348,267
Commercial	-	-	-	-	-	259,773,139	259,773,139
Multifamily	-	-	-	-	-	127,652,303	127,652,303
Owner Occupied	382,403	-	-	-	382,403	257,832,616	258,215,019
Commercial and Industrial							
Small Commercial Equipment	998,284	543,942	28,466	344,502	1,915,194	58,096,857	60,012,051
Other Commercial & Industrial	-	-	5,081	1,654,814	1,659,895	245,879,250	247,539,145
Consumer							
Secured	-	77,959	-	-	77,959	18,560,120	18,638,079
Unsecured	-	-	-	-	-	2,395,112	2,395,112
Total	$ 1,380,687	$ 621,901	$ 33,547	$ 1,999,316	$ 4,035,451	$ 1,042,537,665	$ 1,046,573,117
Percentage of Total Portfolio	0.13%	0.06%	0.00%	0.19%	0.39%	99.61%	100.00%

As of December 31, 2023	30-59 Days Past Due Still Accruing	60-89 Days Past Due Still Accruing	Greater than 90 Days Past Due Still Accruing	Nonaccrual	Total Past Due and Nonaccrual	Total Current	Total Loans Receivable
Real Estate							
Acquisition, Development & Construction	$ -	$ -	$ -	$ -	$ -	$ 41,915,850	$ 41,915,850
Commercial	-	-	-	-	-	253,853,976	253,853,976
Multifamily	-	-	-	-	-	87,905,681	87,905,681
Owner Occupied	-	-	-	-	-	233,924,228	233,924,228
Commercial and Industrial							
Small Commercial Equipment	1,614,686	947,360	-	773,941	3,335,987	72,459,748	75,795,735
Other Commercial & Industrial	-	-	-	862,467	862,467	205,959,244	206,821,711
Consumer							
Secured	94,552	-	-	-	94,552	18,040,242	18,134,794
Unsecured	-	-	-	-	-	2,091,969	2,091,969
Total	$ 1,709,238	$ 947,360	$ -	$ 1,636,408	$ 4,293,006	$ 916,150,938	$ 920,443,944
Percentage of Total Portfolio	0.19%	0.10%	0.00%	0.18%	0.47%	99.53%	100.00%

The following is an analysis of individually evaluated loans as of December 31, 2024:

	Individually Evaluated Loans with Allowance			Individually Evaluated Loans without Allowance		Total Individually Evaluated Loans	
	Recorded Investment	Unpaid Principal Balance	Related Allowance	Recorded Investment	Unpaid Principal Balance	Recorded Investment	Unpaid Principal Balance
Real Estate							
Owner Occupied							
Nonaccrual	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other	1,565,049	1,541,590	154,159	-	-	1,565,049	1,541,590
Subtotals	1,565,049	1,541,590	154,159	-	-	1,565,049	1,541,590
Commercial and Industrial							
Small Commercial Equipment							
Nonaccrual	350,816	380,853	114,256	-	-	350,816	380,853
Other	-	-	-	-	-	-	-
Other Commercial & Industrial							
Nonaccrual	-	-	-	-	-	-	-
Other	6,373,908	6,347,516	1,864,363	-	-	6,373,908	6,347,516
Subtotals	6,724,724	6,728,369	1,978,618	-	-	6,724,724	6,728,369
Consumer							
Secured							
Nonaccrual	78,960	77,959	7,796	-	-	78,960	77,959
Other	-	-	-	-	-	-	-
Subtotals	78,960	77,959	7,796	-	-	78,960	77,959
Totals	$ 8,368,732	$ 8,347,918	$ 2,140,573	$ -	$ -	$ 8,368,732	$ 8,347,918

The following is an analysis of individually evaluated loans as of December 31, 2023:

	Individually Evaluated Loans with Allowance			Individually Evaluated Loans without Allowance		Total Individually Evaluated Loans	
	Recorded Investment	Unpaid Principal Balance	Related Allowance	Recorded Investment	Unpaid Principal Balance	Recorded Investment	Unpaid Principal Balance
Real Estate							
Owner Occupied							
Nonaccrual	-	-	-	-	-	-	-
Other	1,856,037	1,824,835	182,746	5,996,990	5,968,302	7,853,027	7,793,137
Subtotals	1,856,037	1,824,835	182,746	5,996,990	5,968,302	7,853,027	7,793,137
Commercial and Industrial							
Small Commercial Equipment							
Nonaccrual	698,229	762,682	228,805	-	-	698,229	762,682
Other	24,359	26,565	7,969	-	-	24,359	26,565
Other Commercial & Industrial							
Nonaccrual	228,761	225,011	17,792	-	-	228,761	225,011
Other	2,740,545	2,721,816	549,099	-	-	2,740,545	2,721,816
Subtotals	3,691,894	3,736,074	803,665	-	-	3,691,894	3,736,074
Consumer							
Secured							
Nonaccrual	-	-	-	-	-	-	-
Other	94,925	94,552	9,455	-	-	94,925	94,552
Subtotals	94,925	94,552	9,455	-	-	94,925	94,552
Totals	$ 5,642,856	$ 5,655,461	$ 995,866	$ 5,996,990	$ 5,968,302	$ 11,639,846	$ 11,623,763

Average recorded investment in impaired loans and interest income recognized as of the years indicated are presented below:

	Year Ended December 31, 2024	
	Average Recorded Investment	Interest Recognized on Impaired Loans
Real Estate		
Acquisition, Development & Construction	$ -	$ -
Commercial	-	-
Multifamily	-	-
Owner Occupied	1,110,278	517,367
Commercial and Industrial		
Small Commercial Equipment	526,576	135,227
Other Commercial & Industrial	1,475,630	222,554
Consumer		
Secured	-	-
Unsecured	-	-
Total	$ 3,112,484	$ 875,148

	Year Ended December 31, 2023	
	Average Recorded Investment	Interest Recognized on Impaired Loans
Real Estate		
Acquisition, Development & Construction	$ -	$ -
Other	-	-
Multifamily	-	-
Owner Occupied	6,205,469	561,426
Commercial and Industrial	-	-
Small Commercial Equipment	586,367	266,636
Other Commercial & Industrial	1,896,452	359,081
Consumer	-	-
Secured	99,016	8,870
Unsecured	-	-
Total	$ 8,787,304	$ 1,196,013

The cash basis interest income on impaired loans was not materially different than the interest recognized on impaired loans as shown in the above tables.

There was a single loan modified during 2024 with a principal balance of $2,832,875 as of December 31st 2024, of which $2,124,656 is federally guaranteed under the Small Business Administration's 7a lending program. There were no loans modified during 2023. There were no commitments to lend additional funds to any borrowers whose loans have been modified. Determination of the allowance for credit losses for modified loans does not differ materially from the process for other loans in the Bank's portfolio.

5. **Premises and Equipment**:

Premises and equipment at December 31 consists of the following:

	2024	2023
Land	$ 2,342,065	$ 2,342,065
Building and improvements	10,562,348	8,920,581
Computer equipment and software	1,692,430	1,488,993
Furniture and equipment	3,411,161	2,993,310
Total	18,008,004	15,744,949
Accumulated depreciation	(6,302,299)	(5,429,772)
Premises and equipment, net	$ 11,705,705	$ 10,315,177

The Bank owns its headquarters building and leases to others approximately 9% of the building. Rental income recorded under noncancelable leases as well as other month-to-month agreements totalled $16,200 and $43,815 for the years ended December 31, 2024 and 2023, respectively, and is recorded in noninterest income. At December 31, 2024, future expected rental revenues to be received under such noncancelable leases are as follows:

2025	$ 3,350
Total	$ 3,350

6. **Time Deposits**:

Individual time deposits that met or exceeded the FDIC standard insurance coverage limit of $250,000 totalled $3,606,798 and $9,988,114 at December 31, 2024 and 2023, respectively.

At December 31, 2024, the scheduled annual maturities of time deposits are as follows:

2025	$ 90,083,795
2026	383,917
Thereafter	-
	$ 90,467,712

7. **Borrowings**:

The Holding Company currently carries a total of $18,750,000 aggregate principal in fixed to floating rate subordinated notes. During 2024, the Company repurchased principal totalling $1,250,000 at a discount from a single note holder and recorded a pre-tax gain of $375,000. The notes will mature on December 1, 2031 and bear an interest rate of 3.25% through November 30, 2026 and thereafter will bear an interest rate equal to Three-Month Term Secured Overnight Funding Rate (SOFR) plus 2.17% payable quarterly in arrears. Unamortized debt issuance costs as of December 31 2024 and 2023 were $266,271 and $325,101, respectively.

The Bank has repurchase agreements (REPOs) of $1,572,812 (average rate 2.07%) and $3,603,528 (average rate 1.94%) at December 31, 2024 and 2023, respectively. A REPO represents an agreement between the Bank and a customer to collateralize funds deposited by the customer in an interest-bearing repurchase sweep account. Investment securities are pledged by the Bank as collateral in an amount equal to the REPOs.

The Bank has a borrowing line with the FHLB equal to a maximum of 40% of the Bank's total assets, subject to limits based on collateral consisting of FHLB stock, funds on deposit with FHLB and eligible portions of the Bank's loan and securities portfolios. The available borrowing line at December 31, 2024 was approximately $257,599,000 with no outstanding borrowings as of December 31 2024. The Bank had an outstanding short-term borrowing against this line of $35,000,000 at December 31, 2023 which was retired in January 2024.

The Bank has secured and unsecured federal funds borrowing lines available with correspondent banks totalling $25,000,000 at December 31, 2024. The Bank had no outstanding borrowings against these lines at December 31, 2024 nor 2023. The Bank also has a borrowing line available with the Federal Reserve Discount Window totalling approximately $52,654,000 at December 31, 2024, which is secured by a portion of the Bank's loan portfolio. The Bank had no outstanding borrowings against this line at December 31, 2024 nor 2023.

8. **Benefit Plans**:

The Bank has a defined contribution 401(k) profit sharing plan covering substantially all employees. Employer contributions are discretionary and are determined annually by the Board of Directors. Employer contributions were $1,059,096 and $552,909 in 2024 and 2023, respectively.

The Bank has a deferred cash incentive plan and a supplemental employee retirement plan (SERP) for the benefit of certain key employees and a directors' deferred compensation plan for the Bank's directors. Additional benefits earned under these plans totalled $567,825 and $241,199 in 2024 and 2023, respectively. The liability for benefits under these plans totalled $2,051,785 and $1,509,686 as of December 31, 2024 and 2023, respectively, and is included in other liabilities in the accompanying consolidated balance sheets.

9. **Stock Option and Equity Compensation Plans**:

The Bank has employee and nonemployee equity compensation plans (the Plans) that reserve shares of stock for issuance to employees and directors in the form of stock options, restricted stock, or restricted stock units (RSUs). Under the Plans, the exercise price (for options) or the fair value (for restricted stock and RSUs) of awards granted must equal the market price of the Bank's stock on the date of the grant.

Options granted under the Plans have a maximum term of ten years. Vesting generally occurs over periods ranging from one to four years. At December 31, 2024 and 2023, there were 597,120 and 687,571 shares of common stock available for future grants under the Plans.

The following table presents the activity related to stock options under the Plans for the years ended December 31:

	2024		2023	
	Options outstanding	Weighted-average exercise price	Options outstanding	Weighted-average exercise price
Balance, beginning of year	237,302	$11.54	229,363	$11.27
Granted:				
Directors	-	n/a	-	n/a
Employees	50,560	11.23	18,603	14.54
Exercised	0	n/a	(5,860)	10.22
Forfeited or expired	0	n/a	(4,804)	11.94
Balance, end of year	287,862	11.48	237,302	11.54
Exercisable, end of year	201,301	$ 11.12	156,709	$ 10.44

There were no options exercised during the year ended December 31, 2024. The total intrinsic value of stock options exercised was $5,391 for the year ended December 31, 2023.

The following table presents additional information regarding stock options outstanding as of December 31, 2024:

Expiration	Weighted average exercise price per share in $ dollars	Weighted average remaining contractual life	December 31, 2024 Exercisable	December 31, 2024 Outstanding
2025	$ 5.98	0.31	18,688	18,688
2027	7.92	2.24	22,097	22,097
2028	10.21	3.08	25,281	25,281
2029	12.33	4.26	36,299	36,299
2030	10.57	5.25	16,182	16,182
2031	11.51	6.28	44,611	48,728
2032	14.46	7.21	31,942	51,424
2033	14.54	8.13	6,201	18,603
2034	11.23	9.16	-	50,560
			201,301	287,862
Aggregate intrinsic value			$733,705	$944,541

The fair value of options granted under the Plans is estimated on the date of the grant using the Black-Scholes option pricing model. The fair value of the grants is amortized on a straight line basis over the requisite vesting periods. The expected life of options granted represents the period of time that they are expected to be outstanding. The expected life is determined based on the actual historical weighted average life of the Bank’s options. Expected volatility is estimated at the date of grant based on the historical volatility of the Bank's common stock over a period similar to the expected life of the option. Dividends during the expected life are assumed to be zero. The risk-free interest rate is derived from the trailing twenty day U.S. Treasury yield at the time of the grant for a term equivalent to the expected life of the option. The Black-Scholes model used the following assumptions for the stock options granted during the years indicated:

	Expected Life (years)	Expected Volatility	Expected Dividends	Risk Free Rate
2024	7.0	21.3%	0.00%	4.11%
2023	7.0	15.5%	0.00%	3.62%

The weighted average fair value of options granted in 2024 and 2023 was $3.86 and $4.11, respectively. As of December 31, 2024, the total unrecognized compensation expense related to options granted amounted to $177,395, which is expected to be recognized during 2025-2027, a weighted average period of 0.8 years.

The fair value of restricted stock and RSUs awarded under the Plans is measured based on the number of shares granted and the market price of the Bank's common stock on the date of grant. This amount is recognized as an expense over the corresponding requisite service period. As of December 31, 2024, the total unrecognized compensation expense related to restricted stock awards granted amounted to $574,190, which is expected to be recognized during 2025-2034. Weighted average years to vest for outstanding restricted stock grants as of December 31, 2024 is 2.2 years. The following presents the Bank's restricted stock and RSU activity for the years ended December 31, 2024 and 2023:

	Number of Shares	Weighted Average Grant Date Fair Value
Unvested as of December 31, 2022	49,976	$ 12.88
Granted	52,951	14.34
Vested	(26,732)	13.21
Forfeited	(192)	11.94
Unvested as of December 31, 2023	76,003	13.76
Granted	40,620	11.14
Vested	(41,694)	13.67
Forfeited	(729)	13.18
Unvested as of December 31, 2024	74,200	$ 12.39

There were a total of 91,180 shares of restricted stock and options granted during 2024, none of which vested in 2024, with 250 shares surrendered unvested. The remaining 2024 grants are expected to vest during 2025-2034. There were 44,592 and 27,464 options that vested during the years ended December 31, 2024 and 2023 with a total fair value of $116,914 and $62,658, respectively. There were 41,694 and 26,348 shares of restricted stock that vested during the years ended December 31, 2024 and 2023 with a total fair value of $569,775 and $348,559, respectively.

Weighted average shares outstanding for the years ended December 31 are as follows:

	2024	2023
Basic	7,709,221	7,668,796
Common stock equivalents attributable to stock based grants outstanding	75,337	80,638
Fully Diluted	7,784,558	7,749,434

10. **Revenue from Contracts with Customers**:

In accordance with ASC 606, revenues are recognized when goods or services are transferred to a customer in exchange for the consideration the Bank expects to be entitled to receive. The largest portion of the Bank's revenue is from interest income, which is excluded from the scope of ASC 606. All of the Bank's revenue from contracts with customers which is within the scope of ASC 606 is recognized in noninterest income.

If a contract is determined to be within the scope of ASC 606, the Bank recognizes revenue as it satisfies a performance obligation. Payments from customers are generally collected at the time services are rendered, monthly, or quarterly. For contracts with customers within the scope of ASC 606, revenue is either earned at a point in time or revenue is earned over time. Examples of revenue earned at a point in time are automated teller machine ("ATM") transaction fees, wire transfer fees, overdraft fees and interchange fees. Revenue is primarily based on the number and type of transactions that are generally derived from transactional information accumulated by the Bank's systems and is recognized immediately as the transactions occur or upon providing the service to complete the customer's transaction. The Bank is generally the principal in these contracts, with the exception of interchange fees, in which case the Bank is acting as the agent and records revenue net of expenses paid to the principal. Examples of revenue earned over time, which generally occur on a monthly basis, are deposit account maintenance fees, merchant revenue, and safe deposit box fees. Revenue is generally derived from transactional information accumulated by the Bank's systems or those of third-parties and is recognized as the related transactions occur or services are rendered to the customer.

The following table includes the Bank's noninterest income disaggregated by type of service for the years ended December 31, 2024 and 2023:

	2024	2023
Bank card and interchange fees	$ 550,916	$ 691,581
Loan servicing fees [1]	128,923	140,939
Early termination gains on loans	592,446	834,998
Service charges on deposit accounts	256,855	124,912
Bank-owned life insurance income [1]	300,679	168,300
Real estate lease income [1]	16,200	43,815
Gains (losses) on sales and write-downs of repossessed assets, net	(1,633,013)	(1,824,101)
Other	833,143	327,429
Total noninterest income	$ 1,046,149	$ 507,873

[1] Not in the scope of ASC 606

For the years ended December 31, 2024 and 2023, substantially all of the Bank's revenues within the scope of ASC 606 are for performance obligations satisfied at a specified date. Revenues recognized within the scope of ASC 606 include:

Bank card and interchange fees: Bank card and interchange fees are earned when a debit card issued by the Bank is used. The Bank earns interchange fees from debit cardholder transactions through the Visa® payment network. Interchange fees from cardholder transactions represent a percentage of the underlying transaction value and are recognized daily, concurrently with the transaction processing services provided to the cardholder. The performance obligation is satisfied and the fees are earned when the cost of the transaction is charged to the cardholders' debit card. Certain expenses directly associated with the debit cards are recorded on a net basis with the interchange income.

Other noninterest loan income: Other noninterest loan income includes early termination fees and other income from loans that the Bank services. These fees are recognized on a daily, monthly, quarterly or annual basis, depending on the type of service.

Service charges on deposit accounts: Fees are earned on the Bank's deposit accounts for various products offered to or services performed for the Bank's customers. Fees include business account fees, non-sufficient fund fees, stop payment fees, wire services, safe deposit box and others. These fees are recognized on a daily, monthly or quarterly basis, depending on the type of service.

Losses on sales and write-downs of repossessed assets, net: The Bank records a gain or loss from the sale of repossessed assets when control of the property transfers to the buyer, which generally occurs at the time of an executed deed or title.

Other: Fees earned on other services, such as merchant services or occasional non-recurring type services, are recognized at the time of the event or the applicable billing cycle.

As of December 31, 2024 and December 31 2023, the Bank had no significant contract liabilities where the Bank had an obligation to transfer goods or services for which the Bank had already received consideration. In addition, the Bank had no material unsatisfied performance obligations as of this date.

11. **Other Expense**:

Other expense for the years ended December 31 is comprised of the following:

	2024	2023
Professional services	$ 511,335	$ 521,731
Printing, supplies and postage	522,533	548,247
Regulatory assessments	867,685	536,439
Advertising, marketing and public relations	941,215	838,562
Loan expenses and collection	456,516	750,428
Communications	286,952	263,414
Correspondent bank fees	343,328	342,859
Other operating expenses	1,990,686	1,567,337
Total other expense	$ 5,920,249	$ 5,369,017

12. **Income Taxes**:

The income tax provision consists of the following for the years ended December 31, 2024 and 2023:

	2024	2023
Current		
Federal	$ 2,130,472	$ 2,589,200
State	923,816	629,519
Deferred	662,090	80,027
Total income tax provision	$ 3,716,378	$ 3,298,746

The income tax provision results in effective tax rates that are different than the federal income tax statutory rate. The nature of the differences for the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
Expected federal income tax provision at statutory rates	$ 3,137,464	$ 2,566,103
State taxes	845,547	880,500
Permanent differences	2,425	25,900
Other	(269,059)	(173,757)
Total income tax provision	$ 3,716,378	$ 3,298,746

The tax effects of temporary differences that give rise to deferred tax assets and liabilities as of December 31, 2024 and 2023 are as follows:

	2024	2023
Deferred tax assets:		
Allowance for credit losses	$ 3,323,632	$ 3,247,010
Accrued vacation	36,916	17,500
Other accrued expenses	65,950	45,300
Repossessed assets	-	3,200
Deferred compensation	542,268	398,255
Share-based compensation	4,824	-
Unrealized losses on investment securities	564,497	965,380
Secondary accrued interest	40,268	129,700
Operating lease liability	831,616	95,485
Other	10,772	50,000
Total deferred tax assets	5,420,743	4,951,830
Deferred tax liabilities:		
Depreciation	(1,031,362)	(515,750)
Loan origination costs	(1,440,179)	(1,535,714)
Prepaid expenses and other	(249,621)	(130,000)
Share-based compensation	-	(26,000)
Operating lease right-of-use asset	(834,522)	(91,666)
Other	(356,528)	(81,198)
Total deferred tax liabilities	(3,912,213)	(2,380,328)
Total net deferred tax assets	$ 1,508,529	$ 2,571,502

The Bank has determined that it is not required to establish a valuation allowance for the net deferred tax assets as of December 31, 2024 and 2023, as management believes it is more likely than not that the net deferred tax assets will be realized through reversals of existing taxable temporary differences and future taxable income.

13. **Commitments and Contingencies**:

The Bank commits to extensions of credit and issues standby letters of credit to meet the financing needs of its clients. The Bank's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit and standby letters of credit is represented by the contractual notional amount of those instruments. The Bank uses the same credit policies in making commitments and conditional obligations as it does for on-balance-sheet instruments.

Commitments to extend credit are agreements to lend to a client provided there is no violation of any conditions established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since some of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements.

Standby letters of credit written are conditional commitments issued by the Bank to guarantee the performance of a client to a third party. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to clients.

To manage interest rate risk, the Bank enters into interest rate swaps that effectively convert fixed rate loans into variable rate instruments earning a margin over a short term index, typically SOFR. These fair value hedges have been structured in most cases to be perfectly effective. Any ineffectiveness is recognized in earnings. Cash and investment securities at December 31, 2024 totalling $3,945,399 are held by counterparties and are pledged as security for these interest rate swaps.

Financial instruments with off-balance-sheet risk at December 31 are as follows:

	2024	2023
Commitments to extend credit	$ 226,012,558	$ 342,517,171
Standby letters of credit	1,093,690	1,067,137
Interest rate swaps (receive variable - pay fixed, maturing 2025-2048):		
Principal amount of hedged loans	170,360,324	148,645,465
Fair value adjustment, included in other liabilities (assets)	(7,553,171)	(5,229,957)
Total fair value of hedged loans	$ 162,807,153	$ 143,415,508

Due to the nature of its activities, the Bank is periodically subject to litigation arising in the ordinary course of business, which is generally expected to not have a material effect on the Bank's consolidated financial position, results of operations, and cash flows as of and for the year ended December 31, 2024.

The Bank has entered into employment agreements with certain key employees, which provide for contingent payments upon a change in control of the Bank, as defined in the agreements.

14. Related Party Transactions:

In the normal course of business, the Bank has granted loans to officers and directors and to companies with which they are associated. Such loans are made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties. Activity with respect to these loans during the years ended December 31 was as follows:

	2024	2023
Balance, beginning of year	$ 17,501,431	$ 4,804,199
Additions or renewals	100,000	13,938,930
Principal repayments and other reductions	(452,238)	(1,241,698)
Balance, end of year	$ 17,149,193	$ 17,501,431

In addition, there were $1,958,248 in commitments to extend credit to officers and directors, including related entities, at December 31, 2024 which are included as part of commitments in Note 13.

Deposits from officers and directors totalled $8,865,990 and $7,800,394 at December 31, 2024 and 2023, respectively.

15. **Fair Value Measurements**:

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. GAAP requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. GAAP also establishes a fair value hierarchy which prioritizes the valuation inputs into three broad levels. Based upon the underlying inputs, each fair value measurement in its entirety is reported in one of the three levels. These levels are:

- Level 1: Fair value of the asset or liability is determined using unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2: Fair value of the asset or liability is determined using inputs other than quoted prices that are observable for the applicable asset or liability, either directly or indirectly, such as quoted prices for similar (as opposed to identical) assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.
- Level 3: Fair value of the asset or liability is determined using unobservable inputs that are significant to the fair value measurement and reflect management's own assumptions regarding the applicable asset or liability.

The following disclosures are made in accordance with provisions of GAAP. The use of different assumptions and estimation methods could have a significant effect on fair value amounts. Accordingly, the estimates of fair value herein are not necessarily indicative of the amounts that might be realized in a current market exchange.

The carrying amount and estimated fair value of the Bank's financial instruments are as follows at the dates indicated:

December 31, 2024	Carrying Amount	Level I	Level II	Level III	Estimated Fair Value
Assets:					
Cash and cash equivalents	$ 133,927,902	$ 133,927,902	$ -	$ -	$ 133,927,902
Investment securities available-for-sale	44,474,163	-	44,474,163	-	44,474,163
Hedged loans, net of allowance for credit losses	162,807,153	-	162,807,153	-	162,807,153
Other loans, net of allowance for credit losses	872,538,880	-	847,812,284	5,394,964	853,207,248
Interest receivable	4,034,590	-	4,034,590	-	4,034,590
FHLB and PCBB stock	1,085,200	-	1,085,200	-	1,085,200
Cash surrender value of bank-owned life insurance	8,694,364	-	8,694,364	-	8,694,364
Liabilities:					
Time deposits	90,467,712	-	90,403,833	-	90,403,833
Repurchase agreements and secured borrowings	1,572,812	-	1,572,812	-	1,572,812
Term borrowings	18,483,729	-	18,483,729	-	18,483,729
Interest rate swap agreements	61,000	-	61,000	-	61,000

December 31, 2023	Carrying Amount	Level I	Level II	Level III	Estimated Fair Value
Assets:					
Cash and cash equivalents	$ 74,401,873	$ 74,401,873	$ -	$ -	$ 74,401,873
Investment securities available-for-sale	56,762,642	-	56,762,642	-	56,762,642
Hedged loans, net of allowance for credit losses	143,415,508	-	143,415,508	-	143,415,508
Other loans, net of allowance for credit losses	766,516,971	-	739,042,268	4,646,990	743,689,257
Interest receivable	3,951,787	-	3,951,787	-	3,951,787
FHLB and PCBB stock	2,594,100	-	2,594,100	-	2,594,100
Cash surrender value of bank-owned life insurance	8,373,759	-	8,373,759	-	8,373,759
Liabilities:					
Time deposits	53,363,003	-	53,794,700	-	53,794,700
Repurchase agreements and secured borrowings	38,603,528	-	38,603,528	-	38,603,528
Term borrowings	19,674,899	-	19,674,899	-	19,674,899
Interest rate swap agreements	540,113	-	540,113	-	540,113

The following methods were used to estimate the fair value of each class of financial instrument above that is measured and recorded at estimated fair value on a recurring basis:

Investment Securities Available-for-Sale– Fair value is estimated using quoted market prices for similar securities.

Hedged Loans – Fair value of hedged fixed-rate loans is estimated by discounting the future cash flows using the current rates at which similar loans would be made to borrowers with similar credit characteristics and for the same remaining maturities.

Interest Rate Swap Agreements – Fair value of interest rate swap agreements is estimated based upon quoted prices for similar instruments in the over the counter swaps market.

The following tables present assets that are measured at estimated fair value on a nonrecurring basis at the dates indicated:

		Estimated fair value measurements using		
December 31 2024	Total estimated fair value	Level I	Level II	Level III
Repossessed assets	$ 456,800	$ -	$ -	$ 456,800
Individually evaluated loans with allowance	$ 6,228,159	$ -	$ -	$ 6,228,159
December 31 2023				
Repossessed assets	$ 672,135	$ -	$ -	$ 672,135
Impaired loans	$ 4,646,990	$ -	$ -	$ 4,646,990

	Valuation technique	Significant unobservable inputs
Repossessed assets	Market approach	Appraised value of collateral less selling costs
Impaired loans	Market and income approach	Discounted cash flows or appraised value of collateral less selling costs

The Bank considers third party appraisals in determining the fair value of repossessed assets and impaired loans. Appraisals are adjusted by the Bank in consideration of economic and market conditions that could impact the value of the assets.

The fair values presented above represent management's best estimates based on a range of methodologies and assumptions. Where appropriate, expected cash flows are discounted using an applicable rate considering the time of collection, credit risk, and the discount for the uncertainty of the cash flows.

There were no transfers to or from Level III during 2024 or 2023.

16. **Leases:**

The Bank has noncancelable operating lease agreements for office space that require future minimum rental payments. The Bank does not have any operating leases with an initial term of 12 months or less. The Bank's operating leases contain various provisions for increases in rental rates based on predetermined escalation schedules. The Bank's operating leases also provide the Bank with options to extend the lease terms one or more times following expiration of the initial terms. Lease extensions are not reasonably certain, and the Bank generally does not recognize payments occurring during option periods in the calculation of its operating lease right-of-use assets and operating lease liabilities.

The table below presents the operating lease right-of-use assets and operating lease liabilities recorded in the consolidated balance sheets as of December 31, 2024 and 2023:

	2024	2023	Balance sheet classification
Operating lease right-of-use assets	$ 3,008,840	$ 347,482	Other assets
Operating lease liabilities	3,148,072	361,958	Other liabilities
Operating lease weighted-average remaining lease term	9.34 years	2.26 years	
Operating lease weighted-average discount rate	4.62%	3.41%	

Costs of operating leases for the years ended December 31, 2024 and 2023 totalled $262,980 and 286,332, respectively and are recorded in occupancy and equipment expense in the consolidated statements of income.

Supplemental cash flow information – Operating cash flows paid for the operating lease amounts included in the measurement of the lease liability were $129,149 and $291,056 for the years ended December 31, 2024 and 2023, respectively. The following table reconciles the undiscounted cash flows for the periods indicated related to the Bank's operating lease liabilities as of December 31, 2024:

Years ending December 31	
2025	$ 321,632
2026	446,816
2027	427,454
2028	416,953
2029	386,018
Thereafter	1,975,137
Total minimum lease payments	3,974,011
Less: amount of lease payment representing interest	(825,939)
Lease liability	$ 3,148,072

17. **Regulatory Matters:**

The Holding Company and the Bank are subject to the regulations of certain federal and state agencies and receive periodic examinations by those regulatory authorities. In addition, the Holding Company and the Bank are subject to various regulatory capital requirements administered by federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory – and possibly additional discretionary – actions by regulators that, if undertaken, could have a direct material effect on the consolidated financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Holding Company and the Bank must meet specific capital guidelines that involve quantitative measures of assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. The Holding Company and the Bank's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

Regulatory capital regulations provide five classifications: well capitalized, adequately capitalized, undercapitalized, significantly undercapitalized, and critically undercapitalized, although these terms are not used to represent overall financial condition. As of December 31, 2024 and 2023, the most recent regulatory notification classified the Bank as well capitalized under the prompt corrective action regulatory framework. There are no conditions or events since that notification that management believes have changed the Bank's category

In 2019, the federal banking agencies jointly issued a final rule that provides for an optional, simplified measure of capital adequacy, the community bank leverage ratio framework (CBLR framework), for qualifying community banking organizations, consistent with Section 201 of the Economic Growth, Regulatory Relief, and Consumer Protection Act. The final rule became effective on January 1, 2021 and was elected by the Bank as of March 31, 2021. Under the interim final rules, the CBLR minimum Tier 1 capital to average assets requirement was 9.0% for 2022 and beyond. As of December 31, 2024, both the Holding Company and the Bank were qualifying community banking organizations as defined by federal banking agencies and elected to measure capital adequacy under the CBLR framework.

The Bank's actual and required capital amounts (in thousands) and ratios are as follows for the year ended December 31, 2024:

	Actual		To be Well Capitalized Under Prompt Corrective Action Provisions (CBLR Framework)	
	Amount	Ratio	Amount	Ratio
Tier I capital to average total assets ($ in thousands)	$ 126,978	9.88%	$ 115,629	9.00%

The Bank's actual and required capital amounts (in thousands) and ratios as measured under the previous Risk Weighted framework, which applied to the Bank as of the year ended December 31, 2023 were as follows:

	Actual		To be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio
Total capital to risk weighted assets ($ in thousands)	$ 127,274	12.71%	$ 100,121	10.00%
Tier I capital to risk weighted assets ($ in thousands)	114,756	11.46%	$ 80,097	8.00%
Common Equity Tier I to risk weighted assets ($ in thousands)	114,756	11.46%	$ 65,079	6.50%
Tier I capital to average total assets ($ in thousands)	114,756	10.66%	$ 53,847	5.00%

Board of Directors

RICHARD M. ABRAHAM, MD
Dr. Abraham has been a practicing Emergency and Occupational Medicine physician with Cascade Medical Associates since 1979. He is a founding member of BestMed (formally Eugene Urgent Care) walk-in clinics, Monarch Medical Weight Loss, Oregon Man Clinics, LYL Medical and the past President and current COO of Drs. Emergency Room Corporation dba Cascade Medical Associates. He is a founding Director of Summit Bank and also serves on the boards of Cascade Health Solutions, BestMed, Monarch Medical and McKenzie Willamette Medical Center. He has previously served on the boards of MWMC Foundation, PacificSource, the Health and Safety Institute and the Marist Foundation. Director since 2003.

PATRICIA O. BUEHLER, MD
Dr. Buehler is a surgeon specializing in cataract and Lasik surgery and an owner of three businesses. Dr. Buehler is a managing partner of InFocus Eye Care, a specialty vision correction facility in Bend, and an owner and founder of the Bend Surgery Center. She is the CEO and co-founder of a medical device company, Osheru, with her husband, Dr. Knute Buehler. She serves on the executive committee of the board of directors of Lines for Life, a statewide substance abuse and suicide prevention non-profit. Director since 2016.

DANIEL P. HOBIN
Mr. Hobin has more than 25 years of experience in starting, building, and selling technology companies. He is currently the Managing Partner of Chipper Creek Innovation, a small investment firm that invests in entrepreneurs who are passionate about giving back, making an impact, and generating attractive risk-adjusted returns. Previously, Mr. Hobin was a co-founder and CEO of G5, the leading provider of marketing software and services in the property management sector. Mr. Hobin is a co-founder of the Bend Venture Conference, and is on the advisory board for Oregon State University Cascades. Director since 2016.

STEVEN J. KORTH
Mr. Korth is a partner and the director of real estate and development for his family business, McKay Investment Company. He has been a Director of the Bank since 2008 and has served on the boards of the Eugene Chamber of Commerce, Lane Metro Partnership, and the Oregon Community Foundation. He is also active in local government, having served on the Mayor of Eugene's Economic Development Committee, the Eugene Enterprise Zone Committee, and as a member of the Eugene School Districts "Shaping 4-J's Future" task force. Director since 2008.

JAMIE H. MOFFITT
Ms. Moffitt is the Senior Vice President for Finance and Administration and CFO of the University of Oregon. She holds degrees from Harvard College, the Fletcher School of Law and Diplomacy, and Harvard Law School. Prior to joining the University of Oregon in 2003, Ms. Moffitt spent seven years working in the private sector including as a consultant with McKinsey and Company. She has served on the Board and audit committee of Anixter, Inc. (formerly NYSE: AXE), a company with over $8.5 billion in annual revenue and on the audit committee of the PAC-12 Athletic Conference. Currently, she serves in an ex-officio capacity on the Board and investment committee of the University of Oregon Foundation. Director since 2022.

J. ANDREW MOORE
Mr. Moore is co-president of Bigfoot Beverages. He has been a Director of Summit Bank for more than eleven years and also serves on the boards of the Oregon Beverage Association, the American Beverage Association, Cascade Health Solutions, Pepsi Northwest Beverages, and the Pepsi-Cola Bottlers Association. Director since 2010.

DENNIS G. OREM
Mr. Orem is the CEO of Jerry's Home Improvement Centers located in Eugene and Springfield. He is a founding Director of the Bank and has been an active participant in local, regional, and national industry trade organizations including serving on the boards of the Western Building Materials Association, the Home Center Institute, and the Eugene Chamber of Commerce. Director since 2003.

ANDY J. STORMENT
Mr. Storment is a founding director of Summit Bank and current Board Vice Chair. He also manages investments in commercial real estate and operating companies primarily in the Northwest. He serves as a Trustee on the University of Oregon Board of Trustees and on the boards of The Ford Family Foundation, Oregon Equipment Sales, and Stahlbush Island Farms, Inc. Director since 2003.

CRAIG A. WANICHEK
Mr. Wanichek currently serves as the President and Chief Executive Officer of Summit Bank and Summit Bank Group, Inc. Mr. Wanichek joined Summit Bank in 2009 holding various Executive Management positions including President and Chief Credit Administrator prior to succeeding Summit Bank's founding CEO in 2013. Mr. Wanichek previously served in several management positions with a local NYSE- traded manufacturing company following seventeen years in banking. He is Past Chairman of the Board of Directors for the Oregon Bankers Association. He was previously a Federal Delegate representing Oregon for the Independent Community Bankers of America (ICBA). He is currently serving on the Board of Directors for ICBA Securities. Mr. Wanichek has served as chair of the Eugene Chamber of Commerce and Cascade Health. He is a graduate of the University of Oregon with a Bachelor's degree in Economics. Director since 2013.

R. PAUL WEINHOLD
Mr. Weinhold is the President and Chief Executive Officer of the University of Oregon Foundation. He is a founding Director of Summit Bank and currently serves as the Board Chair. He has served in leadership roles for a variety of local non-profits and served as the Chair of Oregon22, the organization responsible for hosting the World Track and Field Championship in Oregon. Prior to joining the University of Oregon Foundation, he spent more than twenty years in leadership roles in the commercial insurance industry. Director since 2003.

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SUMMIT BANK TEAM

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DAVID AXBERG, AVP Portfolio Manager
RACHAEL BAKER, SVP Compliance Officer
LAURA BEST, AVP and Branch Operations Supervisor
JORDAN BURCHAM, VP Business Client Advisor
CARLYN CARMICHAEL, SVP Commercial Banking Team Leader
JILL CUMMINGS, VP Central Oregon Market Manager
SARA DANNIS, Business Client Courier
REXANNE DOVE, Senior Commercial Loan Support Specialist
MATTHEW DYNICE, SVP Credit Administrator
TAYLOR EATON, Universal Banker I
CHRISTIAN HASLINGER, Credit Administration Associate II
KAYLA KUPER, Universal Banker I
ROGER LEE, VP Business Client Advisor
SAVANNAH MONTGOMERY, Branch Operations Asst. Supervisor
DEVON MYERS, AVP Marketing Specialist
TAYLOR ANNE NESTELL, Associate Business Client Advisor
GARY O CONNELL, EVP Central Oregon President
CHELISE PEED, Lending Compliance Specialist
SARAH RODRIGUEZ, VP Relationship Banking Manager
ZACHARY SUNDSTEN, VP Business Client Advisor
STEPHEN WHEELER, Senior Associate Business Client Advisor

CENTRAL OREGON - REDMOND OFFICE

MAKAYLA CAPON, Universal Banker I
JILL CUMMINGS, VP Central Oregon Market Manager
MYLES FUCHS, Universal Banker II
MAARTY LEUNEN, AVP Market Development Officer
GARY O CONNELL, EVP Central Oregon President
SARAH RODRIGUEZ, VP Relationship Banking Manager
NOELLE SWEE, Branch Operations Supervisor
KRISTEN WARNER, VP Treasury Management Officer

PORTLAND DOWNTOWN OFFICE

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TIFFANI BEAM, Client Services Advisor
ANNA BERG, AVP Portfolio Manager
CHRISTOPHER BARRON, VP Relationship Banking Manager
JACQUELINE COSTELLO, VP Business Client Advisor
JESSE GOODMAN, Portfolio Manager
JACOB HARTOUGH, Relationship Banking Officer
ROCHELLE LUNSFORD, AVP Branch Operations Supervisor
REBEKAH PRATT, SVP Business Client Advisor
ANDREW SCHAER, VP Portfolio Manager
LOGAN SHERWOOD, Portfolio Manager
BRIAN THOMAS, SVP Commercial Banking Team Leader
STEVEN WATTS, SVP Business Client Advisor
SCOTT WELLS, SVP Commercial Banking Team Leader

WESTSIDE PORTLAND OFFICE

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SHASHI BALI, Branch Operations Supervisor
TRACY DOBBYN, Commercial Loan Support Specialist
GREGORY OAKES, SVP Business Client Advisor
BETSY JONES, Business Banking Associate
DANIEL WAHLIN, SVP Commercial Banking Team Leader
ZACHARY WEBER, AVP Senior Associate Business Client Advisor

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MIKE ALBIN, Technology Support Specialist III
LINDA ALGER, EFG Sr. Collection Specialist
RACHEL ARBOGAST, Loan Servicing Representative II
THOMAS BALL, VP Business Client Advisor
AUSTIN BANKS, Associate Business Client Advisor
JENNIFER BENNETT, EVP Market President
JESSICA BERNDT, Client Services Representative
JAMIE BROCKETT, Loan Documentation Specialist II
MEGAN BROWN, HR Specialist
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ALYSSA CLARE, Branch Operations Supervisor
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VICKIE CUSSINS, VP Corporate Secretary Administration
DARRYL DARE, SVP Director of Information Technology Services
JEAN DARMADI, Associate Business Client Advisor
GRACE DAVIS, New Accounts Team Lead
NICOLE DEAN, Support Specialist I
JULIE DEATON, Loan Documentation Team Lead
MICHAEL DEMING, Associate Business Client Advisor
LISA DEUEL, Support Specialist I
ROBERT DVORAK, Support Specialist I - Operations
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DARVIN FOWLER, SVP Commercial Banking Team Leader
MAGGIE FRITCHMAN, Assistant Operations Supervisor
DANIELLE GILLETTE, Deposit Compliance Specialist
WESLEY GODELL, Finance Associate
RODNEY GOEBEL, Business Client Courier
SCOTT GOLDSTEIN, Balance Sheet Risk Officer
COLLEEN HARFORD, EFG Funding Specialist II
T'KEYAH HAY, SBA Operations Manager
JACKSON HEATH, Sr. Associate Business Client Advisor
CHRISTOPHER HEMMINGS, EVP Chief Financial Officer
OLIVIA HEMMINGS, Project Specialist
TYLAN HIBBARD, Support Specialist I - Operations
ARIANA HOLDWAY, Lead Support Specialist
ASHLEY HORNER, EVP SBA Division President & Director of Ops
CATHRYN JENKINS, Commercial Loan Support Specialist
JAMES JOHNSON, EFG Program Manager
JENNA JOHNSON, Universal Banker I
KAITLYNN JOURNEY, Central Operations Supervisor
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STACEY LABRASSEUR, Relationship Banking Officer
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KERRI LANE, Loan Documentation Specialist I
TRACEY LARSON, VP Loan Operations Manager
STEVEN LIVELY, Technology Support Specialist I
KRISTI LOCKE, Support Specialist I - Operations
MATTHEW LOWE, VP Information Security Officer
MARIAH MACDONALD, Support Specialist I - Operations
MICHAELA MARCOTTE, VP HR Director
TIMOTHY MARCOTTE, VP Senior Financial Analyst
PARKER MARTIN, Client Services Representative
MARISSA MCDOUGALL, Client Services Representative
HANS MCKNIGHT, VP Operations Support Officer
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CHASE PEARSON, AVP SBA Portfolio Associate
CHRISTINE PERLOW, AVP Credit Administration Project Manager
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ANGELA TORRENCE, Administrative and Facilities Coordinator
HEATHER WALING, Loan Documentation Specialist II
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