

The background of the cover is a photograph of a waterfall cascading into a pool of water, surrounded by a dense forest of tall evergreen trees. The scene is captured in a slightly desaturated, naturalistic style. Overlaid on this background is the year '2022' in a large, light gray, serif font. The text 'OREGON BANCORP' is positioned to the left of the year, and 'ANNUAL REPORT' is to the right, separated by a thin vertical line.

**OREGON**  
BANCORP

ANNUAL REPORT

# Mission Statement

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Willamette Valley Bank will be the preferred provider of targeted financial services in our communities. We will continually strengthen our relationships by providing personalized solutions that combine local expertise and flexibility. We will deliver extraordinary client and employee experiences through delivering value, stability, and prosperity to the communities in which we serve.

## Board Of Directors

<b>Joseph J. Minniti</b> Board Chair Minniti & Company, P.C.	<b>Jay C. Compton</b> President J.C. Compton Co.	<b>Matthew J. Fitzmaurice</b> Former President Fitzmaurice Fertilizer, Inc	<b>Denise Schott</b> President Schott Parts & Accessories, LLC	<b>George W. Patterson</b> Retired President Action Marketing
<b>Neil D. Grossnicklaus</b> Board Vice Chair, Past President Willamette Valley Bank	<b>Douglas L. Zielinski</b> Owner Alpha Nursery, Inc.	<b>Bill McCall</b> Former President Windsor Rock Products	<b>Craig Hummel</b> Former Chief Credit Officer Willamette Valley Bank	<b>Ryan Dempster</b> President, CEO Willamette Valley Bank

## Executive Officers

<b>Ryan Dempster</b> President Chief Executive Officer	<b>Dan King</b> Executive Vice President Residential Lending	<b>Eric Gerhart</b> Executive Vice President Chief Lending Officer	<b>Ryan Allbritton</b> Senior Vice President Chief Banking Officer	<b>David Gonzales</b> Senior Vice President Chief Financial Officer
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## TO OUR SHAREHOLDERS

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We are pleased to report that 2021 was another successful year for Oregon Bancorp, Inc. (Company) and its wholly owned subsidiary, Willamette Valley Bank. Despite the continuing pandemic, economic conditions improved as we experienced strong growth in deposits and commercial loan activity. Overall, annual financial results will rank second among our 21-year operating history.

The Company's assets grew \$16 million, or 4%, during the year as deposit growth was offset by a reduction in borrowed funds. Bank deposits increased \$54.2 million, or 20%. Lower cost checking and savings account balances grew \$65.6 million, or 33%, while higher cost certificates of deposit decreased \$11.4 million, or 16%. The combination of lower rates and a less expensive deposit profile aided in reducing our cost of funds from 0.70% in 2020 to 0.38% in 2021.

Commercial loan balances increased \$23.1 million, or 10%, during the year. Loans made in connection with the US Small Business Administration Paycheck Protection Program (PPP) declined \$15.9 million. When removing the impact of the declining PPP loans, core commercial loan balances increased \$38.4 million, or 18.8%. Overall, loan quality remains strong despite the severe economic toll created by the pandemic. Non-current loans as a percentage of total loans measured 0.46% at year end and non-performing assets were 0.19% of total assets on December 31, 2021.

The continuation of a historically low interest rate environment led to strong residential loan demand of \$1.6 billion. Industry forecasts estimate loans made in connection with the purchase of homes will continue to hold steady while loans to refinance existing mortgage debt will decline.

Annual net income for the Company ended at \$22.4 million in 2021. This compares to \$28.3 million in 2020 and \$11.5 million in 2019. Earnings per share were \$9.54 which compares to \$12.37 in 2020, while return on average assets was 5.7% and return on average equity was 32.1%.

Strong earnings enabled the Company to announce its sixth consecutive annual special dividend of \$2.00 per common share in February 2022. We also doubled the quarterly cash dividend to \$0.52 per share during the year and extended our string of consecutive quarterly cash dividends to 22.

We were again recognized by several organizations for our financial success which included being named the most profitable community bank for the third consecutive year by the American Bankers' Association based on a return on average equity over the prior three years. We are appreciative to our team of dedicated and professional employees who have worked diligently during a difficult period of time to produce industry leading financial results.

We are proud of the high level of service we provide our customers and the community. It is an honor to be a trusted financial partner to many and we look forward to continuing this tradition in the coming year.



Ryan K. Dempster  
President and Chief Executive Officer



Joseph J. Minniti  
Chairman of the Board

# Oregon Bancorp, Inc. and Subsidiary

## Unaudited Consolidated Balance Sheets

Period Ending December 31  
(Amounts in thousands)

<b>ASSETS</b>	<b>2022</b>	<b>2021</b>
Cash and Due from Banks	\$ 78,775	\$ 65,096
Securities available-for-sale, at fair value	23,453	13,758
Loans held-for-sale, at fair value	23,601	60,974
Loans, net of allowance for loan losses	257,977	244,003
Premises and equipment, net	3,589	3,578
Other assets	14,555	24,252
Total assets	\$ 401,950	\$ 411,661
<b>LIABILITIES</b>		
Total Deposits	\$ 318,651	\$ 322,924
Other Liabilities	10,170	13,183
Total Liabilities	328,821	336,107
<b>SHAREHOLDERS' EQUITY</b>	\$ 73,129	\$ 75,554
Total Liabilities and Shareholders' Equity	\$ 401,950	\$ 411,661

# Unaudited Consolidated Statements of Operations

Years Ended December 31  
(Amounts in thousands)

	2022	2021
Interest Income	\$ 16,386	\$ 14,010
Interest Expense	880	1,117
Net Interest Income Before Provision for Loan Losses	15,506	12,893
Non-interest Income	31,418	77,458
Non-interest Expense	38,007	60,707
Income Before Provision for Income Taxes	8,917	29,531
Provision for Income Taxes	2,019	7,142
Net Income	\$ 6,898	\$ 22,389

Audited Financial statements available at [wvbk.com](http://wvbk.com)

Certain statements in this release may be deemed “forward-looking statements”. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events. Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement.

## HOME LOAN CENTERS

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### Oregon

**Bend**

121 NW Greenwood Ave, Ste 103  
Bend, OR 97701

**Eugene**

3007 N Delta, Ste 205  
Eugene, OR 97408

**Grants Pass**

550 SW 6th St, Ste A  
Grants Pass, OR 97526

**Medford North**

4021 Crater Lake Ave, Ste 201B  
Medford, OR 97504

**Medford South**

611 Medford Center Dr  
Medford, OR 97504

**West Linn**

1914 Willamette Falls Dr, Ste 160  
West Linn, OR 97068

### Idaho

**Coeur d'Alene**

704 Sherman Ave  
Coeur d'Alene, ID 83814

**Coeur d'Alene**

105 N. 4th St, Ste 301  
Coeur d'Alene, ID 83815

**Coeur d'Alene**

3931 N Schreiber Way  
Coeur d'Alene, ID 83815

**Meridian**

3597 E Monarch Sky Ln, Ste 320  
Meridian, ID 83646

**Sandpoint**

509 N. Fifth Ave, Ste F  
Sandpoint, ID 83864

### Washington

**Vancouver**

821 SE 160th Ave  
Vancouver, WA 98683



## *BANK BRANCHES*

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### Oregon

#### **Salem**

101 High St NE  
Salem, OR 97301

#### **Albany**

1970 SE 14th Ave  
Albany, OR 97322

#### **Keizer**

5140 River Rd N  
Keizer, OR 97303

#### **Silverton**

701A McClaine St  
Silverton, OR 97381

### Idaho

#### **Meridian Service Center**

3693 E Longwing Ln, Ste 120-H  
Meridian, ID 83646





Member FDIC.  Equal Housing Lender. NMLS# 713109