



PRESS RELEASE

For Immediate Release

blueharbor bank Reports Third Quarter 2014 Net Income

MOORESVILLE, NC, November 5, 2014 – **blueharbor bank** (the “Bank”) today reported net income of \$352,675, or \$0.14 per diluted share, for the third quarter of 2014, compared to \$211,303, or \$0.09 per diluted share, for the third quarter of 2013. For the nine-months ended September 30, 2014, the bank reported net income of \$898,268, or \$0.36 per diluted share, compared to \$711,314, or \$0.29 per diluted share, for the nine-months ended September 30, 2013.

Jim Marshall, President and Chief Executive Officer noted, “Some factors that have contributed to the improved income are good noninterest income growth in investments, wealth management fees and debit card exchange fees. Our provision for loan losses has run lower in 2014 as a result of improved credit quality in our loan portfolio.”

Mr. Marshall concluded, “We are very appreciative of the relationships we have with our clients and the referrals they provide us with time and time again. The confidence our clients have in our bankers is reflective in their referrals.”

blueharbor bank, with \$136.9 million in assets, is headquartered in Mooresville with a second branch in Huntersville and a loan production office in Gastonia. 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:	September 30, 2014	December 31, 2013	September 30, 2013	
Total Assets	\$ 136,932,984	\$ 127,262,375	\$ 128,693,362	
Total Gross Loans	112,226,949	99,710,921	99,088,624	
Allowance for Loan Losses	1,456,606	1,425,151	1,539,247	
Total Deposits	114,041,067	103,127,819	103,880,340	
Total Shareholders' Equity	21,271,836	20,247,314	20,147,909	
	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
Earnings and Per Share Data:	2014	2013	2014	2013
Interest Income	\$ 1,456,205	\$ 1,377,879	\$ 4,186,596	\$ 4,173,186
Interest Expense	137,105	162,723	411,391	499,579
Net Interest Income	1,319,100	1,215,156	3,775,205	3,673,607
Provision for Loan Losses	-	152,149	107,914	222,637
Net Interest Income after Provision for Loan Losses	1,319,100	1,063,007	3,667,291	3,450,970
Noninterest Income	139,262	82,148	336,326	220,255
Noninterest Expense	901,244	777,652	2,580,573	2,469,221
Net Income before Taxes	557,118	367,503	1,423,044	1,202,004
Income Taxes	204,443	156,200	524,776	490,690
Net Income	\$ 352,675	\$ 211,303	\$ 898,268	\$ 711,314
Basic Income per Share	\$ 0.15	\$ 0.09	\$ 0.39	\$ 0.31
Diluted Income per Share	\$ 0.14	\$ 0.09	\$ 0.36	\$ 0.29