

News Release

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High Desert Bank and Right Start Mortgage Announce Signing of Merger Agreement

Bend, Oregon and Pasadena, California, April 6, 2017 – Bend, Oregon based High Desert Bank and Pasadena, California based Right Start Mortgage announced the signing of a definitive merger agreement whereby Right Start Mortgage will merge into High Desert Bank. The merger consideration will consist of 100% High Desert Bank stock. At closing and subject to adjustment, Right Start Mortgage shareholders will own approximately 85% of High Desert Bank.

The transaction is subject to customary closing conditions including regulatory approval and approval by the shareholders of High Desert Bank and Right Start Mortgage. The transaction is expected to close by June 30, 2017.

Zan Hamilton, Chairman of High Desert Bank remarked, “This is the best path forward for High Desert Bank. At closing, High Desert Bank will be in much stronger financial condition with considerable capital resources and a path towards core profitability. There are significant synergies for us and Right Start Mortgage and we are excited to partner with them.”

Buster Williams, Chairman of Right Start Mortgage said, “This is a great transaction for Right Start Mortgage and we look forward to working with the High Desert Bank team to build a community bank with a diversified earnings stream. We are excited about our future together.”

High Desert Bank shareholders will receive more information regarding the transaction when proxy materials are distributed.

High Desert Bank is a Federal Savings Bank with headquarters in Bend, Oregon. Established in 2007, High Desert has a strong community banking focus offering loan and deposit products and services for businesses and consumers. As of December 31, 2016, the bank reported total assets of \$25.8 Million and deposits of \$24.6 Million.

Right Start Mortgage is a private Mortgage Banking company established in 1989 and has been an approved Fannie Mae seller servicing and HUD direct endorsement originator for the last 20 years and Ginnie Mae Issuer since 2010. RSM is currently headquartered in Pasadena, California and has branches in 16 locations throughout California, Arizona, Nevada and Texas. RSM is also approved to originate loans in eight states.