

**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): November 10, 2020

FIRST WESTERN FINANCIAL, INC.

(Exact name of registrant as specified in its charter)

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

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

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, 2020.

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	First Western Financial, Inc. Investor Presentation
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: November 10, 2020

By: /s/ Scott C. Wylie

Scott C. Wylie

Chairman, Chief Executive Officer and President



First Western Financial, Inc.

The First, Western-Based Private Trust Bank

Investor Presentation
November 2020

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.

A Wealth Manager on Private Trust Bank Platform

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 clients, First Western
- Local boutique private trust bank offices with central product experts

Company Highlights as of 9/30/2020

- | | |
|-------------------|----------------|
| ▪ Assets: | \$1.97 billion |
| ▪ Gross Loans: | \$1.51 billion |
| ▪ Total Deposits: | \$1.56 billion |
| ▪ AUM: | \$6.13 billion |
| ▪ Tier 1 Ratio: | 9.88% |
| ▪ CET 1 Ratio: | 9.88% |
| ▪ Leverage Ratio: | 7.52% |
| ▪ TRBC Ratio: | 12.03% |



Office Locations

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

First Western Trust Bank
Colorado state chartered bank (14 locations)

First Western Merger Corporation
State licensed insurance agency

First Western Capital Management Co.
Registered investment advisor (1 location)

First Western Market Favorability⁽¹⁾

- **Colorado (2019)**
 - #4 fastest growing state with GDP CAGR of 3.6% (2014-2018)
 - #4 best state economy (Business Insider)
 - #8 best state for business (Forbes)
- **Denver, Colorado (2019)**
 - #3 best large city to start a business
 - #5 highest job growth among major cities (2010-2018)
 - #7 highest gross metro product among major cities (2012-2017)
- **Fort Collins, Colorado (2019)**
 - Gross metro product CAGR of 6.2% (2013-2018)
 - Manufacturing for Anheuser-Busch, Broadcom, Intel
- **Phoenix, Arizona (2018)**
 - Added nearly 100,000 residents from July 2017-July 2018
 - Second fastest growing metro in the U.S.

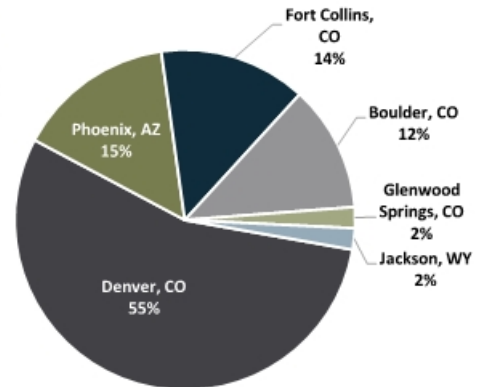
Colorado Chartered Banks (Assets > ~\$2.0 billion)

As of September 30, 2020	Current Ownership	Total Assets (\$bn)
FirstBank	Private	23.5
NBH Bank	Public (NYSE: NBHC)	6.6
Bank of Colorado	Private (Sub. of Pinnacle Bancorp-NE)	5.3
Alpine Bank	Private	5.1
Sunflower Bank	Private	4.9
ANB Bank	Private	3.2
Citywide Banks	HTLF (Acquired in 2017)	2.6
First Western Trust Bank	Public (Nasdaq: MYFW)	2.0

(1) Source: 2019 Downtown Denver Partnership Report; Raymond James research; Ft. Collins Chamber of Commerce; City of Phoenix; U.S. Census Bureau
 (2) Source: S&P Global Market Intelligence as of 06/30/2020.
 (3) Percentage growth in household income (HHI).
 Note: Demographic data provided by Claritas per US Census data.

Deposits by MSA⁽²⁾

Deposits by State	
Colorado	83%
Arizona	15%
Wyoming	2%



MSA	State	Market Share	Projected % Change in HHI (2021-2026) ⁽³⁾
Denver-Aurora-Lakewood	CO	0.73	11.00
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
National Average			9.01

Small market share and growing household income means lots of room to grow

Strong Asset Quality

- Minimal exposure to industries most impacted by the pandemic
- COVID-19 loan modifications represented just 4.4% of total loans at September 30, 2020
- Net charge-offs/average loans of 0.00% YTD in 2020

Exceptional Organic Balance Sheet Growth

- Non-PPP loan production has exceeded payoffs/paydowns by 36.7%
- Total loan growth of 19.4% YTD (excluding PPP and acquired loans)
- Total deposit growth of 35.4% YTD (excluding PPP-related and acquired deposits)

Growing Sources of Fee Income

- YTD non-interest income up 69.3% from 2019
- Investments in mortgage business have enabled First Western to capitalize on increased demand following reductions in interest rates
- Mortgage profit margins increased to 83.1% in 3Q20 from 39.0% in 3Q19

Significant Increase in Profitability

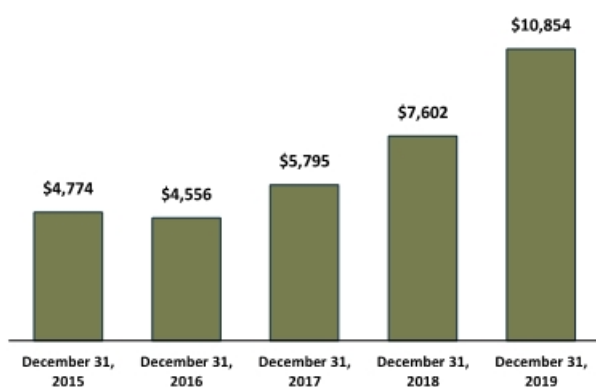
- YTD diluted EPS up 259% from 2019
- YTD ROAA increased to 1.26% from 0.68% in 2019
- YTD Efficiency Ratio⁽¹⁾ improved to 58.5% from 80.6% in 2019

(1) See Non-GAAP reconciliation

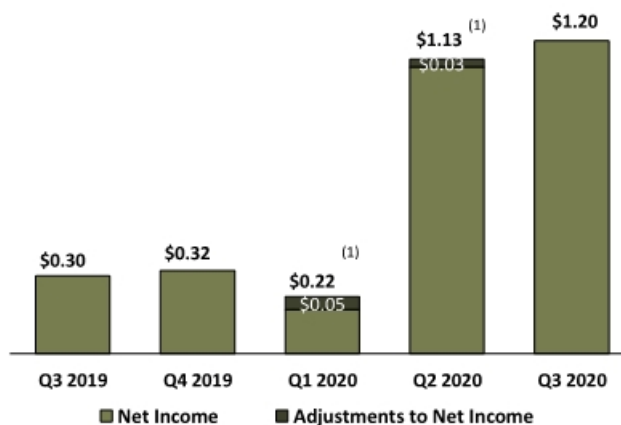
Drivers of Improved Performance

- Robust balance sheet growth
- Higher fee income driven by robust mortgage activity
- 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

2015-2019 Pre-Tax, Pre-Provision Income⁽¹⁾ (\$000s)

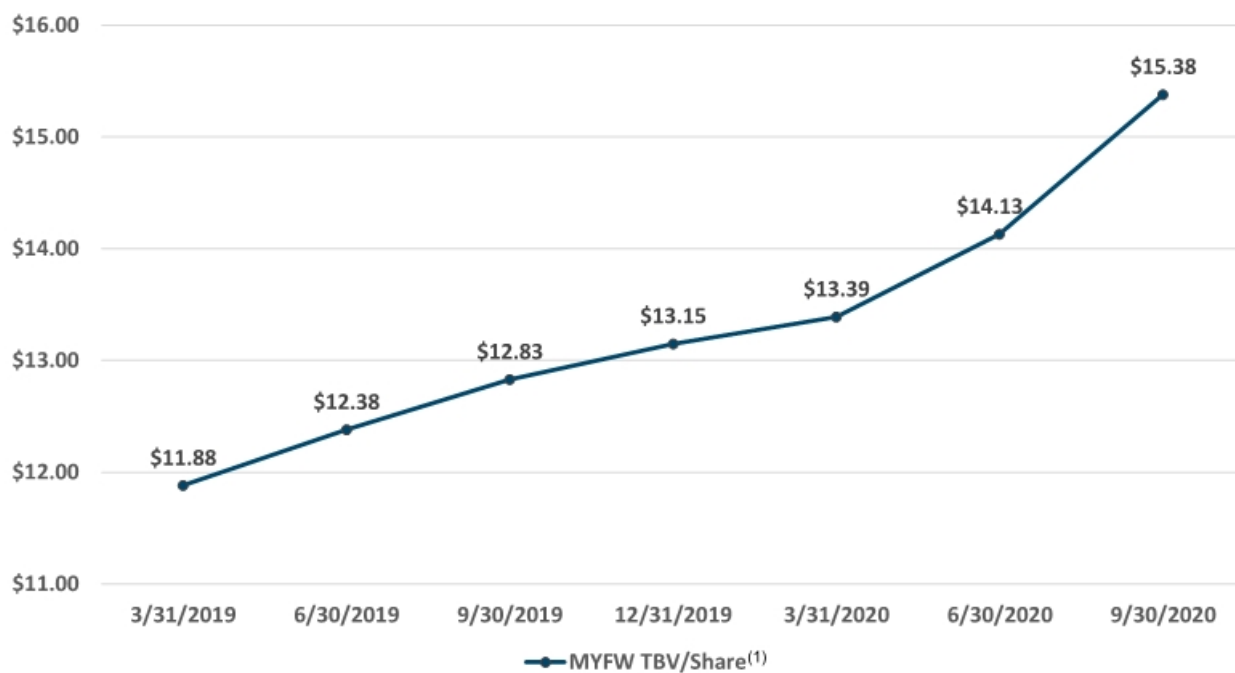


Earnings Per Share



(1) See Non-GAAP reconciliation

Strong Performance Creating Shareholder Value



(1) See Non-GAAP reconciliation

Improving Earnings Driving Outperformance



Source: S&P Global Market Intelligence (as of November 6, 2020)



Franchise Overview

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 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 and 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 discount to tangible book value**

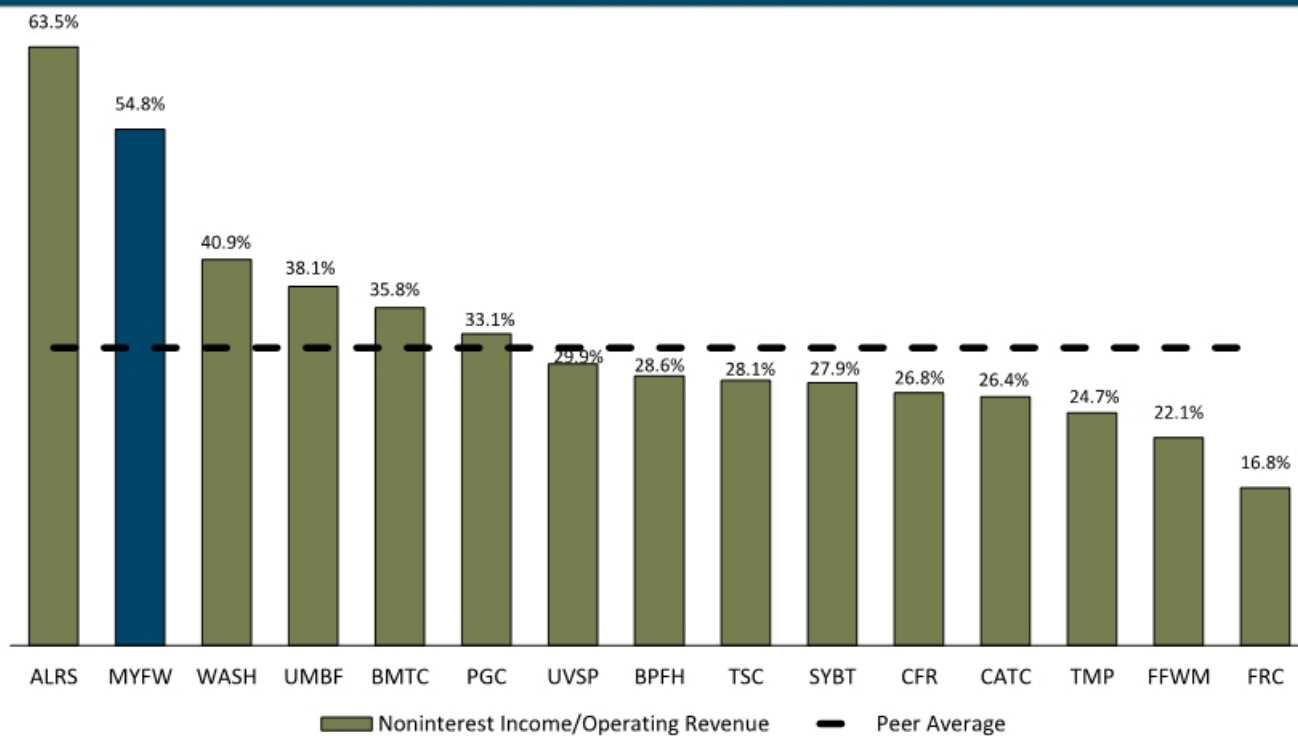
First Western’s core strengths provide the foundation for driving shareholder value

Our local profit centers team with specialized product experts through ConnectView®

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

Private Bank Model Generates Strong Fee Income

Half of Operating Revenue Generated by Fee Income

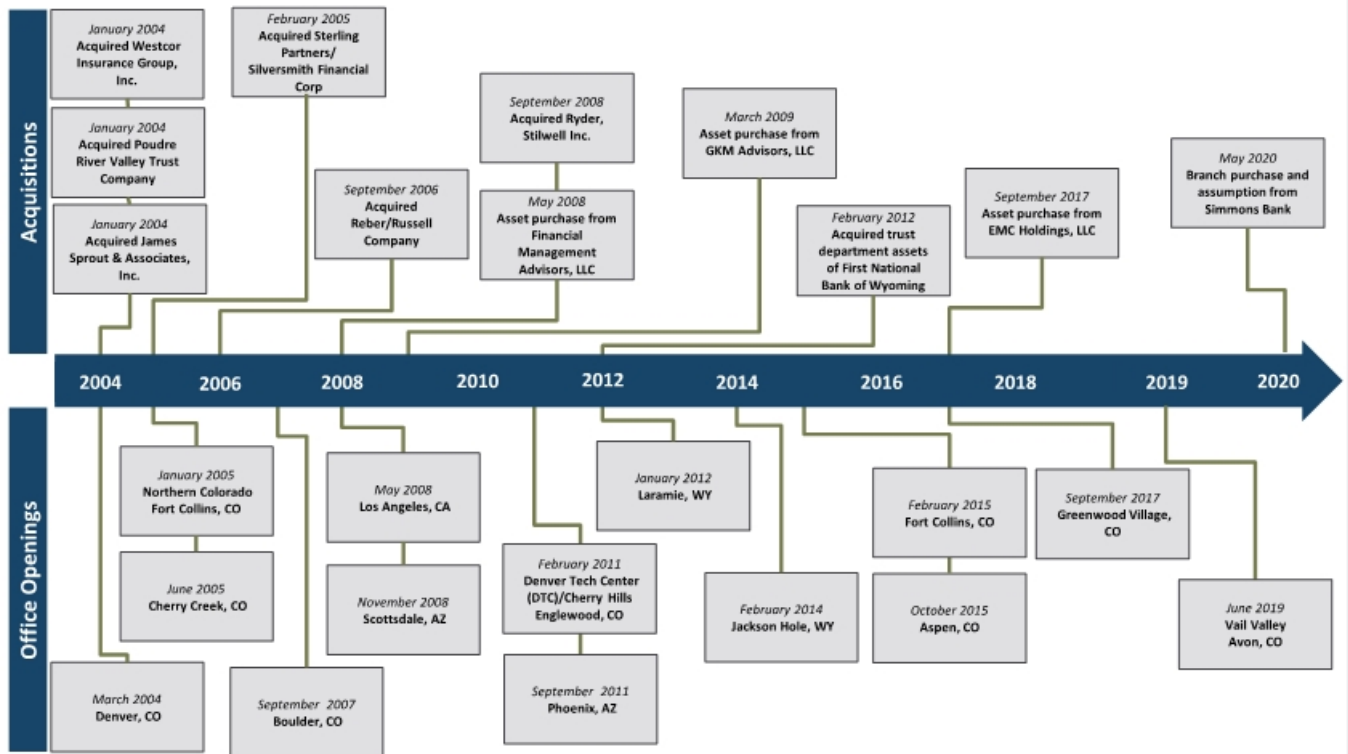


Source: S&P Global Market Intelligence (for the 12 months ended September 30, 2020)

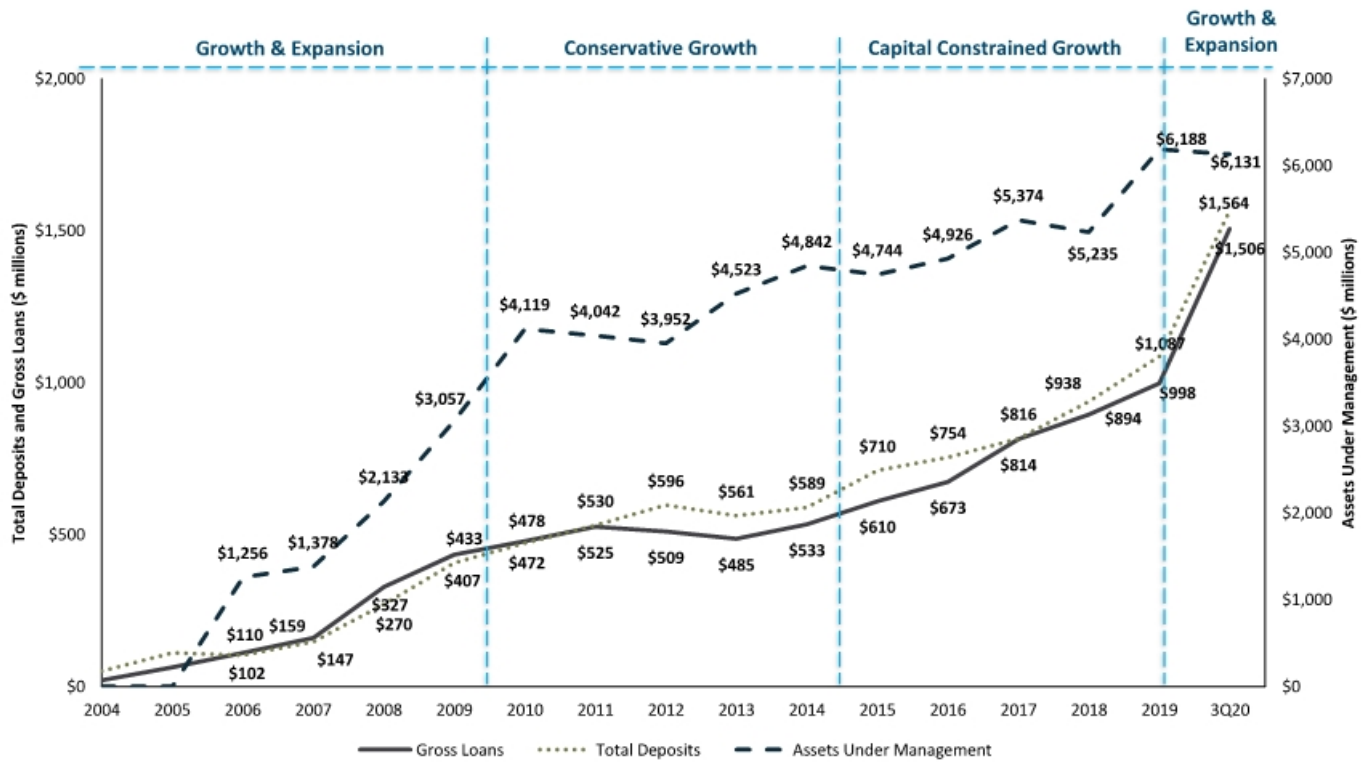


Driving Profitable Growth

Success in Expansion and Acquisition Growth



Emerging From a Cycle of Capital Constraint

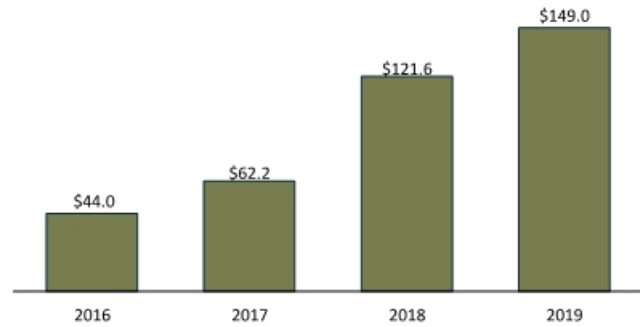


Capital raised in July 2018 IPO has allowed for increased business development activities...

New Loan Production

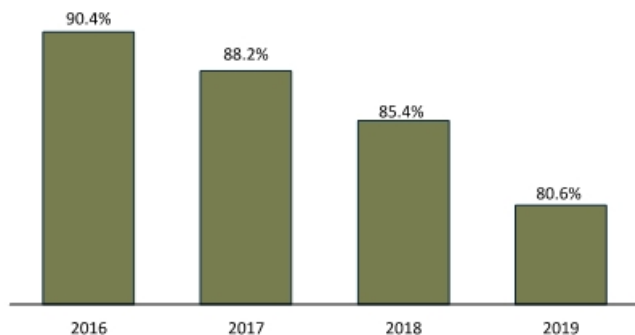


Net Deposit Growth

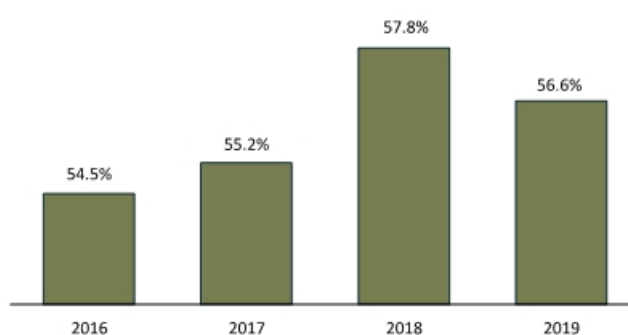


Increased Scale and Back-Office Streamlining Driving Improved Efficiencies

Efficiency Ratio⁽¹⁾



Percentage of Revenue Generating FTEs



(1) See Non-GAAP reconciliation

Revenue Growth Strategies

Expand commercial loan production platform

- Building expertise in specific vertical markets
- Launched medical and dental practice group in 1Q20
- Replicate same model in additional vertical markets

Expand into new markets with attractive demographics

- Vail Valley office opened in 2019
- Building team to focus on Broomfield, CO market in 2020

Capitalize on opportunities to add highly productive MLOs

- MLO count increased 24% in 2019
- Continuing to attract proven MLOs in 2020

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

- Branch acquisition deals
- Asset purchases

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⁽¹⁾
 - 15-16% accretive in 2021⁽¹⁾

⁽¹⁾ Accretive estimates based on December 31, 2019 data



Recent Financial Trends

Record Financial Performance

- Net income available to common shareholders of \$9.6 million, or \$1.20 EPS
- Gross revenue⁽¹⁾ of \$31.0 million, up 18.0% from 2Q20
- Book value per share and tangible book value⁽¹⁾ per share increased 7.1% and 8.8%, respectively, from 2Q20

Investments in Talent and Platform Driving Expected Growth

- Strong organic balance sheet growth as established offices continue to achieve scale and new offices increase their contributions
 - Gross loans increased 5.9% from 2Q20
 - Total deposits increased 11.1% from 2Q20
- Commercial banking initiative resulting in strong growth in commercial relationships, loans and deposits

Record Quarter of Mortgage Production

- Total residential mortgage originations for sale of \$376.3 million
- Net gain on mortgage loans of \$12.3 million

Positive Trends in Asset Quality

- COVID-19 loan modifications declined by 62.3% from June 30, 2020
- COVID-19 loan modifications represented just 4.4% of total loans at September 30, 2020
- Non-performing assets declined by 13.8% from end of prior quarter
- History of exceptionally low credit losses continues

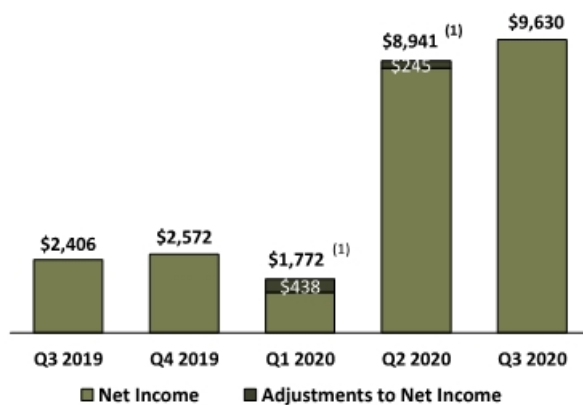
(1) See Non-GAAP reconciliation

Net Income Available to Common Shareholders and Earnings per Share

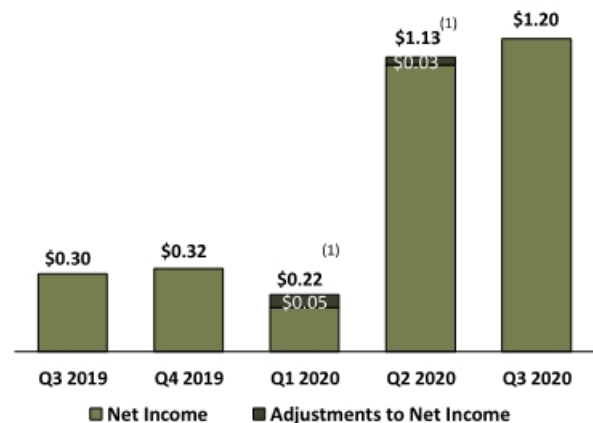
- Record financial performance despite ongoing impact of COVID-19 pandemic
- Net income of \$9.6 million, or \$1.20 diluted earnings per share, in 3Q20
- Mortgage activity providing significant contribution to current earnings, while balance sheet growth and improving leverage demonstrating sustainable progress to improving profitability and returns

Net Income Available to Common Shareholders

(In thousands)



Earnings per Share



(1) See Non-GAAP reconciliation

- Total loans held-for-investment (HFI) increased \$83.3 million, or 5.8% from prior quarter
- Balanced growth across most areas of the portfolio
- Commercial banking initiative shifting loan portfolio more towards business-related loans

Loan Portfolio Composition⁽²⁾

(in thousands, as of quarter-end)

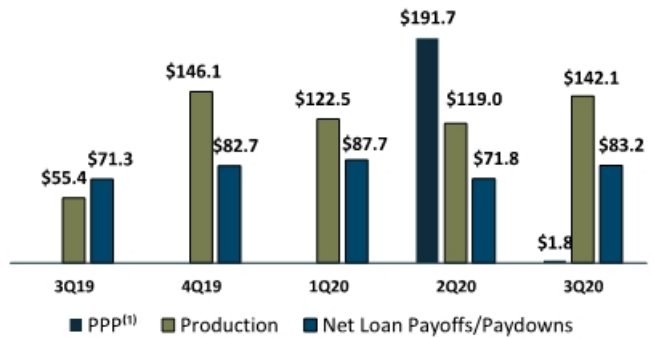
	3Q 2019	2Q 2020	3Q 2020
Cash, Securities and Other	\$146,622	\$371,111	\$371,481
Construction and Development	42,059	74,793	105,717
1 - 4 Family Residential	366,238	418,409	446,959
Non-Owner Occupied CRE	138,753	229,150	243,564
Owner Occupied CRE	119,497	117,426	154,138
Commercial and Industrial	111,187	213,271	185,625
Total Loans HFI	\$924,356	\$1,424,160	\$1,507,484
Mortgage loans held-for-sale (HFS)	69,231	69,604	89,872
Total Loans	\$993,587	\$1,493,764	\$1,597,356

(1) Bank originated

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

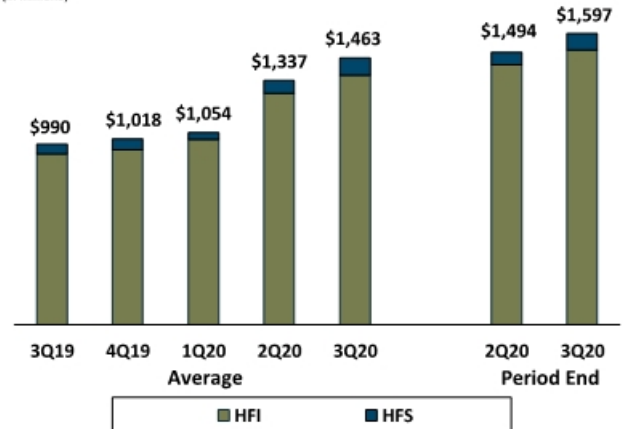
Loan Production & Net Loan Payoffs/Paydowns

(in millions)



Total Loans⁽²⁾

(in millions)



Total Deposits

- Total deposits increased \$156.7 million, or 11.1%, from end of prior quarter
- PPP-related deposits accounted for \$29.0 million of quarter end total deposits
- Growth almost entirely attributable to increases in commercial DDA relationships
- Noninterest-bearing deposits increased to 30.2% of total deposits at 3Q20 from 20.9% at 3Q19

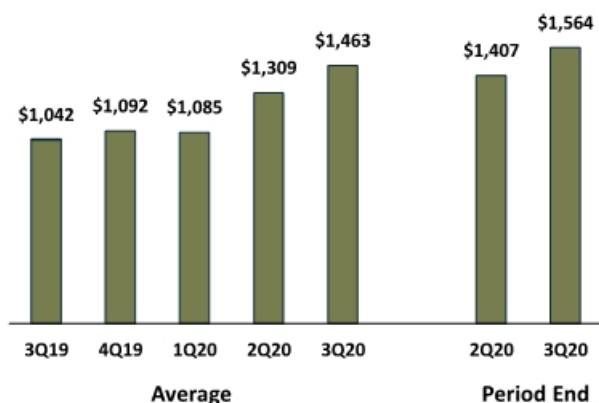
Deposit Portfolio Composition

(in thousands, as of quarter-end)

	3Q 2019	2Q 2020 ⁽¹⁾	3Q 2020 ⁽¹⁾
Money market deposit accounts	\$620,434	\$759,997	\$805,634
Time deposits	170,457	152,897	177,391
NOW	83,022	88,560	101,708
Savings accounts	3,456	7,415	5,976
Noninterest-bearing accounts	231,535	398,063	472,963
Total Deposits	\$1,108,904	\$1,406,932	\$1,563,672

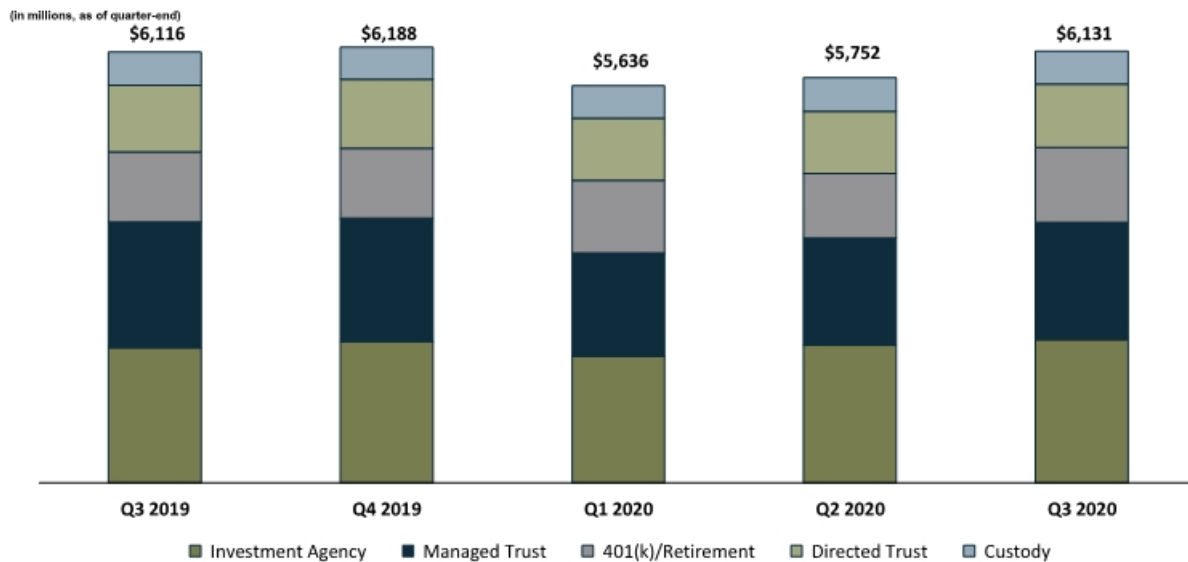
Total Deposits

(in millions)



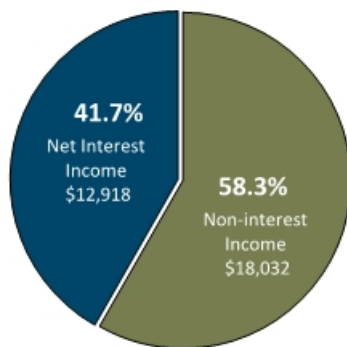
(1) PPP related deposits accounted for \$29.0 million and \$62.4 million of total deposit balances at 9/30/20 and 6/30/20, respectively

- Total assets under management increased \$378.8 million from June 30, 2020 to \$6.13 billion at September 30, 2020
- Increase was primarily attributable to client contributions to existing accounts and improving market conditions



- Gross revenue⁽¹⁾ increased 18.0% from 2Q20
- Strong year-over-year growth in both net interest income and non-interest income
 - Relative to 2Q20, net interest income growth exceeded non-interest income growth

3Q20 Gross Revenue⁽¹⁾



Gross Revenue⁽¹⁾

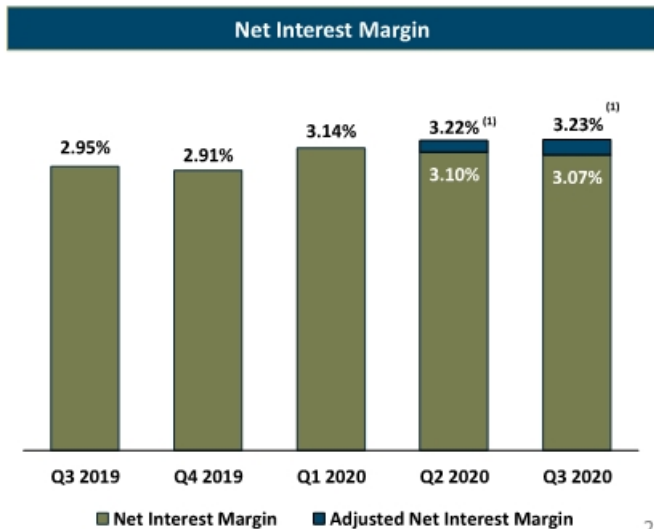
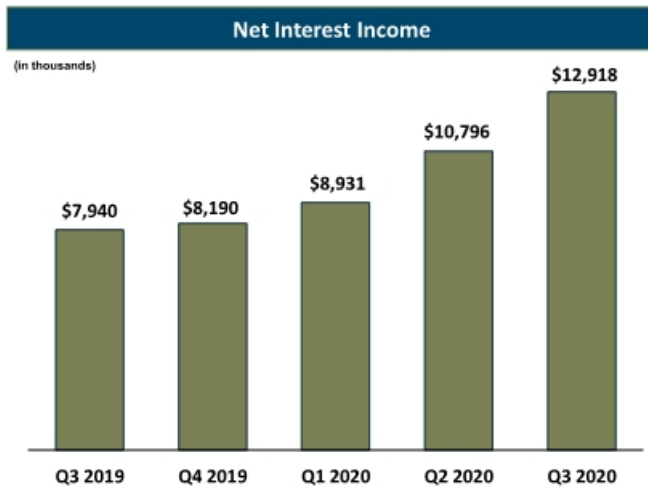
(in millions)



(1) See Non-GAAP reconciliation

Net Interest Income & Net Interest Margin

- Net interest income increased 19.7% from 2Q20, primarily due to an increase in average loan balances
- Net interest margin, including impact of PPP loans, remained relatively stable at 3.07%
- Net interest margin, excluding impact of PPP and purchase accretion⁽¹⁾, increased to 3.23% in 3Q20
- Cost of deposits decreased 11 bps to 0.29% in 3Q20 from 0.40% in 2Q20
- Redeployment of excess liquidity and additional opportunities to reduce deposit costs should result in higher NIM going forward

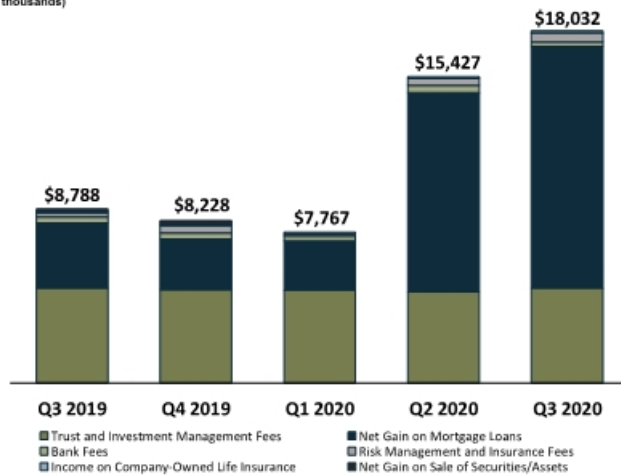


(1) See Non-GAAP reconciliation

- Non-interest income increased 16.9% from 2Q20
- Increase primarily due to record quarter of net gain on mortgage loans
- Increasing economic activity and clients added through branch acquisition contributing to increase in fee income

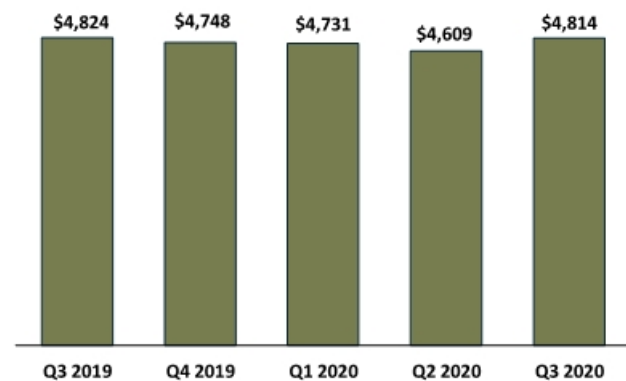
Total Non-Interest Income

(in thousands)

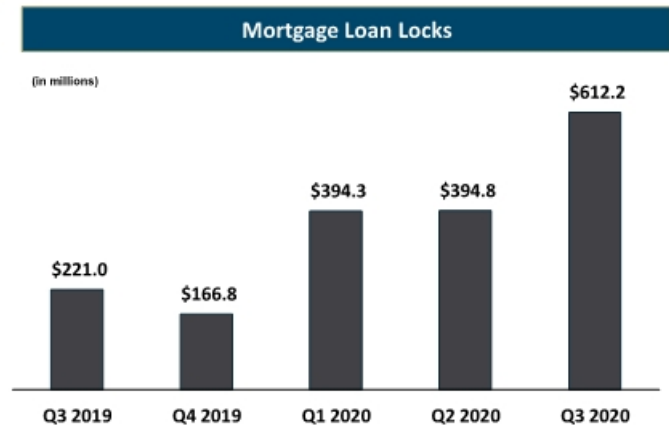
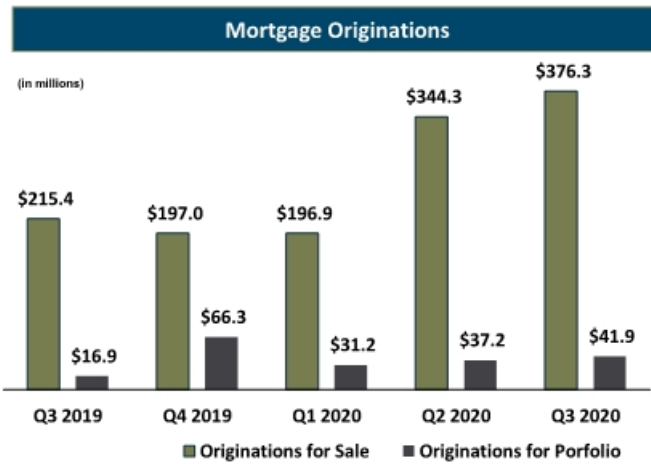
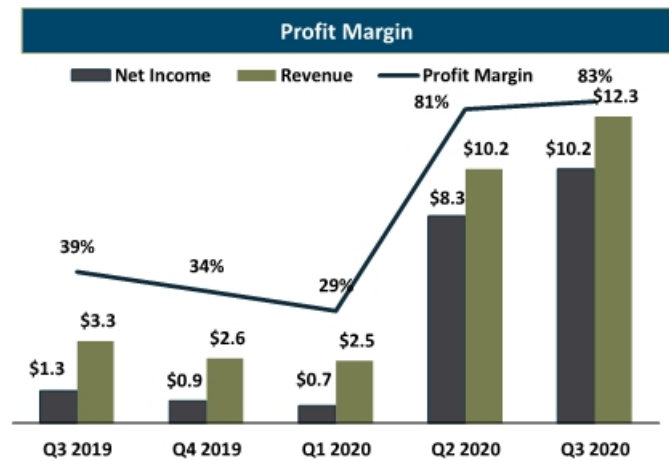


Trust & Investment Management Fees

(in thousands)



- Record mortgage originations in 3Q20
- Refi/Purchase mix of 59%/41% in 3Q20, compared to 73%/27% in 2Q20 and 54%/46% in 3Q19
- Mortgage profit margins have increased from 39% in 3Q19 to 83% in 3Q20

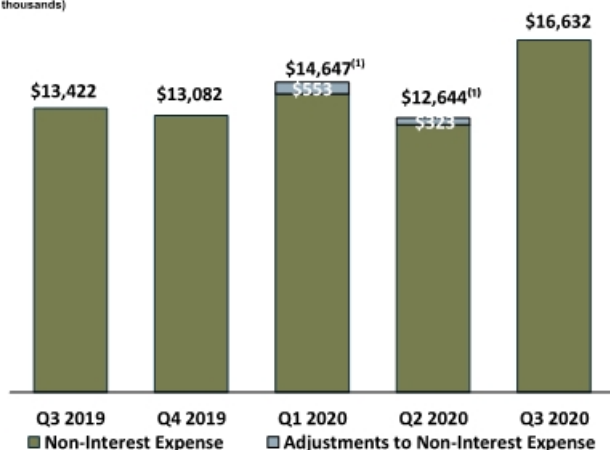


Non-Interest Expense and Efficiency Ratio

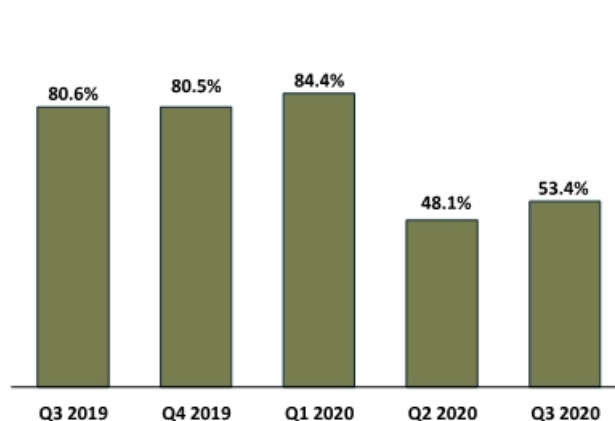
- Non-interest expense increased 31.5% from 2Q20
- Increase in non-interest expense primarily due to deferred loan origination expense related to PPP loans that reduced expense levels in 2Q20
- Full quarter impact of personnel and offices added through branch acquisition also contributed to increase in non-interest expense
- Balance sheet growth and mortgage activity continue to drive significant improvement in efficiency ratio

Total Non-Interest Expense

(In thousands)



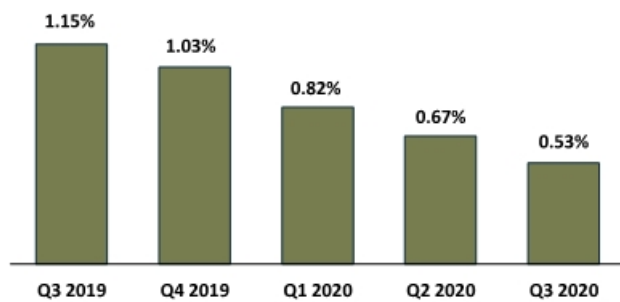
Operating Efficiency Ratio⁽¹⁾



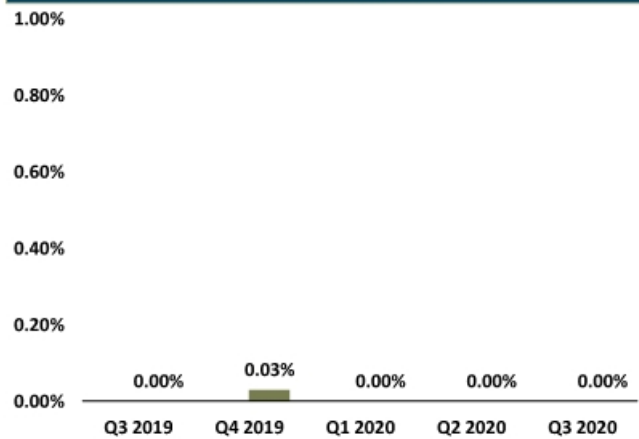
⁽¹⁾ See Non-GAAP reconciliation

- Generally stable to improving trends across the portfolio
- Non-performing assets decreased by \$1.7 million, and declined as a percentage of total assets to 0.53% from 0.67% in 2Q20
- Minimal charge-offs again in the quarter

Non-Performing Assets/Total Assets

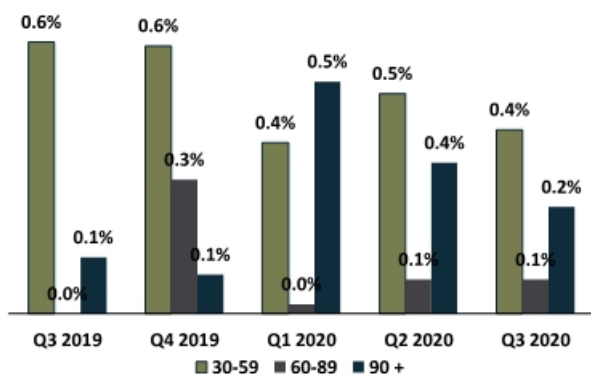


Net Charge-Offs/Average Loans

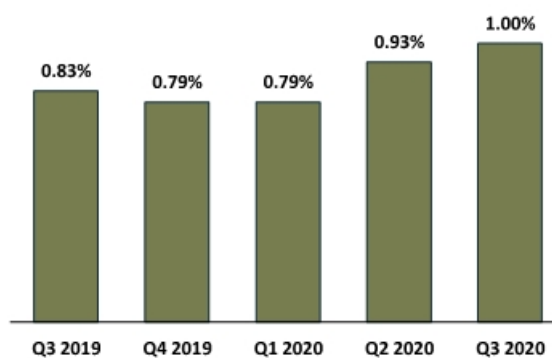


- \$1.5 million provision expense reflects the growth in the loan portfolio, as well as continued economic uncertainty
- Increased loan level reviews and portfolio monitoring continue through the duration of the pandemic
- Past due loans as a percentage of total loans declined from Q2 2020

Total Past Due as a % of Total Loans



ALLL/ Adjusted Total Loans⁽¹⁾



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



COVID-19 Impact Overview

Paycheck Protection Program Overview

Impact on 3Q20 Financials ⁽¹⁾ (\$ in Millions)	
Net Interest Income	
Amortization of SBA Fee Income and deferred loan origination expense ⁽²⁾	\$0.4
Interest Income from PPP loans, less PPPLF funding cost	\$0.3
Net Interest Income	\$0.7
Expense: Salaries & Employee Benefits	
Deferred Loan Origination Expense	(\$0.1)
Net Impact of PPP	\$0.8

(\$ in Millions)	At or for the three months ended 9/30/20
Total Loans	\$206.1
Average Loan Size	\$0.3
Total Deposits	\$29.0
PPPLF Advances	\$204.1
Net Interest Margin Impact	-31 bps
Remaining Fees to be Recognized Pre-Tax⁽³⁾	\$2.1

PPP Loan Forgiveness (\$ in Millions)	As of 10/16/20
Loans Submitted to SBA	\$85.2
Number of Loans Forgiven by SBA	46
Amount of Loans Forgiven by SBA	\$2.1
Loans under \$50K not yet forgiven	\$5.5

(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 \$4.4 million in SBA fee income less \$2.3 million of deferred loan origination expense

Loan Modification Overview

- **Modified loan balances declined by 62.3% during 3Q20**
- **New loan modification requests have slowed considerably, offering on exception basis only as of June 30**
 - **One new loan modification made in July and one in September**
- **Most initial modifications were for 180 days or less**
- **Only one modified loan has been granted a second 90-day modification (\$750,000)**

	As reported June 30, 2020			As of September 30, 2020		
	Modified Loan Balances	Loan Count	% of Loans (ex. PPP)	Modified Loan Balances	Loan Count	% of Loans (ex. PPP)
Commercial Real Estate	\$83.0 million	40	6.8%	\$55.8 million	32	4.3%
Commercial & Industrial	\$42.5 million	18	3.5%	\$5.0 million	5	0.4%
1-4 Family	\$41.7 million	31	3.4%	\$4.4 million	6	0.3%
All Other	\$9.7 million	9	0.8%	\$1.5 million	1	0.1%
Total	\$176.9 million	98	14.5%	\$66.7 million	44	5.1%

Portfolio Loan Level Reviews

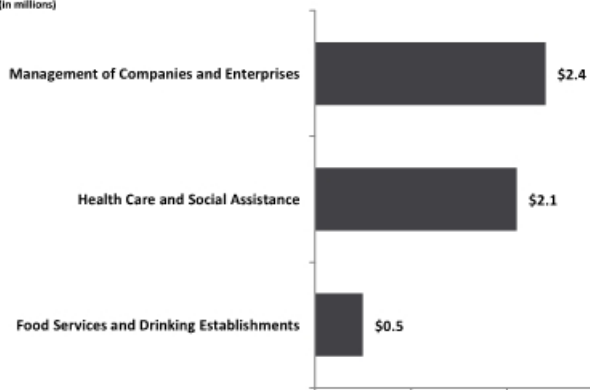
- Borrowers providing current financials and cash flow forecasts
- Increased monitoring and oversight
- Identify emerging issues early

Modified Loan Characteristics (as of September 30, 2020)

Commercial / Consumer Mix	97% / 3%
Total Modified Loans	\$66.7 million
Number of Loans	44
Average Loan Size	\$1.5 million
Loan-to-Value (Avg)	46%
Seasoning (Avg)	3.6 years

Modified C&I Loans by Industry Exposure

(In millions)



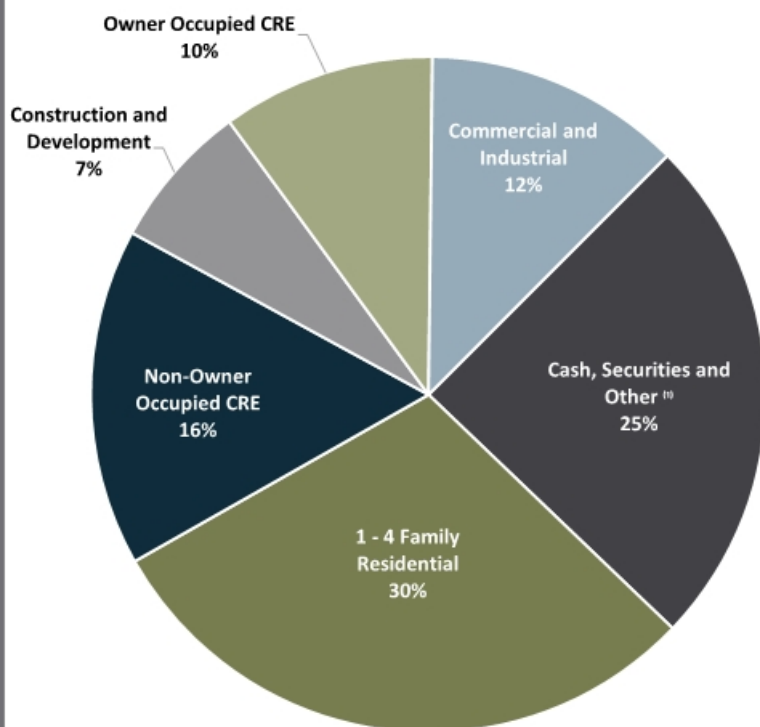
Modified CRE Loans by Collateral Type

(In millions)

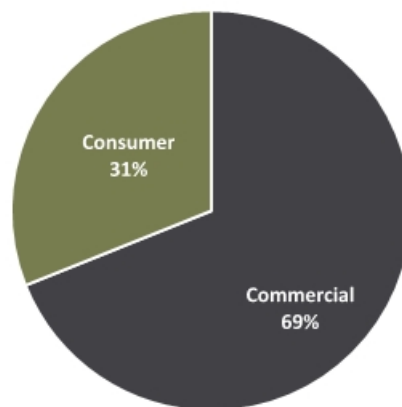


Loan Portfolio Composition

\$1.5 Billion
(as of 9/30/20)



Commercial vs. Consumer

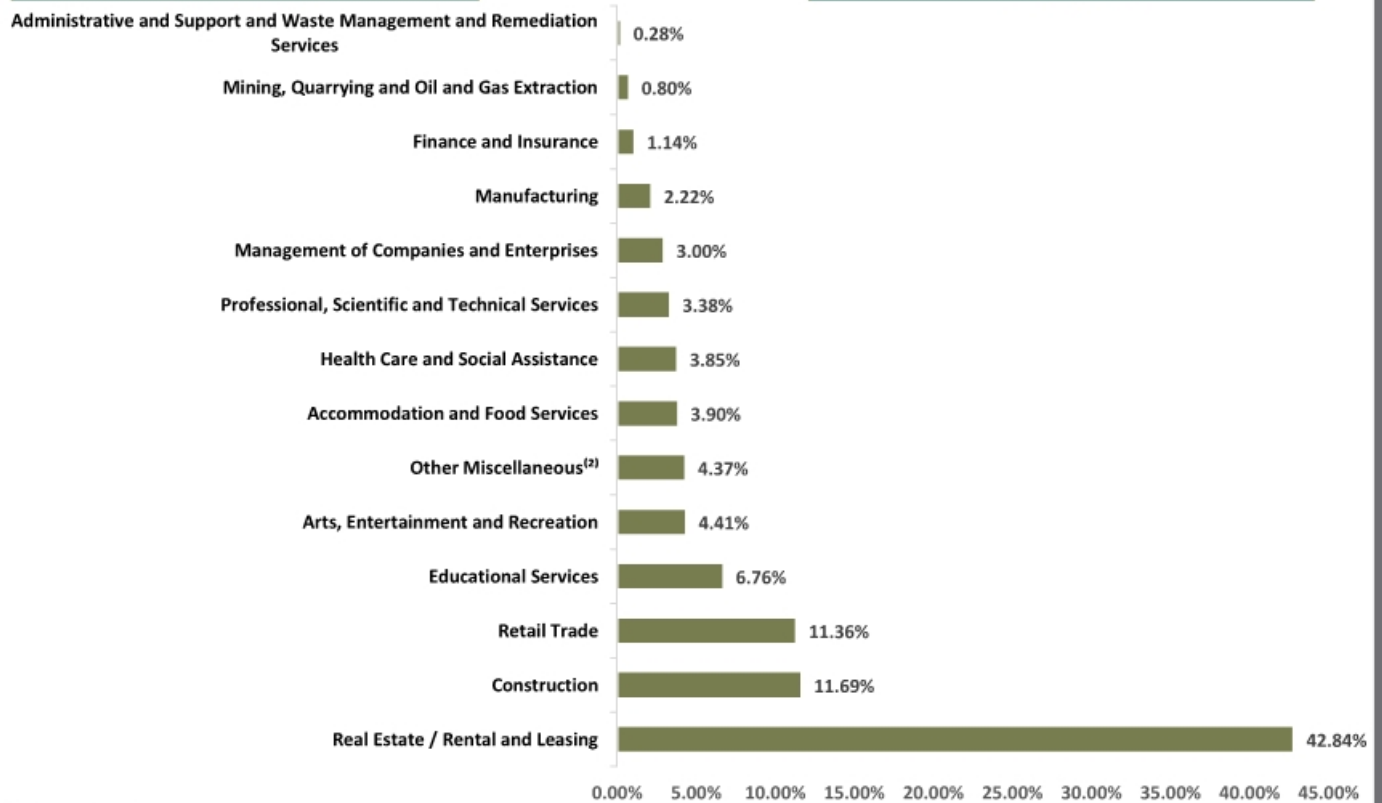


⁽¹⁾ PPP loans accounted for \$206.1 million of total loans at 9/30/20

Commercial Loans by Industry⁽¹⁾

\$830.1 Million
(as of 9/30/20)

Industry as a Percentage of Commercial Loans
(as of 9/30/20)



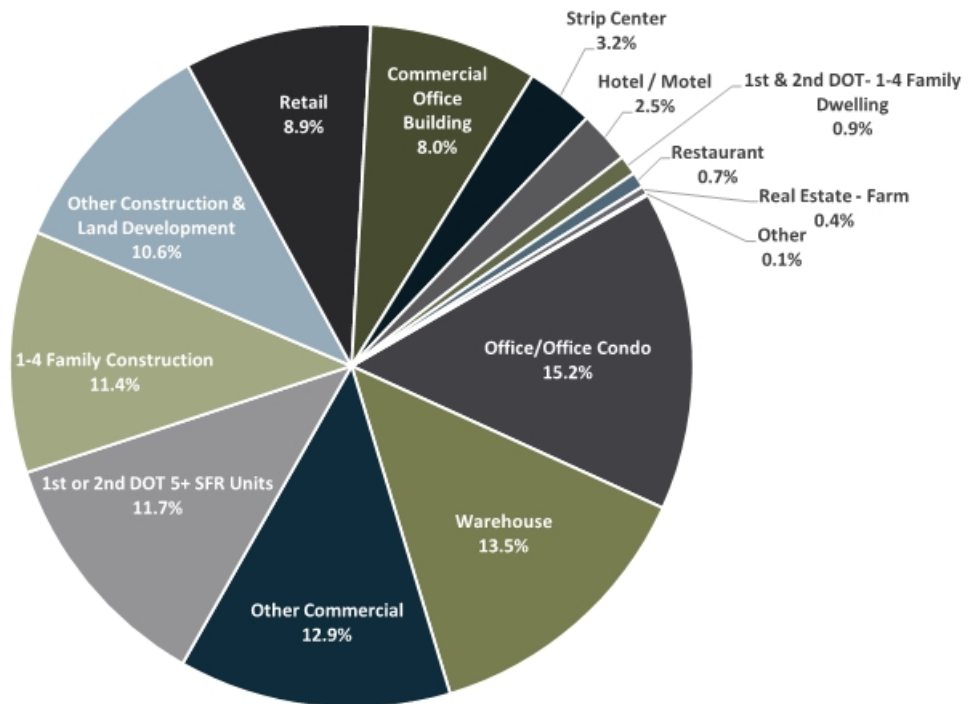
(1) Excludes PPP loans

(2) Represents the aggregate of individual industries; no one industry is more than 2% of Commercial loans

CRE⁽¹⁾ Loans By Property Type

\$503.4 Million
(as of 9/30/20)

Property Type as a Percentage of CRE Loans
(as of 9/30/20)



(1) Commercial Real Estate including Owner Occupied, Non-Owner Occupied, and Construction and Development

Portfolio Characteristics - CRE	
Loan Balances Outstanding (9/30/20)	\$503.4 million
Number of Loans	270
Average Loan Size	\$1.9 million
Loan-to-Value (Avg)	47.7%
Seasoning (Avg)	2.3 years
Net Charge-offs in 2019 & 2020	0.00%

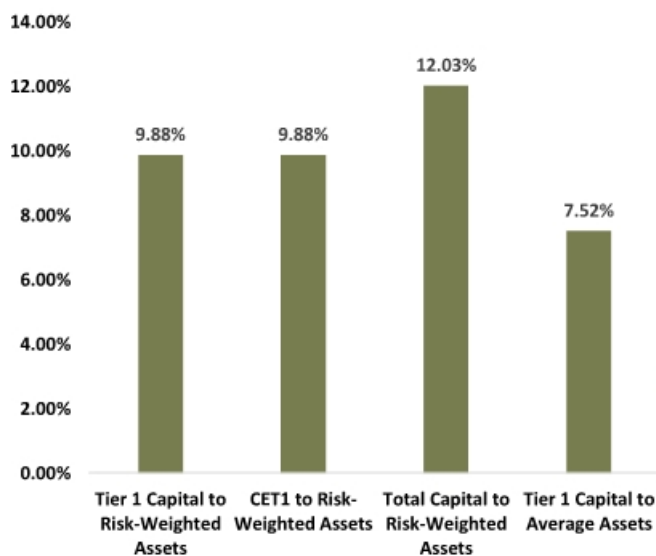
Underwriting Criteria

- We require our CRE loans to be secured by seasoned and well-managed properties with adequate margins
- We generally obtain a guaranty from experienced owners and managers with outside cash flows and/or other assets
- Loan amounts generally do not exceed 80% or 75% of the property's appraised value for owner-occupied and non-owner occupied, respectively
- Aggregate debt service ratios, including the guarantor's cash flow and the borrower's other projects, are required by policy to have a minimum annual cash flow to debt service ratio of 2.0x

Exposure to Stressed Industries (as of 9/30/20)

Industry Exposure	Outstanding Balances (\$ in millions)	% of Total Loans	Unused Commitments (\$ in Millions)	Portfolio Characteristics
Energy Related	\$6.7	0.4%	\$16.8	<ul style="list-style-type: none"> Indirect business or personal exposure to energy industry Collateral type: 47% life insurance, 39% IM accounts, 14% other assets
Accommodations	\$20.1	1.3%	\$5.7	<ul style="list-style-type: none"> Portfolio consists of nine loans Largest loan is in prominent geographic region with multiple sources of repayment and personal guarantee
Food Service, Drinking Establishments	\$12.3	0.8%	\$2.8	<ul style="list-style-type: none"> Portfolio consists of nineteen borrowers Average loan balance of approximately \$648,000 Includes loans directly to restaurants and those with > 50% cash flows from restaurants

Consolidated Capital Ratios (as of 9/30/20)



Liquidity Funding Sources (as of 9/30/20)

Liquidity Reserves:

Total Available Cash	\$249,542,451
Unpledged Investment Securities	\$ 34,412,685

Borrowed Funds:

Unsecured:

Credit Lines	\$ 54,000,000
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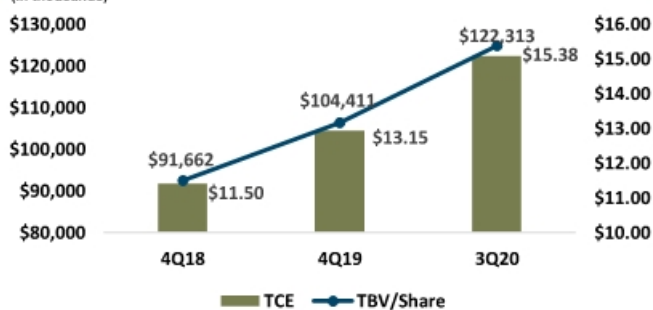
Secured:

FHLB Available	\$401,870,448
FRB Available	\$ 1,035,353
Brokered Remaining Capacity	\$204,724,959

Total Liquidity Funding Sources	\$945,585,896
Loan to Deposit Ratio	96.3%

Tangible Common Equity / TBV Per Share⁽¹⁾

(in thousands)



(1) See Non-GAAP reconciliation



Creating Additional Shareholder Value

- Significant growth in tangible book value expected to continue
 - Core earnings and operating leverage improvement expected to continue
 - PPP fee recognition and pending sale of LA Fixed Income Team
- Asset quality showing strength despite continuation of pandemic
- Initial synergies being realized from branch acquisition
- Net interest margin expected to expand as excess liquidity is redeployed and deposit costs continue to decline
- Strong mortgage originations continuing in 4Q20
- Healthy loan pipeline should continue to drive organic loan growth
- Commercial banking initiative accelerating following the addition of talent from branch acquisition in May
 - Adding expertise to target niche industries
 - Building SBA lending capability
 - Actively participating in Main Street Lending Program

Long-Term Goals to Drive Shareholder Value

- **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**

Our mission is to be the BPBFWMC – 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

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	Years at FW	Years in Industry	Prior Experience
Scott C. Wylie	Chairman, CEO & President	18	33	<ul style="list-style-type: none"> Chairman & CEO, Northern Trust Bank of Colorado Chairman & CEO, Trust Bank of Colorado CEO, Equitable Bancshares of Colorado and Women's Bank, Chairman, Equitable Bank Chairman, American Fundware President & CEO, Bank and Trust of Puerto Rico Associate, First Boston Corporation
Julie A. Courkamp	Chief Financial Officer & Treasurer	14	20	<ul style="list-style-type: none"> Assurance services with PricewaterhouseCoopers Executive roles within First Western with responsibility for Accounting & Finance, Risk, Technology and Operations
John E. Sawyer	Chief Investment Officer	3	27	<ul style="list-style-type: none"> Chief Investment & Fiduciary Officer, BBVA Compass Bank President & COO, Florida-based boutique wealth management firm Executive with Credit Suisse, Morgan Keegan & Co., and First Tennessee Capital Markets
Scott J. Lawley	Chief Credit Officer	2	33	<ul style="list-style-type: none"> Sr. Credit Officer & Segment Risk Officer, Huntington National Bank Credit advisor, chief underwriter, CRE credit officer PNC Bank, US Bank Lending positions with Fleet Bank
Josh M. Wilson	Regional President, CO / WY	8	21	<ul style="list-style-type: none"> CFO, international oil and gas operating company PC President at First Western Executive with Bank One, JP Morgan and Vectra Private Bank
Dan C. Thompson	Regional President, AZ / CA	16	27	<ul style="list-style-type: none"> Team Leader within Private Wealth Advisors , Merrill Lynch Positions in the High Net Worth and Q.A. group, Charles Schwab & Co.

Senior management team upgraded over past year to prepare for next phase of growth

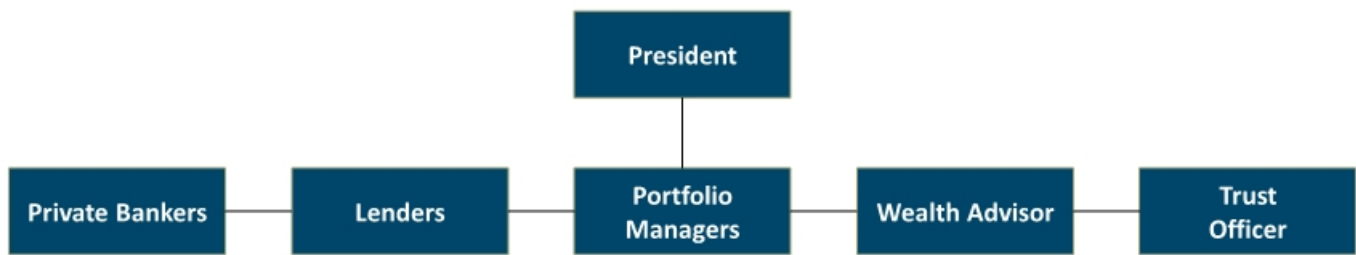
MYFW's Sophisticated Board of Directors

Name	Title	Primary Business
Scott C. Wylie	Chairman, CEO & President	<ul style="list-style-type: none"> First Western Financial, Inc.
Julie A. Caponi, CPA	Board Director / Trustee	<ul style="list-style-type: none"> Former Finance Executive at Arconic, Inc. (fka Alcoa Inc.) Former audit partner at Deloitte Board member & Audit Committee chair for FCF (NYSE)
David R. Duncan	Board Director / Trustee	<ul style="list-style-type: none"> Energy Winery Executive, Silver Oak Cellars Entrepreneur, board member, business leader
Thomas A. Gart	Board Director / Trustee	<ul style="list-style-type: none"> Real Estate Developer Specialty Retail Executive Family business, PE investing across broad range of industries
Patrick H. Hamill	Board Director / Trustee	<ul style="list-style-type: none"> Real Estate Developer Home Builder Executive Entrepreneur, business/community leader, real estate expertise
Luke A. Latimer	Board Director / Trustee	<ul style="list-style-type: none"> Utility Maintenance Construction Executive Family business, public bank board
Eric D. Sipf, CPA ⁽¹⁾	Board Director / Trustee	<ul style="list-style-type: none"> Former Healthcare Executive US Army Asset management, finance, bank board, M&A
Mark L. Smith	Board Director / Trustee	<ul style="list-style-type: none"> Real Estate Developer Entrepreneur, community leadership, real estate expertise
Joseph C. Zimlich, CPA	Board Director / Trustee	<ul style="list-style-type: none"> Family Office Executive Corporate leadership, board, investment management

(1) CPA license inactive.

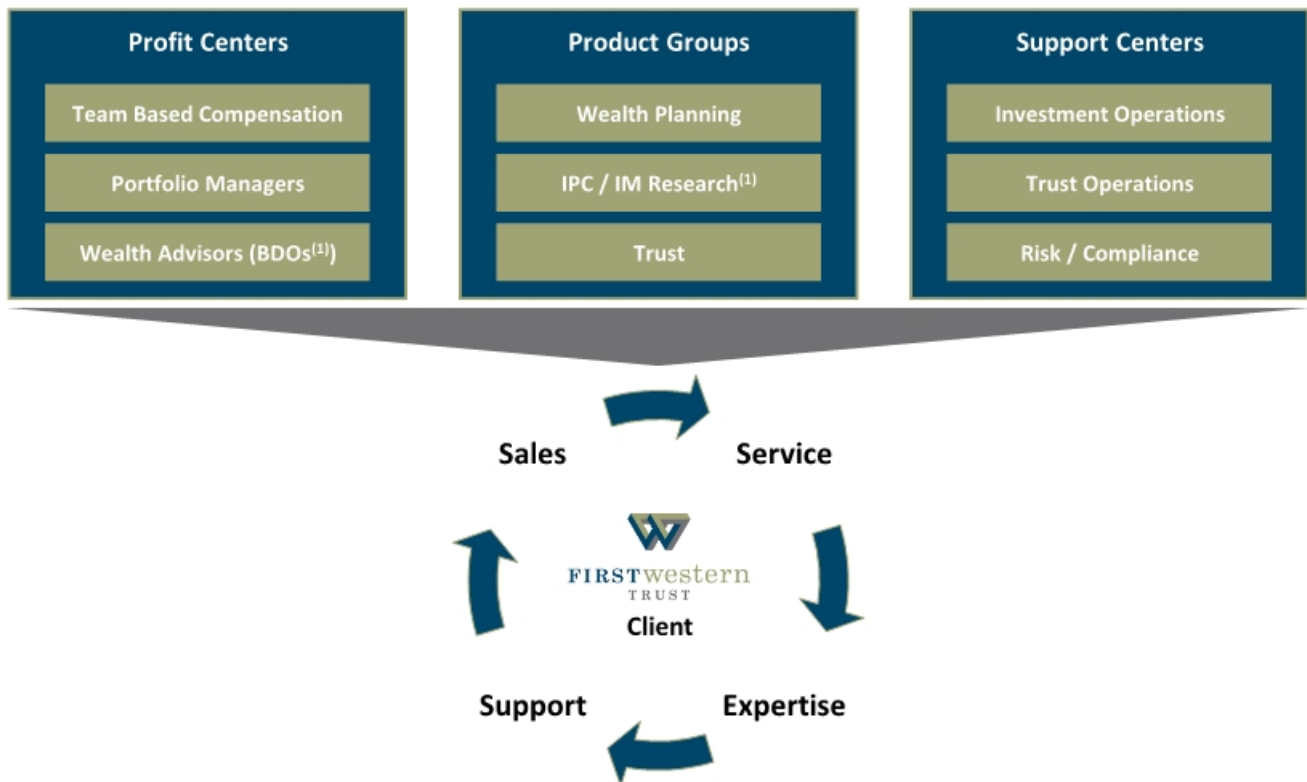
Integrated Team Approach in Boutique Offices

... by working as a team to grow relationships



Teamwork Drives Client Satisfaction, Retention

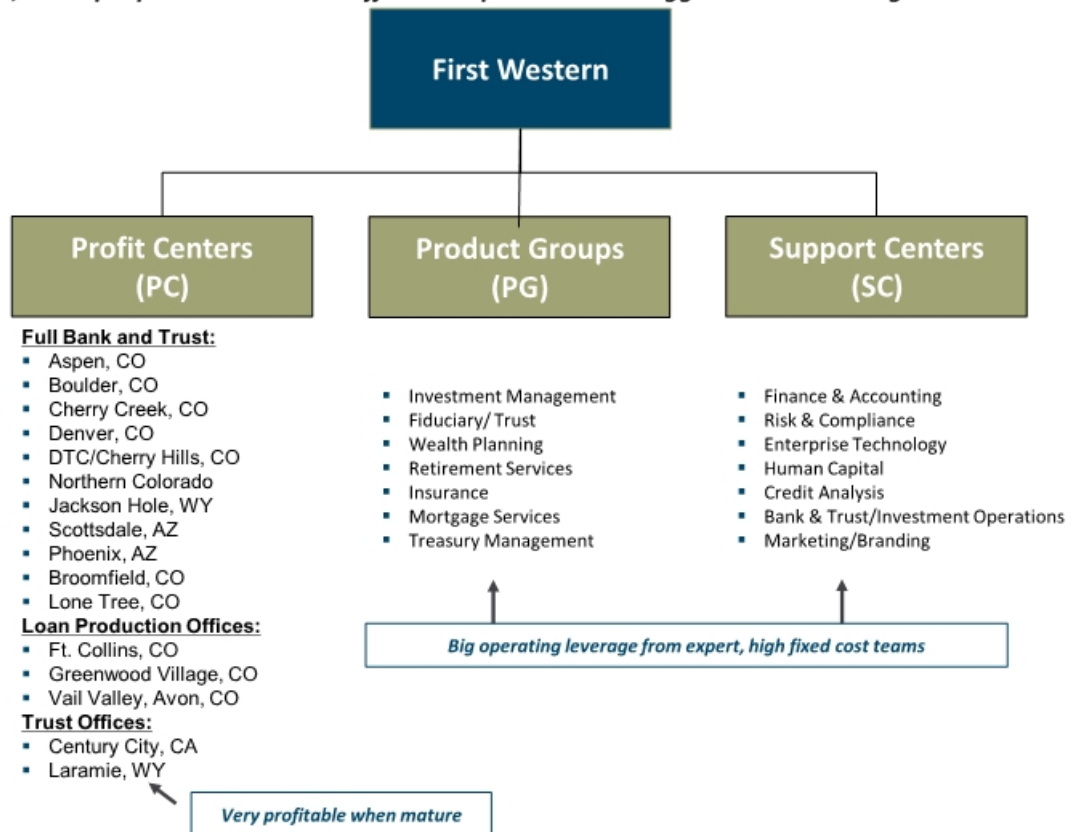
Example of investment management teamwork shows how MYFW, not relationship managers, owns our clients



(1) Investment Policy Committee (IPC), Investment Management (IM), Business Development Officers (BDO).

Organizational Structure Built for Scale

Our local, boutique private trust bank offices compete with the biggest wealth managers in the country...



Purpose

- Holistic approach for the oversight, control, and discipline to drive continuous improvement
- Everyone's responsibility and non-compliance is not an option
- Governance framework for the process of anticipating, identifying, assessing, managing and monitoring risks

Objectives

- Define risk appetite framework
- Define risk areas and responsibilities
- Identify key risk activities for the defined risk areas
- Establish risk tolerance for defined risk areas
- Establish systems for identifying and reporting risks, including emerging risks
- Monitor compliance with strategies designed to mitigate identified risks
- Ensure effective and timely implementation of corrective actions
- Integrate risk management framework objectives into performance evaluation framework

Responsibilities

ERM Committee:

- Oversee and support the Senior Risk Officer
- Establish risk tolerances and parameters ("risk appetite") to assess risks and design adequate mitigation strategies

Senior Risk Officer:

- ERM program to create and monitor risk management practices
 - Perform company-wide risk assessment, including relative risk ratings
 - Assign risk owners and approve action plans
 - Review and monitor risk mitigation initiatives and status
 - Review and report to ERM committee:
 - Specific areas of risk and respective Risk Area Owner responsible for the risks existing in that area
 - Magnitude of all material business risks
 - Processes, procedures and controls in place to manage material risks
 - Overall effectiveness of the risk management process
- Evaluate risks and provide guidance on new or proposed products, services or businesses

Ensure Compliance

- Meet regulatory requirements
- Comply with good industry practices including placing a priority on cybersecurity
- Effective, efficient, and smart compliance – a change agent for better business decisions

Limit Potential Losses

- Create appropriate transparency on risk, capital and balance-sheet usage, accounting implications
- Effectively limit risks and avoid reputational damage
- Strong risk controlling and monitoring
- Maintain both economic as well as accounting perspective

Improve Profitability

- Ensure decision-oriented processes
- Maintain efficient and lean risk management – standardization and differentiation
- Improve quality of problem loan management
- Optimize ALM and transfer pricing in cooperation with CFO/treasury

Support Growth

- Anticipate changes in the Company's risk profile
- Ensure scalability and flexibility of core processes
- Improve balance-sheet management
- Contribute to powerful product offering

Risk Overlay for Decision Making

- Integrated risk, finance and capital perspective into business planning and management process
- Strong risk and finance capabilities through frontline tools, trainings, and incentives in IT/operations, HC

Improve Stakeholder Management

- Implement a strong risk and performance culture throughout the organization
- Improve planning and steering concepts, data management with CEO, CFO and treasury
- Satisfy Board requirements on transparency and decisions support
- Maintain effective relations with regulators

Define Governance and Organization

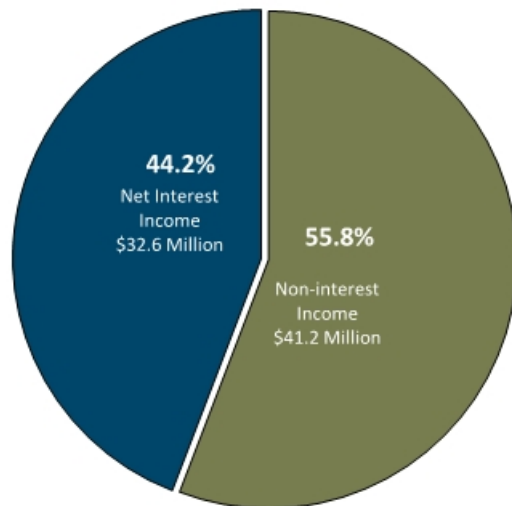
- Define risk structure's mandate and organization, create independent risk view in core decisions
- Ensure CFO's mandate and organization in capital and balance-sheet management, ALM, treasury, funding
- Define and implement ERM approach
- Ensure appropriate people development: knowledge, experience, stature, motivation and culture



Historical Financial Trends

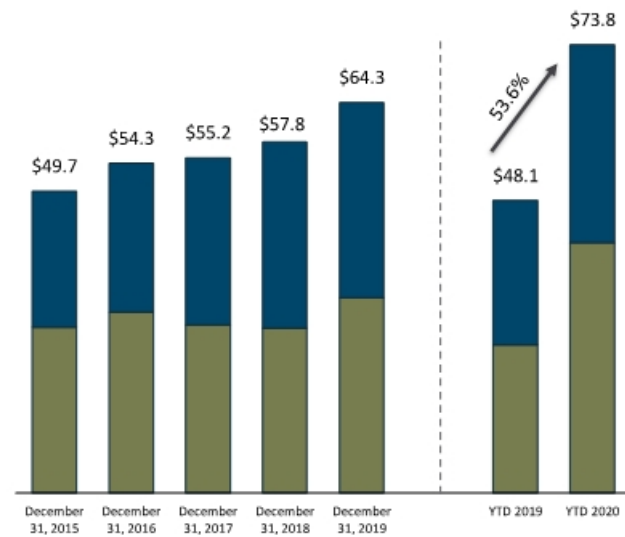
High-Quality, Recurring Revenues

YTD Gross Revenue⁽¹⁾



Gross Revenue⁽¹⁾

(\$ in millions)



(1) See Non-GAAP reconciliation

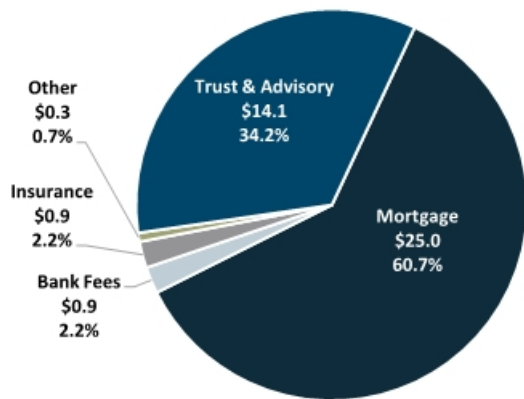
■ Non-Interest Income, excluding net gain/(loss) on sale of securities and assets ■ Net Interest Income

Predictable, Growing Sources of Fee Income

YTD Non-Interest Income

(\$ in millions)

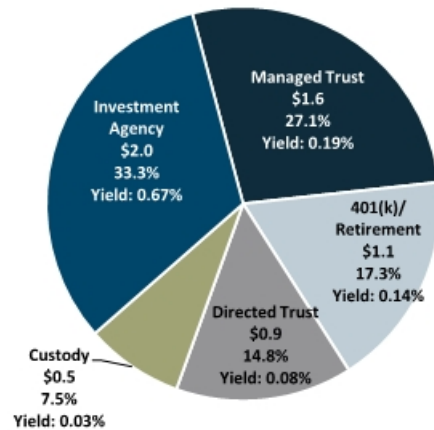
\$41.2 million



AUM Composition by Account Type

(\$ in billions)

\$6.1 billion | Avg. Yield: 0.31%

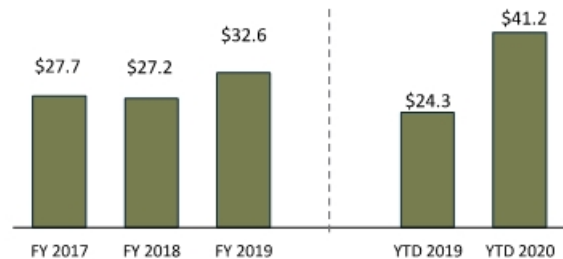


Trust and Investment Management

- Guided architecture
- Customized investment solutions
- Internally manage ~\$1.0 billion in AUM

Non-Interest Income

(in millions)

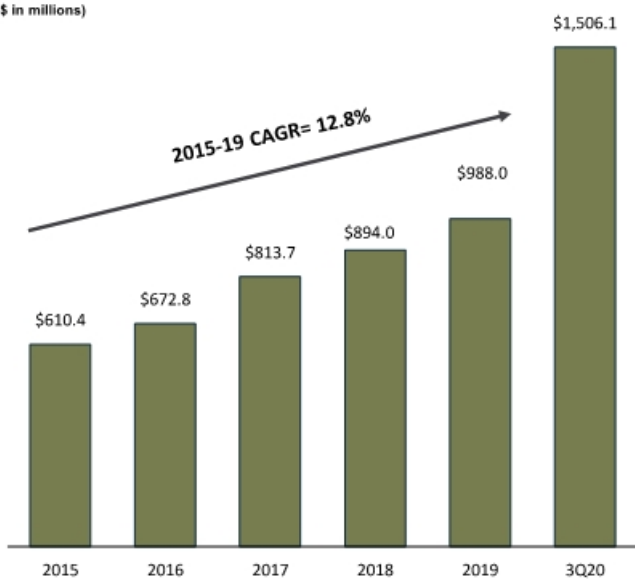


Note: As of or for the period ended September 30, 2020. Totals may not add up due to rounding.

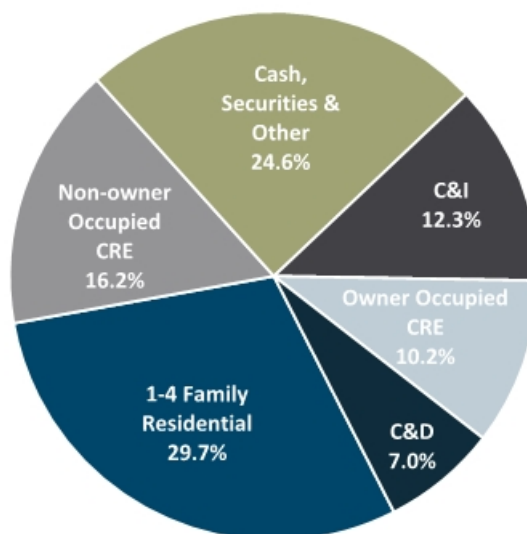
A Balanced, Private Banking Loan Portfolio

Historical Gross Loans

(\$ in millions)



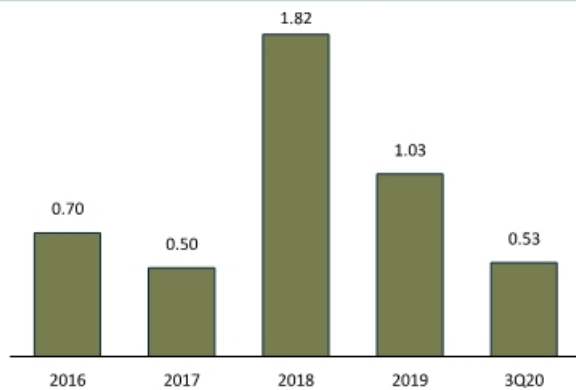
Q3 2020 Loan Portfolio by Collateral Type ⁽¹⁾



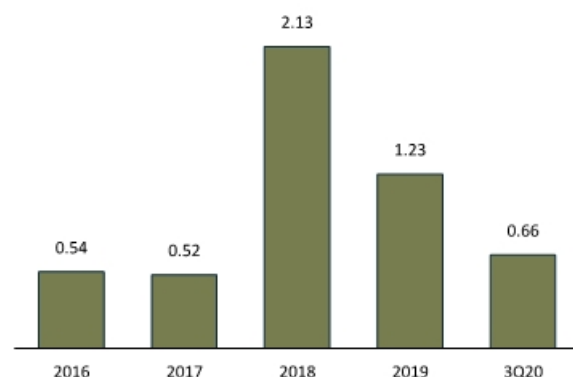
(1) As of September 30, 2020, excluding deferred costs/fees and unamortized discounts/(unaccrued premiums), net

Strong Asset Quality with Low Credit Losses

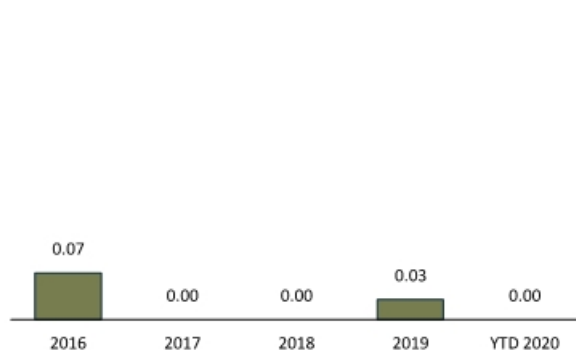
NPAs / Assets (%)



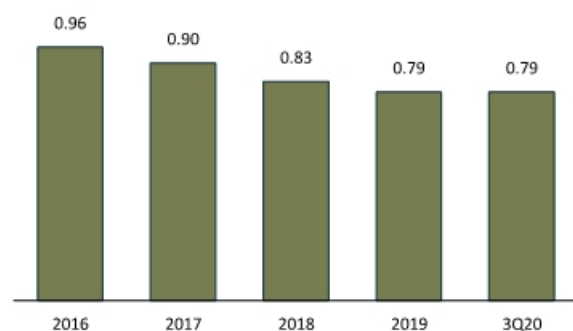
NPLs / Loans (%)



Net Charge-off (Recovery) / Average Loans (%)



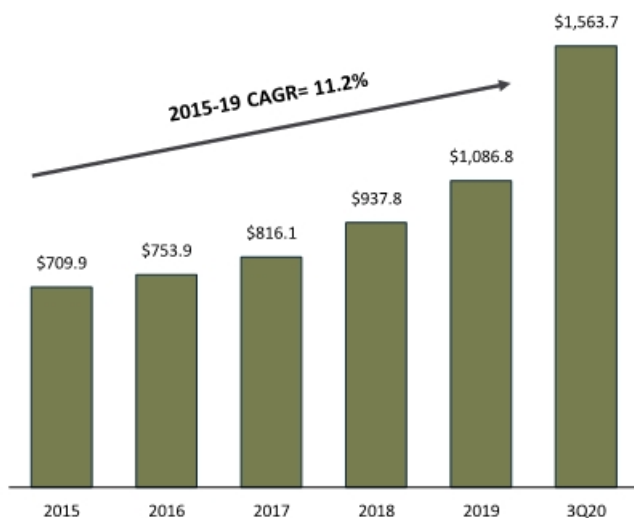
Loan Loss Reserves / Gross Loans (%)



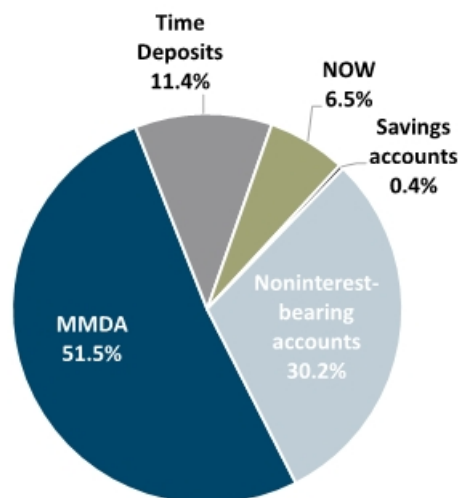
A Balanced, Growing Core Deposit Base

Historical Total Deposits

(\$ in millions)



Q3 2020 Deposit Composition⁽¹⁾



(1) As of September 30, 2020.



Non-GAAP Reconciliations

Non-GAAP Reconciliation

Consolidated Efficiency Ratio	For the Three Months Ended,					
(Dollars in thousands)	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	
Non-interest expense	\$13,442	\$13,082	\$14,647	\$12,644	\$16,632	
Less: amortization	52	7	2	38	4	
Less: provision on other real estate owned	-	-	-	-	100	
Less: loss on assets held for sale	-	-	553	-	-	
Adjusted non-interest expense	\$13,390	\$13,075	\$14,092	\$12,606	\$16,528	
Net interest income	\$7,940	\$8,190	\$8,931	\$10,796	\$12,918	
Non-interest income	8,788	8,228	7,767	15,427	18,032	
Less: Net gain on sale of securities	119	-	-	-	-	
Less: Net gain on sale of assets	-	183	-	-	-	
Total income	\$16,609	\$16,235	\$16,698	\$26,223	\$30,950	
Efficiency ratio	80.6%	80.5%	84.4%	48.1%	53.4%	
Consolidated Tangible Common Book Value Per Share	As of the Three Months Ended,					
(Dollars in thousands)	December 31, 2018	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020
Total shareholders' equity	\$116,875	\$125,732	\$127,678	\$128,703	\$139,417	\$149,576
Less:						
Goodwill	24,811	19,686	\$19,686	\$19,686	\$24,191	\$24,191
Intangibles held for sale ⁽¹⁾	-	3,553	3,553	3,000	3,000	3,000
Other intangibles, net	402	36	28	26	76	72
Tangible common equity	91,662	102,457	104,411	105,991	112,150	122,313
Common shares outstanding, end of period	7,968,420	7,983,284	7,940,168	7,917,489	7,939,024	7,951,749
Tangible common book value per share	\$11.50	\$12.83	\$13.15	\$13.39	\$14.13	\$15.38

(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)	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020
Total income before non-interest expense	\$12,554	\$12,534	\$13,023	\$13,114	\$16,232
Less: Net gain on sale of securities	119	-	-	-	-
Less: Net gain on sale of assets	-	183	-	-	-
Plus: Provision for loan loss	100	447	367	2,124	1,496
Gross revenue	\$12,535	\$12,798	\$13,390	\$15,238	\$17,728

Capital Management Gross Revenue	For the Three Months Ended,				
(Dollars in thousands)	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020
Total income before non-interest expense	\$776	\$815	\$804	\$788	\$899
Less: Net gain on sale of securities	-	-	-	-	-
Less: Net gain on sale of assets	-	-	-	-	-
Plus: Provision for loan loss	-	-	-	-	-
Gross revenue	\$776	\$815	\$804	\$788	\$899

Mortgage Gross Revenue	For the Three Months Ended,				
(Dollars in thousands)	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020
Total income before non-interest expense	\$3,298	\$2,622	\$2,504	\$10,197	\$12,323
Less: Net gain on sale of securities	-	-	-	-	-
Less: Net gain on sale of assets	-	-	-	-	-
Plus: Provision for loan loss	-	-	-	-	-
Gross revenue	\$3,298	\$2,622	\$2,504	\$10,197	\$12,323

Consolidated Gross Revenue	For the Three Months Ended,				
(Dollars in thousands)	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020
Total income before non-interest expense	\$16,628	\$15,971	\$16,331	\$24,099	\$29,454
Less: Net gain on sale of securities	119	-	-	-	-
Less: Net gain on sale of assets	-	183	-	-	-
Plus: Provision for loan loss	100	447	367	2,124	1,496
Gross revenue	\$16,609	\$16,235	\$16,698	\$26,223	\$30,950

Non-GAAP Reconciliation

Adjusted net income available to common shareholders	For the Three Months Ended,				
(Dollars in thousands, except per share data)	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020
Net income available to common shareholders	\$2,406	\$2,572	\$1,334	\$8,696	\$9,630
Plus: acquisition related expense including tax impact	-	-	-	245	-
Plus: goodwill impairment including tax impact	-	-	-	-	-
Plus: loss on intangibles held for sale including tax impact	-	-	438	-	-
Adjusted net income to common shareholders	\$2,406	\$2,572	\$1,772	\$8,941	\$9,630
Adjusted earnings per share	For the Three Months Ended,				
(Dollars in thousands, except per share data)	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020
Earnings per share	\$0.30	\$0.32	\$0.17	\$1.10	\$1.20
Plus: acquisition related expenses including tax impact	-	-	-	0.03	-
Plus: goodwill impairment including tax impact	-	-	-	-	-
Plus: loss on intangibles held for sale including tax impact	-	-	0.05	-	-
Adjusted earnings per share	\$0.30	\$0.32	\$0.22	\$1.13	\$1.20
Total Non-Interest Expense adjusted for Non-Operating items	For the Three Months Ended,				
(Dollars in thousands)	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020
Net income available to common shareholders	\$13,422	\$13,082	\$14,647	\$12,644	\$16,632
Less: acquisition related expense	-	-	-	323	-
Less: goodwill impairment	-	-	-	-	-
Less: loss on intangibles held for sale	-	-	553	-	-
Total Non-Interest Expense adjusted for Non-Operating items	\$13,422	\$13,082	\$14,094	\$12,321	\$16,632
Allowance for loan losses to Bank originated loans excluding PPP	As of				
(Dollars in thousands)	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020
Gross loans	924,356	996,559	1,042,478	1,424,160	1,507,484
Less: Branch acquisition	-	-	-	123,786	124,689
Less: PPP loans	-	-	-	191,676	193,213
Loans excluding acquired and PPP	924,356	996,559	1,042,478	1,108,698	1,189,582
Allowance for loan losses	7,675	7,875	8,242	10,354	11,845
Allowance for loan losses to Bank originated loans excluding PPP	0.83%	0.79%	0.79%	0.93%	1.00%

Non-GAAP Reconciliation

Adjusted net interest margin (Dollars in thousands)	For the Three Months Ended June 30,		
	Average Balance	Interest Earned/Paid	Average Yield/Rate
Interest-bearing deposits in other financial institutions	76,463	44	
PPP adjustment	20,587	25	
Available-for-sale securities	48,614	224	
PPP adjustment	-	-	
Loans	1,268,797	12,202	
PPP adjustment	(152,893)	(718)	
Adjusted total Interest-earning assets	1,261,568	11,777	
Interest-bearing deposits		1,319	
PPP adjustment		-	
Federal Home Loan Bank Topeka and Federal Reserve borrowings		129	
PPP adjustment		(39)	
Subordinated notes		226	
Adjusted total interest-bearing liabilities		1,635	
Net interest income		10,142	
Adjusted net interest margin			3.22%

Adjusted net interest margin (Dollars in thousands)	For the Three Months Ended September 30,		
	Average Balance	Interest Earned/Paid	Average Yield/Rate
Interest-bearing deposits in other financial institutions	178,756	99	
PPP adjustment	(38,618)	(45)	
Available-for-sale securities	40,528	173	
PPP adjustment	-	-	
Loans	1,462,872	14,138	
PPP adjustment	(201,208)	(870)	
Purchase accretion adjustment	-	(534)	
Adjusted total Interest-earning assets	1,442,330	12,961	
Interest-bearing deposits		1,067	
PPP adjustment		-	
Federal Home Loan Bank Topeka and Federal Reserve borrowings		204	
PPP adjustment		(180)	
Subordinated notes		221	
Adjusted total interest-bearing liabilities		1,312	
Net interest income		11,649	
Adjusted net interest margin			3.23%

Consolidated Gross Revenue (Dollars in thousands)	For the Nine Months Ended ⁽¹⁾ September 30,	
	2019	2020
Total income before non-interest expense	\$48,003	\$69,884
Less: Net gain (loss) on sale of securities	119	-
Plus: Provision for (recovery of) credit loss	216	3,987
Gross revenue	\$48,100	\$73,871

Non-GAAP Reconciliation

<i>Consolidated Gross Revenue</i>	For the Years Ended,				
<i>(Dollars in thousands)</i>	2015	2016	2017	2018	2019
Total income before non-interest expense	\$49,339	\$53,394	\$54,501	\$57,617	\$63,976
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
Gross revenue	\$49,693	\$54,265	\$55,208	\$57,797	\$64,336

<i>Consolidated Pre-tax, Pre-provision Income</i>	For the Twelve Months Ended December 31,				
<i>(Dollars in thousands)</i>	2015	2016	2017	2018	2019
Net Income, as reported	\$2,650	\$2,302	\$2,023	\$5,647	\$8,009
Provision for loan losses	1,071	985	788	180	662
Income tax (benefit) expense	1,053	1,269	2,984	1,775	2,183
Pre-tax, Pre-provision Income	\$4,774	\$4,556	\$5,795	\$7,602	\$10,854

<i>Consolidated Efficiency Ratio</i>	For the Years Ended,				
<i>(Dollars in thousands)</i>	2016	2017	2018	2019	2020 YTD
Non-interest expense	\$49,823	\$49,494	\$50,195	\$53,784	\$43,923
Less: Amortization	747	784	831	374	44
Less: Goodwill impairment	-	-	-	1,572	-
Less: Provision on other real estate owned	-	-	-	-	100
Less: Loss on assets held for sale	-	-	-	-	553
Adjusted non-interest expense	\$49,076	\$48,710	\$49,364	\$51,838	\$43,226
Net interest income	\$24,457	\$27,576	\$30,624	\$32,061	\$32,645
Non-interest income	29,922	27,713	27,173	32,577	41,226
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	\$73,871
Efficiency ratio	90.4%	88.2%	85.4%	80.6%	58.5%