

PACIFIC PREMIER BANCORP INC
Form 10-Q
May 10, 2013

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, 2013

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.)

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 [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 [X] 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 Accelerated filer Non-accelerated filer Smaller reporting company
(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 [X]

The number of shares outstanding of the registrant's common stock as of May 9, 2013 was 15,437,531.

PACIFIC PREMIER BANCORP, INC. AND SUBSIDIARIES
FORM 10-Q
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FOR THE QUARTER ENDED MARCH 31, 2013

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PART 1 - FINANCIAL INFORMATION

Item 1. Financial Statements

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

ASSETS	March 31, 2013 (Unaudited)	December 31, 2012 (Audited)	March 31, 2012 (Unaudited)
Cash and due from banks	\$ 99,431	\$ 59,325	\$ 93,622
Federal funds sold	27	27	27
Cash and cash equivalents	99,458	59,352	93,649
Investment securities available for sale	301,160	84,066	150,739
FHLB stock/Federal Reserve Bank stock, at cost	10,974	11,247	11,975
Loans held for sale, net	3,643	3,681	62
Loans held for investment	941,828	982,207	695,195
Allowance for loan losses	(7,994)	(7,994)	(8,116)

Loans held for investment, net	933,834	974,213	687,079
Accrued interest receivable	4,898	4,126	3,632
Other real estate owned	1,561	2,258	1,768
Premises and equipment	8,862	8,575	9,550
Deferred income taxes	2,646	6,887	8,654
Bank owned life insurance	17,701	13,485	13,096
Intangible assets	4,463	2,626	2,013
Goodwill	11,854	-	-
Other assets	5,601	3,276	2,954
TOTAL ASSETS	\$ 1,406,655	\$ 1,173,792	\$ 985,171
LIABILITIES AND STOCKHOLDERS' EQUITY			
LIABILITIES:			
Deposit accounts:			
Noninterest bearing	\$ 316,536	\$ 213,636	\$ 125,448
Interest bearing:			
Transaction accounts	519,828	329,925	311,152
Retail certificates of deposit	344,968	361,207	410,117
Wholesale certificates of deposit	4,387	-	-
Total deposits	1,185,719	904,768	846,717
FHLB advances and other borrowings	44,191	115,500	28,500
Subordinated debentures	10,310	10,310	10,310
Accrued expenses and other liabilities	8,846	8,697	10,165
TOTAL LIABILITIES	1,249,066	1,039,275	895,692
STOCKHOLDERS' EQUITY:			
Common stock, \$.01 par value; 25,000,000 shares authorized; 15,437,531 shares at March 31, 2013, 13,661,648 shares at December 31, 2012, and 10,329,934 shares at March 31,	154	137	103

2012 issued and outstanding			
Additional paid-in capital	128,075	107,453	76,239
Retained earnings	27,794	25,822	12,738
Accumulated other comprehensive income, net of tax of \$1,095 at March 31, 2013, \$772 at December 31, 2012, and \$278 at March 31, 2012	1,566	1,105	399
TOTAL STOCKHOLDERS' EQUITY	157,589	134,517	89,479
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 1,406,655	\$ 1,173,792	\$ 985,171

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	
	March 31, 2013	March 31, 2012
INTEREST INCOME		
Loans	\$ 13,396	\$ 11,237
Investment securities and other interest-earning assets	839	879
Total interest income	14,235	12,116
INTEREST EXPENSE		
Interest-bearing deposits:		
Interest on transaction accounts	218	329
Interest on certificates of deposit	801	1,427

Total interest-bearing deposits	1,019	1,756
FHLB advances and other borrowings	240	235
Subordinated debentures	77	84
Total interest expense	1,336	2,075
NET INTEREST INCOME BEFORE PROVISION FOR LOAN LOSSES	12,899	10,041
PROVISION FOR LOAN LOSSES	296	-
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	12,603	10,041
NONINTEREST INCOME		
Loan servicing fees	326	177
Deposit fees	440	501
Net gain from sales of loans	723	-
Other-than-temporary impairment loss on investment securities, net	(30)	(37)
Other income	265	298
Total noninterest income	1,724	939
NONINTEREST EXPENSE		
Compensation and benefits	5,097	3,520
Premises and occupancy	1,293	878
Data processing and communications	635	367
Other real estate owned operations, net	37	147
FDIC insurance premiums	140	133
Legal, audit and professional expense	595	486
Marketing expense	206	215
Office and postage expense	263	163
Loan expense	248	236
Deposit expense	95	64

Merger related expense	1,745	-
Other expense	825	432
Total noninterest expense	11,179	6,641
NET INCOME BEFORE INCOME TAXES		
TAXES	3,148	4,339
INCOME TAX	1,176	1,647
NET INCOME	\$ 1,972	\$ 2,692
EARNINGS PER SHARE		
Basic	\$ 0.14	\$ 0.26
Diluted	\$ 0.13	\$ 0.25
WEIGHTED AVERAGE SHARES OUTSTANDING		
Basic	14,355,407	10,335,935
Diluted	15,117,216	10,626,174

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

PACIFIC PREMIER BANCORP, INC. AND
SUBSIDIARIES
CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME

(dollars in thousands)

(unaudited)

Three Months Ended March
31,

2013 2012

Net Income	\$ 1,972	\$ 2,692
Other comprehensive income, net of tax:		
Unrealized holding gains on securities arising during the period, net of tax	461	81
Reclassification adjustment for net gain on sale of securities included	-	-

in net income, net of tax		
Net unrealized gain on securities, net of tax	461	81
Comprehensive Income	\$ 2,433	\$ 2,773

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

PACIFIC PREMIER BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2013 AND 2012
(dollars in thousands)
(unaudited)

	Common Stock Shares	Common Stock	Additional Paid-in Capital	Accumulated Retained Earnings	Accumulated Other Comprehensive Income	Total Stockholders' Equity
Balance at December 31, 2012	13,661,648	\$ 137	\$ 107,453	\$ 25,822	\$ 1,105	\$ 134,517
Net Income				1,972		1,972
Other comprehensive income					461	461
Share-based compensation expense			152			152
Common stock repurchased and retired	(3,666)	-	(22)			(22)
Common stock issued	1,774,217	17	20,482			20,499
Stock options exercised	5,332	-	10			10
Balance at March 31, 2013	15,437,531	\$ 154	\$ 128,075	\$ 27,794		