



PRESS RELEASE

For Immediate Release

blueharbor bank Reports Second Quarter Net Income

MOORESVILLE, NC, July 10, 2015 – **blueharbor bank** (the “Bank”) today reported net income of \$174,743, or \$0.07 per diluted share, for the second quarter of 2015, compared to \$302,076, or \$0.12 per diluted share, for the second quarter of 2014. For the six-months ended June 30, 2015, the bank reported net income of \$353,220, or \$0.14 per diluted share, compared to \$545,593, or \$0.22 per diluted share, for the six-months ended June 30, 2014.

Jim Marshall, President and Chief Executive Officer noted, “While our income levels have not reached those of 2014, they met expectations with our expansion into the Statesville market. The office opened a couple months later than we anticipated so we had those fixed expenses without the earning assets to complement. We are very pleased with our reception in Statesville and traction is gaining each month with solid loan and deposit relationships. Our strong team with deep roots in the market is certainly having an impact on our company. So far this year, our gross loans have increased 9.0%, from \$112.2 million at December 31, 2014, to \$122.3 million at June 30, 2015. Our total deposits have increased 5.6%, growing \$6.0 million in 2015, to \$113.0 million at June 30, 2015.”

Mr. Marshall continued, “The local market outlook from our perspective continues to look favorable with housing and new construction showing nice improvements. Our new business pipeline is promising and is continually supplemented by referrals from satisfied customers and shareholders and for that we are appreciative.”

Mr. Marshall concluded, “At blueharbor bank, we have very competitive deposit rates compared to the big banks which positions us well to deliver the products and service depositors tell us time and time again they want but don’t get from their big bank. That is why our focus will remain on providing the high level of service our customers expect and deserve. blueharbor recently partnered with 1clickcoverage to provide instant issue term life insurance which is available from our website. In addition, through blueharbor wealth advisors, we continue to help clients with their wealth planning needs. Let us know how we can help you achieve your financial goals.”

blueharbor bank, with \$144.4 million in assets, is headquartered in Mooresville with branches in Huntersville and Statesville with 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:	June 30, 2015	December 31, 2014	June 30, 2014	
Total Assets	\$ 144,395,305	\$ 135,436,649	\$ 140,039,384	
Total Gross Loans	122,311,600	112,172,836	114,501,063	
Allowance for Loan Losses	1,488,161	1,497,157	1,456,272	
Total Deposits	113,033,453	107,057,211	114,049,839	
Total Shareholders' Equity	21,989,510	21,668,534	20,949,479	

Earnings and Per Share Data:	Three Months Ended		Six Months Ended	
	June 30, 2015	2014	June 30, 2015	2014
Interest Income	\$ 1,400,437	\$ 1,411,760	\$ 2,750,299	\$ 2,730,391
Interest Expense	125,295	136,326	245,528	274,286
Net Interest Income	1,275,142	1,275,434	2,504,771	2,456,105
Provision for Loan Losses	-	49,661	-	107,914
Net Interest Income after Provision for Loan Losses	1,275,142	1,225,773	2,504,771	2,348,191
Noninterest Income	99,064	105,522	217,712	197,064
Noninterest Expense	1,098,832	852,311	2,168,740	1,679,329
Net Income before Taxes	275,374	478,984	553,743	865,926
Income Taxes	100,631	176,908	200,523	320,333
Net Income	\$ 174,743	\$ 302,076	\$ 353,220	\$ 545,593
Basic Income per Share	\$ 0.08	\$ 0.13	\$ 0.15	\$ 0.24
Diluted Income per Share	\$ 0.07	\$ 0.12	\$ 0.14	\$ 0.22