

**Contacts:**

Gregory Patton  
President/CEO  
Sierra Vista Bank  
(916) 850-1515

[gpatton@sierravistabank.com](mailto:gpatton@sierravistabank.com)

Lesa Fynes  
EVP/CFO  
Sierra Vista Bank  
(916) 850-1505

[lfynes@sierravistabank.com](mailto:lfynes@sierravistabank.com)

**Sierra Vista Bank Announces Fourth Quarter 2008 Financial Results**

FOLSOM, Calif., January 30, 2009 – Today, Sierra Vista Bank (OTCBB: SVBA), announced record growth in 2008. Sierra Vista Bank ended 2008 with \$69.5 million in total assets, an increase of \$40.1 million or 136% over 12/31/07 total assets of \$29.4 million. Year end 2008 deposits totaled \$54.7 million, an increase of \$38.3 million or 234%, over the 12/31/07 total deposits of \$16.4 million. Year end loans totaled \$48.9 million, an increase of \$30.6 million or 167% over 12/31/07 loans of \$18.3 million.

“So many things went well last year, but we are especially pleased with our core deposit growth in 2008,” stated Gregory Patton, President and CEO. The Bank increased its non-CD deposit accounts in 2008 by \$11.4 million to a total at 12/31/08 of \$16.5 million. Patton noted that checking and savings accounts are the key to de novo institutions developing relationships. Patton went on to say we do consider the majority of our CDs as core deposits, but they can be more price sensitive than other types of deposit accounts, thus our goal is to focus on our checking, savings and money market deposit base.

The Bank reported a net loss of \$2.575 million for 2008 compared to a net loss of \$1.443 million in 2007. Several strategic decisions were made during 2008 by the Bank’s Management and Board of Directors to lay a foundation for growth in the future. These capital expenditures included changing the Bank’s name and signage, opening a 2<sup>nd</sup> branch located in the Sam’s Town Center in Cameron Park, creating a full service Mortgage Division, and bringing on Steve Romeo, a prominent local lending professional. These decisions resulted in operating expenses of approximately \$453 thousand.

In addition, the Bank experienced an Other Than Temporary Impairment (OTTI) on one of its investment securities which resulted in a 2008 write-down of \$500 thousand or 100% of the face value. L. Fynes, EVP/CFO noted the Bank still owns the security and continues to receive interest payments. Should the economic market environment improve, and the value of the security increase, the Bank may recover some or all of this charge.

Other operating expenses for 2008 were as expected for a de novo institution in its 2<sup>nd</sup> year of operation. The loan loss reserve balance at 12/31/08 was \$685 thousand or 1.40% of total loans. The reserve increased in 2008 by \$460 thousand after a \$174 thousand loss on two credits was recognized. The Bank had one non-accrual but well secured loan at 12/31/08 totaling \$164 thousand. This amount represents .34% of total loan outstandings.

#### **About Sierra Vista Bank**

Sierra Vista Bank is a locally owned community bank headquartered at 1710 Prairie City Road in Folsom, since March 2007, with a second branch opened in Cameron Park in Nov 2008. The Bank prides itself on serving the financial needs of small businesses and professionals in Folsom and throughout the Highway 50 Corridor and is committed to community philanthropy. Additional information about Sierra Vista Bank can be found at [www.sierravistabank.com](http://www.sierravistabank.com) or by calling (916) 850-1500.

###

#### *Forward Looking Statement:*

This release may contain forward-looking statements that are subject to risks and uncertainties. Such risks and uncertainties may include but are not necessarily limited to fluctuations in interest rates, inflation, government regulations and general economic conditions, and competition within the business areas in which the Bank will be conducting its operations, including the real estate market in California and other factors beyond the Bank's control. Such risks and uncertainties could cause results for subsequent interim periods or for the entire year to differ materially from those indicated. You should not place undue reliance on the forward-looking statements, which reflect management's view only as of the date hereof. The Bank undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.