



COMMUNITY BANCORP OF SANTA MARIA

P.O. Box 5307, Santa Maria, CA 93456 • (805) 922-2900

October 14, 2021

To Our Valued Shareholders,

We are pleased to share with you the financial highlights for the Third Quarter, 2021.

	<u>September 30, 2021</u>	<u>September 30, 2020</u>	<u>Percentage Increase/(Decrease)</u>
Net Loans	\$225,114,000	\$243,230,000	(7.4%)
Net Loans-Adjusted	\$205,603,000	\$187,234,000	9.8%
Total Deposits	\$367,606,000	\$296,526,000	24.0%
Total Assets	\$402,318,000	\$327,624,000	22.8%
Net Income	\$ 2,265,278	\$ 1,688,097	34.2%

The bank proudly participated in the Paycheck Protection Program ('PPP') offered by the Small Business Administration ('SBA') under the CARES Act. We processed about 650 PPP loans for a total of \$81.5 million. Not only did this activity have a positive impact on the Bank's growth and earnings, it had a significant impact on the businesses, their employees, and the community as a whole. The decline in Net Loans reported above reflects the payoffs received from SBA on those PPP loans as the borrowers apply, and qualify, for forgiveness. We have provided "Net Loans-Adjusted", which excludes PPP loans to paint a more accurate picture of the positive loan growth we've experienced this past year. Again, we are proud to have participated in the PPP program and are looking forward to building on the momentum it produced in terms of capturing market share and developing our next generation of loyal customers.

As a reminder, March 1, 2021 marked our 20-year Anniversary! In keeping with tradition, we sponsored a community shred event where we shredded 28,500 pounds of sensitive information for our customers and community. Additionally, we're celebrating all year long with a pledge to donate \$20,000 to local non-profits nominated by our customers. We're drawing two names a month, March through December, and each one receives a donation of \$1,000. It's our way of showing gratitude to our customers and community for their support these past 20 years. To date we have donated \$14,000 to local non-profits through this program.

Community Bank of Santa Maria continues to receive accolades from various industries. The Company was recognized on American Banker's list of Top 200 Performing Banks for 2021. We have also been recognized by Pacific Coast Business Times on their list of Best Places to Work in 2021, as well as being a recipient of their Spirit of Small Business Award. And, earlier this year we announced The Findley Reports recognized us as a 2020 "Super Premier Performing" bank. We remain committed to continuing our trend of positive performance for our shareholders.

In closing, we want to thank you for your continued support. We value you as a shareholder, and ask that you please refer your family, friends, and business associates to *your* bank for all their banking needs. And especially during this challenging time, if there is any way we may assist you or any of your friends or colleagues, please don't hesitate to give us a call. We are here to help.

Sincerely,

Janet Silveria
President
Chief Executive Officer

	<u>Actual</u> <u>09/30/21¹</u>	<u>Year-end</u> <u>Goal</u> <u>2021</u>
Return on Average Assets	0.87%	0.80%
Return on Average Equity	10.35%	9.25%

¹ Annualized