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## **Community Bank of the Bay Announces Record Loan Growth for 2014 Second Quarter**

OAKLAND, CA - Community Bank of the Bay (CBYAA.OB), a San Francisco Bay Area commercial Bank with locations in Oakland, Danville, San Jose and San Mateo, reported Net Income of \$483 thousand for the quarter ended June 30, 2014, including a tax loss carry forward of \$133 thousand.

### **2014 Second Quarter Financial Highlights**

- Net Income for the 2014 First Quarter totaled \$483 thousand, or \$0.13 earnings per common share. Operating Income net of the tax loss carry forward totaled \$350 thousand, or \$0.10 earnings per common share, an increase of \$106 thousand, or 43 percent, from \$244 thousand reported in the 2013 Second Quarter.
- Total assets at June 30, 2014 were \$191.8 million compared to \$170.5 million at June 30, 2013. Average earning assets for the 2014 Second Quarter reached \$180.7 million, an increase of \$29.7 million, or 19.7 percent, compared with the 2013 Second Quarter.
- Deposits increased \$88 thousand to \$169.4 million from the prior quarter. Deposits increased \$21.3 million or 14.4 percent from the prior year.
- Loans increased \$15.1 million to \$145.3 million in the Second Quarter of 2014, and represented a 11.6 percent increase from the prior quarter. Loans increased \$26.2 million or 22 percent from the prior year.
- Non-Accrual Loans decreased \$864 thousand to \$3.4 million in the Second Quarter, and represent 2.34 percent of Total Loans.
- Net Interest Margin decreased twenty-one basis points to 4.05 percent, compared with 4.25 percent for the 2014 First Quarter and decreased twenty-three basis points from 4.27 percent for the 2013 Second Quarter.
- Capital Levels remain well above FDIC “Well Capitalized” standards. Second Quarter 2014 Equity of \$20.3 million increased 13 percent from the prior year and resulted in Tier 1 Leverage of 10.82 percent and Tier 1 Risk-Based and Total Risk-Based Capital Ratios of 13.24 percent and 14.49 percent respectively.

"After strong deposit growth in the first quarter we saw very strong loan growth on this quarter. Most of this loan growth occurred near quarter end so we expect to see the associated revenue growth in the coming quarter. We continue to have a strong pipeline of new business and are gratified that the market is recognizing our form of relationship banking," said William S. Keller, President and Chief Executive Officer. "We also continue to make progress on important initiatives such as a financial literacy campaign and the restructuring of the Bay Area Green Fund. A unique FDIC-insured deposit account that allows clients to direct their funds to environmentally sustainable projects and businesses."

### **About Community Bank of the Bay**

Community Bank of the Bay (OTCBB: CBYAA) serves the financial needs of closely held businesses and professional service firms, as well as their owner-operators and non-profit organizations throughout the San Francisco Bay Area. Community Bank of the Bay is a member of the FDIC, an SBA Preferred Lender, and a CDARS depository institution, headquartered in Oakland, with offices in Danville, San Jose and San Mateo, CA. It is also California's first bank to be certified as a Community Development Financial Institution and one of only three operating in the Northern California market. The bank is recognized for establishing the Bay Area Green Fund to provide financing to sustainable businesses and projects and supports environmentally responsible values. Additional information on the bank is available online at [www.BankCBB.com](http://www.BankCBB.com).

***Forward-Looking Statements***

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