



## NEWS

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### **San Diego's Neighborhood National Bank Announces New President & CEO**

*Banking veteran Dan Yates brings 34 years of banking experience*

SAN DIEGO, CA -- [Neighborhood National Bank](#), a leader in providing banking products and services to San Diego's under-served and economically-challenged communities, has announced the appointment of Dan C. Yates as its president and chief executive officer. With this appointment, Yates also joins the bank's board of directors after serving as a consultant to the board for the past two months while he awaited regulatory approval.

Yates, who has a 34-year career in community banking, is best known as the founder and former CEO of Regents Bank. Under Yates' leadership, Regents Bank grew to be the fifth largest locally headquartered bank in San Diego County before it was acquired and subsequently merged into Grandpoint Bank based in Los Angeles.

Yates' appointment to president and CEO followed an exhaustive and extensive search by Neighborhood National Bank. The bank's board sought a candidate with a proven track record of successfully running and profitably growing a community bank.

"Our board is very excited that Dan has accepted our invitation to lead Neighborhood National Bank, and we believe all of our stakeholders – shareholders, customers and employees – will be equally excited as they get to know him. Dan is a proven leader who brings significant banking experience to our company," said Robert McGill, chairman of the board. "He is a seasoned banker who has a strong track record. Dan also has a unique understanding of the current regulatory environment and how to implement strategies to overcome the difficulties all community banks are facing in this current economy."

Yates, age 53, replaces both Robert McGill, Neighborhood National Bank's founding CEO, and Barbara Hosaka, the bank's president. Hosaka retired on December 31, 2013 following a long and successful community banking career in San Diego.

McGill announced that he transitioned from his position as CEO to chairman of the board, effective January 1, 2014. McGill founded Neighborhood National Bank in September 1997. When forming the bank, he envisioned creating an organization that would provide basic banking services to the hardworking, under-served citizens of San Diego; channel funds into affordable housing and small businesses; and serve as an economic pillar for the community.

Neighborhood National Bank was launched as an initiative of Neighborhood Bancorp, the holding company that is the bank's primary shareholder. Over the past 16 years, the bank has expanded to encompass neighborhoods in the City of San Diego (Mid-City, Central and Southeast San Diego), Lemon Grove, Spring Valley, El Cajon, National City, Chula Vista, Imperial Beach and San Ysidro.

Under McGill's leadership, the bank has loaned millions of dollars to small and mid-sized businesses in San Diego's low to moderate income neighborhoods at a rate that is more than quadruple the median rate of all U.S. banking institutions. Neighborhood National Bank has been honored for its outstanding practices numerous times over the years, and McGill was most recently named the 2011 National Member of the Year by the California Bankers Association.

"We thank Mr. McGill for his dedicated service for the past 16 years. He has built Neighborhood National Bank and its holding company to be the preeminent community development bank in the region," said Kurt Chilcott, a member of the Neighborhood National Bank's board. "Bob safely steered the bank through one of the most severe financial crises of our time. By moving to chairman, he will continue to share his passion for serving businesses headquartered in the underserved communities of San Diego and will be responsible for supporting CEO Yates with customer retention, shareholder relations and providing strategic direction as well as industry and government relations."

"It has been a joy and a privilege to lead such a talented group of individuals for the past 16 years," said McGill. "My greatest personal satisfaction has come from watching young bankers develop into seasoned professionals. It is through their efforts that we have been able to create a financial institution that provides stellar service."

In commenting on his new position, Yates said, "I am indeed honored to become part of the Neighborhood National Bank management team. I was impressed by the board and management team members who I met during the interview process and the commitment to build their bank and become the bank of choice in the market. I was also attracted to this opportunity given the company's strong

reputation in serving the community and the opportunities that we are presented with being one of the few remaining locally-based banks that survived the consolidation of community banks in our industry.”

After graduating with a bachelor’s degree in business from San Diego State University in 1983, Yates worked at Manufacturers Bank in Los Angeles where he specialized in lending to apparel manufacturers. From there he spent two years with Union Bank where he specialized in lending to middle market companies with sales between \$5 and \$100 million. Yates also held a senior management role at Mellon 1<sup>st</sup> Business Bank for 12 years where he was the regional vice president of the bank’s headquarters office and specialized in banking middle market companies.

In September of 2001 Yates co-founded Regents Bank and during his 12-year tenure led his team to grow the bank to over \$620 million in assets. Yates joined Grandpoint in 2012 as its president, following Grandpoint Capital’s acquisition of Regents Bank. As president of Grandpoint, Yates’ primary responsibility was to provide leadership in establishing and implementing the bank’s strategic plan to drive bank asset growth and to achieve profitability goals.

With extensive education and experience in various areas of commercial lending, business development, and risk management, Yates’ primary focus at Neighborhood National Bank will be centered on improving credit quality and growing assets by diversifying the growth of new client relationships in various industries that are underserved in the San Diego community by major banks. He will also be leading the bank’s strategic positioning and capital raising efforts. Neighborhood National Bank expects to engage in an offering to raise additional capital in the first quarter of 2014 to support its growth, a return on profitability and its special mission of helping underserved communities.

### **About Neighborhood National Bank**

Neighborhood National Bank was established in 1997 and serves the financial needs of closely held small- to medium-sized businesses and professional service firms, as well as their owner-operators and non-profit organizations that are located throughout the San Diego community.

The San Diego-based, nationally chartered bank operates branches located in National City, San Diego and in El Cajon in the Rancho San Diego neighborhood.

Founded by a team of veteran local banking executives, Neighborhood National Bank is the only FDIC insured certified Community Development Financial Institution operating in San Diego County and one of only 85 banks in the nation to hold a CDFI certification. A certified Community Development Financial Institution is a specialized financial institution that concentrates a significant portion of the bank’s talents, resources and capital in market niches that are typically underserved by traditional financial institutions.

With a community development bank, depositors and investors have a much better idea of where their money is going: to provide loans to help build businesses and create jobs within the community where they live and work. Neighborhood National Bank is committed to delivering personalized service, convenient access and competitive rates to support the needs of the business community. The bank offers online banking at [www.mynnb.com](http://www.mynnb.com)

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