



# Strong Numbers

peoplesbank-wa.com

## December 2018

Peoples Bank is the leading locally-owned and operated community bank meeting the financial needs of businesses and families in Whatcom, Skagit, Island, Snohomish, King, Chelan and Douglas Counties. The bank is closely held and operates three principal business units: business banking, retail banking and home lending. Our twenty-three branches and one loan production office provide customers with added convenience and the bank with a reliable source of core funding.

	December 2018	December 2017
<b>Assets</b>	<i>(In thousands)</i>	
Cash & Due From Banks	215,247	220,954
Investments	43,799	22,225
Fed Funds Sold	15	18
<b>Loans to Businesses</b>		
Commercial & Industrial Loans	91,152	72,600
Commercial Real Estate Loans	794,612	762,839
Agriculture Loans	173,504	168,920
<b>Total Business Loans</b>	<b>1,059,268</b>	<b>1,004,360</b>
<b>Loans to Consumers</b>		
Car, Boat, RV & Other Consumer Loans	141,637	143,792
1st Mortgages	146,034	143,747
2nd Mortgages & Equity Lines of Credit	92,571	94,631
<b>Total Consumer Loans</b>	<b>380,242</b>	<b>382,169</b>
Non-Accrual Loans	1,201	3,630
Other Loans & Loans in Process	(2,334)	(6,287)
<b>Gross Loans</b>	<b>1,438,377</b>	<b>1,383,872</b>
Allowance for Loan Losses	(17,993)	(17,356)
<b>Net Loans</b>	<b>1,420,384</b>	<b>1,366,516</b>
Bank Premises	38,907	41,780
Other Real Estate	248	290
Other Assets	13,336	13,232
<b>TOTAL ASSETS</b>	<b>1,731,935</b>	<b>1,665,016</b>
<b>Liabilities</b>		
Deposits		
Non-Interest Bearing Deposits	488,372	460,191
Interest Bearing Deposits	1,036,578	1,020,609
<b>Total Deposits</b>	<b>1,524,950</b>	<b>1,480,799</b>
Borrowed Funds	0	0
Brokered Deposits	0	0
Other Liabilities	4,852	4,051
<b>TOTAL LIABILITIES</b>	<b>1,529,802</b>	<b>1,484,851</b>
<b>TOTAL EQUITY CAPITAL</b>	<b>202,132</b>	<b>180,165</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>1,731,935</b>	<b>1,665,016</b>

These statements are unaudited.

Your deposits at Peoples Bank that total \$250,000 or less are fully insured by the FDIC. You can have more than \$250,000 and still be fully insured provided the accounts meet certain requirements. Your Peoples Bank account representative can explain how to best maximize your FDIC insurance. Additional information regarding deposit insurance is also available at [www.fdic.gov](http://www.fdic.gov)

### Financial Highlights:

- **Strong Loan Portfolio.**
  - **Well Diversified.** Peoples Bank maintains a diversified loan portfolio to minimize risk. In order to do this, geographic, collateral and industry concentrations are closely monitored to help the Bank maintain appropriate risk exposures. Peoples is also well diversified between loans to consumers and businesses.
  - **Few Non-performing Assets.** As of the last published quarterly call report on 12/31/18, the Washington State average for non-performing assets was 0.35% of total assets. As of 12/31/18, Peoples Bank's non-performing assets were 0.08% of total assets.
- **Well Capitalized.** Peoples Bank is well capitalized at 11.92% equity capital to average assets.
- **Stable Funding.** Peoples Bank funds loans in our community by gathering customer deposits in the markets we serve and does not use brokered deposits to fund banking operations.
- **Leading Lender.** Peoples Bank remains committed to meeting the credit needs of the local community.
  - **Home Lending** - Year to date, the Bank has provided over \$340 million in financing to over 1,100 homeowners for purchase or refinance.
  - **Business Lending** - Year to date, the Bank extended over \$296 million in new loans and commitments to local businesses.
- **Local, Private Ownership.** Peoples Bank has been closely held and family managed since 1921.
- **Top Rated.** In their most recent ratings, Bauer Financial awarded Peoples Bank a superior rating of five stars.

# Peoples Bank