TOWN CENTER BANK
BALANCE SHEETS
(Unaudited)
(Dollar amounts in thousands, except share and per share data)

	December 31, 2016	December 31, 2015
ASSETS		
Cash and due from banks	$ 895	$ 643
Interest-bearing deposits with banks	3,834	6,670
Federal funds sold	1,559	1,522
Cash and cash equivalents	6,288	8,835
Securities available-for-sale, at fair value	31,103	32,733
Loans, net of allowance for loan losses of $817 in 2016 and $1,339 in 2015	55,996	61,378
Federal Home Loan Bank stock	74	214
Premises and equipment, net	442	480
Accrued interest receivable and other assets	395	517
	$ 94,298	$ 104,157
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits		
Non-interest bearing	$ 13,149	$ 14,934
Interest-bearing	71,257	77,714
Total deposits	84,406	92,648
Federal Home Loan Bank borrowings	-	2,000
Accrued interest payable and other liabilities	151	194
Total liabilities	84,557	94,842
Shareholders' equity		
Common stock, $1 par value; 3,234,000 shares authorized at December 31, 2016 and December 31, 2015; 2,333,660 shares issued and outstanding at December 31, 2016 and December 31, 2015	2,333	2,333
Additional paid-in capital	20,680	20,680
Accumulated deficit	(13,042)	(13,739)
Accumulated other comprehensive income (loss)	(230)	41
Total shareholders' equity	9,741	9,315
	$ 94,298	$ 104,157

TOWN CENTER BANK
STATEMENTS OF OPERATIONS and COMPREHENSIVE INCOME (LOSS)
(Unaudited)
(Dollar amounts in thousands, except share and per share data)

	Twelve Months Ended December 31, 2016	Twelve Months Ended December 31, 2015
Interest income		
Loans, including fees	$ 2,926	$ 2,979
Securities	715	719
Federal funds sold and other	61	29
Total interest income	3,702	3,727
Interest expense		
Deposits	519	578
Federal Home Loan Bank advances	19	28
Total interest expense	538	606
Net interest income	3,164	3,121
Provision for loan losses	(550)	-
Net interest income after provision for loan losses	3,714	3,121
Noninterest income		
Service charges on deposit	96	104
Securities gains	-	102
Mortgage banking income	209	130
Other income	74	73
Total noninterest income	379	409
Noninterest expense		
Salaries and employee benefits	1,503	1,410
Occupancy and equipment	432	407
Data processing	604	564
Professional fees	227	400
FDIC deposit insurance	88	147
Advertising and marketing	58	45
Other real estate expenses, net of rental income	-	(1)
Other	484	482
Total noninterest expense	3,396	3,454
Income (loss) before income taxes	697	76
Income tax expense	-	-
Net income (loss)	$ 697	$ 76
Other comprehensive income(loss)		
Holding gains(losses) on securities available-for-sale	$ (271)	$ (169)
Reclassification adjustment for net gains included in income	-	(102)
Total other comprehensive income (loss)	(271)	(271)
Comprehensive income (loss)	$ 426	$ (195)
Basic and diluted income (loss) per share	$ 0.30	$ 0.03
Basic and diluted weighted average common shares outstanding	2,333,660	2,333,660