

PACIFIC PREMIER BANCORP INC
Form 10-Q
August 12, 2010

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the quarterly period ended June 30, 2010

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the transition period from _____ to _____

Commission File Number 0-22193

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of incorporation or
organization)

33-0743196
(I.R.S Employer Identification No.)

1600 SUNFLOWER AVENUE, 2ND FLOOR, COSTA MESA, CALIFORNIA 92626
(Address of principal executive offices and zip code)

(714) 431-4000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No []

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required

to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "accelerated filer", "large accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act).

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
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(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2). Yes No

The number of shares outstanding of the registrant's common stock as of August 12, 2010 was 10,033,836.

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FOR THE QUARTER ENDED JUNE 30, 2010

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

PACIFIC PREMIER BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(dollars in thousands, except share data)

ASSETS	June 30, 2010 (Unaudited)	December 31, 2009 (Audited)	June 30, 2009 (Unaudited)
Cash and due from banks	\$ 34,645	\$ 59,677	\$ 59,241
Federal funds sold	29	29	30
Cash and cash equivalents	34,674	59,706	59,271
Investment securities available for sale	163,470	123,407	81,779
FHLB stock/Federal Reserve Bank stock, at cost	14,277	14,330	14,330
Loans held for sale, net	-	-	635
Loans held for investment	552,192	575,489	602,597
Allowance for loan losses	(9,169)	(8,905)	(7,158)
Loans held for investment, net	543,023	566,584	595,439
Accrued interest receivable	3,680	3,520	3,814
Other real estate owned	1,860	3,380	1,026
Premises and equipment	8,543	8,713	9,182
Deferred income taxes	10,989	11,465	10,560
Bank owned life insurance	12,195	11,926	11,660
Other assets	4,531	4,292	726
TOTAL ASSETS	\$ 797,242	\$ 807,323	\$ 788,422
LIABILITIES AND STOCKHOLDERS' EQUITY			
LIABILITIES:			
Deposit accounts:			
Noninterest bearing	\$ 38,973	\$ 33,885	\$ 33,713
Interest bearing:			

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Transaction accounts	198,906	161,872	89,606
Retail certificates of deposit	392,191	417,377	417,301
Wholesale/brokered certificates of deposit	1,973	5,600	8,487
Total deposits	632,043	618,734	549,107
FHLB advances and other borrowings	66,500	91,500	166,500
Subordinated debentures	10,310	10,310	10,310
Accrued expenses and other liabilities	12,885	13,277	4,490
TOTAL LIABILITIES	721,738	733,821	730,407
STOCKHOLDERS' EQUITY			
Preferred Stock, \$.01 par value; 1,000,000 shares authorized; no shares outstanding	-	-	-
Common stock, \$.01 par value; 15,000,000 shares authorized; 10,033,836 shares at June 30, 2010 and December 31, 2009, and 5,003,451 shares at June 30, 2009 issued and outstanding	100	100	50
Additional paid-in capital	79,917	79,907	64,589
Accumulated deficit	(3,971)	(4,764)	(4,480)
Accumulated other comprehensive loss, net of tax of \$379 at June 30, 2010, \$1,218 at December 31, 2009, and \$1,498 at June 30, 2009	(542)	(1,741)	(2,144)
TOTAL STOCKHOLDERS' EQUITY	75,504	73,502	58,015
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 797,242	\$ 807,323	\$ 788,422

Accompanying notes are an integral part of these consolidated financial statements.

PACIFIC PREMIER BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(dollars in thousands, except per share data)
(unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2010	June 30, 2009	June 30, 2010	June 30, 2009
INTEREST INCOME				
Loans	\$ 8,842	\$ 10,055	\$ 17,997	\$ 20,220
Investment securities and other interest-earning	1,148	1,240	2,177	2,027

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assets				
Total interest income	9,990	11,295	20,174	22,247
INTEREST EXPENSE				
Interest-bearing deposits:				
Interest on transaction accounts	476	310	889	565
Interest on certificates of deposit	1,910	3,027	4,078	6,483
Total interest-bearing deposits	2,386	3,337	4,967	7,048
FHLB advances and other borrowings	685	1,871	1,553	3,732
Subordinated debentures	77	98	152	201
Total interest expense	3,148	5,306	6,672	10,981
NET INTEREST INCOME BEFORE PROVISION FOR LOAN LOSSES				
PROVISION FOR LOAN LOSSES	6,842	5,989	13,502	11,266
PROVISION FOR LOAN LOSSES				
PROVISION FOR LOAN LOSSES	639	2,374	1,695	3,534
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES				
NONINTEREST INCOME	6,203	3,615	11,807	7,732
NONINTEREST INCOME				
Loan servicing fees	142	126	212	285
Deposit fees	208	211	396	423
Net loss from sales of loans	(1,625)	-	(2,640)	-
Net gain from sales of investment securities	287	303	374	303
Other-than-temporary impairment loss on investment securities, net	(330)	(1,203)	(656)	(1,201)
Other income	280	235	550	492
Total noninterest income (loss)	(1,038)	(328)	(1,764)	302
NONINTEREST EXPENSE				
Compensation and benefits	2,052	2,077	4,065	4,086
Premises and occupancy	645	656	1,271	1,314
Data processing and communications	229	173	413	328
Other real estate owned operations, net	537	5	832	(1)
FDIC insurance premiums	334	558	682	844
Legal and audit	264	348	389	480
Marketing expense	208	155	357	344
	128	89	251	169

Office and postage expense				
Other expense	411	531	870	958
Total noninterest expense	4,808	4,592	9,130	8,522
NET INCOME (LOSS) BEFORE INCOME TAX	357	(1,305)	913	(488)
INCOME TAX (BENEFIT)	20	(592)	120	(312)
NET INCOME (LOSS)	\$ 337	\$ (713)	\$ 793	\$ (176)
EARNINGS (LOSS) PER SHARE				
Basic	\$ 0.03	\$ (0.15)	\$ 0.08	\$ (0.04)
Diluted	\$ 0.03	\$ (0.15)	\$ 0.07	\$ (0.04)
WEIGHTED AVERAGE SHARES OUTSTANDING				
Basic	10,033,836	4,900,154	10,033,836	4,876,655
Diluted	11,059,994	4,900,154	11,040,612	4,876,655

Accompanying notes are an integral part of these consolidated financial statements.

PACIFIC PREMIER BANCORP, INC. AND SUBSIDIARIES