



PRESS RELEASE
For Immediate Release

blueharbor bank Reports Second Quarter Net Income

MOORESVILLE, NC, July 15, 2016 – **blueharbor bank** (the “Bank”) today reported net income of \$284,352, or \$0.10 per diluted share, for the second quarter of 2016, compared to \$174,743, or \$0.06 per diluted share, for the second quarter of 2015. For the six-months ended June 30, 2016, the bank reported net income of \$562,859, or \$0.19 per diluted share, compared to \$353,220, or \$0.12 per diluted share, for the six-months ended June 30, 2015.

Jim Marshall, President and Chief Executive Officer noted, “For the first half of 2016, our year over year income growth was strong at 59%. We saw asset growth of 12% from June 30, 2015, to June 30, 2016. So far this year, our gross loans have increased 5.0%, from \$125.5 million at December 31, 2015, to \$131.8 million at June 30, 2016. Our total deposits have increased 3.6%, growing \$4.7 million in 2016, to \$135.8 million at June 30, 2016.”

Mr. Marshall concluded, “We continue to develop nice solid relationships from our satisfied customers and from professionals that are in a position to refer customers our way. The referrals occur because they know we will treat the proposed customer with professionalism, competence and apply our “common sense style” of banking.”

blueharbor bank, with \$162.1 million in assets, is headquartered in Mooresville with branches in Huntersville and Statesville with a loan production office in Charlotte. blueharbor bank’s website is www.blueharborbank.com and our common stock is quoted on the OTC Bulletin Board under the symbol “BLHK.” The blueharbor wealth advisors website is www.blueharborwealthadvisors.com.

Summary Selected Financial Data schedule attached.

Forward-Looking Statement:

This press release contains forward-looking statements. Words such as "anticipates," "believes," "estimates," "expects," "intends," "should," "will," variations of such words and similar expressions are intended to identify forward-looking statements. These statements reflect management's current beliefs as to the expected outcomes of future events and are not guarantees of future performance. These statements involve certain risks, uncertainties and assumptions that are difficult to predict with regard to timing, extent, likelihood and degree of occurrence. As such, actual results and outcomes may materially differ from what may be expressed or forecast in such forward-looking statements. Factors that could cause a difference include, among others: changes in the national and local economies or market conditions; changes in interest rates, deposit levels, loan demand and asset quality, including real estate and other collateral values; changes in banking regulations and accounting principles, policies or guidelines; and the impact of competition from traditional or new sources. These and other factors that may emerge could cause decisions and actual results to differ materially from current expectations. blueharbor bank takes no obligation to revise, update, or clarify forward-looking statements to reflect events or conditions after the date of this press release.

SOURCE: blueharbor bank

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Summary Selected Financial Data

Balance Sheet Data:	(Unaudited)	(Audited)	(Unaudited)	
	June 30, 2016	December 31, 2015	June 30, 2015	
Total Assets	\$ 162,082,359	\$ 155,248,454	\$ 144,408,925	
Total Gross Loans	131,800,299	125,494,358	122,311,600	
Allowance for Loan Losses	1,515,703	1,496,711	1,488,161	
Total Deposits	135,841,119	131,139,759	113,033,453	
Total Shareholders' Equity	23,252,881	22,534,169	22,003,130	

Earnings and Per Share Data:	(Unaudited)		(Unaudited)	
	Three Months Ended		Six Months Ended	
	June 30,	June 30,	June 30,	June 30,
	2016	2015	2016	2015
Interest Income	\$ 1,519,672	\$ 1,400,437	\$ 3,018,946	\$ 2,750,299
Interest Expense	143,723	125,295	288,996	245,528
Net Interest Income	1,375,949	1,275,142	2,729,950	2,504,771
Provision for Loan Losses	17,416	-	17,416	-
Net Interest Income after Provision for Loan Losses	1,358,533	1,275,142	2,712,534	2,504,771
Noninterest Income	116,413	99,064	242,998	217,712
Noninterest Expense	1,038,612	1,098,832	2,094,174	2,168,740
Net Income before Taxes	436,334	275,374	861,358	553,743
Income Taxes	151,982	100,631	298,499	200,523
Net Income	\$ 284,352	\$ 174,743	\$ 562,859	\$ 353,220
Basic Income per Share *	\$ 0.10	\$ 0.06	\$ 0.21	\$ 0.13
Diluted Income per Share *	\$ 0.10	\$ 0.06	\$ 0.19	\$ 0.12

* Share data has been restated to reflect 20% common stock dividend paid in April 2016.