

**CDCI ANNUAL USE OF CAPITAL SURVEY - 2010**



NAME OF INSTITUTION  
(Include Holding Company Where Applicable)

First Choice Bank

Point of Contact:	Yvonne L. Chen	RSSD: (For Bank Holding Companies)	0
UST Sequence Number:	649	Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	5,146,000	FDIC Certificate Number: (For Depository Institutions)	57966
CPP/CDCI Funds Repaid to Date:		Credit Union Charter Number: (For Credit Unions)	
Date Funded (first funding):	February 13, 2009	City:	Cerritos
Date Repaid <sup>1</sup> :	N/A	State:	California

<sup>1</sup>If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP) and Community Development Capital Initiative (CDCI). To answer that question, Treasury is seeking responses that describe generally how the CPP/CDCI investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP/CDCI investment was deployed or how many CPP/CDCI dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

**What specific ways did your institution utilize CPP/CDCI capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP/CDCI funds were outstanding).**

**Increase lending or reduce lending less than otherwise would have occurred.**

It helped support the bank's lending activities to the local communities we serve by continuing lending or renewing existing loans to credit worthy customers, net lending increased by 10% over 2009.

**To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).**

Primarily commercial real estate and commercial & industrial loans including SBA lending.

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**Increase securities purchased (ABS, MBS, etc.).**

The Bank increased its investment securities by \$36 million, or 81% over 2009, primarily Government Sponsored Enterprise (GSE) mortgage-backed securities, and SBA securities to support the business in the mortgage and small business markets.

**Make other investments.**

To expand the bank's operations and its asset size by utilizing increased capital to improve the bank's profitability and strengthen the bank's liquidity position.

**Increase reserves for non-performing assets.**

To increase reserves for non-performing assets from 1.86% of total loans at year-end 2009 to 2.03% of total loans at year-end 2010, in line with peer group banks.

**Reduce borrowings.**

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**Increase charge-offs.**

**Purchase another financial institution or purchase assets from another financial institution.**

**Held as non-leveraged increase to total capital.**

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**What actions were you able to avoid because of the capital infusion of CPP/CDCI funds?**

The Bank was able to grow its assets and meet the increasing needs of the customers in its community and did not have to reject any customers.

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**What actions were you able to take that you may not have taken without the capital infusion of CPP/CDCI funds?**

With total \$5.1 million capital infusion of CPP/CDCI, the Bank is able to grow its total assets to \$202 million at the end of 2010 from \$148 million at the end of 2009, with net income of \$1 million for the year of 2010, as compared to losses in the previous years.

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**Please describe any other actions that you were able to undertake with the capital infusion of CPP/CDCI funds.**

A large, empty rectangular box with a black border, intended for the respondent to provide a detailed description of actions taken with the capital infusion of CPP/CDCI funds.