

PACIFIC PREMIER BANCORP INC

Form 10-Q

May 10, 2017

Table of Contents

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 March 31, 2017

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

33-0743196

(State or other jurisdiction of incorporation or organization) (I.R.S Employer Identification No.)

17901 VON KARMAN AVENUE, SUITE 1200, IRVINE, CALIFORNIA 92614

(Address of principal executive offices and zip code)

(949) 864-8000

(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 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, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act).

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

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

The number of shares outstanding of the registrant's common stock as of May 8, 2017 was 39,918,907.

1

Table of Contents

PACIFIC PREMIER BANCORP, INC. AND SUBSIDIARIES
FORM 10-Q
INDEX
FOR THE QUARTER ENDED MARCH 31, 2017

PART I - FINANCIAL INFORMATION

Item 1 - Financial Statements

<u>Consolidated Statements of Financial Condition</u>	<u>3</u>
<u>Consolidated Statements of Operations</u>	<u>4</u>
<u>Consolidated Statements of Comprehensive Income</u>	<u>5</u>
<u>Consolidated Statements of Stockholders' Equity</u>	<u>6</u>
<u>Consolidated Statements of Cash Flows</u>	<u>7</u>
<u>Notes to Consolidated Financial Statements</u>	<u>8</u>
<u>Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>34</u>
<u>Item 3 - Quantitative and Qualitative Disclosures About Market Risk</u>	<u>59</u>
<u>Item 4 - Controls and Procedures</u>	<u>60</u>
<u>PART II - OTHER INFORMATION</u>	<u>61</u>
<u>Item 1 - Legal Proceedings</u>	<u>61</u>
<u>Item 1A - Risk Factors</u>	<u>61</u>
<u>Item 2 - Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>61</u>
<u>Item 3 - Defaults Upon Senior Securities</u>	<u>61</u>
<u>Item 4 - Mine Safety Disclosures</u>	<u>61</u>
<u>Item 5 - Other Information</u>	<u>61</u>
<u>Item 6 - Exhibits</u>	<u>62</u>

Table of Contents

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)

(unaudited)

	March 31, 2017	December 31, 2016
ASSETS		
Cash and due from banks	\$13,425	\$ 14,706
Interest-bearing deposits with financial institutions	87,088	142,151
Cash and cash equivalents	100,513	156,857
Interest-bearing time deposits with financial institutions	3,944	3,944
Investments held-to-maturity, at amortized cost (fair value of \$8,147 and \$8,461 as of March 31, 2017 and December 31, 2016, respectively)	8,272	8,565
Investment securities available-for-sale, at fair value	435,408	380,963
FHLB, FRB and other stock, at cost	37,811	37,304
Loans held for sale, at lower of cost or fair value	11,090	7,711
Loans held for investment	3,385,697	3,241,613
Allowance for loan losses	(23,075)	(21,296)
Loans held for investment, net	3,362,622	3,220,317
Accrued interest receivable	13,366	13,145
Other real estate owned	460	460
Premises and equipment	11,799	12,014
Deferred income taxes, net	12,744	16,807
Bank owned life insurance	40,696	40,409
Intangible assets	8,942	9,451
Goodwill	102,490	102,490
Other assets	24,271	25,874
Total Assets	\$4,174,428	\$ 4,036,311
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES:		
Deposit accounts:		
Noninterest-bearing checking	\$1,232,578	\$ 1,185,768
Interest-bearing:		
Checking	191,399	182,893
Money market/savings	1,273,917	1,202,361
Retail certificates of deposit	381,738	375,203
Wholesale/brokered certificates of deposit	217,441	199,356
Total interest-bearing	2,064,495	1,959,813
Total deposits	3,297,073	3,145,581
FHLB advances and other borrowings	311,363	327,971
Subordinated debentures	69,413	69,383
Accrued expenses and other liabilities	25,554	33,636
Total Liabilities	3,703,403	3,576,571
STOCKHOLDERS' EQUITY:		
Preferred stock, \$.01 par value; 1,000,000 authorized; none issued and outstanding	—	—
Common stock, \$.01 par value; 100,000,000 shares authorized; 27,908,816 shares at March 31, 2017 and 27,798,283 shares at December 31, 2016	275	274

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Additional paid-in capital	345,888	345,138	
Retained earnings	126,570	117,049	
Accumulated other comprehensive loss, net of tax	(1,708) (2,721)
Total Stockholders' Equity	471,025	459,740	
Total Liabilities and Stockholders' Equity	\$4,174,428	\$4,036,311	

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

3

Table of Contents

PACIFIC PREMIER BANCORP, INC. AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF OPERATIONS

(dollars in thousands, except share data)
 (unaudited)

	Three Months Ended		
	March 31, 2017	December 31, 2016	March 31, 2016
INTEREST INCOME			
Loans	\$42,436	\$ 43,006	\$ 35,407
Investment securities and other interest-earning assets	2,991	2,791	2,098
Total interest income	45,427	45,797	37,505
INTEREST EXPENSE			
Deposits	2,135	2,176	2,069
FHLB advances and other borrowings	604	332	325