



blueharbor bank Reports 2015 Net Income, Stock Dividend and New Charlotte Office

MOORESVILLE, NC, February 12, 2016 – **blueharbor bank** (the “Bank”) today reported its earnings for 2015, a stock dividend and a new Charlotte Loan Production Office.

Earnings

blueharbor bank (the “Bank”) today reported net income of \$261,213, or \$0.11 per diluted share, for the fourth quarter of 2015, compared to \$255,232, or \$0.10 per diluted share, for the fourth quarter of 2014. For the year ended December 31, 2015, the bank reported net income of \$925,207, or \$0.39 per diluted share, compared to \$1,153,500, or \$0.47 per diluted share, for the year ended December 31, 2014. The resources used in our January 2015 expansion to Statesville will now be accretive to our bottom line going forward.

Balance Sheet

Jim Marshall, President and Chief Executive Officer noted, “Total asset growth increased nicely by 14.6% for the year and gross loans increased by 11.9% as well. Total deposits increased 22.5%, growing \$24.1 million to \$131.1 million.” Marshall also noted, “Our balance sheet is as strong as it has ever been. Credit quality is very good and our Total Risk-Based Capital Ratio of 18.0% is exceptional. Bauer Financial, a leading bank financial analytical firm, has awarded us its highest ranking of 5 stars, recognizing the strongest banks in the country for security, strength, and reliability.”

Stock Dividend

The Bank also announced today that its Board of Directors (“Board”) approved a 20 percent stock dividend payable on March 21, 2016, to shareholders of record at the close of business on February 29, 2016. Shares issued as a result of the stock dividend will be entered on the records of the Bank’s transfer agent, Broadridge Corporate Issuer Solutions. No fractional shares will be issued and shareholders will receive cash for such fractional interests based on the market value of the stock on the record date. Mr. Marshall noted, “This stock dividend of 20 percent is a thank you to our shareholders who have been with us and have entrusted us with their capital investment.”

Charlotte Loan Production Office

In addition, the Bank announced it has also opened a loan production office in Charlotte, NC. “We are excited to have Stuart Hester join blueharbor bank to lead our efforts in Charlotte. Stuart brings a wealth of experience and knowledge of the Charlotte Market to our team. With several relationships in Charlotte already, this expansion will enhance our presence with that of our North Mecklenburg Huntersville Office. “Please reach out to Stuart at (704) 691-4761 with any of your Charlotte lending needs,” stated Mr. Marshall. The Loan Production Office will be located at 4201 Congress Street, Suite 140, Charlotte, NC 28209.

blueharbor bank, with \$155.2 million in assets, is headquartered in Mooresville with branches in Huntersville and Statesville with loan production offices in Charlotte and 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:	December 31, 2015	December 31, 2014
Total Assets	\$ 155,235,002	\$ 135,436,649
Total Gross Loans	125,494,358	112,172,836
Allowance for Loan Losses	1,496,711	1,497,157
Total Deposits	131,139,759	107,057,211
Total Shareholders' Equity	22,520,717	21,668,534

Earnings and Per Share Data:	Three Months Ended		Twelve Months Ended	
	December 31, 2015	2014	December 31, 2015	2014
Interest Income	\$ 1,467,197	\$ 1,371,869	\$ 5,713,017	\$ 5,558,465
Interest Expense	145,821	125,391	525,394	536,782
Net Interest Income	1,321,376	1,246,478	5,187,623	5,021,683
Provision for Loan Losses	-	-	-	107,914
Net Interest Income after Provision for Loan Losses	1,321,376	1,246,478	5,187,623	4,913,769
Noninterest Income	118,001	110,523	450,294	446,849
Noninterest Expense	1,025,166	959,828	4,178,356	3,540,400
Net Income before Taxes	414,211	397,173	1,459,561	1,820,218
Income Taxes	152,998	141,941	534,354	666,718
Net Income	\$ 261,213	\$ 255,232	\$ 925,207	\$ 1,153,500
Basic Income per Share	\$ 0.11	\$ 0.11	\$ 0.41	\$ 0.51
Diluted Income per Share	\$ 0.11	\$ 0.10	\$ 0.39	\$ 0.47