

Bank Watch

West

Specialty Finance Sector Shows Signs of M&A Life

The M&A market for banks remains steady relative to Street expectations for a quicker pace, given well-documented earnings and regulatory challenges that smaller institutions face. Year-to-date through August 19, 2013, there were 137 announced bank and thrift transactions, which equates to about 210 deals on an annualized basis. This compares to 251 announced deals in 2012 and 178 in 2011. Pricing, as measured by the average price/tangible book multiple of 117%, is comparable to median pricing observed the past few years; however, P/E ratios have declined as earnings have recovered. The median P/E for 2013 was 23.2x, compared to 33.0x in 2012.

In particular, the specialty finance sector has seen a steady pace of transactions. According to *SNL Financial*, there have been 43 acquisitions of specialty finance companies year-to-date by banks and non-banks, for an aggregate value of \$7.4 billion. There were 80 deals valued at \$10.8 billion in 2012 and 70 deals valued at \$36.0 billion in 2011. Since 2008, the average price/book multiple has ranged between 187% (2011) and 78% (2010). The median year-to-date price/book multiple was 124%, while the median P/E was 7.8x. Sector pricing averages should be taken with a grain of salt as the homogeneity in the banking sector does not apply to the same degree in specialty finance.

While interest in mortgage banking may be waning with rising rates, other specialty finance sectors, such as commercial real estate (CRE), are receiving more attention as banks and non-banks return to the sector. As an example, Capital One Financial Corporation (COF) announced on August 16, 2013 that it would acquire Beech Street Capital for an undisclosed price. Beech Street was founded in 2009 by long-time banking executive Alan Fishman along with employees from Fannie Mae, Freddie Mac, and other lenders. Beech Street focuses on multi-family lending as a Fannie Mae "Delegated Underwriting and Servicing" ("DUS") lender. Such firms are approved to underwrite, close, and deliver most loans without a prior review by Fannie Mae. Capital One is acquiring one of the 24 designated DUS firms and will presumably gain a competitive advantage in underwriting multi-family loans at a time when the sector is benefiting from a resurgence of apartment construction.

Another transaction of note is the July 22, 2013 announcement that PacWest Bancorp (PACW) will acquire CapitalSource Inc. (CSE) for \$2.3 billion of stock and cash. Pricing equated to 169% of June 30 tangible book value and 19x consensus 2013 EPS. Although CapitalSource's primary subsidiary operated as a bank via its California industrial loan charter, the Company is more akin to a commercial finance company in a bank wrapper. PacWest will obtain a prodigious asset generator that will be funded with its core deposits.

Acquisitions of specialty finance companies by banks are not a panacea for challenges that face the industry; however, in some instances a transaction that is thoroughly vetted, well-structured, and attractively priced can provide the buyer a new growth channel while also obtaining revenue and earnings diversification. At Mercer Capital we have three decades of experience in valuing and evaluating a range of financial service companies for banks, private equity, and other investors. We would be happy to assist you in evaluating an opportunity that your institution may be considering.



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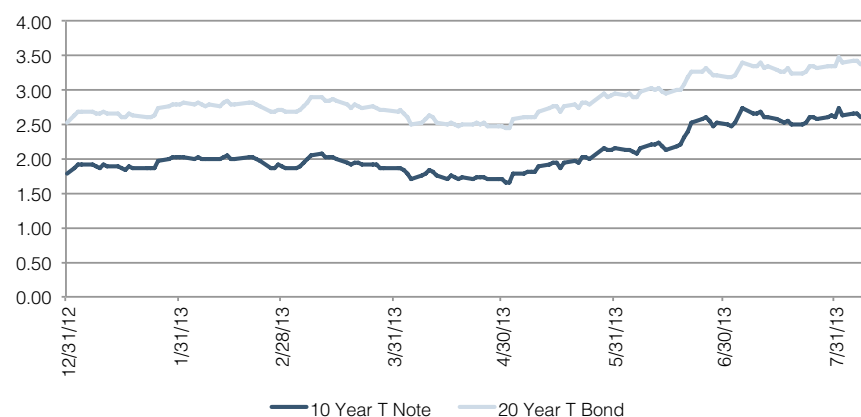
Evaporating Gains

by Madeleine G. Davis

Comments by Federal Reserve Board Chairman Ben Bernanke in the second quarter of 2013 resulted in significant increases in Treasury rates during the quarter, particularly for longer-term securities. In May, Bernanke testified before Congress and outlined the Fed's eventual approach for exiting its accommodative monetary policy, which has included very low interest rates as well as purchases of mortgage-backed securities and Treasuries. Bernanke noted that the Fed would likely begin its exit strategy by gradually reducing asset purchases, prior to a focus on increasing interest rates. Prior releases by the Federal Open Market Committee indicated that rate increases likely will not begin until the unemployment rate has fallen below 6.5%, assuming inflation projections remain in line with longer-term goals. Bernanke's comments before Congress suggest, however, that some tightening of monetary policy could come earlier, through the reduction in asset purchases. In response to Bernanke's comments, longer-term interest rates began to tick up through May and into June.

On June 19th, Bernanke said in a press conference that the Fed could begin to reduce its asset purchases as early as the end of 2013 and could potentially cease such purchases in mid-2014. The near-term timeline for reducing asset purchases spurred a spike in interest rates that compounded the effect of the already-increasing trend in rates observed through May. Rates continued to exhibit volatility throughout the rest of June as markets reacted to Bernanke's comments.

Treasury Rates



The interest rate increases in the latter part of second quarter resulted in the evaporation of unrealized gains in banks' bond portfolios, which had been at very high levels given the persistently low rate environment. The table below summarizes the extent of losses in unrealized bond gains for banks in the second quarter. The number of banks with assets over \$250 million reporting unrealized gains embedded in their bond portfolios fell from 1,985 at March 31, 2013 to 1,018, or 49% fewer, while the number of banks reporting embedded losses tripled from 477 to 1,427.

Asset Size	Avg. Δ Unrealized Gains* (\$000s)	Avg. Δ Unrealized Gains* (%)	Avg. Δ Accum. OCI (%)	Avg. Δ Equity Capital (%)	Avg. Tang. Equity / Tang. Assets 3/31/13	Avg. Tang. Equity / Tang. Assets 6/30/13	Δ Avg. Tang. Equity / Tang. Assets
\$250 Mil - \$500 Mil	-1,275	-444%	-398%	-2.0%	10.8%	10.6%	-0.2%
\$500 Mil - \$1 Bil	-2,250	-316%	-347%	-1.2%	10.8%	10.6%	-0.2%
\$1 Bil - \$5 Bil	-5,654	-246%	-286%	1.2%	10.5%	10.3%	-0.2%
\$5 Bil - \$10 Bil	-16,382	-143%	-134%	1.9%	10.7%	10.8%	0.1%
\$10 Bil - \$250 Bil	-99,041	-227%	-738%	0.7%	10.2%	10.1%	-0.1%
More than \$250 Bil	-1,962,240	-93%	-64%	-0.6%	8.0%	7.9%	-0.1%
Average - All	-11,974	-355%	-368%	-1.0%	10.7%	10.5%	-0.2%

* Unrealized Gains/(Losses) shown after tax

Source: Call Report data compiled by SNL Financial

At March 31, 2013, banks reported unrealized gains representing an average of 1.97% of their total Available for Sale ("AFS") portfolios. That figure declined to 0.84% at June 30, a decline in unrealized gains of 1.13% of total AFS. On average, banks lost more than 350% of reported amounts of unrealized gains embedded in bond portfolios, resulting in commensurate reductions in accumulated other comprehensive income. The impact of the lost AOCI on tangible equity, however, was moderated by the trend of improving earnings in the industry, and on average, equity capital declined by just 1%, while the average tangible equity/tangible assets ratio fell from 10.7% at March 31, 2013 to 10.5% at the end of second quarter.

The effect of volatility in unrealized bond gains may create fluctuations in tangible equity capital, but its effect on regulatory will be much more modest, given the recent issuance of the final Basel III capital rules, which require only banks with more than \$250 billion in assets to include such gains in regulatory capital measures beginning in 2014. Most smaller banks will not be required to include unrealized gains in regulatory capital calculations, with the exception of banks with foreign exposures exceeding \$10 billion.

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UPCOMING WEBINAR

U.S. Basel III Capital Rules: Finally Final

What Does It Mean for Community Banks?



Thursday, August 29, 2013

1:00pm - 2:00pm Eastern

12:00pm - 1:00pm Central

11:00am - 12:00pm Mountain

10:00am - 11:00am Pacific

Register at

<http://mer.cr/webinar-0813>

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Much of the financial rulemaking following the financial crisis set its sights on the largest banks with the community and smaller regional banking sector unaffected or impacted indirectly. However, the new rules regarding capital represent some of the most consequential post-financial crisis rulemakings, affecting banks large and small. Finalized at last, the regulations provide direction for bank capital management decisions.

This webinar, co-sponsored by Mercer Capital and Jones Day, reviews the final rules and assesses their impact on community banks.

Who Should Attend This Webinar?

- CFOs, CEOs, controllers, and treasurers of financial institutions with assets up to \$15 billion
- In-house counsel of financial institutions
- Asset managers, investment managers and portfolio managers with exposure to the financial services industry
- Investment bankers, research analysts
- Regulators, accountants and consultants

Learning Objectives

After attending this webinar, you will:

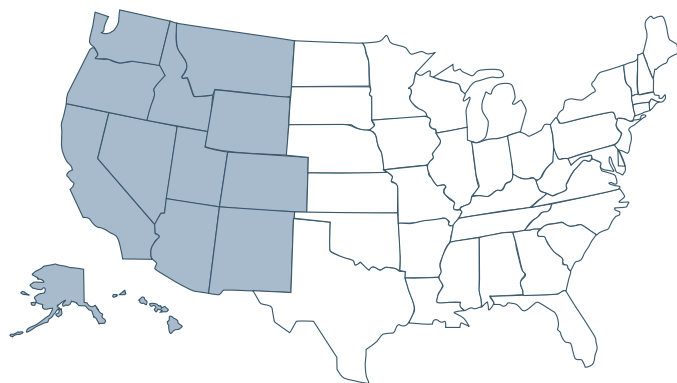
- Understand how the final rules define “capital”
- Appreciate changes to existing concepts, such as risk-weighted assets, and be introduced to new concepts, such as capital buffers
- Learn how investors in the public markets view the effect of Basel on the attractiveness of community banks as investments
- Be able to assess the impact of the new rules on different business lines and banking strategies
- Identify the significance of the new regulations to merger and acquisition strategies

Webinar Presenters

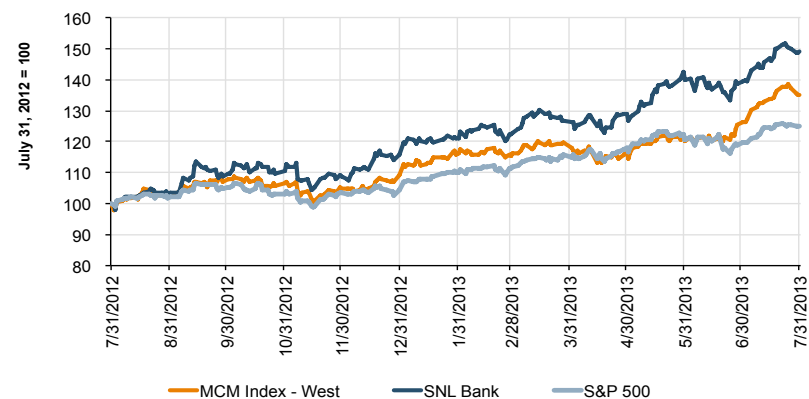
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Community Bank Group Index Overview



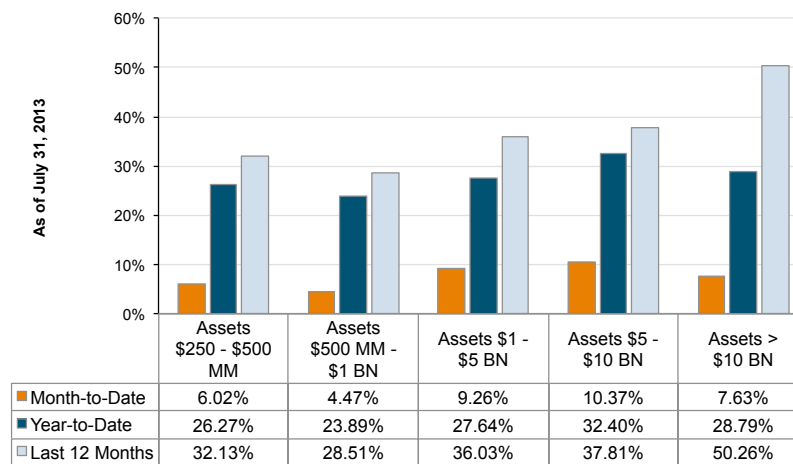
Median Valuation Multiples

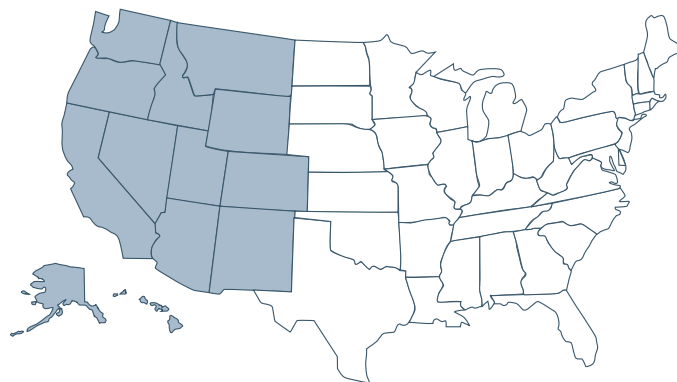
as of July 31, 2013

	West Community Bank Index	National Community Bank Index
Price / LTM EPS	14.25	14.20
Price / 2013 (E) EPS	15.47	14.67
Price / 2014 (E) EPS	14.22	14.12
Price / Book Value	127.44%	115.19%
Price / Tangible Book Value	131.68%	125.76%
Dividend Yield	2.01%	2.28%

Return Stratification of U.S. Banks

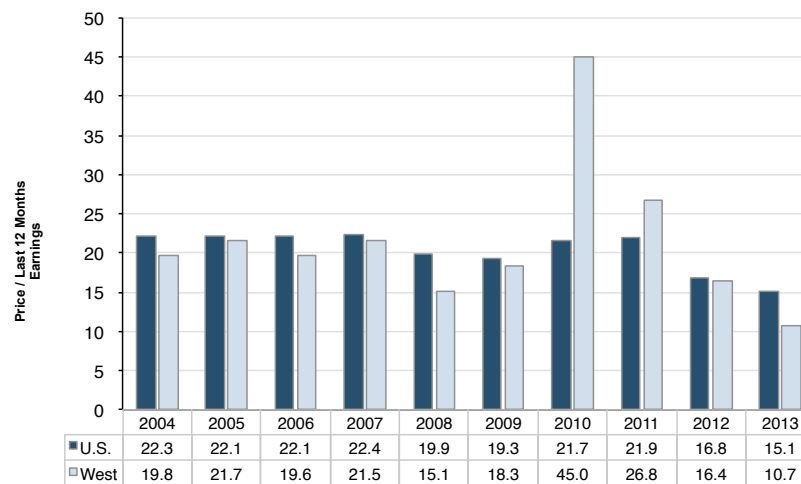
by Asset Size





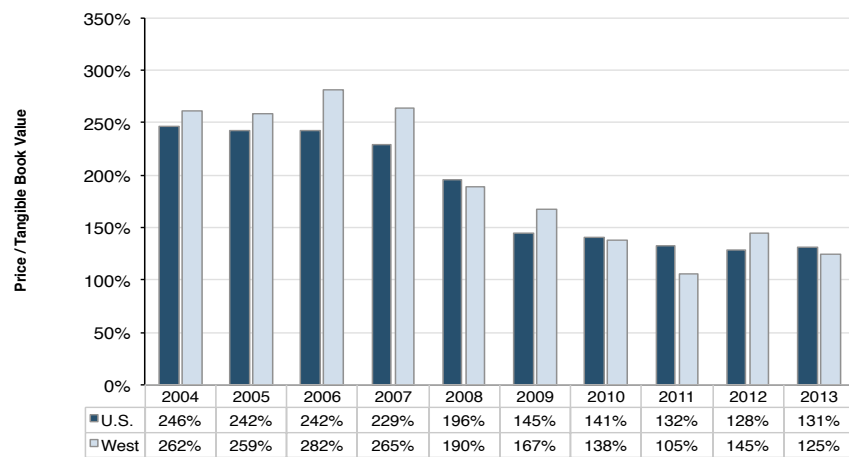
Median Price/Earnings Multiples

Target Banks Assets <\$5BN and LTM ROE >5%



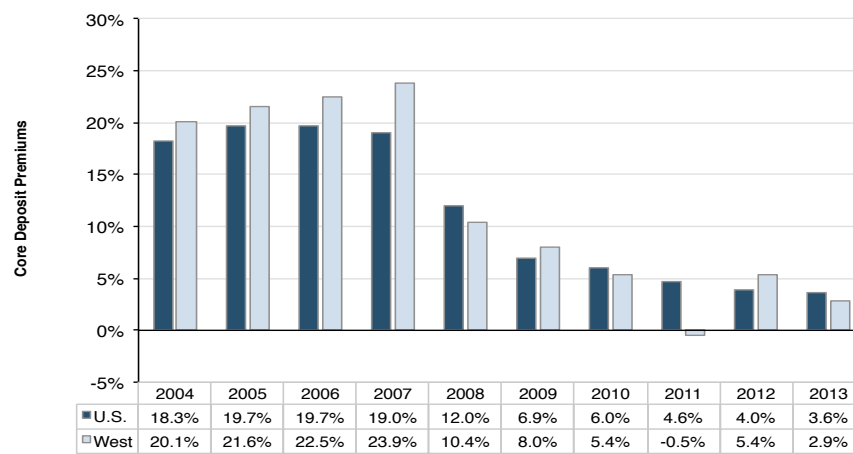
Median Price/Tangible Book Value Multiples

Target Banks Assets <\$5BN and LTM ROE >5%



Median Core Deposit Multiples

Target Banks Assets <\$5BN and LTM ROE >5%



Mercer Capital's West Public Bank Peer Report

August 15, 2013

52 Wk Perf (%)	52 Wk High (\$)	52 Wk Low (\$)	Company Name	Ticker	State	Current Price (\$)	Market Cap (\$M)	LTM (x)	Price / Earnings Core LTM (x)	FY 13 (x)	FY 14 (x)	Price/ BVPS (x)	Price/ Tang. BVPS (x)	Div. Yield (%)	Tangible Equity / Assets (%)	Efficiency Ratio (%)	LTM ROE (%)	LTM ROA (%)	NPA/ Loans + OREO (%)	NCO/ Avg. Loans (%)	Loan Loss Reserve/ Loans (%)	Assets (\$M)
19.15	\$27.71	\$19.75	Northrim Bancorp, Inc.	NRIM	AK	\$24.34	\$159	11.93	NA	13.49	13.72	1.13	1.20	2.47	11.40	66.61	10.15	1.23	1.95	(0.23)	2.25	\$1,164,850
19.15			Median - Alaska					11.93	...	13.49	13.72	1.13	1.20	2.47	11.40	66.61	10.15	1.23	1.95	(0.23)	2.25	\$1,164,850
90.11	\$18.75	\$9.00	Western Alliance Bancorporation	WAL	AZ	\$17.68	\$1,540	14.98	16.80	14.33	13.77	2.34	2.44	nm	7.35	53.98	13.58	1.32	3.87	0.55	1.50	\$8,593,684
90.11			Median - Arizona					14.98	16.80	14.33	13.77	2.34	2.44	...	7.35	53.98	13.58	1.32	3.87	0.55	1.50	\$8,593,684
54.65	\$8.46	\$4.50	1st Century Bancshares, Inc.	FCTY	CA	\$7.42	\$69	8.94	9.38	22.74	19.82	1.29	1.29	nm	10.90	80.38	15.07	1.53	NA	(0.85)	2.12	\$489,331
32.90	\$9.53	\$6.21	American River Bankshares	AMRB	CA	\$9.17	\$81	29.58	30.02	30.40	27.64	0.92	1.12	0.00	12.85	69.88	3.15	0.50	6.92	0.43	2.24	\$577,545
24.63	\$5.38	\$4.15	Bank of Commerce Holdings	BOCH	CA	\$5.02	\$75	11.67	15.90	9.52	8.57	0.87	0.87	2.39	9.08	54.21	6.49	0.74	6.93	1.30	2.13	\$956,612
8.45	\$45.96	\$34.50	Bank of Marin Bancorp	BMRC	CA	\$41.84	\$228	14.48	14.61	15.14	13.93	1.44	1.44	1.72	11.09	57.35	10.40	1.10	NA	0.26	1.32	\$1,428,518
20.55	\$16.00	\$10.62	BBCN Bancorp, Inc.	BBCN	CA	\$14.43	\$1,143	14.01	13.68	13.63	12.83	1.46	1.67	2.08	11.89	43.61	10.60	1.44	2.37	0.27	1.57	\$5,863,014
13.00	\$17.42	\$13.41	Bridge Capital Holdings	BBNK	CA	\$16.95	\$267	19.48	20.28	18.74	14.31	1.73	1.73	nm	10.52	61.83	8.87	0.99	2.20	0.76	2.06	\$1,463,322
77.79	\$12.36	\$6.69	CapitalSource Inc.	CSE	CA	\$11.86	\$2,335	18.25	19.27	19.93	17.62	1.50	1.69	0.34	16.21	44.61	8.19	1.59	2.76	0.79	1.86	\$8,678,706
42.76	\$24.85	\$16.01	Cathay General Bancorp	CATY	CA	\$23.22	\$1,832	18.00	20.86	16.80	14.94	1.31	1.69	0.17	10.54	52.24	7.37	1.12	3.37	0.15	2.34	\$10,603,235
36.06	\$10.31	\$7.53	Central Valley Community Bancorp	CVCY	CA	\$10.03	\$109	14.13	16.22	15.79	13.63	0.93	1.20	1.99	9.50	73.81	6.13	0.82	NA	0.19	2.37	\$871,372
38.19	\$71.88	\$46.83	City National Corporation	CYN	CA	\$68.28	\$3,712	17.46	17.57	17.57	17.12	1.55	2.18	1.46	6.32	67.27	8.93	0.81	0.96	(0.08)	1.88	\$27,379,502
118.43	\$5.97	\$2.50	Community West Bancshares	CWBC	CA	\$5.57	\$44	8.44	NA	NM	NM	0.93	0.93	0.00	8.69	79.34	11.64	1.14	NA	0.45	2.70	\$536,098
48.94	\$18.32	\$11.35	CU Bancorp	CUNB	CA	\$17.50	\$188	37.23	25.52	21.02	17.78	1.45	1.62	nm	9.15	71.42	4.19	0.41	NA	0.07	1.06	\$1,278,661
13.60	\$13.76	\$9.43	CVB Financial Corp.	CVBF	CA	\$13.17	\$1,382	17.79	17.84	15.66	14.81	1.84	1.99	3.04	10.91	54.41	10.07	1.22	3.82	0.01	2.56	\$6,425,556
44.14	\$31.97	\$19.68	East West Bancorp, Inc.	EWBC	CA	\$30.83	\$4,247	15.49	15.70	14.82	14.08	1.88	2.27	1.95	8.15	44.54	12.34	1.29	1.48	0.21	1.50	\$23,308,406
38.31	\$45.19	\$31.42	First Republic Bank	FRC	CA	\$44.03	\$5,807	14.16	13.69	14.16	14.09	1.87	2.04	1.09	7.68	48.75	13.17	1.31	0.27	0.01	0.49	\$37,312,741
37.42	\$18.36	\$11.67	Hanmi Financial Corporation	HAFC	CA	\$17.59	\$556	11.89	11.88	14.28	13.44	1.41	1.41	0.00	14.22	57.18	12.50	1.66	2.15	0.63	2.73	\$2,773,414
10.03	\$7.67	\$6.16	Heritage Commerce Corp	HTBK	CA	\$7.02	\$185	21.94	22.72	20.46	17.90	1.25	1.26	1.71	10.47	72.64	5.97	0.73	1.85	0.28	2.28	\$1,399,506
18.18	\$7.00	\$5.05	Heritage Oaks Bancorp	HEOP	CA	\$6.50	\$165	11.82	14.79	15.43	14.30	1.35	1.51	0.00	10.07	68.55	11.09	1.50	2.11	0.21	2.38	\$1,096,882
31.64	\$19.00	\$13.48	North Valley Bancorp	NOVB	CA	\$18.34	\$125	18.71	21.44	23.43	18.39	1.35	1.35	0.00	10.09	80.55	6.94	0.74	4.74	0.60	1.89	\$917,758
12.03	\$8.88	\$5.02	Oak Valley Bancorp	OVLY	CA	\$7.84	\$62	11.20	NA	NM	NM	0.98	0.98	0.00	9.85	66.32	8.34	0.89	NA	0.31	1.94	\$644,230
(6.17)	\$7.40	\$5.06	Pacific Mercantile Bancorp	PMBC	CA	\$6.54	\$124	25.15	29.21	NM	NM	1.00	1.00	nm	12.14	83.79	4.55	0.48	7.33	0.75	1.50	\$1,023,780
41.74	\$13.92	\$8.85	Pacific Premier Bancorp, Inc.	PPBI	CA	\$12.70	\$211	16.93	13.45	23.18	10.46	1.25	1.47	nm	9.36	61.61	7.13	0.76	0.30	0.11	0.75	\$1,558,458
49.18	\$36.31	\$21.50	PacWest Bancorp	PACW	CA	\$34.42	\$1,586	23.74	17.24	18.54	15.05	1.98	2.77	2.91	8.83	57.11	8.92	0.97	NA	0.20	2.05	\$6,709,102
83.38	\$8.00	\$3.00	Plumas Bancorp	PLBC	CA	\$6.40	\$31	12.55	16.10	NM	NM	1.06	1.06	0.00	5.86	72.92	6.39	0.55	NA	1.11	1.63	\$493,106
41.17	\$17.88	\$11.74	Preferred Bank	PFBC	CA	\$16.87	\$224	14.06	13.86	13.91	13.01	1.15	1.15	0.00	11.73	46.89	8.43	1.06	3.22	0.68	1.47	\$1,657,313
47.89	\$16.77	\$9.80	Sierra Bancorp	BSRR	CA	\$15.13	\$214	21.61	24.71	19.95	18.74	1.22	1.26	1.85	12.36	62.63	5.64	0.70	8.61	1.47	1.50	\$1,378,424
61.16	\$10.50	\$6.00	Summit State Bank	SSBI	CA	\$10.09	\$48	12.93	17.34	13.48	13.30	1.01	1.10	4.36	10.15	60.17	6.41	0.94	5.65	0.87	2.20	\$432,067
50.03	\$91.46	\$52.40	SVB Financial Group	SIVB	CA	\$86.16	\$3,925	21.43	NM	21.63	20.77	2.12	2.12	0.00	8.34	65.86	11.09	1.31	NA	0.29	1.24	\$22,153,901
46.93	\$23.34	\$14.68	TriCo Bancshares	TCBK	CA	\$21.58	\$347	14.20	13.41	12.78	13.76	1.45	1.56	2.04	8.67	66.57	10.55	0.96	NA	0.51	2.39	\$2,587,931
79.10	\$4.48	\$2.21	United Security Bancshares	UBFO	CA	\$4.30	\$62	11.71	10.90	NM	NM	0.87	0.93	0.00	10.63	74.20	7.68	0.84	8.94	0.13	2.75	\$635,662
30.21	\$44.79	\$31.25	Wells Fargo & Company	WFC	CA	\$42.99	\$228,268	11.65	11.49	11.24	10.69	1.52	1.94	2.79	8.36	54.59	13.32	1.52	4.71	0.84	1.92	\$1,440,563,000
10.44	\$49.99	\$40.50	Westamerica Bancorporation	WABC	CA	\$49.25	\$1,318	18.17	17.40	19.67	19.89	2.42	3.28	3.01	8.61	44.54	13.59	1.50	1.46	0.56	1.59	\$4,813,908
38.25			Median - California					14.98	16.22	16.80	14.31	1.35	1.46	1.46	10.08	62.23	8.65	0.98	2.99	0.30	1.93	\$1,445,920

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August 15, 2013

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41.13	\$11.00	\$6.35	CoBiz Financial Inc.	COBZ	CO	\$9.72	\$392	15.43	16.03	19.16	14.37	1.87	1.90	1.23	7.54	71.42	10.58	1.04	3.08	0.13	2.14	\$2,738,749
21.41	\$13.50	\$7.70	Guaranty Bancorp	GBNK	CO	\$11.87	\$242	21.98	19.68	11.17	16.89	1.37	1.43	0.84	9.55	72.27	6.44	0.66	2.30	0.49	1.63	\$1,866,128
NA	\$21.18	\$17.69	National Bank Holdings Corporation	NBHC	CO	\$20.30	\$944	NM	145.41	16.60	27.34	1.02	1.11	0.99	18.69	79.52	0.01	0.00	5.46	1.33	0.68	\$5,220,688
31.27			Median - Colorado					18.71	19.68	16.60	16.89	1.37	1.43	0.99	9.55	72.27	6.44	0.66	3.08	0.49	1.63	\$2,738,749
22.54	\$57.13	\$41.41	Bank of Hawaii Corporation	BOH	HI	\$55.02	\$2,453	15.81	15.71	16.54	16.11	2.49	2.57	3.27	6.97	58.23	15.04	1.15	1.46	0.14	2.12	\$13,733,418
34.19	\$19.21	\$12.96	Central Pacific Financial Corp.	CPF	HI	\$17.74	\$747	4.29	4.26	15.50	23.52	1.16	1.19	1.80	13.38	78.14	31.59	3.97	3.68	0.12	3.65	\$4,706,756
28.37			Median - Hawaii					10.05	9.99	16.02	19.82	1.83	1.88	2.54	10.18	68.18	23.31	2.56	2.57	0.13	2.88	\$9,220,087
40.23	\$14.81	\$9.89	Home Federal Bancorp, Inc.	HOME	ID	\$13.79	\$200	NM	136.39	NM	NM	1.17	1.19	1.74	16.72	97.10	0.87	0.15	4.31	0.09	2.78	\$1,007,748
38.64	\$16.03	\$10.50	Intermountain Community Bancorp	IMCB	ID	\$15.25	\$40	26.29	27.45	nm	NM	1.14	nm	nm	NA	79.96	4.96	0.60	NA	0.84	1.51	\$930,558
39.44			Median - Idaho					26.29	81.92	1.16	1.19	1.74	16.72	88.53	2.92	0.37	4.31	0.46	2.14	\$969,153
70.85	\$24.49	\$13.38	First Interstate BancSystem, Inc.	FIBK	MT	\$23.32	\$442	13.96	13.80	13.13	13.79	1.33	1.76	2.40	8.18	59.86	9.55	1.00	3.51	0.54	2.29	\$7,291,508
63.94	\$25.17	\$13.25	Glacier Bancorp, Inc.	GBCI	MT	\$24.21	\$1,798	20.87	20.48	19.16	16.79	1.92	2.22	2.48	10.19	57.81	9.20	1.09	5.54	0.42	3.47	\$7,996,816
67.39			Median - Montana					17.42	17.14	16.15	15.29	1.62	1.99	2.44	9.19	58.84	9.38	1.05	4.52	0.48	2.88	\$7,644,162
17.91	\$7.18	\$4.65	Cascade Bancorp	CACB	OR	\$5.86	\$279	5.38	5.35	11.17	41.33	1.48	1.48	0.00	13.76	96.01	36.28	3.94	5.01	1.90	2.44	\$1,365,857
49.62	\$13.70	\$8.80	Pacific Continental Corporation	PCBK	OR	\$12.88	\$230	17.64	16.33	16.60	14.37	1.29	1.48	2.80	11.03	59.66	7.11	0.94	2.75	0.01	1.70	\$1,431,074
41.36	\$17.48	\$11.17	Umpqua Holdings Corporation	UMPQ	OR	\$16.74	\$1,873	18.39	17.86	17.71	15.89	1.09	1.81	3.59	9.64	63.49	5.96	0.89	2.04	0.29	1.36	\$11,392,208
41.36			Median - Oregon					17.6	16.3	16.6	15.9	1.29	1.48	2.80	11.03	63.49	7.11	0.94	2.75	0.29	1.70	\$1,431,074
50.33	\$31.40	\$18.94	Zions Bancorporation	ZION	UT	\$28.72	\$5,299	21.9	16.2	17.2	15.2	1.03	1.30	0.56	7.57	70.89	5.69	0.67	2.58	0.22	2.12	\$54,904,540
50.33			Median - Utah					21.9	16.2	17.2	15.2	1.03	1.30	0.56	7.57	70.89	5.69	0.67	2.58	0.22	2.12	\$54,904,540
50.69	\$38.44	\$23.80	Banner Corporation	BANR	WA	\$35.95	\$703	13.41	13.35	15.31	15.47	1.35	1.36	1.34	12.22	64.04	9.91	1.26	2.57	0.23	2.34	\$4,236,290
39.38	\$25.59	\$16.18	Columbia Banking System, Inc.	COLB	WA	\$24.28	\$1,245	19.74	17.41	16.48	14.12	1.21	1.91	1.65	9.75	67.74	6.22	0.96	NA	0.23	1.71	\$7,070,465
20.74	\$16.53	\$13.25	Heritage Financial Corporation	HFWA	WA	\$15.67	\$262	20.62	18.95	19.97	15.53	1.19	1.28	2.04	13.21	70.38	5.69	0.83	3.27	0.49	2.55	\$1,425,635
37.63	\$27.57	\$19.56	Sterling Financial Corporation	STSA	WA	\$26.41	\$1,646	16.30	14.66	16.84	16.62	1.36	1.43	3.03	11.65	67.51	8.23	1.08	2.30	0.22	1.94	\$9,939,573
9.56	\$15.65	\$12.52	Washington Banking Company	WBCO	WA	\$14.33	\$223	13.15	13.50	14.48	14.06	1.26	1.30	2.51	10.64	53.32	9.23	1.00	4.88	0.55	3.06	\$1,617,493
37.63			Median - Washington					16.30	14.66	16.48	15.47	1.26	1.36	2.04	11.65	67.51	8.23	1.00	2.92	0.23	2.34	\$4,236,290
39.55			Average					16.42	21.89	16.86	16.44	1.40	1.57	1.55	10.44	64.86	9.54	1.10	3.57	0.42	2.00	34,621,853.75
38.84			Median					15.49	16.22	16.54	14.94	1.33	1.44	1.72	10.15	65.86	8.87	1.00	3.15	0.29	2.06	1,866,128.00

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