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## West Town Bank & Trust

**North Riverside Branch**  
7820 West 26th Street  
North Riverside, IL 60546  
708.447.3330

**Cicero Branch:**  
4852 West 30th Street  
Cicero, IL 60804  
708.652.2000

**Raleigh LPO:**  
8450 Falls of Neuse Rd  
Suite 202  
Raleigh, NC 27615  
919.948.1987

Albemarle Bank & Trust  
"A West Town Bank"

**Greenville Branch**  
4051 S. Memorial Blvd  
Suite B  
Winterville, NC 28590  
252.321.2507

**Edenton LPO:**  
216 South Broad Street  
Edenton, NC 27932  
252.482.4400

The Gate City's  
Community Bank  
"A West Town Bank"

**Greensboro LPO**  
3802 Lawndale Drive  
Greensboro, NC 27455  
336.272.2922

## West Town Bank & Trust Launches Credit Card Program



West Town Bank & Trust is launching a new marketing initiative of its credit card programs. The Bank is now able to offer credit cards, through a partnership with industry leader, élan Financial Services, for individuals, small businesses, and corporations

without taking on any credit risk.

The cards offer great rewards to our customers — including benefit choices like no annual fees and up to 1.5% cash back — while simultaneously providing the Bank with additional fee

income!

The new marketing initiatives will include direct mail campaigns to our customers, marketing brochures included in the closing package for all new residential and

commercial mortgage customers, and employee incentives for referral of customers to the program.

If you would like to learn more about these programs, or are interested in applying for a card yourself, contact your personal banker or go to our website at:

<https://westtownbank.com/personal/credit-card/>.

## Management Team Collaboration:

As part of West Town's ongoing plans to improve interdepartmental collaboration and enhance strategic planning as the bank enters its next growth phase, a number of key employees relocated to the Raleigh, NC area. The individuals that relocated to Raleigh include Riddick Skinner, EVP/Government Guaranteed Commercial Lending, Melissa Marsal, EVP/Chief Operating Officer, Rod Swan, EVP/Chief Banking Officer, Kathryn Cuttrell, SVP/Credit Department and Todd Sanders, Project Manager. The combination of the accounting department being already located in Raleigh, the large North Carolina shareholder base, and

Raleigh being the capital of North Carolina made this the ideal location. The consolidation of management in Raleigh provides a more collaborative work environment across the different departments. "The business environment has gotten so complex that every new initiative we take on cuts across multiple departments. By centralizing management from a number of different departments, we are able to tap into the knowledge of each department head more efficiently to evaluate new strategic initiatives. This is one of many steps the bank is taking to position



itself for future growth opportunities," stated the Bank's CEO, Eric Bergevin.

## Financial Highlights

*West Town  
Bank & Trust  
Third Quarter  
2014*

Nine Months Ended September 30, 2014	Nine Months Ended September 30, 2013
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### Income Summary

	Actual	Actual
Net Interest Income	4,605,191	3,743,802
Provision for Loan Losses	868,178	1,129,832
Non-Interest Income	16,739,612	18,523,060
Non-Interest Expense	15,541,962	17,913,246
Earnings Before Taxes	4,934,663	3,223,783
Income Tax Expense	1,917,496	1,245,871
<b>Net Income</b>	<b>3,017,167</b>	<b>1,977,912</b>

### Balance Sheet

Assets	173,554,256	142,065,281
Loans	125,810,802	104,334,017
Earning Assets	159,277,957	135,018,869
Deposits	138,821,551	123,646,932
FHLB Advances & Other Borrowings	11,000,000	0
Stockholders' Equity	19,066,221	15,586,076

### Key Performance Ratios

Return on Average Assets	2.54%	1.86%
Return on Average Stockholders' Equity	23.46%	17.77%

### Capital

Book Value of Stock	\$	14.51	\$	11.73
Tier 1 Leverage Ratio		11.07%		10.55%

## SBA/USDA Hotel Niche Lending Platform Ramps Up in 2014

The Government Guaranteed Lending Division at West Town Bank & Trust implemented a focused marketing initiative in 2014 to target hotel lending opportunities across the country as part of the USDA/SBA Niche Lending Strategy.

The Company recently hired Sanjay Mishra from Wells Fargo's CMBS Mortgage Division in Charlotte, NC. Sanjay brings a wide breadth of knowledge and experience in the hotel space both professionally and personally, having grown up in the business as an owner/operator. Sanjay has a wide network of contacts throughout the industry including operators as well as various franchise representatives and other industry professionals. This extensive network has allowed the

Bank to efficiently and effectively increase its focus on the hotel lending space with a vast amount of industry specific knowledge related to "best practices" and an overall deeper understanding of the operational intricacies from an owner's perspective. The ability to relate directly to owner/operators and understand the challenges they face will position the Bank to be a preferred industry partner.

The industry overall is among the best performing industry codes within the SBA market. Data obtained from the SBA shows that over the past 10 years in the Hotel & Motel Industry (NAICS Code 721110) there have been over 6,000 hotels loans originated through the 7(a) program for over \$7.3 billion. Per the

SBA, the 10 year failure rate for these loans is one of the lowest of all industries.

The department is gaining traction in the industry and working to establish West Town Bank & Trust as the preferred lender in the hospitality space. A number of relationships have been forged with hospitality focused brokers as well as large commercial real estate brokerage companies. The feedback to date has been very positive as the Bank has proven to be thoughtful during the underwriting process and responsive with decisions. Progress will continue to be made as the relationships already established are deepened and new relationships formed. Continued involvement with industry leaders and profes-



**Sanjay Mishra**  
Vice President of Underwriting

sionals around the country will allow the Bank to monitor the outlook and trends for the Hotel & Motel Industry as well as continue to analyze the viability of the markets where potential projects exist.

## Credit Department Keeps Growing and Growing and...

Regulatory compliance has been a hot topic within the banking industry for some time. The current environment has forced many banking institutions to clearly define sales and credit as separate functions. West Town's credit department has made strides to improve credit processes, clearly define job roles, and improve approval turnaround times. We are excited to see where we have come in such a short time!

Two new credit analysts were added during the second quarter of 2014, working out

of our Raleigh, NC office.

Felicia Norton joins us from Branch Banking and Trust (BB&T) where she served in various functions from 2006 – 2014. Her previous positions as a Portfolio Risk Officer and a Relationship Banker has brought the experience we needed to develop our annual review processes, streamline our credit renewals, and further build integrated relationship management products such as merchant and treasury services. Felicia and her family reside in Clayton, NC.

Michael E. DuBose joins us from HCL America, where he served as a Consumer Loan Underwriter. He assisted in their development of quick turnaround approvals based off of a credit scoring model. Prior to that, he was a Senior Credit Support Analyst for First Citizens Banks from 2011-2013 where he was responsible for training support analysts and developing the monthly reporting. Michael resides in Wake Forest, NC and is originally from the District of Columbia.

The credit department will be looking to add additional employees including a loan pro-



cessor to manage our portfolio loans, and another credit analyst within the coming months.

We are excited to see the growth, and looking forward to a productive and profitable new year!



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Frederick, MD 21703



## New Loan Production Office Joins Mortgage Team

The group consisting of Don Roberts (Non-producing LPO Manager), Bart Schow (Loan Officer), Doug Turner (Loan Officer) and Shantel Mouritsen (Processor) were introduced to WTB&T by Paul Deibler, Manager of LPO 43. The group worked for First National Bank of Layton mainly concentrating on refinances, then transitioned to Bank of England to extend their focus on purchase business. Moving forward with WTB&T, the Idaho group (located in Boise) anticipates a continued focus on purchase business. The Boise team (now known as LPO 34) came to visit the Frederick, MD Operations Center to meet the staff who was impressed with their industry knowledge and excitement to join the team.



**WTB&T welcomes our newest team members from Boise, Idaho as they join our 8 other loan production offices located across the nation.**