



For Immediate Release  
October 27, 2010

## **CENTERPOINTE COMMUNITY BANK REPORTS 3<sup>RD</sup> QUARTER EARNINGS**

**HOOD RIVER, OREGON:** CenterPointe Community Bank (OTCBB: CENP), headquartered in Hood River, Oregon, announced that it earned \$155,000 or \$0.14 per diluted share for its third quarter ending September 30, 2010. On a year-to-date basis, CenterPointe earned \$140,000 or \$0.13 per diluted share for the nine-month period ending September 30, 2010.

### Financial Highlights:

- Gross Loans \$55.9 million – up 37.7% year-to-date.
- Excellent Asset Quality – no loan delinquencies; no non-accrual loans; no other real estate owned.
- Total Deposits \$66.4 million – up 21.2% year-to-date.
- Net Interest Margin (annualized) 5.08% - a key indicator of our profitability, improved 12 basis points over the previous quarter and compares favorably to our peers.
- Bank remains “Well Capitalized” – as measured by regulatory guidelines.

In announcing the Bank’s second consecutive quarterly profit Mahlon Vigesaa, CenterPointe’s President and Chief Executive Officer noted, “The Bank’s loan and deposit volumes continue to grow on a quarter over quarter basis; we are operating at a sustainable level of profitability with adequate capital and internal capacity to grow in response to the needs of the Bank’s core market area – principally Hood River, Wasco and Klickitat Counties located within the Columbia River Gorge region.”

According to Britt Thomas, the Bank’s Chief Credit Officer, “Despite a common assertion that banks are not lending, CenterPointe Bank is in fact a very active commercial lender to local business and agriculture enterprises as well as for owner occupied commercial real estate. CenterPointe is well positioned for responding to our customer’s needs and also has access to certain government loan programs such as the SBA 504 or Farm Service Agency Guarantee.”

CenterPointe’s Chief Financial Officer, Jim Fortner, added, “The Bank’s net interest margin has improved steadily over the past year. This trend has been a key contributor to our profitability and we expect to maintain our net interest margin above 5.0% for the foreseeable future. CenterPointe is a stable, profitable community bank with a clean balance sheet - this means that CenterPointe is a safe bank for depositors to hold their cash. CenterPointe offers competitive rates and strives to provide a level of service that exceeds the expectations of our clients.”

### **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 may include 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](http://www.centerpointebank.com).

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**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**

	September 30,		Change	% Change	June 30,		% Change
	2010	2009			2010	Change	
Interest income	\$ 1,049	\$ 648	\$ 401	61.9%	\$ 931	\$ 118	12.7%
Interest expense	150	161	(11)	(6.8)%	145	5	3.4%
Net interest income	899	487	412	84.6%	786	113	14.4%
Provision for loan losses	36	56	(20)	(35.7)%	63	(27)	(42.9)%
Non-interest income	23	15	8	53.3%	30	(7)	(23.3)%
Non-interest expense	731	707	24	3.4%	717	14	2.0%
Pre-tax income	155	(261)	416	nm	36	119	330.6%
Provision for income taxes	-	-	-	nm	-	-	nm
Net income (loss)	\$ 155	\$ (261)	\$ 416	nm	\$ 36	\$ 119	330.6%
Basic and diluted earnings per share	\$ 0.14	\$ (0.24)	\$ 0.38	nm	\$ 0.03	\$ 0.11	366.7%
Average shares outstanding - basic and diluted	1,136,564	1,085,685	50,879	4.7%	1,136,564	-	0.0%

**For the Nine Months Ended**

	September 30,		Change	% Change
	2010	2009		
Interest income	\$ 2,789	\$ 1,737	\$ 1,052	60.6%
Interest expense	442	490	(48)	(9.8)%
Net interest income	2,347	1,247	1,100	88.2%
Provision for loan losses	163	126	37	29.4%
Non-interest income	128	39	89	228.2%
Non-interest expense	2,172	2,177	(5)	(0.2)%
Pre-tax income	140	(1,017)	1,157	nm
Provision for income taxes	-	-	-	nm
Net income (loss)	\$ 140	\$ (1,017)	\$ 1,157	nm
Basic and diluted earnings per share	\$ 0.13	\$ (0.94)	\$ 1.07	nm
Average shares outstanding - basic and diluted	1,122,958	1,085,685	37,273	3.4%

**SELECTED FINANCIAL RATIOS**

(annualized)

**For the Three Months Ended**

	September 30,		Change	June 30,	
	2010	2009		2010	Change
Net interest margin	5.28%	4.90%	0.38	5.18%	0.10
Return on average equity	10.06%	(17.39)%	27.45	2.41%	7.65
Return on average assets	0.87%	(2.40)%	3.27	0.23%	0.64
Efficiency ratio (1)	79.28%	140.84%	(61.56)	87.87%	(8.59)

**For the Nine Months Ended**

	September 30,		Change
	2010	2009	
Net interest margin	5.08%	4.58%	0.50
Return on average equity	3.18%	(21.36)%	24.54
Return on average assets	0.29%	(3.39)%	3.68
Efficiency ratio (1)	87.76%	169.28%	(81.52)

**Notes:**

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

**CENTERPOINTE COMMUNITY BANK  
FINANCIAL HIGHLIGHTS**

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

**BALANCE SHEET**

	September 30,		Change	% Change	June 30,		% Change
	2010	2009			2010	Change	
Cash and due from banks	\$ 1,184	\$ 1,745	\$ (561)	-32.1%	\$ 1,583	\$ (399)	-25.2%
Fed funds sold	7,510	1,505	6,005	399.0%	3,780	3,730	98.7%
Time deposits	2,744	-	2,744	nm	3,592	(848)	-23.6%
Investment securities available-for-sale	4,333	5,297	(964)	-18.2%	4,208	125	3.0%
Gross loans	55,949	33,589	22,360	66.6%	54,803	1,146	2.1%
Allowance for loan losses	(673)	(374)	(299)	79.9%	(637)	(36)	5.7%
Loans, net of allowance for loan losses	55,276	33,215	22,061	66.4%	54,166	1,110	2.0%
Other assets	1,840	2,147	(307)	-14.3%	1,763	77	4.4%
Total assets	\$ 72,887	\$ 43,909	\$ 28,978	66.0%	\$ 69,092	\$ 3,795	5.5%
Non-interest-bearing deposits	\$ 26,409	\$ 7,486	\$ 18,923	252.8%	\$ 21,589	\$ 4,820	22.3%
Interest-bearing deposits	40,020	30,175	9,845	32.6%	41,246	(1,226)	-3.0%
Total deposits	66,429	37,661	28,768	76.4%	62,835	3,594	5.7%
Borrowings	-	-	-	nm	-	-	nm
Other liabilities	232	348	(116)	-33.3%	235	(3)	-1.3%
Stockholders' equity	6,226	5,900	326	5.5%	6,022	204	3.4%
Total liabilities and stockholders' equity	\$ 72,887	\$ 43,909	\$ 28,978	66.0%	\$ 69,092	\$ 3,795	5.5%
Period end shares outstanding	1,136,564	1,085,685	50,879	4.7%	1,136,564	-	0.0%
Book and tangible book value per share	\$ 5.48	\$ 5.43	\$ 0.05	0.9%	\$ 5.30	\$ 0.18	3.4%