



For Immediate Release

July 21, 2010

CENTERPOINTE COMMUNITY BANK REPORTS 2ND QUARTER PROFIT

HOOD RIVER, OREGON: CenterPointe Community Bank (OTCBB: CENP), headquartered in Hood River, Oregon, announced its first profitable quarter since opening for business nearly three years ago. The Bank reported earnings of \$36,000 for the quarter ended June 30, 2010.

Financial Highlights:

- Total Assets \$69.1 million - up 14.1% from December 31, 2009
- Gross Loans \$54.8 million - up 35.1% from December 31, 2009
- Total Deposits \$62.8 million - up 14.6% from December 31, 2009
- Capital - considered "Well Capitalized" under regulatory guidelines
- Annualized Net Interest Margin 4.96% - a key indicator of profitability, reflects improving trend and compares favorably to our peers

"This is a key milestone in CenterPointe Community Bank's short history of just under three years," said Steve Benton, founding director and Chairman of the Board of Directors. Adding further, "The success of our start up independent bank has come about from a very supportive and diverse customer base that calls the Columbia River Gorge region home. Though we are small in size, with two office locations we think of ourselves as a Gorge-area regional bank; our board of directors, management team and employees are active residents in their respective Gorge communities that include Dufur, White Salmon, The Dalles and Hood River."

CenterPointe Community Bank initially opened in Hood River in September 2007 and opened its second office in The Dalles in July 2008. As of June 30, 2010, the Bank had total assets of \$69.1 million which represents a growth of \$8.6 million (14.1%) since year end 2009 and \$28.2 million (69.0%) over the twelve month period ending June 30, 2010. Gross loans totaled \$54.8 million, a growth of \$14.0 million (35.1%) since year end and \$25.7 million (88.0%) over the past twelve months. Total deposits were \$62.8 million, \$8.0 million (14.6%) higher than at year end 2009 and \$28.3 million or 82.0% growth since a year ago.

Mahlon Vigesaa, a founding director and CenterPointe's President and Chief Executive Officer announced, "We are delighted to report that CenterPointe has achieved sustainable break-even operations. Achieving break-even in less than three years, especially given the economic environment of the last two years, is remarkable. The support of the Gorge community has been incredible and we look forward to further serving the banking needs of local businesses and individuals while reinvesting the Bank's deposits back into the local economy as the primary lender to the region's business and agriculture community."

"The Bank has grown steadily since opening and hit its break-even level of loan and deposit volume at the end of the first quarter 2010," according to Jim Fortner, Executive Vice President and Chief Financial Officer. "Our net interest margin has been improving steadily; our year-to-date net interest margin of 4.96% (annualized) compares very well to our peers; and our 2nd quarter net interest margin at an annualized rate of 5.18% reflects further progress towards solidifying our overall profitability. This means that the Bank is and will continue to operate as "well capitalized" by regulatory standards and in a manner that provides for the safety and security concerns that depositors are looking for when choosing where to bank."

Adding to the safety and soundness of CenterPointe Community Bank is its strong asset quality. Britt Thomas, Executive Vice President and Chief Credit Officer indicated, "We have no delinquencies or problem credits in our

loan portfolio and our allowance for loan losses at \$637,000, or 1.16% of our outstanding gross loans, is sufficient to absorb the inherent risk that exists within the portfolio. While the national media portrays that banks are not lending, our loan growth reflects that we are indeed making loans and meeting the credit needs of our community. At CenterPointe, our expertise is in business lending. We have lending staff in Hood River and The Dalles that are prepared to respond to the credit needs of local business, Ag producers and for owner-occupied commercial real estate transactions. In addition, our loan decisions are made locally, not in Portland or out-of-state. This assures local business owners access to the Bank's decision makers and the benefit of a quick response on their loan request.”

ABOUT CENTERPOINTE COMMUNITY BANK

CenterPointe Community Bank (OTCBB: CENP) is a Columbia River Gorge based, State of Oregon chartered and FDIC insured community bank. Initially opened September 2007, the Bank is headquartered in Hood River, Oregon, with a second full service branch office located in The Dalles, Oregon. CenterPointe Community Bank is the only local community bank headquartered in the Columbia River Gorge region. Its designated service area encompasses Wasco and Hood River counties in Oregon, and Klickitat County in Washington State.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This press release includes forward-looking statements about CenterPointe Community Bank that are intended to be covered under the “Safe-Harbor” provisions of Federal securities laws and which management believes are a benefit to shareholders and the general public. These statements are necessarily subject to risk and uncertainty and actual results could differ materially from a given forward-looking statement. The reader should not place undue reliance on forward-looking statements and we undertake no obligation to update any such statements. We make forward-looking statements in this press release about the prospects for earnings growth, deposit and loan growth, capital levels, the effective management of our credit quality, the collectability of loans that may become identified as non-performing, real estate market conditions and the adequacy of our Allowance for Loan Losses.

Additional information about CenterPointe Community Bank, including its products, services, and banking locations, is available at www.centerpointebank.com.

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**CENTERPOINTE COMMUNITY BANK
FINANCIAL HIGHLIGHTS**

(All amounts in 000's, except per share data)
(unaudited)

BALANCE SHEET

At June 30

	<u>2010</u>	<u>2009</u>	<u>Change</u>	<u>% Change</u>	Balance Sheet at March 31,		
					<u>2010</u>	<u>Change</u>	<u>% Change</u>
Fed funds sold and investments	\$ 11,581	\$ 8,224	\$ 3,357	40.8%	\$ 17,696	\$ (6,115)	-34.6%
Gross loans	54,803	29,151	25,652	88.0%	45,682	9,121	20.0%
Allowance for loan losses	(637)	(320)	(317)	99.1%	(552)	(85)	15.4%
Loans, net of allowance for loan losses	54,166	28,831	25,335	87.9%	45,130	9,036	20.0%
Other assets	3,345	3,821	(476)	-12.5%	4,172	(827)	-19.8%
Total assets	<u>\$ 69,092</u>	<u>\$ 40,876</u>	<u>\$ 28,216</u>	69.0%	<u>\$ 66,998</u>	<u>\$ 2,094</u>	3.1%
Non-interest-bearing deposits	\$ 21,589	\$ 8,020	\$ 13,569	169.2%	\$ 21,202	\$ 387	1.8%
Interest-bearing deposits	41,246	26,511	14,735	55.6%	39,646	1,600	4.0%
Total deposits	62,835	34,531	28,304	82.0%	60,848	1,987	3.3%
Borrowings	-	-	-	0.0%	-	-	0.0%
Other liabilities	235	143	92	64.3%	176	59	33.5%
Stockholders' equity	6,022	6,202	(180)	-2.9%	5,974	48	0.8%
Total liabilities and stockholders' equity	<u>\$ 69,092</u>	<u>\$ 40,876</u>	<u>\$ 28,216</u>	69.0%	<u>\$ 66,998</u>	<u>\$ 2,094</u>	3.1%
Period end shares outstanding	1,136,564	1,085,685	50,879	4.7%	1,136,564	-	0.0%
Book value per share	\$ 5.30	\$ 5.71	\$ (0.41)	-7.2%	\$ 5.26	\$ 0.04	0.8%
Allowance for loan losses:							
Balance beginning of period	\$ 488	\$ 250	\$ 238	95.2%	\$ 488	\$ -	0.0%
Loan Purchase	22	-	22	n/a	-	22	n/a
Provision for loan losses	127	70	57	81.4%	64	63	98.4%
Net (charge-offs) recoveries	-	-	-	0.0%	-	-	0.0%
Balance end of period	<u>\$ 637</u>	<u>\$ 320</u>	<u>\$ 317</u>	99.1%	<u>\$ 552</u>	<u>\$ 85</u>	15.4%

	<u>2010</u>	<u>2009</u>	<u>Change</u>	<u>% Change</u>	For the three months ended		
For the Three Months Ended June 30					<u>March 31, 2010</u>	<u>Change</u>	<u>% Change</u>
Average fed funds sold and investments	\$ 11,526	\$ 9,468	\$ 2,058	21.7%	\$ 13,470	\$ (1,944)	-14.4%
Average loans, gross	49,379	26,997	22,382	82.9%	43,359	6,020	13.9%
Average total assets	64,049	39,790	24,259	61.0%	60,365	3,684	6.1%
Average non-interest-bearing deposits	19,614	7,518	12,096	160.9%	15,963	3,651	22.9%
Average interest-bearing deposits	38,180	25,814	12,366	47.9%	38,938	(758)	-1.9%
Average total deposits	57,794	33,332	24,462	73.4%	54,901	2,893	5.3%
Average total borrowings	52	-	52	nm	-	52	nm
Average stockholders' equity	5,992	6,330	(338)	-5.3%	5,549	443	8.0%
For the Six Months Ended June 30							
Average fed funds sold and investments	\$ 12,493	\$ 9,565	\$ 2,928	30.6%			
Average loans, gross	46,386	25,266	21,120	83.6%			
Average total assets	62,217	38,539	23,678	61.4%			
Average non-interest-bearing deposits	17,798	6,284	11,514	183.2%			
Average interest-bearing deposits	38,557	25,279	13,278	52.5%			
Average total deposits	56,355	31,563	24,792	78.5%			
Average total borrowings	26	258	(232)	-89.9%			
Average stockholders' equity	5,772	6,576	(804)	-12.2%			

CENTERPOINTE COMMUNITY BANK
FINANCIAL HIGHLIGHTS

(All amounts in 000's, except per share data)
(unaudited)

EARNINGS AND PER SHARE DATA

For the Three Months Ended June 30,					For the three months ended March 31,		
	2010	2009	Change	% Change	2010	Change	% Change
Interest income	\$ 931	\$ 592	\$ 339	57.3%	\$ 809	\$ 122	15.1%
Interest expense	145	158	(13)	-8.2%	147	(2)	-1.4%
Net interest income	786	434	352	81.1%	662	124	18.7%
Provision for loan losses	63	31	32	103.2%	64	(1)	-1.6%
Non-interest income	30	13	17	130.8%	82	(52)	-63.4%
Non-interest expense	717	734	(17)	-2.3%	731	(14)	-1.9%
Net income (loss)	<u>\$ 36</u>	<u>\$ (318)</u>	<u>\$ 354</u>	111.3%	<u>\$ (51)</u>	<u>\$ 87</u>	170.6%
Basic and diluted earnings per share	<u>\$ 0.03</u>	<u>\$ (0.29)</u>	<u>\$ 0.32</u>	110.3%	<u>\$ (0.05)</u>	<u>\$ 0.08</u>	167.4%
Average shares outstanding - basic and diluted	1,136,564	1,085,685	50,879	4.7%	1,085,685	50,879	4.7%

For the Six Months Ended June 30,

Interest income	\$ 1,740	\$ 1,089	\$ 651	59.8%
Interest expense	292	329	(37)	-11.2%
Net interest income	1,448	760	688	90.5%
Provision for loan losses	127	70	57	81.4%
Non-interest income	113	23	90	391.3%
Non-interest expense	1,448	1,469	(21)	-1.4%
Net loss	<u>\$ (14)</u>	<u>\$ (756)</u>	<u>\$ 742</u>	98.1%
Basic and diluted earnings per share	<u>\$ (0.01)</u>	<u>\$ (0.70)</u>	<u>\$ 0.68</u>	97.1%
Average shares outstanding - basic and diluted	1,116,044	1,085,685	30,359	2.8%

SELECTED FINANCIAL RATIOS

(annualized)

For the Three Months Ended June 30					For the three months ended March 31, 2010	
	2010	2009	Change		Change	
Yield on average gross loans	7.01%	7.43%	(0.42)		6.94%	0.07
Yield on average investments	2.37%	3.90%	(1.53)		0.45%	1.92
Total yield on average earning assets	6.13%	6.51%	(0.38)		3.18%	2.95
Cost of average interest-bearing deposits	1.52%	2.44%	(0.92)		1.53%	(0.01)
Cost of average borrowings	nm	nm	nm		nm	nm
Cost of average total deposits and borrowings	1.01%	1.89%	(0.88)		1.09%	(0.08)
Cost of average interest-bearing liabilities	1.52%	2.44%	(0.92)		1.53%	(0.01)
Net interest spread	4.61%	4.07%	0.54		1.65%	2.96
Net interest margin	5.18%	4.77%	0.40		2.60%	2.58
Return on average equity	2.41%	-20.15%	22.56		-3.73%	6.14
Return on average assets	0.23%	-3.21%	3.43		-0.34%	0.57
Efficiency ratio (1)	87.87%	164.21%	(76.34)		98.25%	(10.38)

For the Six Months Ended June 30

Yield on average gross loans	6.98%	7.07%	(0.09)
Yield on average investments	2.18%	4.28%	(2.10)
Total yield on average earning assets	5.96%	6.30%	(0.35)
Cost of average interest-bearing deposits	0.82%	2.61%	(1.79)
Cost of average borrowings	0.00%	1.56%	(1.56)
Cost of average total deposits and borrowings	0.56%	2.08%	(1.52)
Cost of average interest-bearing liabilities	0.82%	2.60%	(1.78)
Net interest spread	5.14%	3.71%	1.43
Net interest margin	4.96%	4.40%	0.56
Allowance for loan losses to loans	1.16%	1.10%	0.06
Allowance for loan losses to non-performing loans	n/a	n/a	n/a
Return on average equity	-0.49%	-23.18%	22.69
Return on average assets	-0.05%	-3.96%	3.91
Efficiency ratio (1)	92.76%	187.61%	(94.85)

Notes:

(1) Non-interest expense divided by net interest income plus non-interest income