

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 1, 2021

**FIRST WESTERN FINANCIAL, INC.**

(Exact name of registrant as specified in its charter)

<b>Colorado</b> (State or other jurisdiction of incorporation or organization)	<b>001-38595</b> (Commission File Number)	<b>37-1442266</b> (I.R.S. Employer Identification No.)
<b>1900 16th Street, Suite 1200</b> <b>Denver, Colorado</b> (Address of principal executive offices)		<b>80202</b> (Zip Code)

Registrant's telephone number, including area code: **(303) 531-8100**

Former name or former address, if changed since last report: **Not Applicable**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

- ☒ Emerging growth company
- ☒ If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Securities registered pursuant to Section 12(b) of the Act:**

<b>Title of each class</b>	<b>Trading Symbol</b>	<b>Name of each exchange on which registered</b>
Common Stock, no par value	MYFW	The Nasdaq Stock Market LLC

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**Item 7.01 Regulation FD Disclosure.**

First Western Financial, Inc. (the “Company”) is furnishing investor presentation materials as Exhibit 99.1 to this Form 8-K, which may be presented at meetings with investors, analysts, and others, in whole or in part and possibly with modifications, during the fiscal year ending December 31, 2021.

As provided in General Instruction B.2 to Form 8-K, the information furnished in Exhibit 99.1 of this Current Report on Form 8-K shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and such information shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	<a href="#">First Western Financial, Inc. Investor Presentation</a>
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded in the Inline XBRL document).

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**FIRST WESTERN FINANCIAL, INC.**

Date: March 1, 2021

By: /s/ Scott C. Wylie

\_\_\_\_\_  
Scott C. Wylie

Chairman, Chief Executive Officer and President



FIRSTwestern

Investor Presentation  
March 2021

# Safe Harbor

This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements reflect the current views of First Western Financial, Inc.’s (“First Western”) management with respect to, among other things, future events and First Western’s financial performance. These statements are often, but not always, made through the use of words or phrases such as “may,” “should,” “could,” “predict,” “potential,” “believe,” “will likely result,” “expect,” “continue,” “will,” “anticipate,” “seek,” “estimate,” “intend,” “plan,” “project,” “future” “forecast,” “goal,” “target,” “would” and “outlook,” or the negative variations of those words or other comparable words of a future or forward-looking nature. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about First Western’s industry, management’s beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond First Western’s control. Accordingly, First Western cautions you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although First Western believes that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Those following risks and uncertainties, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: the COVID-19 pandemic and its effects; integration risks in connection with acquisitions; the risk of geographic concentration in Colorado, Arizona, Wyoming and California; the risk of changes in the economy affecting real estate values and liquidity; the risk in our ability to continue to originate residential real estate loans and sell such loans; risks specific to commercial loans and borrowers; the risk of claims and litigation pertaining to our fiduciary responsibilities; the risk of competition for investment managers and professionals; the risk of fluctuation in the value of our investment securities; the risk of changes in interest rates; and the risk of the adequacy of our allowance for credit losses and the risk in our ability to maintain a strong core deposit base or other low-cost funding sources. Additional information regarding these and other risks and uncertainties to which our business and future financial performance are subject is contained in our Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (“SEC”) on March 12, 2020 and other documents we file with the SEC from time to time. All subsequent written and oral forward-looking statements attributable to First Western or persons acting on First Western’s behalf are expressly qualified in their entirety by this paragraph. Forward-looking statements speak only as of the date of this presentation. First Western undertakes no obligation to publicly update or otherwise revise any forward-looking statements, whether as a result of new information, future events or otherwise (except as required by law).

Certain of the information contained herein may be derived from information provided by industry sources. The Company believes that such information is accurate and the sources from which it has been obtained are reliable; however, the Company cannot guaranty the accuracy of such information and has not independently verified such information.

This presentation contains certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of non-GAAP financial measures to GAAP financial measures are provided at the end of this presentation. Numbers in the presentation may not sum due to rounding.

Our common stock is not a deposit or savings account. Our common stock is not insured by the Federal Deposit Insurance Corporation or any governmental agency or instrumentality.

This presentation is not an offer to sell any securities and it is not soliciting an offer to buy any securities in any state or jurisdiction where the offer or sale is not permitted. Neither the SEC nor any state securities commission has approved or disapproved of the securities of the Company or passed upon the accuracy or adequacy of this presentation. Any representation to the contrary is a criminal offense. Except as otherwise indicated, this presentation speaks as of the date hereof. The delivery of this presentation shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company after the date hereof.

# An Emerging High Performing Institution

## Overview

- Niche-focused regional wealth manager built on a private trust bank platform
- Headquartered in Denver, Colorado and positioned in desirable, affluent and high growth markets

## Target Market

- Households of \$1+ million liquid net worth
- High net worth and high growth markets
- Colorado, Arizona, Wyoming and California

## Competitive Advantage

- Operates as one integrated firm, not silos
- Team approach benefits both clients and First Western
- Local boutique private trust bank offices with central product experts

## Company Highlights

*as of or for  
the year ending  
12/31/2020*

- |                   |                |
|-------------------|----------------|
| ▪ Assets:         | \$1.97 billion |
| ▪ Total Loans:    | \$1.53 billion |
| ▪ Total Deposits: | \$1.62 billion |
| ▪ AUM:            | \$6.26 billion |
| ▪ Loan Growth:    | 53.9%          |
| ▪ Deposit Growth: | 49.1%          |
| ▪ Asset Growth:   | 57.7%          |
| ▪ ROAA:           | 1.48%          |



Office Locations

**First Western Financial, Inc. (FW)**  
Financial Holding Company

**First Western Trust Bank**  
Colorado state chartered bank  
(16 locations)

**First Western Merger Corporation**  
State licensed insurance agency



# Investment Highlights

## Attractive Markets and Business Model

- Rapidly growing institution operating in high growth markets
- Diverse sources of recurring fee income that represent 50%+ of total revenue
- Attractive, stable deposit base with noninterest-bearing and money market accounts comprising 82% of total deposits
- Conservative underwriting and affluent client base results in exceptional asset quality with minimal credit losses

## Strong Earnings Momentum

- Significant revenue growth driving improved operating leverage and higher profitability
- TBV/share<sup>(1)</sup> increased 25% in 2020
- Continued scale expected to drive further leverage and generate returns consistent with a high performing institution over long term

## Proven Execution on Growth Strategies

- Track record of generating organic growth, expansion and acquisitions
- Total assets up 58% in 2020 with substantial increases in revenue and EPS
- Strengthening commercial banking platform creating more diverse loan portfolio and lower-cost deposit base

## High Insider Ownership and Discounted Valuation

- Highly aligned with shareholder interests as insiders own ~22% of total shares outstanding
- Discounted valuation trading at just 1.2x TBV/share

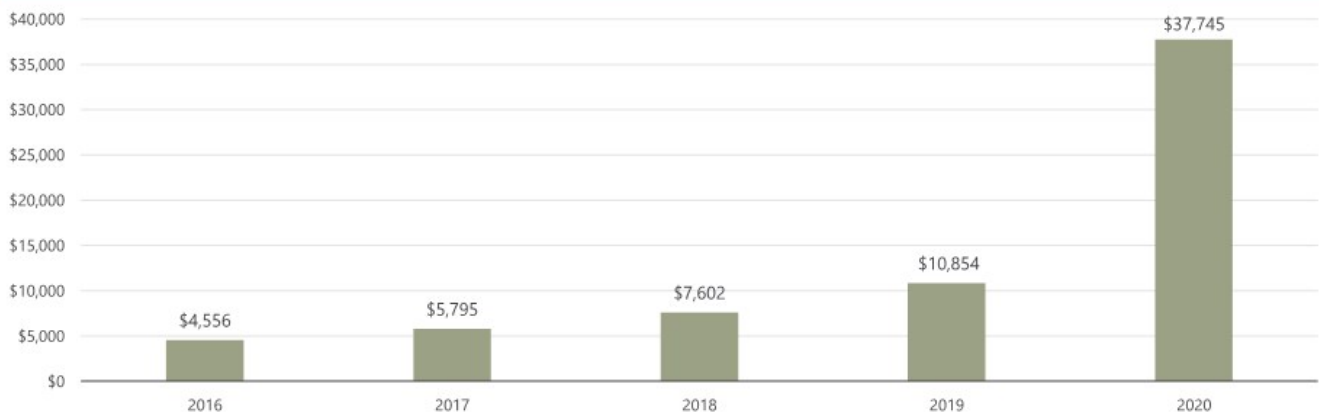
(1) See Non-GAAP reconciliation

# Strong Operational and Financial Momentum

## Drivers of Improved Performance

- Robust balance sheet growth
- Higher fee income driven by strengthened mortgage team
- Consistent new client acquisition activity driving growth in assets under management
- Highly leverageable operating platform driving improved efficiencies
- Outstanding asset quality and low credit costs

## 2016-2020 Pre-Tax, Pre-Provision Income<sup>(1)</sup> (\$000s)

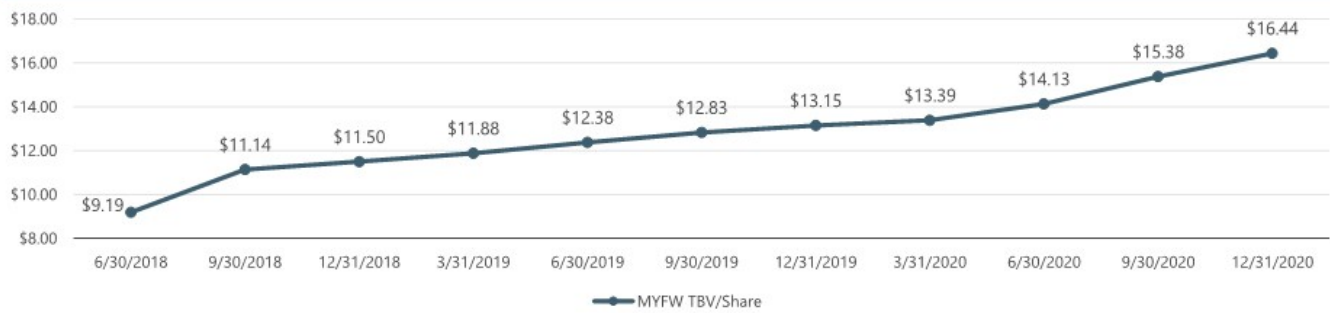


(1) See Non-GAAP reconciliation



# Improving Earnings Driving Outperformance and Creating Shareholder Value

**TBV/Share<sup>(1)</sup> Up 79% Since July 2018 IPO**



**Discounted Valuation Provides Opportunity for Continued Outperformance as Multiple Expands**



(1) See Non-GAAP reconciliation  
(2) Source: S&P Global Market Intelligence (January 1, 2020 through February 22, 2021)

**W FIRSTwestern**

## Franchise Overview

# Great Markets, Scarce Investment Opportunity

## First Western Market Favorability <sup>(1)</sup>

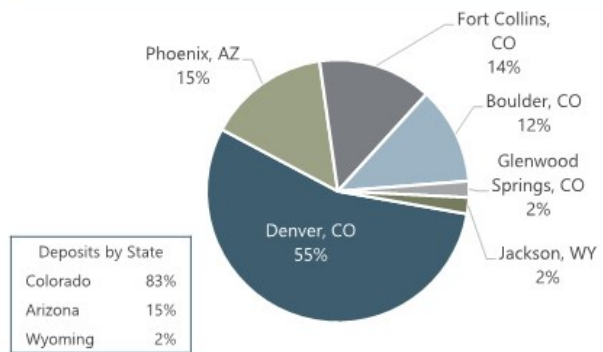
- **Colorado (2020)**
  - #1 state for growth in personal income in 2019
  - #3 best state for business (24/7 Wall Street)
  - #3 best state for entrepreneurs and start-ups (Motley Fool)
- **Denver, Colorado (2020)**
  - #3 hottest job market (Wall Street Journal)
  - #5 fastest growing city (WalletHub)
  - #1 most searched location for out-of-state movers (Apartment List)
- **Fort Collins, CO (2019)**
  - #9 best performing city (Milken Institute)
  - Manufacturing for Anheuser-Busch, Broadcom, Intel
- **Phoenix, Arizona (2019)**
  - America's fastest growing city three years in a row
  - 7.9% population growth from 2015 - 2019

## MYFW is 2<sup>nd</sup> Largest Publicly Held CO Chartered Bank

As of December 31, 2020	Current Ownership	Total Assets (\$bn)
FirstBank	Private	24.4
NBH Bank	<b>Public (NYSE: NBHC)</b>	6.7
Bank of Colorado	Private (Sub. Of Pinnacle Bancorp-NE)	5.6
Alpine Bank	Private	5.2
Sunflower Bank	Private	5.0
ANB Bank	Private	3.3
Citywide Banks	HTLF (Acquired in 2017)	2.6
First Western Trust Bank	<b>Public (Nasdaq: MYFW)</b>	2.0

(1) Source: 2020 Downtown Denver Partnership Report; Ft. Collins Chamber of Commerce; City of Phoenix  
 (2) Source: S&P Global Market Intelligence as of 06/30/2020.  
 (3) Percentage growth in household income (HHI).

## Deposits by MSA <sup>(2)</sup>



## Small Market Share Provides Large Growth Opportunity

MSA	State	Market Share	Projected % Change in HHI (2021-2026) <sup>(3)</sup>
Denver-Aurora-Lakewood	CO	0.73	11.0
Fort Collins	CO	2.03	13.45
Phoenix-Mesa-Scottsdale	AZ	0.15	13.18
Boulder	CO	1.40	11.41
Jackson	WY/ID	1.12	8.50
Glenwood Springs	CO	0.80	8.82
<b>National Average</b>			<b>9.01</b>

# MYFW: Our Five Core Strengths

## Differentiated, Proven in the Marketplace

- **Niche-focused** franchise headquartered in Denver, Colorado
- Well-positioned in many **attractive markets** in Arizona, California, Colorado and Wyoming
- **Specialized central expertise** to compete with siloed national, regional firms
- Delivered through **local, boutique trust banking teams** so clients "owned" by MYFW, not associates

## Built-in Operating Leverage

- **Strong profit center margins at maturity**, growth opportunities in current and new markets
- **Revenue growth** in both fee income and net interest income, with neutral balance sheet
- Scalable, **leverageable high fixed cost, low variable cost Product and Support Centers**
- Operating **expense investment already in place** for growth and expansion

## Highly Desirable Recurring Fee Income

- **~50% fee income**, consistently through MYFW's history
- Primarily **recurring** trust and investment management ("TIM") fees
- **Low risk, "sticky" wealth/trust business** with comprehensive product offering
- **Multiple entry points with ConnectView®** – proprietary review process to service, **cross-sell**

## Experienced, Tested Team

- Executives are **major bank/professional firm trained**, with deep relationships in communities
- Achieved **growth through** business and economic **cycles**, capital constraints
- Healthy relationship with all regulators with **strong risk management** culture
- CEO with **proven track record** for creating value in previous bank ownership

## Unique Opportunity for Investors

- At critical mass but small market share, **many current and new market** opportunities
- **Proven ability to expand: (1) Organically, (2) By expansion and (3) By acquisition**
- Few large Colorado bank alternatives for investors and clients, creating **lift-out opportunities**
- Attractive revenue and earnings growth story **trading at close to tangible book value**

# Cross-Selling a Diverse Set of Products and Services

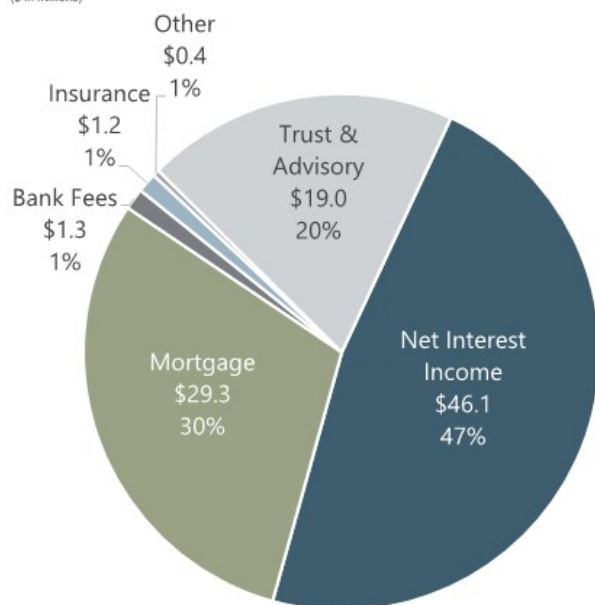
Our local profit centers team with specialized product experts through ConnectView®, with many points of entry

<b>Commercial Banking</b>	<ul style="list-style-type: none"> <li>▪ Corporate loans to match specific needs</li> <li>▪ Well-versed in working with complex cash flows and business models</li> <li>▪ <b>Customized treasury management</b> products and services</li> </ul>
<b>Retirement / 401(k) Plan Consulting</b>	<ul style="list-style-type: none"> <li>▪ <b>Retirement plan consultants</b> partnering with businesses to sponsor retirement plans</li> <li>▪ Creative corporate retirement plan design, analysis solutions, fiduciary liability management</li> <li>▪ ERISA compliance and education</li> </ul>
<b>Residential Mortgage Lending</b>	<ul style="list-style-type: none"> <li>▪ Mortgage banking <b>specializing in purchase money, high net worth lending</b></li> <li>▪ Underwritten to Fannie Mae and Freddie Mac guidelines</li> <li>▪ Targeted portfolio lending and secondary sales</li> </ul>
<b>Wealth Planning</b>	<ul style="list-style-type: none"> <li>▪ Wealth planning with specialized services (e.g. philanthropic)</li> <li>▪ <b>Proprietary ConnectView® approach</b>, with access to CFPs, CPAs and estate planning attorneys</li> <li>▪ Charitable giving tax strategies, deferred-compensation plans, life insurance, key person insurance</li> </ul>
<b>Investment Management</b>	<ul style="list-style-type: none"> <li>▪ Provide a <b>broad range of asset and sub asset classes</b>, with automated tax and basis management</li> <li>▪ Create unique solutions through internal research, proprietary and third-party investment options</li> <li>▪ Central team creates the platform for Portfolio Managers to service clients, manage accounts</li> </ul>
<b>Trust</b>	<ul style="list-style-type: none"> <li>▪ <b>Fiduciary wealth management</b> with expert review of client objectives, creating solutions</li> <li>▪ Irrevocable life insurance trust, conservatorship, successor trustee, directed custodial trusteeship</li> <li>▪ WY tax-exempt asset protection, special needs trusts, escrow services, family office services</li> </ul>

# High Quality Revenues with Predictable Sources of Recurring Income

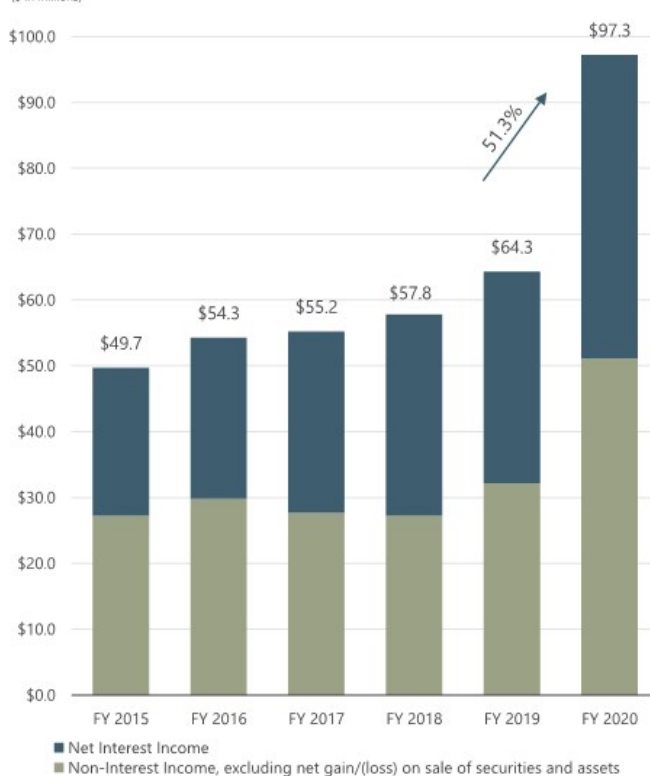
**FY 2020 Revenue Mix**

(\$ in millions)



**Gross Revenue<sup>(1)</sup>**

(\$ in millions)



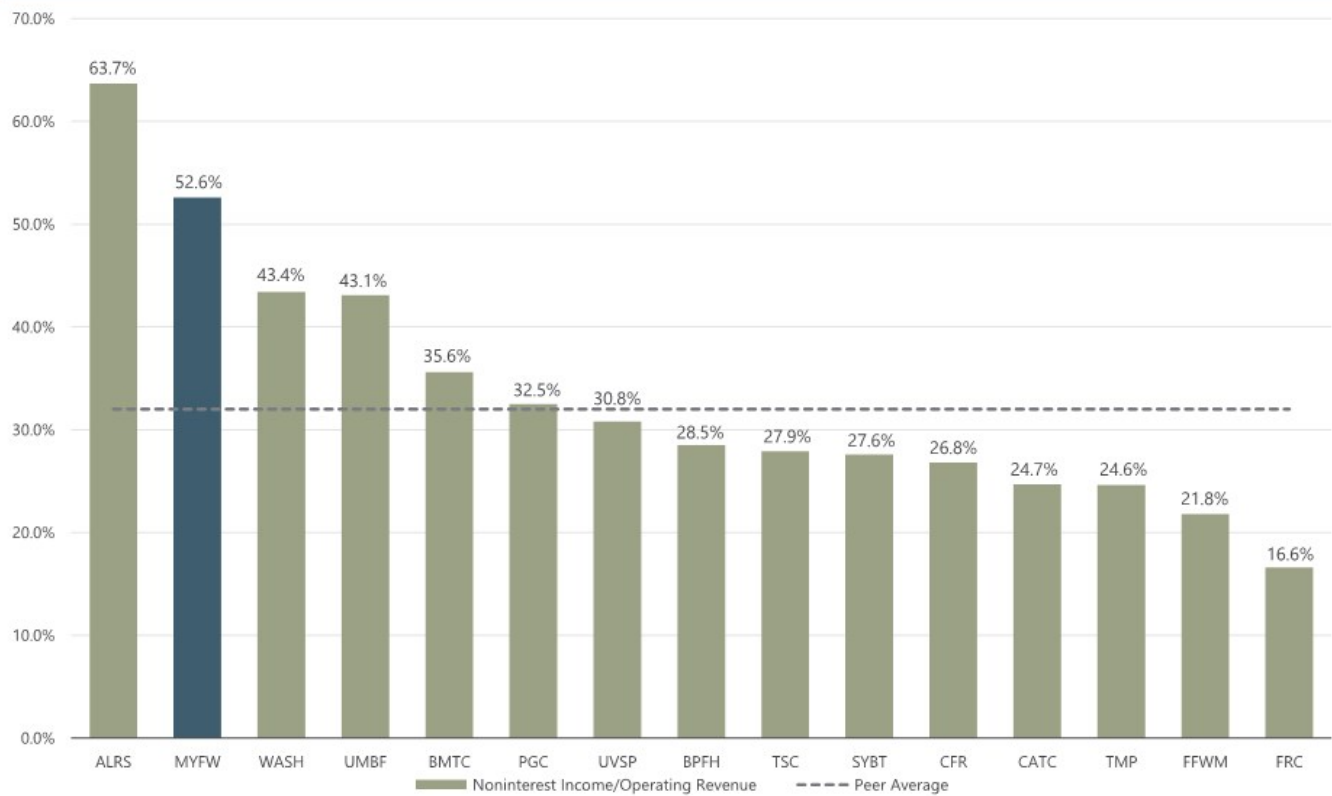
Note: As of or for the period ended December 31, 2020. Totals may not add up due to rounding.

(1) See Non-GAAP reconciliation



# Private Bank Model Generates Strong Fee Income

## Half of Operating Revenue Generated by Fee Income

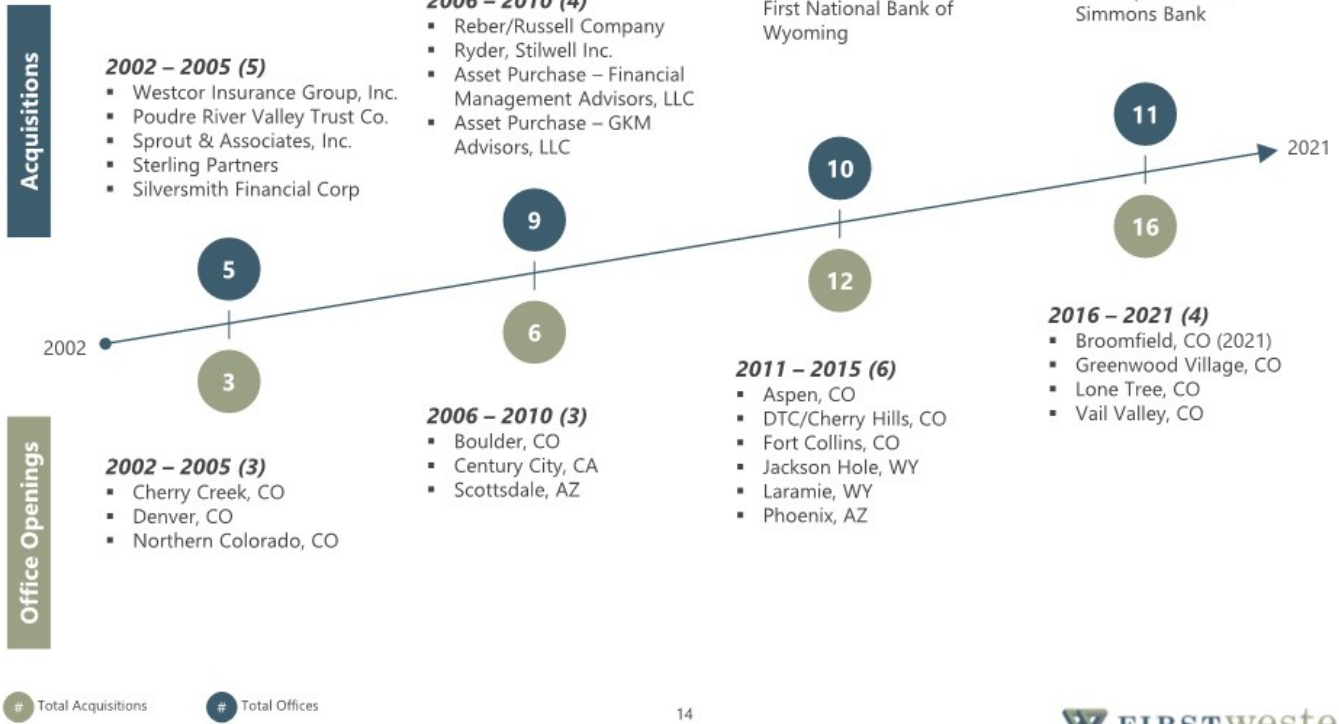


Source: S&P Global Market Intelligence (for the 12 months ended December 31, 2020)



## Driving Profitable Growth

# Success in Expansion and Acquisition Growth



# Revenue Growth Strategies

## Expand commercial loan production platform

- Building expertise in specific vertical markets, e.g. medical and dental practices
- Capitalize on growing reputation to attract additional experience commercial banking talent

## Expand into new markets with attractive demographics

- Vail Valley office opened in 2019
- Lone Tree office opened in 2020
- Built team and revenue base to open office in Broomfield, CO in 2Q21

## Continue growing Mortgage business

- MLO count increased 24% in 2019
- Added mortgage operations depth, capital markets capabilities in 2020
- Continuing to attract proven MLOs to increase market share

## Execute on low-risk strategic transactions that add value to the MYFW franchise

- Execute on non-dilutive acquisitions (no net growth in total shares outstanding since IPO)
- Leverage infrastructure through branch acquisition transactions
- Proactive expansion, acquisition team

# Highly Accretive Branch Purchase and Assumption Expands Denver Presence

## Transaction Overview

- Acquisition of all of the Denver locations of Simmons Bank (three branches and one loan production office)
  - Three of the locations will be consolidated into an existing First Western branch
- Assumed \$65.2 million in deposits and \$123.8 million in loans related to the acquired locations
- Adds scale, an attractive client base, and banking talent
- Closed on May 18, 2020

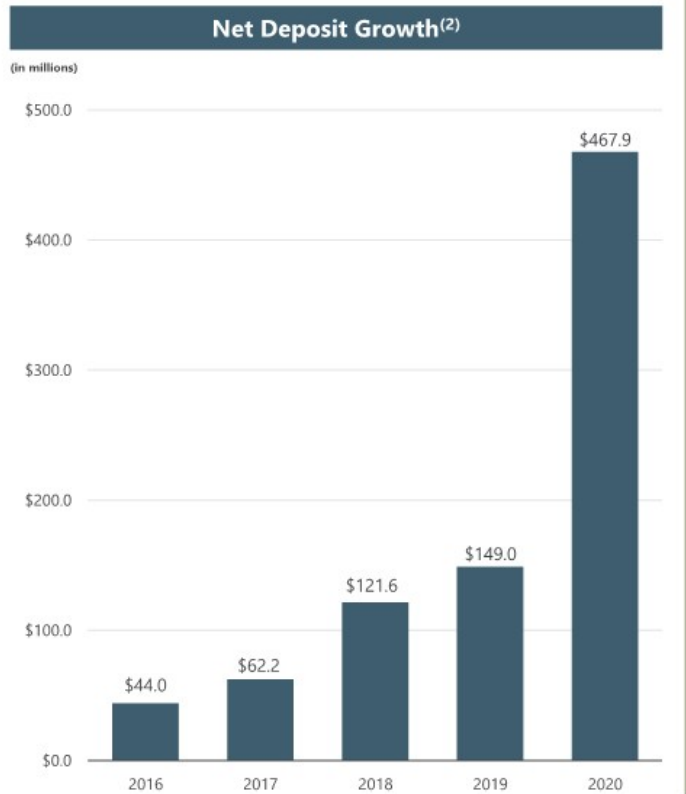
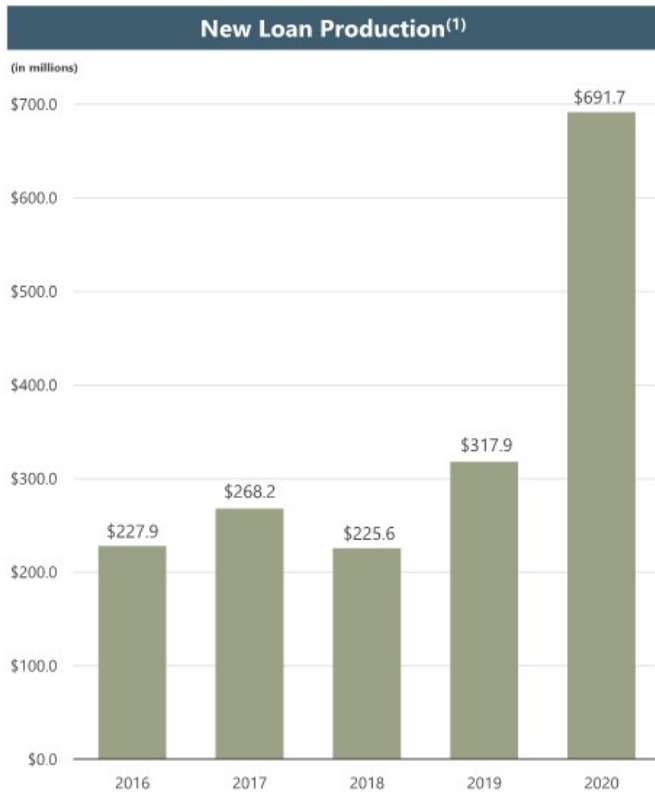
## Financial Impact

- Expected to be highly accretive to earnings
  - 7-8% accretive in 2020, excluding pre-tax transaction charges<sup>(1)</sup>
  - 15-16% accretive in 2021<sup>(1)</sup>

<sup>(1)</sup> Accretive estimates based on December 31, 2019 data

# Accelerating Business Development Trends

Capital raised in July 2018 IPO has allowed for increased business development activities

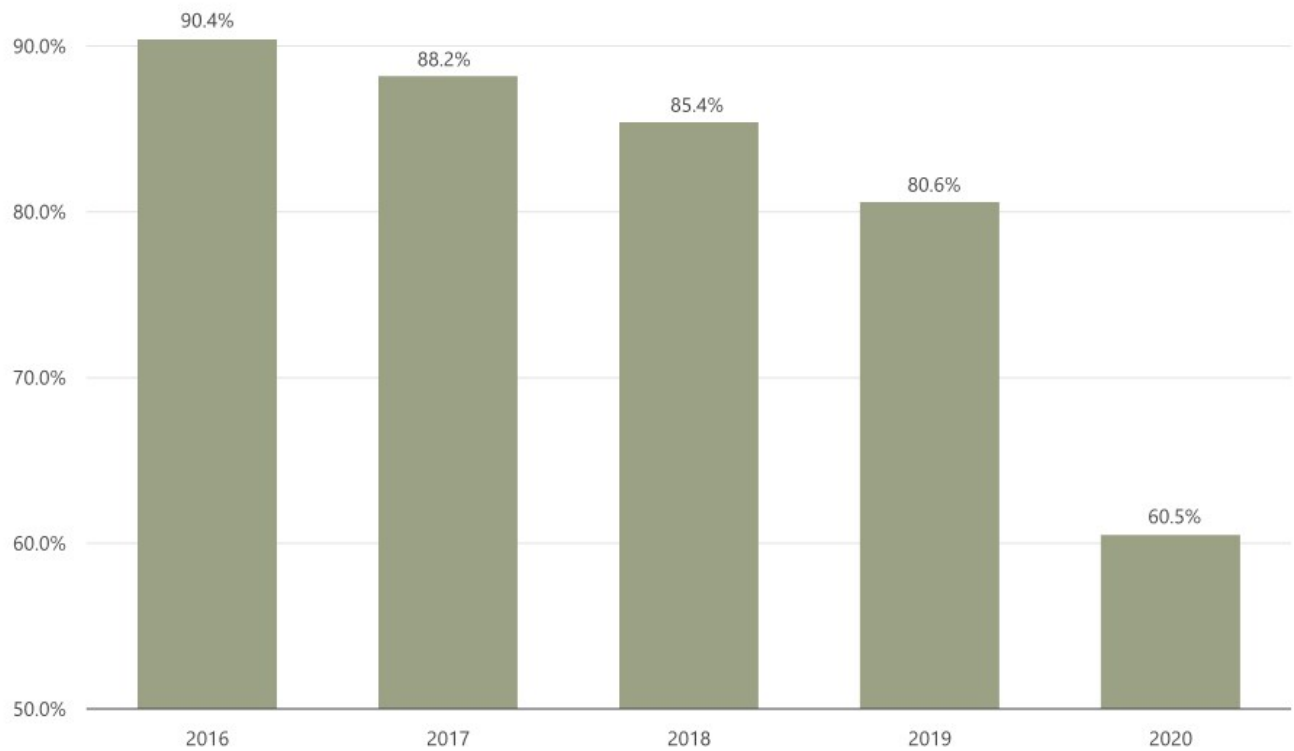


(1) Excluding PPP loans  
(2) Excluding acquired deposits



## Increased Scale and Back-Office Streamlining Driving Improved Efficiencies

Efficiency Ratio<sup>(1)</sup>



(1) See Non-GAAP reconciliation

## Commercial Banking Driving Growth

- During 2020, expanded commercial banking team and added construction lending expertise
- Increase in commercial banking clients contributing to growth in total loans and low-cost deposits while improving overall diversification
- Stronger commercial banking platform complements private banking and expanded mortgage capabilities to create a more valuable franchise with additional catalysts for future growth

### Total Commercial Loans<sup>(1)</sup>



(1) Reflects loans to commercial borrowers across all loan categories excludes SBA PPP loan balances due to their short-term nature.

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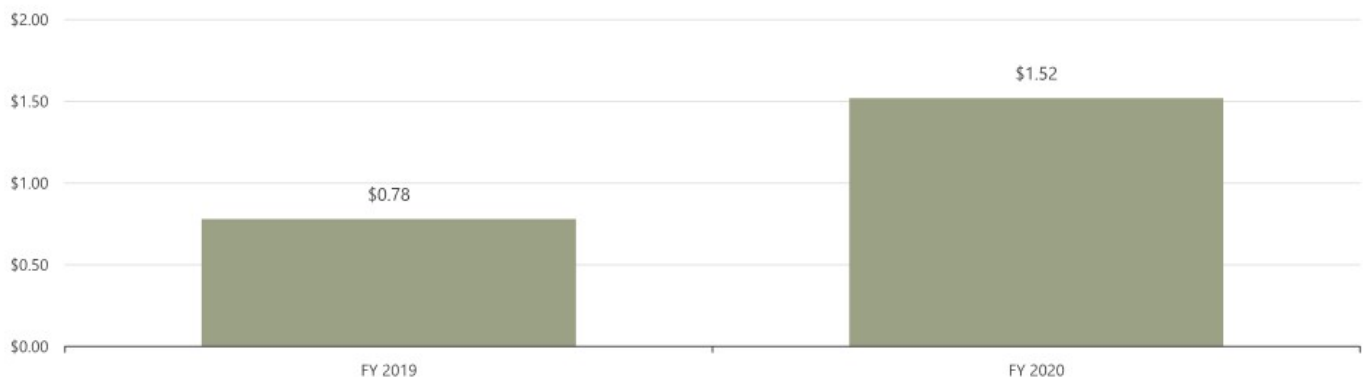
### Total Commercial Deposits



## Non-Mortgage Segment Earnings Growth

- Strong balance sheet growth and improving operating leverage creating sustainable path to higher earnings and profitability over long-term
- Non-mortgage segment earnings reflects contribution of private banking, commercial banking, and trust and investment management business lines

Non-Mortgage Segment Diluted Pre-Tax Earnings Per Share<sup>(1)</sup>



(1) See Non-GAAP reconciliation



## Recent Financial Trends

## Overview of 4Q20

### Strong Year-Over-Year Revenue and Earnings Growth

- Net income available to common shareholders of \$4.9 million, or \$0.61 diluted EPS, up 88.6% from 4Q19
- Gross revenue<sup>(1)</sup> of \$23.4 million, up 44.2% from 4Q19
- Strong performance and completed sale of LA fixed income team resulted in 25.0% increase in TBV/share<sup>(1)</sup> from 4Q19

### Balance Sheet Growth Driving Higher Spread Income

- Commercial banking initiative resulting in strong growth in commercial relationships, loans and deposits
  - Total loans held-for-investment (HFI) increased 6.0% from 3Q20 (excluding Paycheck Protection Program (PPP) loan runoff)
  - Total deposits increased 3.6% from 3Q20
- Net interest income up 4.2% from 3Q20 and 64.3% from 4Q19

### Continued Strong Mortgage Activity

- Net gain on mortgage loans of \$4.3 million, up 67.6% from 4Q19
- Seasonal slowdown and operational constraints reduced contribution of mortgage business relative to earlier in 2020

### Positive Trends in Asset Quality

- Non-performing assets declined by 59.3% from end of prior quarter to just 0.22% of total assets
- COVID-19 loan modifications represented just 0.1% of total loans at December 31, 2020
- History of exceptionally low charge-offs continues

<sup>(1)</sup> See Non-GAAP reconciliation

## Net Income Available to Common Shareholders and Earnings per Share

- Net income of \$4.9 million, or \$0.61 diluted earnings per share, in 4Q20
- Balance sheet growth and increasing operating leverage continue to build sustainable path to improving profitability and returns
- Sale of LA fixed income team resulted in a valuation allowance that increased 4Q20 effective tax rate, negatively impacting EPS by \$0.05

**Net Income Available to Common Shareholders**



(1) See Non-GAAP reconciliation

**Diluted Earnings per Share**





# Loan Portfolio

## Loan Portfolio Details

- Total loans HFI increased \$26.7 million, or 1.8% from prior quarter
- Excluding PPP loans, total loans HFI increased \$89.9 million, or 6.0% from prior quarter
- Construction lending expertise added in 2020 providing another catalyst for loan growth
- Gross loan production of \$201.1 million in 4Q20, a record high

## Loan Portfolio Composition<sup>(2)</sup>

(\$ in thousands, as of quarter end)

	4Q 2019	3Q 2020	4Q 2020
Cash, Securities and Other	\$146,701	\$371,481	\$357,020
Construction and Development	28,120	105,717	131,111
1 - 4 Family Residential	400,134	446,959	455,038
Non-Owner Occupied CRE	165,179	243,564	281,943
Owner Occupied CRE	127,968	154,138	163,042
Commercial and Industrial	128,457	185,625	146,031
<b>Total Loans HFI</b>	<b>\$996,559</b>	<b>\$1,507,484</b>	<b>\$1,534,185</b>
Mortgage loans held-for-sale (HFS)	48,312	89,872	161,843
<b>Total Loans</b>	<b>\$1,044,871</b>	<b>\$1,597,356</b>	<b>\$1,696,028</b>

(1) Bank originated

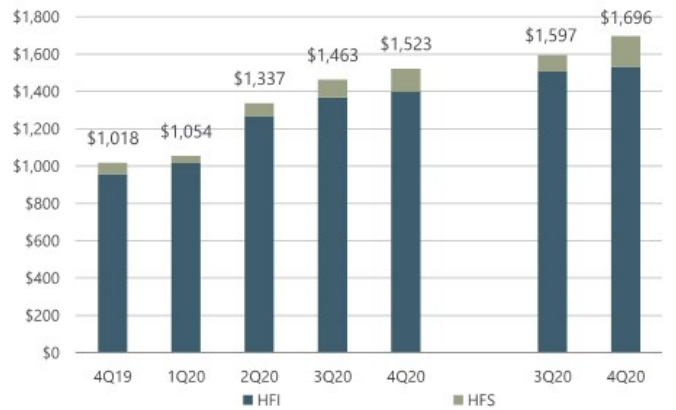
(2) Excludes deferred (fees) costs, and amortized premium/(unaccreted discount), net

## Loan Production & Net Loan Payoffs/Paydowns

(in millions)

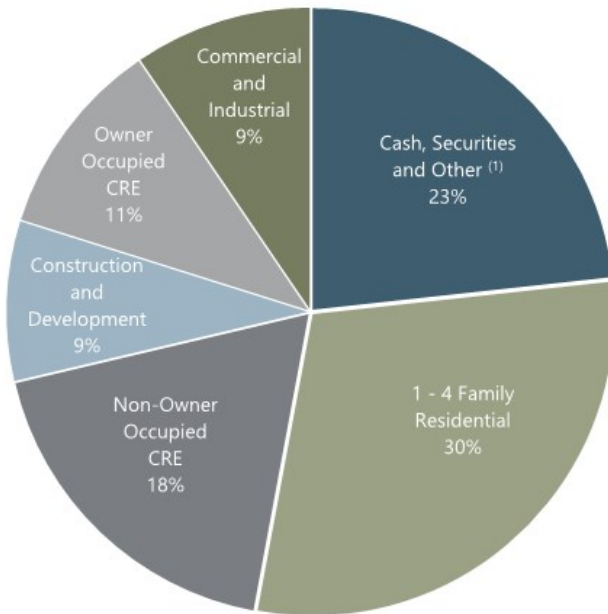


## Total Loans<sup>(2)</sup>



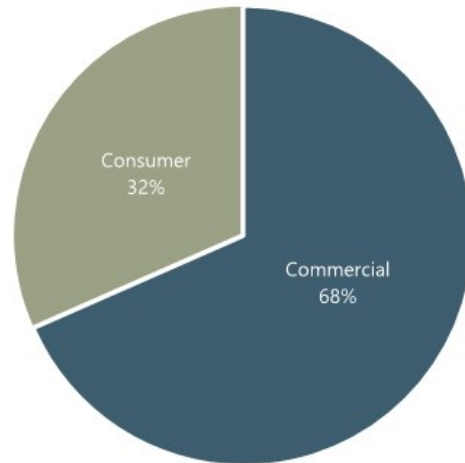
# Loan Portfolio Composition

**\$1.5 Billion** (as of 12/31/20)



(1) PPP loans accounted for \$142.9 million of total loans at 12/31/20

**Commercial vs. Consumer**



# Paycheck Protection Program Overview

Impact on 4Q20 Financials <sup>(1)</sup> (\$ in Millions)	
<b>Net Interest Income</b>	
Amortization of SBA fee income and deferred loan origination expense <sup>(2)</sup>	\$0.7
Interest income from PPP loans, less PPPLF funding cost	\$0.3
<b>Net Interest Income</b>	<b>\$1.0</b>
<b>Net Interest Margin Impact</b>	<b>-12 bps</b>

PPP Round 1 Loan Forgiveness (\$ in Millions)	As of 12/31/20	As of 1/25/21
<b>Total Loans submitted to SBA</b>	\$123.8	\$129.0
<b>Number of Loans forgiven by SBA</b>	324	390
<b>Amount of Loans forgiven by SBA</b>	\$54.8	\$64.5
<b>Loans under \$50K not yet forgiven</b>	\$3.0	\$2.2

(\$ in Millions)	At or for the three months ended 12/31/20
<b>Total Loans (existing PPP)</b>	\$142.9
<b>Average Loan size</b>	\$0.3
<b>PPPLF advances</b>	\$134.6
<b>Remaining Fees to be Recognized Pre-Tax<sup>(3)</sup></b>	\$1.3

PPP Round 2 (\$ in Millions)	As of 1/25/21
<b>Number of loan applications received from borrowers</b>	380
<b>Loan applications received from borrowers</b>	\$73.7
<b>Loan applications approved by the SBA</b>	\$34.9
<b>Average Loan size</b>	\$0.2

(1) All numbers represented do not include the impact of taxes

(2) The deferred loan origination expenses are recorded in non-interest expenses (Salaries and Benefits) and amortized through net interest income

(3) Includes \$2.2 million in SBA fee income less \$0.9 million of deferred loan origination expense

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## Total Deposits

- Total deposits increased \$56.2 million, or 3.6%, from end of prior quarter
- Growth attributable to increases in commercial DDA relationships accounts for 65.7% of all growth from 4Q19
- Noninterest-bearing deposits more than doubled over the past year and increased to 29.7% of total deposits at 4Q20 from 22.1% at 4Q19

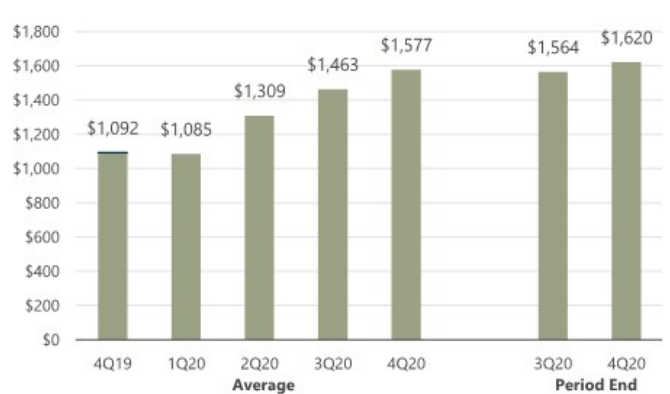
### Deposit Portfolio Composition

(\$ in thousands, as of quarter end)

	4Q 2019	3Q 2020	4Q 2020
Money market deposit accounts	\$615,575	\$805,634	\$847,430
Time deposits	134,913	177,391	172,682
NOW	91,921	101,708	113,052
Savings accounts	4,307	5,976	5,289
Noninterest-bearing accounts	240,068	472,963	481,457
<b>Total Deposits</b>	<b>\$1,086,784</b>	<b>\$1,563,672</b>	<b>\$1,619,910</b>

### Total Deposits

(\$ in millions)

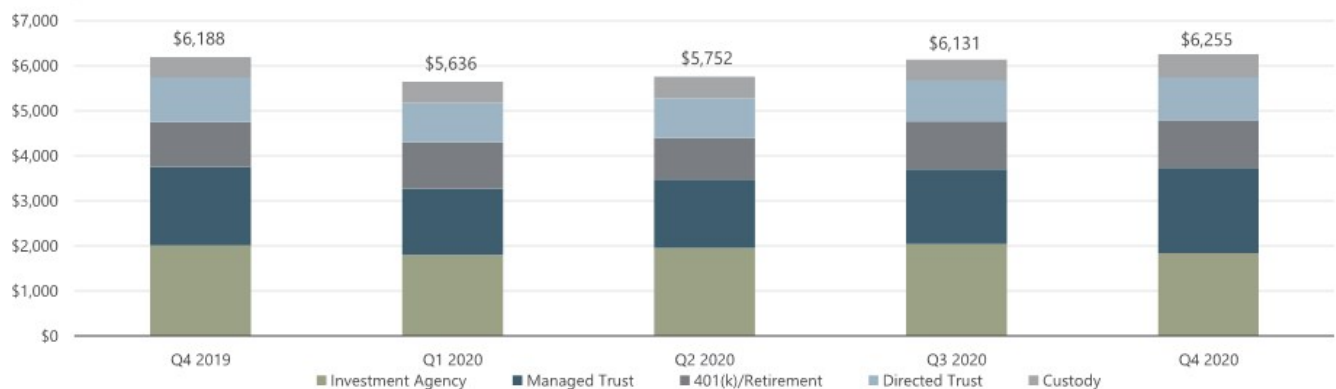


## Trust and Investment Management

- Total assets under management increased \$124.2 million from September 30, 2020 to \$6.26 billion at December 31, 2020
- Excluding the impact of sale of LA fixed income team (which reduced agency holdings by \$330.6 million), AUM increased \$454.8 million, or 7.4% from end of prior quarter
- The increase was primarily attributable to new accounts and contributions to existing accounts, as well as improving market conditions

### Total Assets Under Management

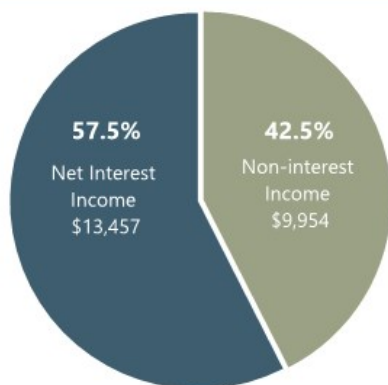
(in millions, as of quarter end)



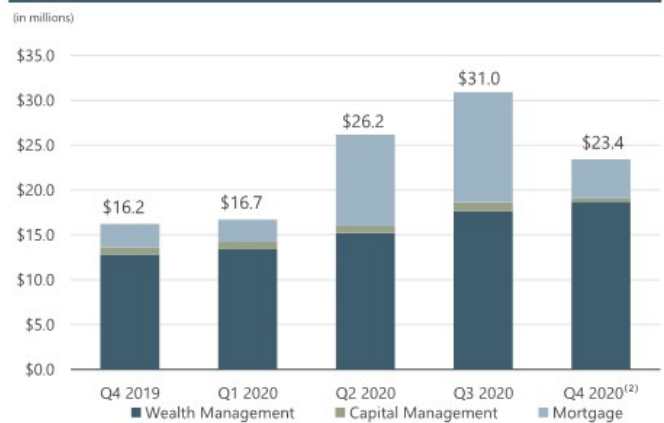
# Gross Revenue

- Gross revenue<sup>(1)</sup> increased 44.2% from 4Q19 driven by increase in assets, net interest income and fees
- Strong year-over-year growth in both net interest income and non-interest income
- Proven operating leverage as stable expense base continues to generate higher level of revenue

4Q20 Gross Revenue<sup>(1)</sup>



Gross Revenue<sup>(1)</sup>



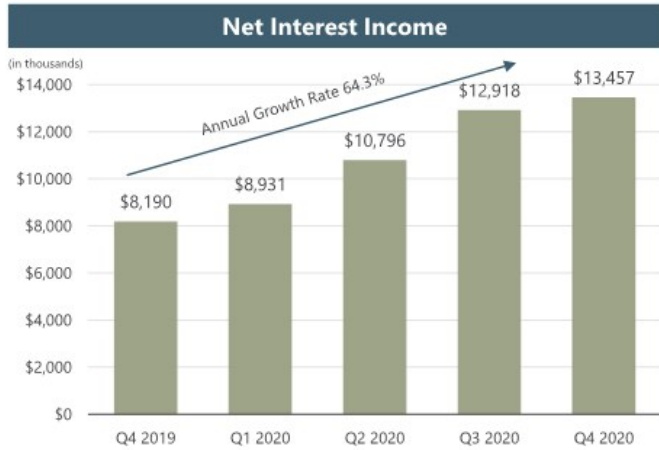
(1) See Non-GAAP reconciliation

(2) Gross Revenue for the Capital Management includes amounts for the fourth quarter of 2020 through the completion of the sale of the LA Fixed Income Team on November 16, 2020. Financial results after that date for the unsold portion are presented in Wealth Management.



## Net Interest Income and Net Interest Margin

- Net interest income increased 4.2% from 3Q20, primarily due to PPP income and higher average loan balances
- Net interest margin, including PPP and purchase accretion, remained stable at 3.07%
- Net interest margin, excluding PPP and purchase accretion<sup>(1)</sup>, decreased to 3.10% in 4Q20
- Cost of funds decreased 2 bps to 0.33% in 4Q20 from 0.35% in 3Q20
- Full quarter impact of recent sub debt issuance, continued excess liquidity, and declining loan yields expected to limit further NIM gains going forward



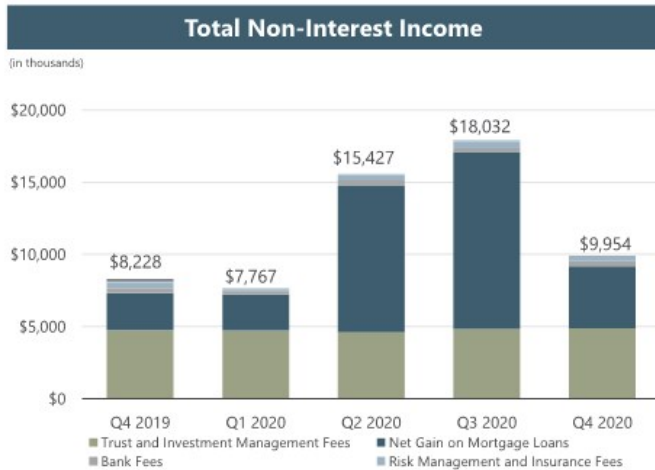
(1) See Non-GAAP reconciliation

30



## Non-Interest Income

- Non-interest income increased 21.0% from 4Q19
- Increase primarily due to higher net gain on mortgage loans
- Trust & Investment Management fees increased from 3Q20 despite sale of LA fixed income team during 4Q20
- Participated and funded six Main Street Lending Program loans generating \$0.1 million in servicing fee income in 2020



# Mortgage Operations

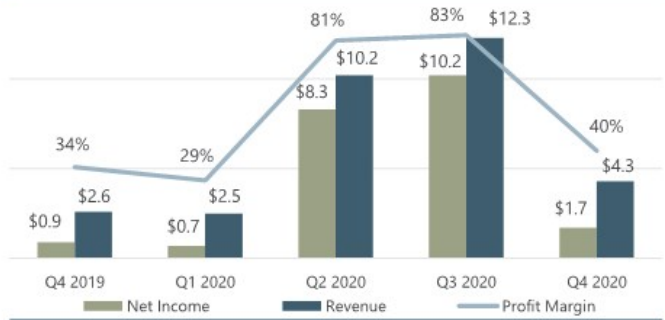
## Mortgage Details

- Continued strong origination production
- Mortgage locks down from record level in 3Q20, 225.8% Q419 lock volume
- Operational constraints and margin compression limited profitability during 4Q20
- Refi/Purchase mix of 67%/33% in 4Q20, compared to 59%/41% in 3Q20 and 64%/36% in 4Q19

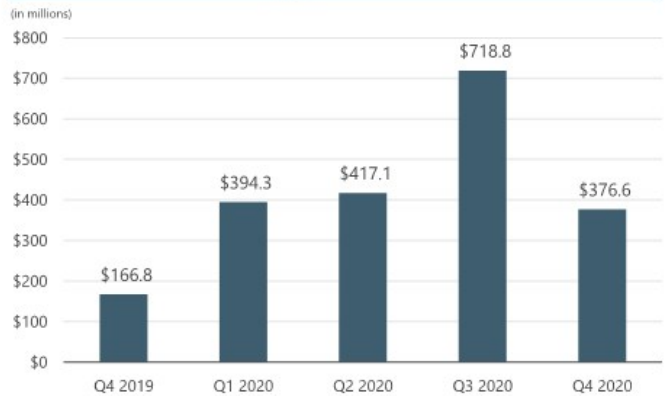
## Mortgage Originations



## Net Income, Revenue and Profit Margin



## Mortgage Loan Locks



## Non-Interest Expense and Efficiency Ratio

- Non-interest expense decreased 6.1% from 3Q20
- Decrease primarily due to lower salaries and employee benefits expense resulting from decrease in incentive compensation consistent with lower mortgage activity
- Occupancy and equipment cost decreased following consolidation of other locations acquired as part of the branch acquisition in 2Q20
- Balance sheet growth and higher fee income continue to drive significant year-over-year improvement in efficiency ratio

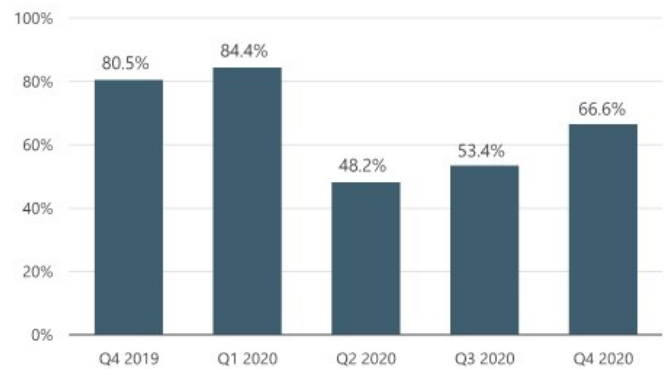
### Total Non-Interest Expense

(in thousands)



(1) See Non-GAAP reconciliation

### Operating Efficiency Ratio<sup>(1)</sup>



## Asset Quality

- Positive asset quality trends across the portfolio
- Non-performing assets decreased by \$6.2 million, and declined as a percentage of total assets to 0.22% from 0.53% in 3Q20 and 1.03% in 4Q20
- Decline in NPAs primarily due to payoff of one large TDR that was refinanced by another bank
- Immaterial net charge-offs again in the quarter

**Non-Performing Assets/Total Assets**



**Net Charge-Offs/Average Loans**



## Asset Quality

- \$0.7 million provision expense reflects the growth in the loan portfolio
- Increased loan level reviews and portfolio monitoring continue through the duration of the pandemic
- Past due loans as a percentage of total loans declined from Q3 2020

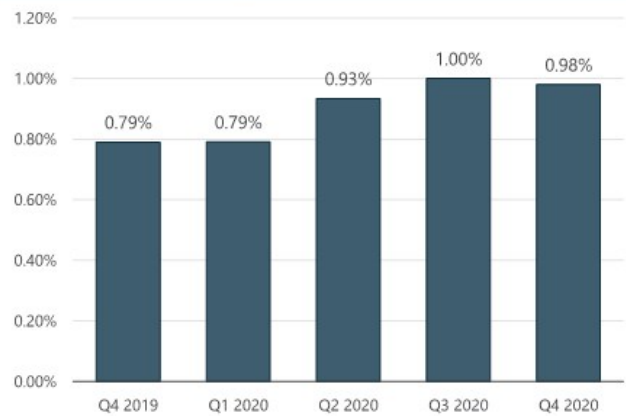
**Total Past Due as a % of Total Loans**



(1) Adjusted Total Loans – Total Loans minus PPP loans and acquired Loans; see non-GAAP reconciliation

35

**ALLL/Adjusted Total Loans<sup>(1)</sup>**

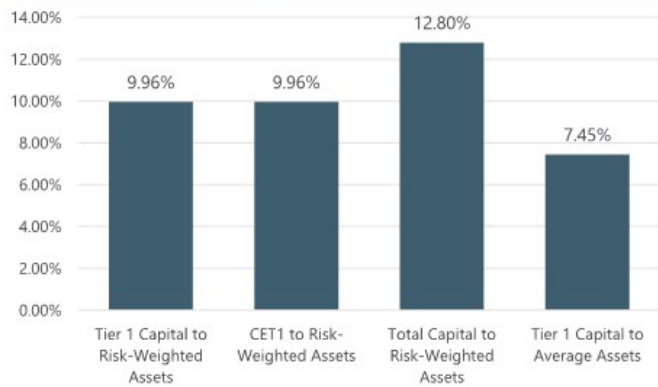


# Capital and Liquidity Overview

## Tangible Common Equity / TBV per Share<sup>(1)</sup>



## Consolidated Capital Ratios (as of 12/31/20)



## Liquidity Funding Sources (as of 12/31/20)

### Liquidity Reserves:

Total Available Cash	\$ 155,220,931
Unpledged Investment Securities	\$ 26,975,468

### Borrowed Funds:

<i>Unsecured:</i>	
Credit Lines	\$ 54,000,000

### *Secured:*

FHLB Available	\$ 441,835,815
FRB Available	\$ 875,156
Brokered Remaining Capacity	\$ 228,275,419

### Total Liquidity Funding Sources

**\$ 907,182,789**

### Loan to Deposit Ratio

**94.6%**

(1) See Non-GAAP reconciliation



## Creating Additional Shareholder Value



## 2021 Outlook and Priorities

- Strong capital generation in 2020 provides support for continued organic and acquisition-related growth
- Progress made in strengthening commercial banking capabilities in 2020 creates strong foundation for 2021 growth
- Continue expanding commercial banking platform
  - Capitalize on growing reputation as well as a differentiated commercial bank to attract additional talent
  - Use 2nd PPP program to develop new commercial relationships
- Add MLOs and operations staff to mortgage business to support continued higher production levels
- Continue growing newer offices to move them closer to target profitability
- Manage expenses while investing in technology to improve efficiencies, productivity, and client experience
- Evaluating additional acquisition opportunities that can add value and accelerate growth
- Continue making progress in building First Western into a high performing institution

# Long-Term Goals to Drive Shareholder Value

**Our mission is to be the BPBFWWMC – Best Private Bank for the Western Wealth Management Client**

We believe First Western can be a unique, niche focused regional powerhouse with high fee income and consistent strong earnings from our scalable wealth management platform

- **Drive to \$5 billion in total assets, \$25 billion TIM assets through both organic growth and acquisitions**
  - ~50 offices
  - \$7-8 million in revenue per office
  - 60% contribution margin per office
- **Build footprint, scale and operating leverage with M&A**
  - Capital and earnings accretive
- **Create, roll out virtual private bank**
  - Robo advisor tied to bank
  - "Buy up" into expert advice
- **Upgrade wealth management platform**
  - Fully integrated front end
- **Sell wholesale TIM services to other banks**

# A Unique and Attractive Investment

MYFW's core strengths provide the foundation for driving shareholder value

Differentiated,  
Proven in the  
Marketplace

Built-in Operating  
Leverage

Highly Desirable  
Recurring Fee  
Income

Experienced,  
Tested Team

Unique  
Opportunity for  
Investors

# Appendix

# Organizational Overview

## Team: Ready to Take MYFW to the Next Level

Name	Title	Joined FW	Years in Industry	Prior Experience
Scott C. Wylie	Chairman, CEO & President	2002	33	<ul style="list-style-type: none"> <li>Chairman &amp; CEO, Northern Trust Bank of Colorado</li> <li>Chairman &amp; CEO, Trust Bank of Colorado</li> <li>CEO, Equitable Bancshares of Colorado and Women's Bank, Chairman, Equitable Bank</li> <li>Chairman, American Fundware</li> <li>President &amp; CEO, Bank and Trust of Puerto Rico</li> <li>Associate, First Boston Corporation</li> </ul>
Julie A. Courkamp	Chief Financial Officer, Director & Treasurer	2006	20	<ul style="list-style-type: none"> <li>Assurance services with PricewaterhouseCoopers</li> <li>Executive roles within First Western with responsibility for Accounting &amp; Finance, Risk, Technology and Operations</li> </ul>
John E. Sawyer	Chief Investment Officer	2017	27	<ul style="list-style-type: none"> <li>Chief Investment &amp; Fiduciary Officer, BBVA Compass Bank</li> <li>President &amp; COO, Florida-based boutique wealth management firm</li> <li>Executive with Credit Suisse, Morgan Keegan &amp; Co., and First Tennessee Capital Markets</li> </ul>
Scott J. Lawley	Chief Credit Officer	2018	33	<ul style="list-style-type: none"> <li>Sr. Credit Officer &amp; Segment Risk Officer, Huntington National Bank</li> <li>Credit advisor, chief underwriter, CRE credit officer PNC Bank, US Bank</li> <li>Lending positions with Fleet Bank</li> </ul>
Matt Cassell	President, Commercial Banking	2020	23	<ul style="list-style-type: none"> <li>Colorado Market President, Simmons Bank</li> <li>President-Colorado, Bank SNB</li> <li>Market President, Community Banks of Colorado</li> </ul>
Josh M. Wilson	Regional President, CO/WY/AZ	2008	21	<ul style="list-style-type: none"> <li>CFO, international oil and gas operating company</li> <li>PC President at First Western</li> <li>Executive with Bank One, JP Morgan and Vectra Private Bank</li> </ul>

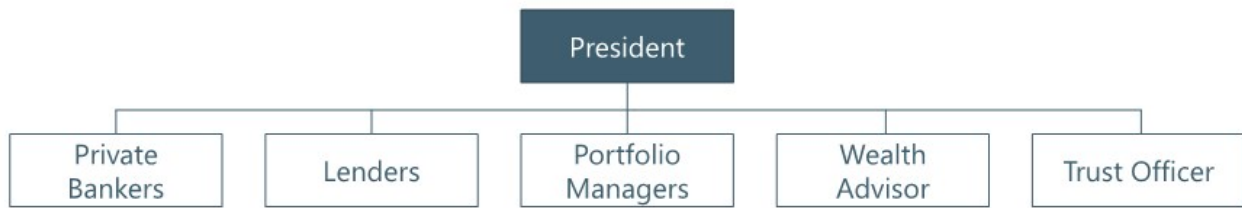
## MYFW's Sophisticated Board of Directors

Name	Director Since	Primary Business
Scott C. Wylie	2002	<ul style="list-style-type: none"> <li>First Western Financial, Inc.</li> </ul>
Julie A. Caponi, CPA	2017	<ul style="list-style-type: none"> <li>Former Finance Executive at Arconic, Inc. (fka Alcoa Inc.)</li> <li>Former audit partner at Deloitte</li> <li>Board member &amp; Audit Committee chair for FCF (NYSE)</li> </ul>
Julie A. Courkamp	2021	<ul style="list-style-type: none"> <li>First Western Financial, Inc.</li> </ul>
David R. Duncan	2011	<ul style="list-style-type: none"> <li>Energy</li> <li>Winery Executive, Silver Oak Cellars</li> <li>Entrepreneur, board member, business leader</li> </ul>
Thomas A. Gart	2013	<ul style="list-style-type: none"> <li>Real Estate Developer</li> <li>Specialty Retail Executive</li> <li>Family business, PE investing across broad range of industries</li> </ul>
Patrick H. Hamill	2004	<ul style="list-style-type: none"> <li>Real Estate Developer</li> <li>Home Builder Executive</li> <li>Entrepreneur, business/community leader, real estate expertise</li> </ul>
Luke A. Latimer	2015	<ul style="list-style-type: none"> <li>Utility Maintenance</li> <li>Construction Executive</li> <li>Family business, public bank board</li> </ul>
Scott C. Mitchell	2021	<ul style="list-style-type: none"> <li>President, U.S. Engineering, Metalworks</li> <li>President of several successful manufacturing companies</li> <li>Six Sigma Master Black Belt</li> </ul>
Eric D. Sipf, CPA <sup>(1)</sup>	2003	<ul style="list-style-type: none"> <li>Former Healthcare Executive</li> <li>US Army</li> <li>Asset management, finance, bank board, M&amp;A</li> </ul>
Mark L. Smith	2002	<ul style="list-style-type: none"> <li>Real Estate Developer</li> <li>Entrepreneur, community leadership, real estate expertise</li> </ul>
Joseph C. Zimlich, CPA	2004	<ul style="list-style-type: none"> <li>Family Office Executive</li> <li>Corporate leadership, board, and investment management</li> </ul>

(1) CPA license inactive.

# Integrated Team Approach in Boutique Offices

Working as a team to grow relationships



Team-based incentives



Product group specialists



Holistic view of the client  
– ConnectView®



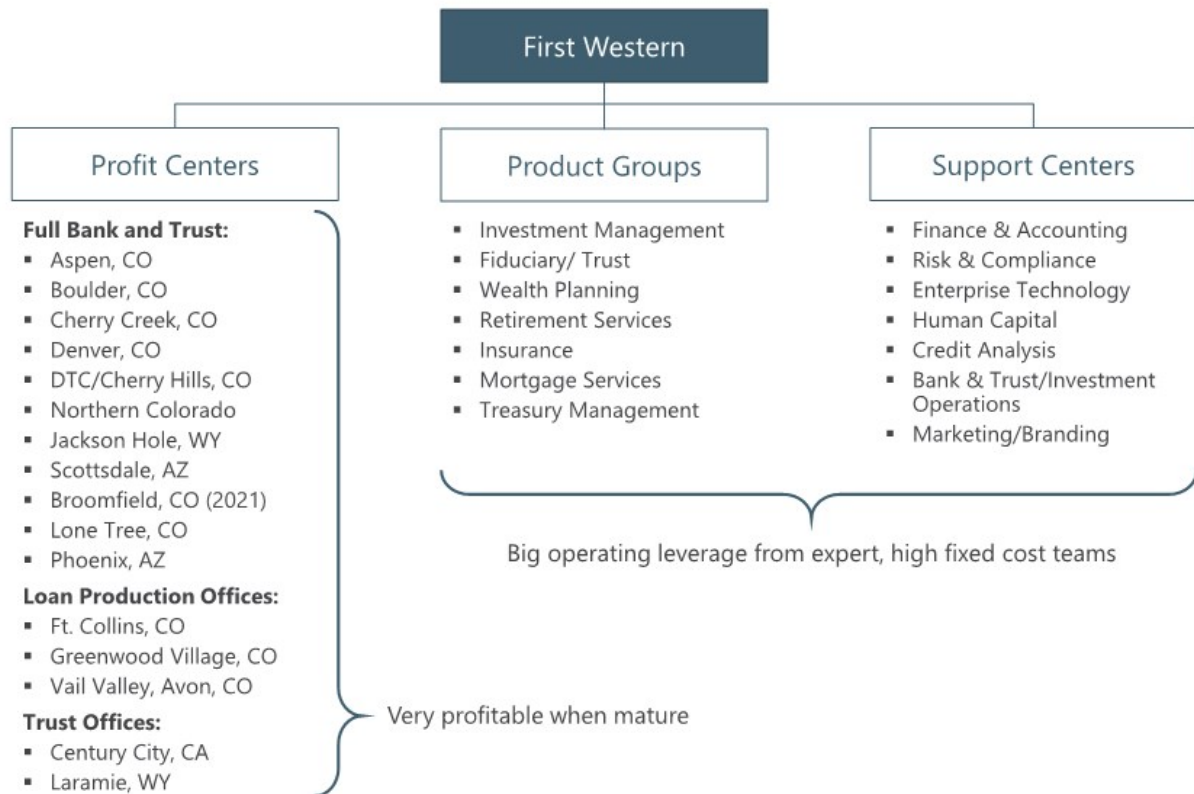
Many relationship managers to one client



Relationship-based wealth management



# Organizational Structure Built for Scale



## Non-GAAP Reconciliations

## Non-GAAP Reconciliation

Consolidated Efficiency Ratio (Dollars in thousands)	For the Three Months Ended,				
	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020
Non-interest expense	\$13,082	\$14,647	\$12,644	\$16,632	\$15,614
Less: amortization	7	2	4	4	4
Less: provision on other real estate owned	-	-	-	100	76
Less: loss on assets held for sale	-	553	-	-	-
Plus: gain on sale of LA fixed income team	-	-	-	-	62
Adjusted non-interest expense	\$13,075	\$14,092	\$12,640	\$16,528	\$15,596
Net interest income	\$8,190	\$8,931	\$10,796	\$12,918	\$13,457
Non-interest income	8,228	7,767	15,427	18,032	9,954
Less: Net gain on sale of securities	-	-	-	-	-
Less: Net gain on sale of assets	183	-	-	-	-
Total income	\$16,235	\$16,698	\$26,223	\$30,950	\$23,411
Efficiency ratio	80.5%	84.4%	48.2%	53.4%	66.6%

Consolidated Tangible Common Book Value Per Share (Dollars in thousands)	As of the Three Months Ended,										
	June 30, 2018	Sep. 30, 2018	Dec. 31, 2018	March 31, 2019	June 30, 2019	Sep. 30, 2019	Dec. 31, 2019	March 31, 2020	June 30, 2020	Sep. 30, 2020	Dec. 31, 2020
Total shareholders' equity	\$104,958	\$114,164	\$116,875	\$119,668	\$122,157	\$125,732	\$127,678	\$128,703	\$139,417	\$149,576	\$154,962
Less:											
Preferred stock (liquidation preference)	24,968	-	-	-	-	-	-	-	-	-	-
Goodwill	24,811	24,811	24,811	24,811	23,239	19,686	19,686	19,686	24,191	24,191	24,191
Intangibles held for sale <sup>(1)</sup>	-	-	-	-	-	3,553	3,553	3,000	3,000	3,000	-
Other intangibles, net	773	565	402	229	88	36	28	26	76	72	67
<b>Tangible common equity</b>	<b>54,406</b>	<b>88,788</b>	<b>91,662</b>	<b>94,628</b>	<b>98,830</b>	<b>102,457</b>	<b>104,411</b>	<b>105,991</b>	<b>112,150</b>	<b>122,313</b>	<b>\$130,704</b>
Common shares outstanding, end of period	5,917,667	7,968,420	7,968,420	7,968,420	7,983,866	7,983,284	7,940,168	7,917,489	7,939,024	7,951,749	7,951,773
<b>Tangible common book value per share</b>	<b>\$9.19</b>	<b>\$11.14</b>	<b>\$11.50</b>	<b>\$11.88</b>	<b>\$12.38</b>	<b>\$12.83</b>	<b>\$13.15</b>	<b>\$13.39</b>	<b>\$14.13</b>	<b>\$15.38</b>	<b>\$16.44</b>

(1) Represents the intangible portion of assets held for sale

## Non-GAAP Reconciliation

Wealth Management Gross Revenue	For the Three Months Ended,				
(Dollars in thousands)	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020
Total income before non-interest expense	\$12,534	\$13,023	\$13,114	\$16,232	\$17,973
Less: Net gain on sale of securities	-	-	-	-	-
Less: Net gain on sale of assets	183	-	-	-	-
Plus: Provision for loan loss	447	367	2,124	1,496	695
<b>Gross revenue</b>	<b>\$12,798</b>	<b>\$13,390</b>	<b>\$15,238</b>	<b>\$17,728</b>	<b>\$18,668</b>

Capital Management Gross Revenue	For the Three Months Ended,				
(Dollars in thousands)	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020
Total income before non-interest expense	\$815	\$804	\$788	\$899	\$423
Less: Net gain on sale of securities	-	-	-	-	-
Less: Net gain on sale of assets	-	-	-	-	-
Plus: Provision for loan loss	-	-	-	-	-
<b>Gross revenue</b>	<b>\$815</b>	<b>\$804</b>	<b>\$788</b>	<b>\$899</b>	<b>\$423</b>

Mortgage Gross Revenue	For the Three Months Ended,				
(Dollars in thousands)	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020
Total income before non-interest expense	\$2,622	\$2,504	\$10,197	\$12,323	\$4,320
Less: Net gain on sale of securities	-	-	-	-	-
Less: Net gain on sale of assets	-	-	-	-	-
Plus: Provision for loan loss	-	-	-	-	-
<b>Gross revenue</b>	<b>\$2,622</b>	<b>\$2,504</b>	<b>\$10,197</b>	<b>\$12,323</b>	<b>\$4,320</b>

Consolidated Gross Revenue	For the Three Months Ended,				
(Dollars in thousands)	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020
Total income before non-interest expense	\$15,971	\$16,331	\$24,099	\$29,454	\$22,716
Less: Net gain on sale of assets	183	-	-	-	-
Plus: Provision for loan loss	447	367	2,124	1,496	695
<b>Gross revenue</b>	<b>\$16,235</b>	<b>\$16,698</b>	<b>\$26,223</b>	<b>\$30,950</b>	<b>\$23,411</b>

## Non-GAAP Reconciliation

Adjusted net income available to common shareholders (Dollars in thousands, except per share data)	For the Three Months Ended,				
	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020
Net income available to common shareholders	\$2,572	\$1,334	\$8,696	\$9,630	\$4,874
Plus: acquisition related expense including tax impact	-	-	245	-	-
Plus: loss on intangibles held for sale including tax impact	-	438	-	-	-
<b>Adjusted net income to common shareholders</b>	<b>\$2,572</b>	<b>\$1,772</b>	<b>\$8,941</b>	<b>\$9,630</b>	<b>\$4,874</b>
Adjusted earnings per share (Dollars in thousands, except per share data)	For the Three Months Ended,				
	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2021
Earnings per share	\$0.32	\$0.17	\$1.10	\$1.21	\$0.61
Plus: acquisition related expenses including tax impact	-	-	0.03	-	-
Plus: loss on intangibles held for sale including tax impact	-	0.05	-	-	-
<b>Adjusted earnings per share</b>	<b>\$0.32</b>	<b>\$0.22</b>	<b>\$1.13</b>	<b>\$1.21</b>	<b>\$0.61</b>
Total Non-Interest Expense adjusted for Non-Operating items (Dollars in thousands)	For the Three Months Ended,				
	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020
Net income available to common shareholders	\$13,082	\$14,647	\$12,644	\$16,632	\$15,614
Less: acquisition related expense	-	-	323	-	-
Less: loss on intangibles held for sale	-	553	-	-	-
<b>Total Non-Interest Expense adjusted for Non-Operating items</b>	<b>\$13,082</b>	<b>\$14,094</b>	<b>\$12,321</b>	<b>\$16,632</b>	<b>\$15,614</b>
Allowance for loan losses to Bank originated loans excluding PPP (Dollars in thousands)	As of				
	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020
Gross loans	996,559	1,042,478	1,424,160	1,507,484	1,534,185
Less: Branch acquisition	-	-	123,786	124,689	127,233
Less: PPP loans	-	-	191,676	193,213	130,019
Loans excluding acquired and PPP	996,559	1,042,478	1,108,698	1,189,582	1,276,933
Allowance for loan losses	7,875	8,242	10,354	11,845	12,539
<b>Allowance for loan losses to Bank originated loans excluding PPP</b>	<b>0.79%</b>	<b>0.79%</b>	<b>0.93%</b>	<b>1.00%</b>	<b>0.98%</b>

## Non-GAAP Reconciliation

Adjusted net interest margin (Dollars in thousands)	For the Three Months Ended June 30, 2020			For the Three Months Ended September 30, 2020			For the Three Months Ended December 31, 2020		
	Average Balance	Interest Earned/Paid	Average Yield/Rate	Average Balance	Interest Earned/Paid	Average Yield/Rate	Average Balance	Interest Earned/Paid	Average Yield/Rate
Interest-bearing deposits in other financial institutions	76,463	44		178,756	99		194,179	100	
PPP adjustment	20,587	25		(38,618)	(45)		(20,871)	(5)	
Available-for-sale securities	48,614	224		40,528	173		37,512	186	
PPP adjustment	-	-		-	-		-	-	
Loans	1,268,797	12,202		1,462,872	14,138		1,522,947	14,656	
PPP adjustment	(152,893)	(718)		(201,208)	(870)		(174,046)	(1,209)	
Purchase Accretion adjustment				-	(534)		-	(333)	
Adjusted total Interest-earning assets	1,261,568	11,777		1,442,330	12,961		1,559,721	13,395	
Interest-bearing deposits		1,319			1,067			1,015	
PPP adjustment		-			-			-	
Federal Home Loan Bank Topeka and Federal Reserve borrowings		129			204			200	
PPP adjustment		(39)			(180)			(175)	
Subordinated notes		226			221			270	
Adjusted total interest-bearing liabilities		1,635			1,312			1,310	
Net interest income		10,142			11,649			12,085	
Adjusted net interest margin			3.22%			3.23%			3.10%



## Non-GAAP Reconciliation

<b>Consolidated Gross Revenue</b>		<b>For the Years Ended,</b>				
<b>(Dollars in thousands)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Total income before non-interest expense	\$49,339	\$53,394	\$54,501	\$57,617	\$63,976	\$92,600
Less: Net gain on sale of securities	717	114	81	-	119	-
Less: Net gain on sale of assets	-	-	-	-	183	-
Plus: Provision for credit loss	1,071	985	788	180	662	4,682
<b>Gross revenue</b>	<b>\$49,693</b>	<b>\$54,265</b>	<b>\$55,208</b>	<b>\$57,797</b>	<b>\$64,336</b>	<b>\$97,282</b>

<b>Consolidated Pre-tax, Pre-provision Income</b>		<b>For the Twelve Months Ended December 31,</b>				
<b>(Dollars in thousands)</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	
Net Income, as reported	\$2,302	\$2,023	\$5,647	\$8,009	\$24,534	
Provision for loan losses	985	788	180	662	4,682	
Income tax (benefit) expense	1,269	2,984	1,775	2,183	8,529	
<b>Pre-tax, Pre-provision Income</b>	<b>\$4,556</b>	<b>\$5,795</b>	<b>\$7,602</b>	<b>\$10,854</b>	<b>\$37,745</b>	

<b>Consolidated Efficiency Ratio</b>		<b>For the Years Ended,</b>				
<b>(Dollars in thousands)</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	
Non-interest expense	\$49,823	\$49,494	\$50,195	\$53,784	\$59,537	
Less: Amortization	747	784	831	374	14	
Less: Goodwill impairment	-	-	-	1,572	-	
Less: Provision on other real estate owned	-	-	-	-	176	
Less: Loss on assets held for sale	-	-	-	-	553	
Plus: Gain on sale of LA fixed income team	-	-	-	-	(62)	
Adjusted non-interest expense	\$49,076	\$48,710	\$49,364	\$51,838	\$58,856	
Net interest income	\$24,457	\$27,576	\$30,624	\$32,061	\$46,102	
Non-interest income	29,922	27,713	27,173	32,577	51,180	
Less: Net gain on securities	114	81	-	119	-	
Less: Net gain on sale of assets	-	-	-	183	-	
Total income	\$54,265	\$55,208	\$57,797	\$64,336	\$97,282	
<b>Efficiency ratio</b>	<b>90.4%</b>	<b>88.2%</b>	<b>85.4%</b>	<b>80.6%</b>	<b>60.5%</b>	

## Non-GAAP Reconciliation

Non-Mortgage Segment Diluted Pre-Tax Earnings Per Share (Dollars in thousands)	For The Years Ended December 31,	
	2019	2020
Non-Mortgage income before income tax	\$6,152	\$12,086
Mortgage income before income tax	4,040	20,977
Less: Income tax expense	2,183	8,529
Less: Preferred stock dividends	-	-
Net income available to common shareholders	\$8,009	\$24,534
Diluted weighted average shares	7,914,961	7,961,904
<b>Non-Mortgage Segment Diluted Pre-Tax Earnings Per Share</b>	<b>\$0.78</b>	<b>\$1.52</b>