

**MainStreet Bank
Balance Sheets**

December 31,	2015	2014
ASSETS		
Cash and due from banks	\$ 7,211,249	\$ 7,170,780
Investment securities available for sale, at fair value	33,657,288	38,642,612
Investment securities held to maturity (fair value of \$20,597,076 and \$14,453,581, respectively)	19,856,682	13,865,984
Restricted equity securities, at cost	3,508,050	1,166,150
Loans, net of allowance for loan losses of \$3,682,464 and \$2,758,716, respectively	398,291,320	269,094,392
Premises and equipment, net	12,526,151	12,902,268
Other real estate owned, net	134,459	234,000
Accrued interest and other receivables	1,882,177	1,143,068
Other assets	1,182,767	756,605
Total Assets	\$ 478,250,143	\$ 344,975,859
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Non-interest bearing deposits	\$ 68,408,480	\$ 51,561,820
Savings and NOW deposits	38,770,253	34,208,343
Money market deposits	59,580,498	34,740,573
Other time deposits	218,794,816	181,843,810
Total deposits	385,554,047	302,354,546
Securities sold under agreements to repurchase	18,674	410,987
Federal Home Loan Bank advances	45,241,666	291,667
Other borrowings	4,267,000	1,202,000
Other liabilities	1,044,590	954,000
Total Liabilities	436,125,977	305,213,200
Stockholders' Equity:		
Common stock, \$4 par value. (Authorized 7,500,000 shares; issued and outstanding 4,226,098 shares (including 97,273 nonvested shares) for December 31, 2015 and 4,213,698 shares (including 115,977 nonvested shares) for December 31, 2014)	16,515,300	16,390,884
Capital surplus	21,836,106	21,625,893
Retained earnings	3,925,032	1,755,340
Accumulated other comprehensive loss	(152,272)	(9,458)
Total Stockholders' Equity	42,124,166	39,762,659
Total Liabilities and Stockholders' Equity	\$ 478,250,143	\$ 344,975,859

The accompanying notes are an integral part of these financial statements.

MainStreet Bank
Statements of Income

Years Ended December 31,	2015	2014
INTEREST INCOME:		
Interest and fees on loans	\$ 17,009,898	\$ 13,324,710
Interest on investment securities	932,634	891,021
Interest on federal funds sold	44,733	25,540
Total interest income	17,987,265	14,241,271
INTEREST EXPENSE:		
Interest on savings and NOW deposits	149,506	140,044
Interest on money market deposits	170,417	104,575
Interest on other time deposits	1,929,141	1,807,650
Interest on Federal Home Loan Bank advances and other borrowings	93,068	17,821
Total interest expense	2,342,132	2,070,090
Net interest income	15,645,133	12,171,181
Provision for loan losses	1,500,000	586,500
Net interest income after provision for loan losses	14,145,133	11,584,681
OTHER INCOME:		
Deposit account service charges	486,868	428,693
Gain on securities available for sale	214,076	104,853
Gain on sale of loans	279,940	205,853
Other loan fees	168,504	193,402
Other operating income	115,612	84,066
Total other income	1,265,000	1,016,867
OTHER EXPENSES:		
Salaries and employee benefits	7,526,456	5,678,624
Occupancy expenses	684,424	833,625
Furniture and equipment expenses	1,114,098	1,050,101
Advertising and marketing	393,581	174,945
Outside services	386,914	321,029
Franchise tax	315,416	199,606
FDIC insurance	254,367	301,500
Data processing	461,576	433,724
Other operating expenses	1,209,585	1,103,463
Total other expenses	12,346,417	10,096,617
INCOME BEFORE INCOME TAXES	3,063,716	2,504,931
Income tax expense	894,024	752,000
NET INCOME	\$ 2,169,692	\$ 1,752,931
Net income per common share, basic and diluted	\$ 0.51	\$ 0.64
Weighted average number of shares, basic and diluted	4,230,717	2,726,316

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