

**University Bank**  
**Consolidated Financial Summary Report**

**Consolidated Financial Summary**

**June 30, 2023**

**Capital Classification:** 6/30/2023 **Well-Capitalized**  
**CRA Rating:** 6/21/2021 **Satisfactory**

<b>Balance Sheet:</b>		
<b>Assets:</b>	<u>6/30/2023</u>	<u>5/31/2023</u>
Cash & Due from Banks	\$ 71,817,027	\$ 29,231,945
Investments	19,146,150	19,107,410
Loans Held for Sale (net)	81,047,147	82,248,148
Commercial & CRE Loans (net)	119,321,175	122,226,832
Consumer Loans (net)	506,947,681	499,381,447
Fixed Assets	12,211,887	12,321,030
Mortgage Servicing Rights	36,300,005	35,319,847
Other Assets	7,362,074	10,632,771
<b>Total Assets:</b>	<b>\$ 854,153,146</b>	<b>\$ 810,469,430</b>
<b>Liabilities &amp; Owner's Equity:</b>		
Non-Interest Bearing Deposits	\$ 450,648,907	\$ 413,863,849
Interest Bearing Deposits	287,049,023	281,714,793
Accounts Payable & Accrued Exp	9,871,348	12,344,988
Long-term Notes Payable	6,562,361	6,489,412
Other Liabilities	4,184,484	5,642,304
<b>Total Liabilities:</b>	<b>\$ 758,316,123</b>	<b>\$ 720,055,346</b>
Minority Interest	9,909,556	9,734,043
<b>Shareholder's Equity:</b>		
Capital & Surplus	\$ 32,500,000	\$ 28,500,000
Retained Earnings	53,427,467	52,180,041
<b>Total Equity:</b>	<b>85,927,467</b>	<b>80,680,041</b>
<b>Total Liabilities &amp; Equity:</b>	<b>\$ 854,153,146</b>	<b>\$ 810,469,430</b>

<b>Capital Metrics:</b>	<u>6/30/2023</u>	<u>5/31/2023</u>
Tier 1 Capital \$	\$ 85,576	\$ 79,207
Total Risk Weighted Assets \$	\$ 610,605	\$ 602,899
Average Assets, Net	\$ 833,497	\$ 817,006
Leverage Capital Ratio	10.27%	9.69%
Tier 1 Risk-based Capital Ratio	14.01%	13.14%
Total Risk-based Capital Ratio	14.60%	13.73%
Common Equity Tier 1 Ratio	12.74%	11.94%

<b>Asset Quality Ratios:</b>		
ALLL Reserve (incl LHFS reserve)	\$ 4,168,630	\$ 4,170,162
Total Balance of Delinquencies	\$ 4,354,861	\$ 6,678,759
Total Balance of Non-performing*	\$ 1,613,860	\$ 1,121,654
Nonperf. Assets/Total Assets:	0.19%	0.14%
Repossessed Assets/Net Worth	0.00%	0.00%
Delinquent Loans/Net Worth	4.5%	7.4%
Delinquent Loans/Total Loans	0.6%	0.9%
Delinquent Loans/Non-LHFS Total Loans	0.7%	1.1%
Net Chgoffs annualized/Total Loans	0.00%	0.00%
Loan Loss Reserve/Total Loans	0.59%	0.59%
Loan Loss Reserve/Deq Loans	95.72%	62.44%
Non-LHFS Reserves / Total Non-LHFS Loans	0.27%	0.27%
GNMA 90 day advance balance	\$ 2,743,318	\$ 2,503,202

<b>Additional Metrics:</b>		
Loans/Deposits:	96%	101%
Efficiency Ratio (1):	79%	84%

(1) Efficiency ratio excludes provision for loan loss.

<b>Profitability Metrics:</b>	<u>6/30/2023</u>	<u>6/30/2022</u>
Net Income YoY	\$ 1,247,554	\$ 2,475,774
YTD Net Income YoY	\$ 3,919,441	\$ 4,250,648

<b>Current Month - YoY</b>	<u>6/30/2023</u>	<u>6/30/2022</u>
Mortgage Loan Originations (w/o 1st HE)	\$ 117,152,253	\$ 174,981,041
Avg Gain on Sale Margin (incl Servicing Cap)	2.70%	1.58%
Avg Servicing Margin/Loan/Month	\$ 1.37	\$ 0.22

<b>Month over Month Comparison:</b>	<u>6/30/2023</u>	<u>5/31/2023</u>
Annualized Pre-Tax Return on MSRs YTD(2)	16.9%	16.1%
Annualized Return on Assets	1.8%	1.3%
Annualized Return on Equity	17.4%	12.6%

<b>Historical Data:</b>	
% Change in Assets (YoY)	53.8%
% Change in Equity (YoY)	32.5%

(2) MSR return calculated before any MSR fair market value adjustments.

\* Includes GNMA's bought back during the year.

**Income Statement:**

	<u>Actual</u>	<u>Budget</u>
Interest Income:	\$ 3,770,171	\$ 3,833,197
- Interest Expense:	1,081,662	1,027,656
<b>NIM</b>	<b>\$ 2,688,509</b>	<b>\$ 2,805,540</b>
- Provisions for Losses	\$ 46,240	\$ 105,944
+ Mortgage Origination Revenue	3,622,864	4,161,180
+ Servicing & MSR Revenue	2,373,345	2,293,363
+ MSR/FM Valuation Adj & Other	44,101	46,768
- Commissions & Incentives	(1,403,269)	(1,670,450)
- Salaries & Benefits	(3,371,427)	(3,541,461)
- Other NIE	(2,104,929)	(2,246,015)
<b>Pre-tax Income:</b>	<b>\$ 1,802,954</b>	<b>\$ 1,742,981</b>
-/+ Tax Provision	379,887	366,026
<b>Net Income before Minority:</b>	<b>\$ 1,423,067</b>	<b>\$ 1,376,955</b>
Minority Interest	\$ 175,513	\$ 97,684
<b>Net Income:</b>	<b>\$ 1,247,554</b>	<b>\$ 1,279,271</b>

University Bank  
Summary Balance Sheet

	Month-Over-Month				Year-Over-Year			
	June 2023	May 2023	\$ Var	% Var	June 2023	June 2022	\$ Var	% Var
Cash & Cash Equivalents	\$ 71,817,027	\$ 29,231,945	\$ 42,585,082	145.7%	\$ 71,817,027	\$ 62,267,048	\$ 9,549,978	15.3%
Investments	19,146,150	19,107,410	38,740	0.2%	19,146,150	7,844,989	11,301,161	144.1%
Loans Held for Sale	\$ 81,616,000	\$ 82,836,979	\$ (1,220,980)	(1.5%)	\$ 81,616,000	\$ 109,799,007	\$ (28,183,008)	(25.7%)
Commercial Loans	26,663,330	31,668,555	(5,005,226)	(15.8%)	26,663,330	11,931,877	14,731,453	123.5%
Commercial Real Estate	96,257,623	94,139,607	2,118,016	2.2%	96,257,623	79,068,754	17,188,869	21.7%
Residential Mortgages	376,836,004	372,940,416	3,895,589	1.0%	376,836,004	135,264,629	241,571,375	178.6%
Home Equity Loans	123,525,857	118,968,678	4,557,178	3.8%	123,525,857	80,433,593	43,092,264	53.6%
Consumer Loans	2,403,653	2,405,050	(1,397)	(0.1%)	2,403,653	586,188	1,817,465	310.0%
Other Loans	13,537	897,140	(883,604)	(98.5%)	13,537	123,823	(110,286)	(89.1%)
<b>Loans before Allowance</b>	<b>\$ 707,316,003</b>	<b>\$ 703,856,427</b>	<b>\$ 3,459,576</b>	<b>0.5%</b>	<b>\$ 707,316,003</b>	<b>\$ 417,207,871</b>	<b>\$ 290,108,132</b>	<b>69.5%</b>
Loan Loss Reserve	(4,168,630)	(4,170,162)	1,532	0.0%	(4,168,630)	(4,416,463)	247,833	5.6%
<b>Loans, net</b>	<b>\$ 703,147,373</b>	<b>\$ 699,686,264</b>	<b>\$ 3,461,108</b>	<b>0.5%</b>	<b>\$ 703,147,373</b>	<b>\$ 412,791,408</b>	<b>\$ 290,355,965</b>	<b>70.3%</b>
MSR's & Forward Commitments	\$ 38,350,570	\$ 37,651,933	\$ 698,637	1.9%	\$ 38,350,570	\$ 45,326,762	\$ (6,976,192)	(15.4%)
Fixed Assets, net	12,211,887	12,321,030	(109,143)	(0.9%)	12,211,887	12,936,742	(724,855)	(5.6%)
Accounts Receivable	1,924,849	4,941,297	(3,016,448)	(61.0%)	1,924,849	10,889,127	(8,964,278)	(82.3%)
Prepaid Expenses	5,348,147	5,258,895	89,253	1.7%	5,348,147	2,551,502	2,796,645	109.6%
Income Receivable	2,576,579	2,604,655	(28,075)	(1.1%)	2,576,579	974,790	1,601,790	164.3%
Intangible Assets	836,777	841,949	(5,172)	(0.6%)	836,777	898,845	(62,068)	(6.9%)
Tax Assets	(2,169,743)	(2,166,862)	(2,881)	0.1%	(2,169,743)	(2,172,982)	3,239	(0.1%)
Other Assets	963,529	990,913	(27,384)	(2.8%)	963,529	1,075,877	(112,347)	(10.4%)
<b>Total Assets</b>	<b>\$ 854,153,146</b>	<b>\$ 810,469,430</b>	<b>\$ 43,683,716</b>	<b>5.4%</b>	<b>\$ 854,153,146</b>	<b>\$ 555,384,107</b>	<b>\$ 298,769,039</b>	<b>53.8%</b>
Non-Interest Bearing Deposits	\$ 450,648,907	\$ 413,863,849	\$ (36,785,058)	(8.9%)	\$ 450,648,907	\$ 417,340,338	\$ (33,308,569)	(8.0%)
NOW Accounts	3,221,166	3,324,916	103,751	3.1%	3,221,166	6,732,296	3,511,131	52.2%
Money Market Accounts	11,409,439	8,862,734	(2,546,705)	(28.7%)	11,409,439	10,367,272	(1,042,166)	(10.1%)
Savings Accounts	564,162	578,779	14,617	2.5%	564,162	558,411	(5,751)	(1.0%)
Certificates of Deposit	271,854,256	268,948,363	(2,905,893)	(1.1%)	271,854,256	2,169,055	(269,685,201)	(12433.3%)
<b>Total Deposits</b>	<b>\$ 737,697,929</b>	<b>\$ 695,578,641</b>	<b>\$ (42,119,288)</b>	<b>(6.1%)</b>	<b>\$ 737,697,929</b>	<b>\$ 437,167,373</b>	<b>\$ (300,530,556)</b>	<b>(68.7%)</b>
Interest Payable on Deposits	\$ 344,471	\$ 682,273	\$ 337,801	49.5%	\$ 344,471	\$ 3,763	\$ (340,708)	(9053.2%)
Accrued Expenses	6,380,814	8,140,674	1,759,859	21.6%	6,380,814	10,775,356	4,394,541	40.8%
Accounts Payable	3,490,534	4,204,314	713,780	17.0%	3,490,534	7,502,448	4,011,914	53.5%
Notes Payable & LT Leases	6,562,361	6,489,412	(72,949)	(1.1%)	6,562,361	21,671,298	15,108,936	69.7%
Deferred Income Tax	4,804,452	4,424,565	(379,887)	(8.6%)	4,804,452	3,404,130	(1,400,322)	(41.1%)
Other Liabilities	(964,440)	535,466	1,499,906	280.1%	(964,440)	808,591	1,773,031	219.3%
<b>Total Liabilities</b>	<b>\$ 758,316,123</b>	<b>\$ 720,055,346</b>	<b>\$ (38,260,777)</b>	<b>(5.3%)</b>	<b>\$ 758,316,123</b>	<b>\$ 481,462,334</b>	<b>\$ (276,853,789)</b>	<b>(57.5%)</b>
Minority Interest	9,909,556	9,734,043	175,513	1.8%	9,909,556	9,092,729	816,827	9.0%
Capital & Surplus	\$ 32,500,000	\$ 28,500,000	\$ 4,000,000	14.0%	\$ 32,500,000	\$ 15,000,000	\$ 17,500,000	116.7%
OCI - Unrealized Gain(Loss) securities	(1,223)	(1,095)	(128)	11.7%	(1,223)	(1,930)	706	(36.6%)
Current Earnings	3,919,441	2,671,887	1,247,554	46.7%	3,919,441	4,250,648	(331,206)	(7.8%)
Retained Earnings	49,509,249	49,509,249	-	0.0%	49,509,249	45,580,326	3,928,923	8.6%
<b>Total Stockholder's Equity</b>	<b>\$ 85,927,467</b>	<b>\$ 80,680,041</b>	<b>\$ 5,247,426</b>	<b>6.5%</b>	<b>\$ 85,927,467</b>	<b>\$ 64,829,044</b>	<b>\$ 21,098,423</b>	<b>32.5%</b>
<b>Total Liabilities &amp; Capital</b>	<b>\$ 854,153,146</b>	<b>\$ 810,469,430</b>	<b>\$ 43,683,716</b>	<b>5.4%</b>	<b>\$ 854,153,146</b>	<b>\$ 555,384,108</b>	<b>\$ 298,769,038</b>	<b>53.8%</b>

## University Bank

## Summary Income Statement

	June 2023				June 2023 YTD			
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var
Interest on Commercial & CRE	\$ 554,346	\$ 514,546	\$ 39,800	8%	\$ 2,793,327	\$ 2,877,293	\$ (83,967)	(3%)
Interest on LHFS	420,382	503,635	(83,253)	(17%)	2,112,176	2,459,034	(346,858)	(14%)
Interest on Residential RE & Advances	1,597,009	1,738,939	(141,930)	(8%)	9,214,932	9,455,367	(240,436)	(3%)
Interest on HE Loans & Consumer	811,503	869,003	(57,500)	(7%)	4,370,428	4,502,975	(132,547)	(3%)
Interest on Securities & Deposits	386,931	207,073	179,858	87%	2,625,165	1,056,248	1,568,916	149%
<b>Total Interest Income</b>	<b>\$ 3,770,171</b>	<b>\$ 3,833,197</b>	<b>\$ (63,026)</b>	<b>(2%)</b>	<b>\$ 21,116,027</b>	<b>\$ 20,350,918</b>	<b>\$ 765,110</b>	<b>4%</b>
Interest on Deposits	\$ 1,007,345	\$ 960,394	\$ 46,951	5%	\$ 6,363,761	\$ 5,604,747	\$ 759,014	14%
Interest on LT Debt & Notes Payable	-	22,346	(22,346)	(100%)	-	46,524	(46,524)	(100%)
Other Interest Expense	74,317	44,916	29,400	65%	366,875	251,968	114,907	46%
<b>Total Interest Expense</b>	<b>\$ 1,081,662</b>	<b>\$ 1,027,656</b>	<b>\$ 54,005</b>	<b>5%</b>	<b>\$ 6,730,637</b>	<b>\$ 5,903,239</b>	<b>\$ 827,398</b>	<b>14%</b>
<b>Net Interest Margin</b>	<b>\$ 2,688,509</b>	<b>\$ 2,805,540</b>	<b>\$ (117,031)</b>	<b>(4%)</b>	<b>\$ 14,385,391</b>	<b>\$ 14,447,679</b>	<b>\$ (62,288)</b>	<b>(0%)</b>
Loan Loss Provision	46,240	105,944	(59,704)	(56%)	56,521	128,577	(72,056)	(56%)
<b>NIM after Provision</b>	<b>\$ 2,642,269</b>	<b>\$ 2,699,596</b>	<b>\$ (57,327)</b>	<b>(2%)</b>	<b>\$ 14,328,870</b>	<b>\$ 14,319,102</b>	<b>\$ 9,768</b>	<b>0%</b>
Loan Fees	\$ 87,026	\$ 94,894	\$ (7,868)	(8%)	\$ 566,286	\$ 435,186	\$ 131,100	30%
Deposit Service Charges	4,248	5,257	(1,010)	(19%)	30,050	31,379	(1,329)	(4%)
Other Fees & Dividends	15,502	11,022	4,479	41%	104,781	66,344	38,437	58%
<b>Total Banking &amp; Investment Income</b>	<b>\$ 106,775</b>	<b>\$ 111,173</b>	<b>\$ (4,398)</b>	<b>(4%)</b>	<b>\$ 701,117</b>	<b>\$ 532,909</b>	<b>\$ 168,207</b>	<b>32%</b>
Gain on Sale, Gross	\$ 3,159,826	\$ 3,596,460	\$ (436,634)	(12%)	\$ 13,547,663	\$ 16,978,897	\$ (3,431,234)	(20%)
Origination & Funding Fees	463,038	564,720	(101,682)	(18%)	2,155,019	2,651,210	(496,191)	(19%)
<b>Mortgage Origination Income</b>	<b>\$ 3,622,864</b>	<b>\$ 4,161,180</b>	<b>\$ (538,316)</b>	<b>(13%)</b>	<b>\$ 15,702,682</b>	<b>\$ 19,630,107</b>	<b>\$ (3,927,425)</b>	<b>(20%)</b>
Sub-Servicing Fees	\$ 1,128,026	\$ 1,150,199	\$ (22,173)	(2%)	\$ 6,765,406	\$ 6,869,044	\$ (103,638)	(2%)
Ancillary Fees on Sub-servicing	435,849	407,851	27,997	7%	2,644,539	2,400,000	244,539	10%
<b>Mortgage Sub-servicing Income</b>	<b>\$ 1,563,875</b>	<b>\$ 1,558,050</b>	<b>\$ 5,824</b>	<b>0%</b>	<b>\$ 9,409,945</b>	<b>\$ 9,269,044</b>	<b>\$ 140,901</b>	<b>2%</b>
MSR Service Fees	\$ 805,130	\$ 726,048	\$ 79,082	11%	\$ 4,659,577	\$ 4,428,470	\$ 231,108	5%
Other Fees & MSR FMV adj & run-off	(39,745)	(162,662)	122,916	(76%)	(1,206,587)	(975,541)	(231,046)	24%
<b>MSR Servicing Income</b>	<b>\$ 765,385</b>	<b>\$ 563,386</b>	<b>\$ 201,999</b>	<b>36%</b>	<b>\$ 3,452,991</b>	<b>\$ 3,452,929</b>	<b>\$ 62</b>	<b>0%</b>
Insurance Revenue	\$ 109,323	\$ 95,000	\$ 14,323	15%	\$ 741,419	\$ 650,000	\$ 91,419	14%
Rental Income	14,066	20,096	(6,030)	(30%)	84,395	120,575	(36,180)	(30%)
Other Income	(28,672)	-	(28,672)	-	(3,274)	5,000	(8,274)	(165%)
<b>Non-Interest Income (no FMV adj)</b>	<b>\$ 6,153,616</b>	<b>\$ 6,508,886</b>	<b>\$ (355,270)</b>	<b>(5%)</b>	<b>\$ 30,089,274</b>	<b>\$ 33,660,565</b>	<b>\$ (3,571,290)</b>	<b>(11%)</b>
Commissions	\$ 1,013,356	\$ 1,365,158	\$ 351,803	26%	\$ 5,403,738	\$ 6,579,441	\$ 1,175,703	18%
Salaries & Benefits	3,371,427	3,541,461	170,034	5%	19,847,388	20,702,037	854,649	4%
Incentives & Profit Sharing	389,913	305,292	(84,621)	(28%)	1,585,168	1,499,958	(85,210)	(6%)
<b>Total Personnel Expense</b>	<b>\$ 4,774,696</b>	<b>\$ 5,211,911</b>	<b>\$ 437,215</b>	<b>8%</b>	<b>\$ 26,836,295</b>	<b>\$ 28,781,436</b>	<b>\$ 1,945,142</b>	<b>7%</b>
Loan Production & Servicing Expenses	\$ 388,783	\$ 448,088	\$ 59,305	13%	\$ 2,378,845	\$ 2,402,995	\$ 24,150	1%
Software Expense	525,469	561,519	36,051	6%	2,985,268	3,297,429	312,160	9%
Pro Services, Insurance & Taxes	373,946	354,940	(19,007)	(5%)	2,024,948	2,143,740	118,793	6%
Communication & Transportation	224,666	244,657	19,990	8%	1,404,268	1,495,196	90,928	6%
Premise & Fixed Costs	159,252	158,917	(335)	(0%)	919,070	984,871	65,801	7%
Depreciation & Amortization	142,187	146,151	3,964	3%	890,658	883,692	(6,967)	(1%)
Marketing & Advertising	119,704	136,206	16,502	12%	597,621	775,038	177,417	23%
ORE Expenses & Foreclosure Losses	-	350	350	100%	-	2,100	2,100	100%
Misc Operating Expenses	170,921	195,187	24,266	12%	1,239,598	1,227,262	(12,336)	(1%)
<b>Total NIE</b>	<b>\$ 6,879,625</b>	<b>\$ 7,457,926</b>	<b>\$ 578,301</b>	<b>8%</b>	<b>\$ 39,276,572</b>	<b>\$ 41,993,759</b>	<b>\$ 2,717,187</b>	<b>6%</b>
<b>Total Operating Income</b>	<b>\$ 1,916,260</b>	<b>\$ 1,750,557</b>	<b>\$ 165,704</b>	<b>9%</b>	<b>\$ 5,141,573</b>	<b>\$ 5,985,907</b>	<b>\$ (844,335)</b>	<b>(14%)</b>
FMV Adjustments	(113,306)	(10,075)	(103,231)	1025%	642,167	1,197,497	(555,330)	(46%)
<b>Pre-Tax Income</b>	<b>\$ 1,802,954</b>	<b>\$ 1,740,482</b>	<b>\$ 62,472</b>	<b>4%</b>	<b>\$ 5,783,740</b>	<b>\$ 7,183,404</b>	<b>\$ (1,399,665)</b>	<b>(19%)</b>
Income Tax	379,887	366,026	(13,861)	(4%)	1,221,905	1,508,515	286,610	19%
<b>Net Income before Minority Interest</b>	<b>\$ 1,423,067</b>	<b>\$ 1,374,456</b>	<b>\$ 48,611</b>	<b>4%</b>	<b>\$ 4,561,835</b>	<b>\$ 5,674,890</b>	<b>\$ (1,113,055)</b>	<b>(20%)</b>
Minority Interest Expense	175,513	97,684	(77,829)	(80%)	642,393	469,678	(172,716)	(37%)
<b>Net Income</b>	<b>\$ 1,247,554</b>	<b>\$ 1,276,772</b>	<b>\$ (29,218)</b>	<b>(2%)</b>	<b>\$ 3,919,441</b>	<b>\$ 5,205,212</b>	<b>\$ (1,285,771)</b>	<b>(25%)</b>

## University Bank

Summary Income Statement	Q2 2023				Q2 2022			
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var
Interest on Commercial & CRE	\$ 1,483,095	\$ 1,508,220	\$ (25,125)	(2%)	\$ 1,037,241	\$ 1,155,108	\$ (117,867)	(10%)
Interest on LHFS	1,235,287	1,440,757	(205,470)	(14%)	1,127,192	1,047,790	79,402	8%
Interest on Residential RE & Advances	4,751,699	5,050,740	(299,040)	(6%)	640,813	400,973	239,840	60%
Interest on HE Loans & Consumer	2,351,850	2,473,984	(122,133)	(5%)	889,237	977,895	(88,658)	(9%)
Interest on Securities & Deposits	1,628,311	609,351	1,018,960	167%	330,839	88,624	242,215	273%
<b>Total Interest Income</b>	<b>\$ 11,450,243</b>	<b>\$ 11,083,052</b>	<b>\$ 367,191</b>	<b>3%</b>	<b>\$ 4,025,322</b>	<b>\$ 3,670,390</b>	<b>\$ 354,932</b>	<b>10%</b>
Interest on Consumer Deposits	\$ 3,538,645	\$ 2,938,129	\$ 600,516	20%	\$ 17,329	\$ 19,444	\$ (2,115)	(11%)
Interest on LT Debt & Notes Payable	-	44,401	(44,401)	(100%)	21,307	20,794	513	2%
Other Interest Expense	196,746	132,730	64,016	48%	-	0	(0)	(100%)
<b>Total Interest Expense</b>	<b>\$ 3,735,391</b>	<b>\$ 3,115,260</b>	<b>\$ 620,131</b>	<b>20%</b>	<b>\$ 38,636</b>	<b>\$ 40,238</b>	<b>\$ (1,602)</b>	<b>(4%)</b>
<b>Net Interest Margin</b>	<b>\$ 7,714,852</b>	<b>\$ 7,967,792</b>	<b>\$ (252,940)</b>	<b>(3%)</b>	<b>\$ 3,986,687</b>	<b>\$ 3,630,152</b>	<b>\$ 356,534</b>	<b>10%</b>
Loan Loss Provision	76,240	105,944	(29,704)	(28%)	(52,118)	20,900	(73,018)	(349%)
<b>NIM after Provision</b>	<b>\$ 7,638,612</b>	<b>\$ 7,861,848</b>	<b>\$ (223,236)</b>	<b>(3%)</b>	<b>\$ 4,038,805</b>	<b>\$ 3,609,252</b>	<b>\$ 429,553</b>	<b>12%</b>
Loan Fees	\$ 192,190	\$ 260,245	\$ (68,055)	(26%)	\$ 233,645	\$ 201,342	\$ 32,303	16%
Deposit Service Charges	12,679	15,971	(3,291)	(21%)	10,289	8,231	2,058	25%
Other Fees & Dividends	44,922	33,276	11,646	35%	12,592	12,600	(8)	(0%)
<b>Total Banking &amp; Investment Income</b>	<b>\$ 249,791</b>	<b>\$ 309,492</b>	<b>\$ (59,701)</b>	<b>(19%)</b>	<b>\$ 256,526</b>	<b>\$ 222,173</b>	<b>\$ 34,353</b>	<b>15%</b>
Gain on Sale, Gross	\$ 7,872,742	\$ 10,082,560	\$ (2,209,818)	(22%)	\$ 10,398,758	\$ 16,594,161	\$ (6,195,404)	(37%)
Origination & Funding Fees	1,242,887	1,556,594	(313,708)	(20%)	1,476,147	1,838,919	(362,772)	(20%)
<b>Mortgage Origination Income</b>	<b>\$ 9,115,628</b>	<b>\$ 11,639,154</b>	<b>\$ (2,523,526)</b>	<b>(22%)</b>	<b>\$ 11,874,905</b>	<b>\$ 18,433,080</b>	<b>\$ (6,558,176)</b>	<b>(36%)</b>
Sub-Servicing Fees	\$ 3,393,077	\$ 3,450,856	\$ (57,779)	(2%)	\$ 3,576,643	\$ 4,243,486	\$ (666,843)	(16%)
Ancillary Fees on Sub-servicing	1,248,356	1,216,745	31,611	3%	1,614,987	2,229,009	(614,022)	(28%)
<b>Mortgage Sub-servicing Income</b>	<b>\$ 4,641,433</b>	<b>\$ 4,667,601</b>	<b>\$ (26,168)</b>	<b>(1%)</b>	<b>\$ 5,191,630</b>	<b>\$ 6,472,495</b>	<b>\$ (1,280,866)</b>	<b>(20%)</b>
MSR Service Fees	\$ 2,339,365	\$ 2,160,915	\$ 178,449	8%	\$ 3,015,415	\$ 3,165,210	\$ (149,795)	(5%)
Other Fees & MSR FMV adj & run-off	(267,428)	(476,937)	209,509	(44%)	2,659,430	(900,809)	3,560,238	(395%)
<b>MSR Servicing Income</b>	<b>\$ 2,071,937</b>	<b>\$ 1,683,978</b>	<b>\$ 387,958</b>	<b>23%</b>	<b>\$ 5,674,845</b>	<b>\$ 2,264,401</b>	<b>\$ 3,410,444</b>	<b>151%</b>
Insurance Revenue	\$ 377,328	\$ 330,000	\$ 47,328	14%	\$ 353,531	\$ 325,000	\$ 28,531	9%
Rental Income	42,198	60,288	(18,090)	(30%)	32,718	48,063	(15,345)	(32%)
Other Income	(12,070)	-	(12,070)	-	3,000	2,000	1,000	50%
<b>Non-Interest Income (no FMV adj)</b>	<b>\$ 16,486,245</b>	<b>\$ 18,690,513</b>	<b>\$ (2,204,268)</b>	<b>(12%)</b>	<b>\$ 23,387,153</b>	<b>\$ 27,767,211</b>	<b>\$ (4,380,058)</b>	<b>(16%)</b>
Commissions	\$ 3,033,648	\$ 3,791,716	\$ 758,068	20%	\$ 3,940,816	\$ 4,471,643	\$ 530,827	12%
Salaries & Benefits	9,892,503	10,619,189	726,685	7%	10,436,306	11,088,941	652,635	6%
Incentives & Profit Sharing	957,816	856,654	(101,163)	(12%)	1,076,742	1,786,098	709,356	40%
<b>Total Personnel Expense</b>	<b>\$ 13,883,968</b>	<b>\$ 15,267,558</b>	<b>\$ 1,383,590</b>	<b>9%</b>	<b>\$ 15,453,864</b>	<b>\$ 17,346,682</b>	<b>\$ 1,892,818</b>	<b>11%</b>
Loan Production & Servicing Expenses	\$ 1,160,583	\$ 1,274,678	\$ 114,095	9%	\$ 1,698,608	\$ 1,445,939	\$ (252,669)	(17%)
Software Expense	1,470,236	1,672,709	202,473	12%	1,641,169	1,992,689	351,520	18%
Pro Services, Insurance & Taxes	1,072,636	1,076,929	4,293	0%	1,117,346	1,065,536	(51,809)	(5%)
Communication & Transportation	618,584	679,113	60,529	9%	869,249	827,871	(41,378)	(5%)
Premise & Fixed Costs	461,536	484,297	22,761	5%	540,139	546,097	5,958	1%
Depreciation & Amortization	436,544	440,299	3,755	1%	458,726	437,680	(21,047)	(5%)
Marketing & Advertising	302,228	367,438	65,210	18%	397,580	440,672	43,092	10%
ORE Expenses & Foreclosure Losses	-	1,050	1,050	100%	-	1,350	1,350	100%
Misc Operating Expenses	690,861	641,816	(49,044)	(8%)	636,496	618,166	(18,329)	(3%)
<b>Total NIE</b>	<b>\$ 20,097,177</b>	<b>\$ 21,905,889</b>	<b>\$ 1,808,712</b>	<b>8%</b>	<b>\$ 22,813,177</b>	<b>\$ 24,722,682</b>	<b>\$ 1,909,505</b>	<b>8%</b>
<b>Total Operating Income</b>	<b>\$ 4,027,680</b>	<b>\$ 4,646,472</b>	<b>\$ (618,792)</b>	<b>(13%)</b>	<b>\$ 4,612,781</b>	<b>\$ 6,653,782</b>	<b>\$ (2,041,001)</b>	<b>(31%)</b>
FMV Adjustments	(151,805)	382,263	(534,068)	(140%)	(1,930,514)	563,711	(2,494,225)	(442%)
<b>Pre-Tax Income</b>	<b>\$ 3,875,875</b>	<b>\$ 5,031,236</b>	<b>\$ (1,155,361)</b>	<b>(23%)</b>	<b>\$ 2,682,267</b>	<b>\$ 7,217,493</b>	<b>\$ (4,535,226)</b>	<b>(63%)</b>
Income Tax	820,075	1,056,559	236,484	22%	569,417	1,515,674	946,257	62%
<b>Net Income before Minority Interest</b>	<b>\$ 3,055,800</b>	<b>\$ 3,974,676</b>	<b>\$ (918,876)</b>	<b>(23%)</b>	<b>\$ 2,112,850</b>	<b>\$ 5,701,819</b>	<b>\$ (3,588,969)</b>	<b>(63%)</b>
Minority Interest Expense	408,712	297,386	(111,325)	(37%)	(38,504)	547,328	585,832	107%
<b>Net Income</b>	<b>\$ 2,647,088</b>	<b>\$ 3,677,290</b>	<b>\$ (1,030,201)</b>	<b>(28%)</b>	<b>\$ 2,151,354</b>	<b>\$ 5,154,492</b>	<b>\$ (3,003,137)</b>	<b>(58%)</b>

University Bank

Year-over-Year Comparison

	June 2023			June 2022			June 2023			June 2022		
			Variance				YTD	YTD		YTD	Variance	
Interest - Commercial & CRE Loans	\$	554,346	\$	357,680	\$	196,666	\$	2,793,327	\$	2,033,248	\$	760,078
Interest - LHFS		420,382		487,837		(67,455)		2,112,176		2,024,790		87,386
Interest - Residential & Home Equity Loans		2,396,920		672,246		1,724,674		13,527,755		2,570,679		10,957,076
Interest - Consumer Loans		11,592		2,297		9,295		57,605		8,609		48,996
Interest - Securities		31,799		13,762		18,037		157,235		67,489		89,747
Interest - Deposits		355,132		127,920		227,212		2,467,929		345,642		2,122,288
<b>Total Interest Income</b>	<b>\$</b>	<b>3,770,171</b>	<b>\$</b>	<b>1,661,742</b>	<b>\$</b>	<b>2,108,429</b>	<b>\$</b>	<b>21,116,027</b>	<b>\$</b>	<b>7,050,456</b>	<b>\$</b>	<b>14,065,571</b>
Interest Expense on Deposits	\$	1,007,345	\$	5,518	\$	1,001,827	\$	6,363,761	\$	32,778	\$	6,330,983
Interest on ST Debt & Advances		-		-		-		60,633		-		60,633
Interest on LT Debt & Notes Payable		-		7,165		(7,165)		-		42,286		(42,286)
Other Interest Expense		74,317		-		74,317		306,242		-		306,242
<b>Total Interest Expense</b>	<b>\$</b>	<b>1,081,662</b>	<b>\$</b>	<b>12,682</b>	<b>\$</b>	<b>(1,068,980)</b>	<b>\$</b>	<b>6,730,637</b>	<b>\$</b>	<b>75,063</b>	<b>\$</b>	<b>(6,655,573)</b>
<b>Net Interest Margin</b>	<b>\$</b>	<b>2,688,509</b>	<b>\$</b>	<b>1,649,059</b>	<b>\$</b>	<b>1,039,449</b>	<b>\$</b>	<b>14,385,391</b>	<b>\$</b>	<b>6,975,393</b>	<b>\$</b>	<b>7,409,998</b>
Loan Loss Provision		46,240		(52,118)		98,358		56,521		10,322		46,199
<b>Net Interest Margin after Provision</b>	<b>\$</b>	<b>2,642,269</b>	<b>\$</b>	<b>1,701,178</b>	<b>\$</b>	<b>941,091</b>	<b>\$</b>	<b>14,328,870</b>	<b>\$</b>	<b>6,965,071</b>	<b>\$</b>	<b>7,363,799</b>
Mortgage Origination Income	\$	3,622,864	\$	3,265,163	\$	357,701	\$	15,702,682	\$	25,999,571	\$	(10,296,889)
Mortgage Subservicing Income		1,563,875		1,658,699		(94,824)		9,409,945		10,415,626		(1,005,681)
Mortgage Servicing Income (MSRs)		765,385		4,309,544		(3,544,159)		3,452,991		7,674,876		(4,221,885)
Loan Fees		87,026		65,641		21,385		566,286		457,813		108,472
Business Manager Fees, Net		5,477		5,494		(17)		24,055		26,912		(2,857)
Deposit Service Charges		4,248		2,795		1,453		30,050		20,313		9,737
Insurance Revenue		109,323		109,314		9		741,419		658,736		82,683
Investment Income		10,025		900		9,125		80,726		4,503		76,223
Total Other Income		(14,606)		13,935		(28,541)		81,122		69,566		11,556
<b>Non-Interest Operating Revenue</b>	<b>\$</b>	<b>6,153,616</b>	<b>\$</b>	<b>9,431,484</b>	<b>\$</b>	<b>(3,277,868)</b>	<b>\$</b>	<b>30,089,274</b>	<b>\$</b>	<b>45,327,915</b>	<b>\$</b>	<b>(15,238,641)</b>
Salaries & Wages	\$	3,574,204	\$	4,197,737	\$	623,533	\$	20,828,486	\$	23,913,382	\$	3,084,896
Employee Benefits		810,578		724,680		(85,899)		4,422,641		4,740,987		318,346
Employee Incentives & Profit Sharing		389,913		385,732		(4,181)		1,585,168		2,132,374		547,205
Premise & Fixed Costs		301,439		332,576		31,137		1,809,729		2,013,588		203,859
Software Expense		525,469		604,396		78,927		2,985,268		3,291,842		306,574
Communication & Transportation		224,666		279,703		55,036		1,404,268		1,714,393		310,125
Loan Production & Servicing Expenses		388,783		542,245		153,461		2,378,845		3,186,602		807,757
Professional Services		215,682		229,040		13,358		1,239,210		1,318,643		79,433
Marketing & Advertising		119,704		123,348		3,644		597,621		697,668		100,047
Insurance Expense		103,878		70,104		(33,774)		495,504		421,417		(74,087)
Cost Allocation & Service Charges		14,806		17,397		2,591		91,230		110,304		19,074
Other Taxes		54,387		76,502		22,115		290,233		296,229		5,995
Misc Operating Expenses		156,115		148,924		(7,192)		1,148,369		1,114,325		(34,044)
<b>Non-Interest Expense</b>	<b>\$</b>	<b>6,879,625</b>	<b>\$</b>	<b>7,732,383</b>	<b>\$</b>	<b>852,758</b>	<b>\$</b>	<b>39,276,572</b>	<b>\$</b>	<b>44,951,753</b>	<b>\$</b>	<b>5,675,181</b>
<b>Operating Income</b>	<b>\$</b>	<b>1,916,260</b>	<b>\$</b>	<b>3,400,279</b>	<b>\$</b>	<b>(1,484,019)</b>	<b>\$</b>	<b>5,141,573</b>	<b>\$</b>	<b>7,341,234</b>	<b>\$</b>	<b>(2,199,661)</b>
Fair-Market Value Adjustments		(113,306)		(390,075)		276,769		642,167		(1,596,137)		2,238,304
<b>Pre-Tax Income</b>	<b>\$</b>	<b>1,802,954</b>	<b>\$</b>	<b>3,010,204</b>	<b>\$</b>	<b>(1,207,250)</b>	<b>\$</b>	<b>5,783,740</b>	<b>\$</b>	<b>5,745,097</b>	<b>\$</b>	<b>38,643</b>
Income Tax		379,887		633,230		(253,343)		1,221,905		1,216,010		5,895
<b>Net Income before Minority Interest</b>	<b>\$</b>	<b>1,423,067</b>	<b>\$</b>	<b>2,376,974</b>	<b>\$</b>	<b>(953,907)</b>	<b>\$</b>	<b>4,561,835</b>	<b>\$</b>	<b>4,529,087</b>	<b>\$</b>	<b>32,748</b>
Minority Interest Expense		175,513		(98,799)		274,313		642,393		278,439		363,954
<b>Net Income</b>	<b>\$</b>	<b>1,247,554</b>	<b>\$</b>	<b>2,475,774</b>	<b>\$</b>	<b>(1,228,220)</b>	<b>\$</b>	<b>3,919,441</b>	<b>\$</b>	<b>4,250,648</b>	<b>\$</b>	<b>(331,206)</b>

# Yield Summary Report (annualized)

**June 30, 2023**

		<i>Assets</i>		Current	Prior Month		
<u>Cash and Securities</u>	Current Month Avg	Prior Month Avg	Current	Prior Month	Month Yield	Yield	Δ
	Balance	Balance					
On B/S Bank Deposits - Fed	\$ 52,721,219	\$ 100,508,015	5.05%	5.10%			(0.054%)
Off B/S Bank Deposits - FHLB	24,408,910	39,445,803	4.59%	3.95%			0.642%
Total Gov't & Agency Securities - HTM	10,793,209	10,486,282	3.58%	2.94%			0.642%
Equity Securities - FHLB	4,275,000	4,275,000	2.85%	2.34%			0.512%
<b>Total Deposits &amp; Securities</b>	<b>\$ 92,198,337</b>	<b>\$ 154,715,100</b>	<b>4.65%</b>	<b>4.58%</b>			<b>0.069%</b>
<b>Total Deposits &amp; Securities On B/S</b>	<b>\$ 67,789,427</b>	<b>\$ 115,269,297</b>	<b>6.33%</b>	<b>6.15%</b>			<b>0.176%</b>
<u>Loans &amp; Credit</u>							
Loans Held for Sale (incl CP & Reno)	\$ 87,491,557	\$ 77,211,060	5.85%	6.60%			(0.754%)
Total Commercial Loans ( A )	105,259,858	100,862,135	5.55%	5.28%			0.269%
Residential RE Portfolio ( B )	370,949,553	368,185,887	5.23%	5.08%			0.150%
Home Equity - Closed End ( C )	4,923,970	4,706,877	8.07%	7.95%			0.113%
Home Equity - Revolving ( D )	115,550,038	110,071,768	8.08%	8.15%			(0.073%)
Mortgage Warehouse Line	19,392,720	7,196,120	5.00%	4.46%			0.537%
Consumer Fixed & Revolving	2,398,418	2,332,369	5.88%	5.50%			0.378%
	<b>\$ 705,966,112</b>	<b>\$ 670,566,215</b>	<b>5.84%</b>	<b>5.81%</b>			<b>0.031%</b>
<b>Total Assets on Balance Sheet</b>	<b>\$ 773,755,540</b>	<b>\$ 785,835,512</b>	<b>5.88%</b>	<b>5.86%</b>			<b>0.024%</b>
		<i>Liabilities</i>					
<u>Interest Bearing Deposits</u>							
NOW Accounts & Other DDAs	\$ 3,274,286	\$ 3,493,750	0.21%	0.20%			0.005%
MMDA's	9,097,126	7,780,265	3.41%	3.13%			0.282%
CDs	271,290,867	324,790,414	4.40%	4.59%			(0.187%)
Savings Accounts	786,221	578,954	0.54%	0.75%			(0.207%)
<b>Total Interest-bearing Deposits</b>	<b>\$ 284,448,500</b>	<b>\$ 336,643,383</b>	<b>4.31%</b>	<b>4.50%</b>			<b>(0.192%)</b>
Total Custodial Deposits & Fiduciary DDA's	\$ 444,180,332	\$ 403,490,150	0.20%	0.21%			(0.008%)
<u>Borrowings</u>							
Short-term Advances	\$ -	\$ -	0.00%	0.00%			0.000%
<b>Total Borrowings</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>	<b>0.00%</b>			<b>0.000%</b>
<b>Total Deposit borrowings</b>	<b>\$ 728,628,831</b>	<b>\$ 740,133,534</b>	<b>1.81%</b>	<b>2.16%</b>			<b>(0.356%)</b>
			<b>Net Yield</b>	<b>4.07%</b>	<b>3.69%</b>		<b>0.380%</b>

A). Includes All Commercial Real Estate (Community Bank & UIF), Commercial Notes (Closed-end), Commercial Lines of Credit, & SBA.

B). Includes All Residential Real Estate Portfolios on Balance Sheet.

C). Includes Closed Ended HE Loans Originated at the Bank and Purchased externally.

D). Includes All Open Ended HE Loans originated at the Bank (HELOC & HE Visa).

**University Bank Quarterly Yield Schedule**

	Q4 2022 Actual		Q1 2023 Actual		Q2 2023 Actual		Q3 2023 Budget		Q4 2023 Budget	
	Avg (\$)	WAR %	Avg (\$)	WAR %	Avg (\$)	WAR %	Avg (\$)	WAR %	Avg (\$)	WAR %
<b>Interest Earning Deposits</b>										
Federal Reserve Deposits	\$ 48,673,492	3.58%	\$ 70,547,069	4.48%	\$ 84,514,055	5.03%	\$ 40,000,000	4.40%	\$ 40,000,000	4.40%
Investment Securities	8,479,265	2.88%	11,371,169	2.53%	13,786,453	2.51%	14,275,847	2.30%	16,656,975	2.60%
Equity Securities - FHLB	3,903,645	3.55%	4,275,000	4.64%	4,275,000	2.98%	4,275,000	1.78%	4,275,000	1.78%
<b>Total Interest-earning Deposits &amp; Securities</b>	\$ 61,056,402	3.48%	\$ 86,193,239	4.23%	\$ 102,575,508	4.60%	\$ 58,550,847	3.70%	\$ 60,931,975	3.72%
<b>Loans &amp; Credit</b>										
Loan Held for Sale (incl CP & Reno)	\$ 65,288,690	5.66%	\$ 58,231,354	6.11%	\$ 79,824,020	6.21%	\$ 88,418,069	6.47%	\$ 75,300,441	6.47%
Total Commercial Loans	94,021,978	5.16%	97,948,875	5.45%	102,127,259	5.58%	107,270,721	5.77%	112,205,953	5.94%
Residential Real Estate	311,314,304	4.51%	359,520,810	5.03%	370,190,265	5.15%	436,980,497	5.28%	469,660,990	5.53%
Home Equity Loans	95,785,262	7.13%	102,590,008	7.88%	115,566,573	8.05%	153,630,156	7.57%	176,221,198	7.39%
Mortgage Warehouse Line	3,596,815	4.37%	3,916,559	5.06%	10,182,467	4.81%	9,869,954	4.75%	9,645,297	4.75%
Consumer Fixed & Revolving	1,551,312	5.10%	1,974,263	5.18%	2,284,711	5.69%	4,145,570	5.79%	5,164,866	5.86%
<b>Total Loans &amp; Credit</b>	\$ 571,558,362	5.19%	\$ 624,181,868	5.67%	\$ 680,175,295	5.83%	\$ 800,314,968	5.91%	\$ 848,198,746	6.05%
<b>Total Earning Assets</b>	\$ 632,614,765	5.02%	\$ 710,375,106	5.49%	\$ 782,750,803	5.67%	\$ 858,865,815	5.76%	\$ 909,130,721	5.89%
<b>Interest Bearing Deposits</b>										
Total Interest-bearing Deposits (incl Brokered)	\$ 94,549,939	3.97%	\$ 272,750,244	4.20%	\$ 318,959,071	4.44%	\$ 285,048,151	4.12%	\$ 343,040,071	4.15%
Total Interest-bearing Demand Deposits & Custodial Deposits	\$ 432,253,539	0.07%	\$ 389,554,144	0.12%	\$ 411,625,418	0.19%	\$ 446,505,155	0.07%	\$ 458,077,221	0.07%
<b>Total Interest-bearing Deposits</b>	\$ 526,803,478	0.77%	\$ 662,304,388	1.80%	\$ 730,584,489	2.05%	\$ 731,553,306	1.65%	\$ 801,117,292	1.82%
<b>Borrowings</b>										
Total Interest on Short-Term Debt & Advances	\$ 51,222,939	4.65%	\$ 6,451,613	3.69%	\$ -	0.00%	\$ 5,000,000	5.50%	\$ 5,000,000	5.50%
Long-term Notes Payable & Sub Debt	\$ 485,752	5.56%	\$ -	0.00%	\$ -	0.00%	\$ 9,479,167	5.00%	\$ 15,500,000	5.00%
<b>Total Borrowings</b>	\$ 51,708,691	4.66%	\$ 6,451,613	3.69%	\$ -	0.00%	\$ 14,479,167	5.17%	\$ 20,500,000	5.12%
<b>Total Deposits &amp; Borrowings</b>	\$ 578,512,169	1.12%	\$ 668,756,001	1.82%	\$ 730,584,489	2.05%	\$ 746,032,472	1.71%	\$ 821,617,292	1.90%
<b>Net Yield</b>		3.91%		3.68%		3.62%		4.05%		3.99%