

# 20 ANNUAL REPORT 20



ONE  
FLORIDA  
BANK



## Dear Shareholders:

While 2020 certainly presented many challenges, One Florida Bank exceeded growth plans and surpassed financial projections. Through support from shareholders, our community and our talented group of bankers, we nearly doubled in size; ending the year at \$830 million in total assets. We exceeded our budgeted asset growth by over \$171 million and ended 2020 as the largest community bank based in Central Florida. Our net loss was significantly lower than projected at (\$1.1 million), while pre-tax pre-provision net income was \$1.4 million. Our substantial platform of human, technological and financial capital afforded us the ability to accelerate quality asset growth that will continue to increase shareholder value.

In 2020, One Florida Bank further capitalized on the void in the market for a bank that understands that local, timely decisions matter. Our deep understanding of the market and a community-based mindset was the foundation for attraction of a significant number of new clients as evidenced by the opening of 3,800 new loan and deposit accounts during the year. We were able to compete effectively with larger institutions using state-of-the-art banking technology and our extensive capital base that allowed us to provide more credit to our clients. Avoiding unnecessary bureaucracy in our processes and focus on speed to market will continue to be mainstays in our culture. We believe a delivery model centered on service and efficiency is most attractive to our clients and prospects.

Technology has leveled the playing field in our industry, which is why we upgraded our digital and online banking suite, giving us the tools to compete with regional and national institutions. Modern banking technology is a requirement for clients, but high-touch local service is the differentiator and is our primary endeavor every day. In order to ensure our products and services are delivered in this regard, we hired the most talented bankers in the markets we serve. Our bankers understand and are committed to maintaining this competitive advantage. They are fully engaged and accountable in the culture that makes our delivery model work and investment in talent is what led to our success and the client acquisition attained in 2020. The growth results we achieved in our first two years indicate that our long-held belief that people bank with people holds true.

Total loan growth was \$328 million, or 113%. Our loan growth was well balanced, with commercial and industrial loan growth of \$100 million and commercial real estate loan growth of \$141 million. We participated in the SBA Paycheck Protection Program (PPP) and were proud to be able to help many of our existing clients, and to attract new clients by providing these loans. We found that clients who had previously been content to stay with their incumbent larger regional bank were attracted to a more personal approach in an uncertain time. With a well planned and executed process by our credit and SBA teams, we completed over 400 loans totaling approximately \$95 million in the first round. As of February 2021, we are obtaining forgiveness for our first round of PPP loans and are actively accepting applications and SBA approvals in the second round.

This robust loan growth was funded entirely by core deposit generation. In 2020 we opened two additional branch offices (Winter Park and Longwood), both of which ended the year over \$200 million in deposits. We also implemented our Community Association Program (CAP) to take advantage of the large owners' association management market in Florida. Deposit growth was \$414 million, or 134%. Non-interest-bearing deposits are the most valuable funding source, and grew more as a percentage year-over-year than any other deposit category at \$150 million, or 293%. We believe this demonstrates a return on the investments made in our treasury management platform, and validates our decreased physical branch location model. Non-interest-bearing deposits grew from 16.5% to 28% of our total deposit base year-over-year. This, along with careful interest rate management, led to overall cost of funds declining from 1.58% to 0.36% over the course of the year. We were able to improve our net interest margin, even in a sudden falling interest rate environment.

While we were able to grow our assets by nearly 100% in 2020, we remained disciplined in our risk management practices. Credit selection, stringent underwriting and lending to well-known clients, many of which we have known and banked for years, remained our core philosophies. This discipline paid off, even during a time of economic uncertainty. We had no past due loans over 30 days in any reporting period and no new non-performing assets. We were able to maintain stellar asset quality while providing assistance to our clients during the pandemic through payment relief and pandemic related modifications during the first half of the year. The strength of our credit portfolio is demonstrated by the fact that these modifications ran their course and all clients returned to normal payments.

We will remain conservative in our risk management programs in all aspects of our business and continue to meet client credit needs using the same disciplined approach based on strong underwriting metrics and deep knowledge of our borrowers' businesses and markets.

## Looking Ahead

As we begin our third year as One Florida Bank, our strategy for continued growth is focused on leveraging investments in our team and infrastructure. We will continue to take advantage of new opportunities in talent and technology when they arise. Significant opportunity remains for us to grow organically through the contacts of our expanded team, but we will always remain opportunistic when it comes to other avenues to allocate capital for greater returns.

While balance sheet growth will continue to drive returns, we see opportunity to grow non-interest revenues in several of our business lines. In 2020, we launched OFB Insurance, Inc., a full-service insurance agency wholly owned by OFB Bancshares, Inc., which will be complimentary to our commercial banking clients. We plan expanded production in our residential mortgage platform, our SBA lending platform and fee-based depository services. These initiatives will provide diversification in our sources of revenue outside of interest income.

While there remains uncertainty in the economy as a result of the pandemic, we are optimistic. The interest rate and regulatory environment are subject to change quickly, and we are staffed and prepared to adapt. As contemplated in our three-year business plan at the inception of One Florida Bank, we are poised for profitability in 2021 and beyond.

The community-based nature of our business development model remains an important component of our growth and success. We sincerely appreciate the banking relationships we have already formed with many of our shareholders. Your business and referrals truly drive growth and profitability, which accelerates shareholder value creation. When we work together our goals are ONE.

**Randy Burden**  
CHAIRMAN & CEO

**Rick Pullum**  
PRESIDENT



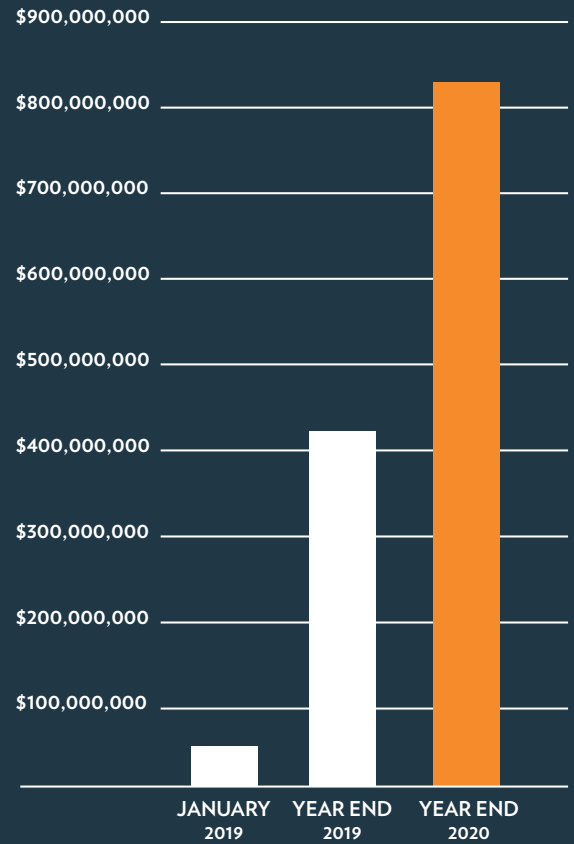
# 2020 ANNUAL REPORT

## ASSETS

**JANUARY  
2019**  
\$44.9MM

**YEAR END  
2019**  
\$418.1MM

**YEAR END  
2020**  
\$830.2MM



# 2020

# LOANS

JANUARY  
2019

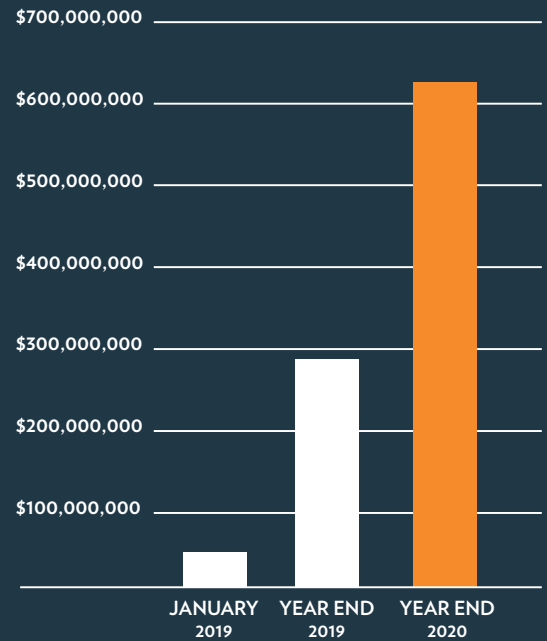
\$38.0MM

YEAR END  
2019

\$287.6MM

YEAR END  
2020

\$615.6MM



# DEPOSITS

JANUARY  
2019

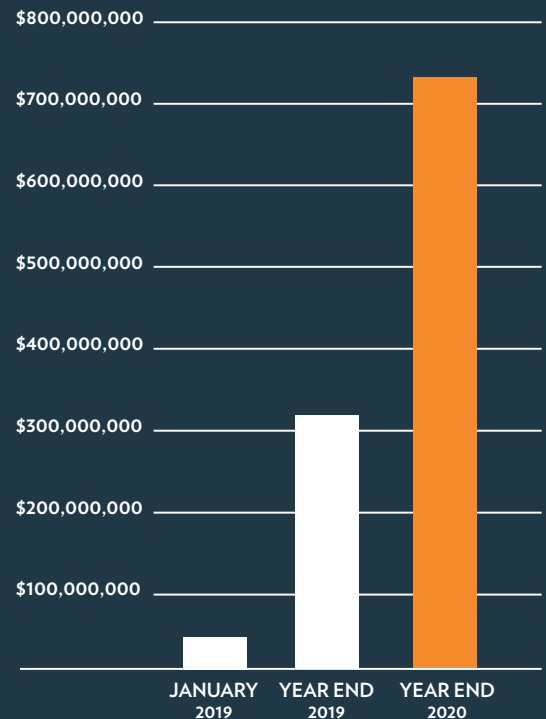
\$37.1MM

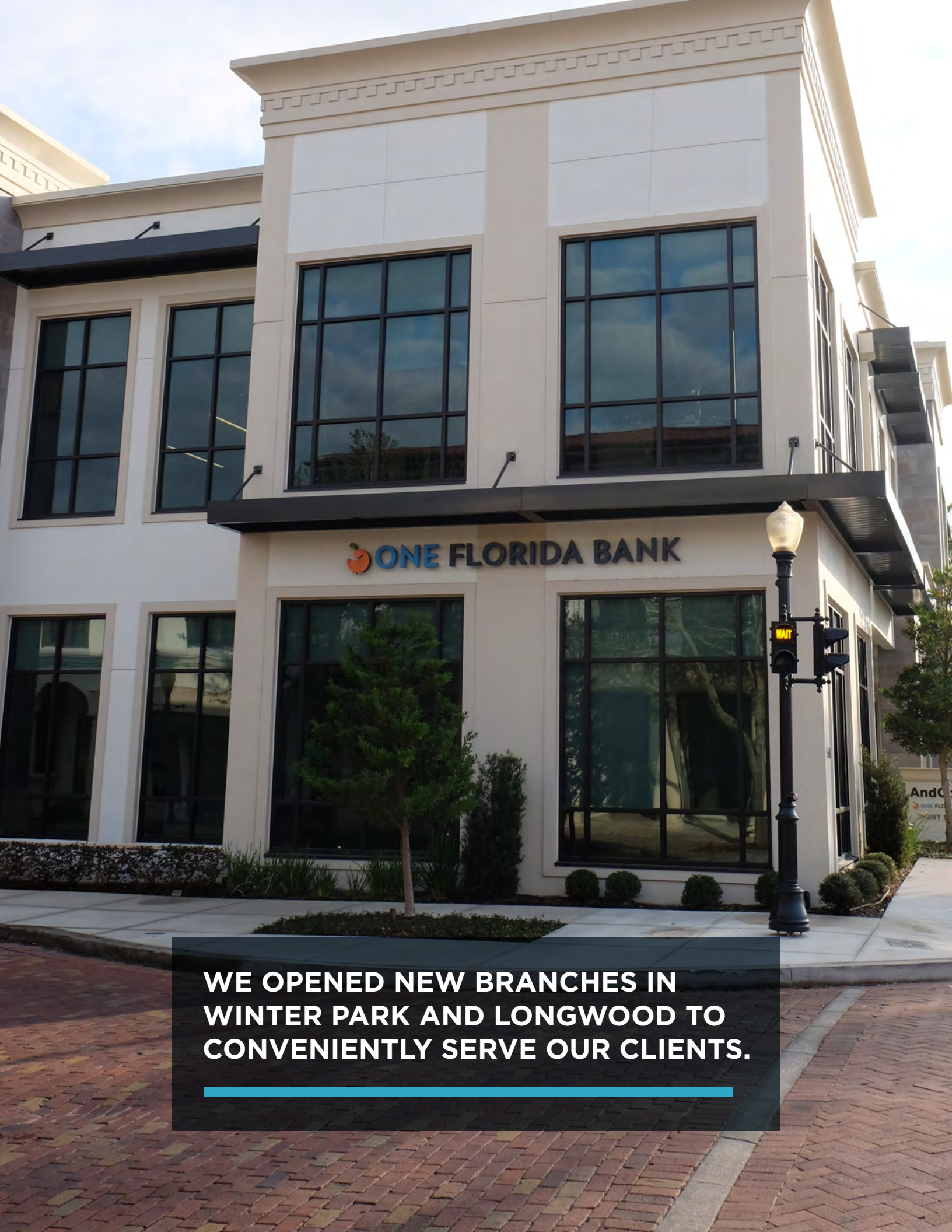
YEAR END  
2019

\$308.6MM

YEAR END  
2020

\$723.1MM





 **ONE FLORIDA BANK**

**WE OPENED NEW BRANCHES IN  
WINTER PARK AND LONGWOOD TO  
CONVENIENTLY SERVE OUR CLIENTS.**

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## OUR MISSION

To serve the needs of our clients and communities as a locally owned and managed bank.

## OUR CORE VALUES

**1** Staying customer focused to provide exceptional value, because strong relationships build understanding, connection, and quality products and services

**3** Dedicating our time and resources to building a collaborative, supportive workplace to develop generations of talent for our Florida business community

**2** Committing to a thoughtful, disciplined and conservative approach to our credit processes

**4** Living each day to the highest codes of ethics and integrity, always remaining fully compliant with all laws and regulations

# Supporting Our Clients During the Pandemic

## PAYROLL PROTECTION PROGRAM

Our team was honored to help our clients keep their workers employed during this trying year by working to quickly and effectively process PPP applications as demand grew. Our internal task force of lenders and closing specialists went above and beyond to document and process applications for our clients. This last year has been proof of how relationship banking can help our community.

## PPP Assistance

408 PPP loans in the first round totaling \$96.5MM.

We are actively taking applications in the second round now.

# Thank you to our branch teams

Our banking team came together this year, but we especially want to thank our branches for an outstanding job. They not only stayed open and safe through appointment-only and socially-distanced banking, but found new ways to celebrate each other and support our community during a challenging year.

Thank you to our teller and branch teams for staying positive and professional.

- New 2020 Branches: Opened Winter Park and Longwood branches
- Moved our corporate headquarters to South Orlando
- We celebrated our branches through Spirit Week, Hero Day, Teller Appreciation week, and participating in a socially distant IOA 5k
- Volunteered for United Against Poverty's "Hopeful Harvest"
- Our Angel Tree Christmas program collected gifts for more than 165 local foster families
- Operated in a safe, healthy environment while providing exceptional service



**FLORIDA'S BEST COMPANIES TO WORK FOR**  
"One Florida Bank was featured by Florida Trend as one of the Top 100 Best Companies to Work For in 2020 – ranking #6 in Midsized companies!"







## CLIENT FEATURE

# Innovations Make a Lasting Impact

## KENPAT BRINGS AESTHETICS, EFFICIENCIES TO THE CENTRAL FLORIDA LANDSCAPE

KENPAT's work has made its mark locally. The Dr. Phillips Center's architectural details. The unique framing at Orlando International Airport. Medical, educational, office and retail landmarks throughout Central Florida are more intricately and efficiently developed thanks to this specialty contractor.

"That local impact is why we do what we do," says Paul Wolmarans, KENPAT's CEO. "People are working here because they have the opportunity to be on the front edge of construction, not only locally but nationally."

With more than 40 industry awards to date, KENPAT has established itself as a leader in specialty interior and exterior wall systems, ceiling systems, and in executing unique architectural designs.

"The fact that we, a little company out of Apopka, have won 3 national awards is a historical highlight for us," he says.

Increasingly, KENPAT is leading where traditional construction companies choose not to tread. "One of the cutting-edge technologies we're working on is energy-efficiency in buildings," he says. "Meeting energy efficiency goals is unusual for a subcontractor to be involved in, but we have the technical knowledge to build energy efficient exterior wall systems."

Not only are they building increasingly more energy efficiently, they are investing in prefabrication facilities as well. "We're changing from site-based construction to a design-led construction company," Wolmarans says. "Our designers will be at the forefront."

"That's where One Florida has been a great partner for us," he says. "We're expanding our facility by 20,000 square feet. That's been done with the help of One Florida."

With increased efficiencies, faster construction times and local expertise, we can expect even more unique additions across Central Florida.



**REGAL & NAUTIQUE**

*OF*



**407-425-2628**



**IT'S ABOUT THE RELATIONSHIP  
BECAUSE THE BANKERS  
UNDERSTAND OUR BUSINESS.**

*- Jeff Husby*

# Hometown Dealership for Premium Hometown Watersports

Last year posed many challenges for businesses and families alike, but presented an opportunity to safely spend time with those closest to you. That is especially true for Regal & Nautique of Orlando, who are in the business of creating family traditions and memories on the water.

“Families were together this year and Central Florida is full of lakes and water,” says Jeff Husby, General Manager at Nautiques of Orlando. “It made common sense that people wanted to get outside and do something as a family.”

Since getting started in 2008, they have become a powerhouse in the boating industry. “We’ve been Top 5 with Nautique for the last 8-9 years in a row,” he says. “We picked up Regal in 2011 and for the last 4-5 years have been in the Top 5 for North American sales.”

In 2020, they were ranked the #3 dealer in North America by Boating Industry Magazine.

“I have a deep history with the brand in Central Florida,” Husby says. “And because Nautique and Regal are both manufactured here in our hometown, it’s a brand that locals recognize.”

Those local ties have helped his team navigate what he calls Orlando’s “big small town” environment. “It’s small enough that there’s an inner network of business people that become your core relationships, but it’s big enough to expand your business.”

That deep well of connections has allowed the team to immerse themselves in Central Florida’s culture. “We network with people at the Orlando Magic, Tavistock Group, local realtors, and many community events,” he says. “Because of our relationship we were able to advertise locally and be a part of it all.”

Working with One Florida has helped them develop their floorplan line, he says, crediting the longstanding relationships with One Florida’s banking team, many of whom provided financing “since day one.”

“It’s about the relationship because the bankers understand our business,” he says. “The boating industry is unique in how we build the floorplan, how the boats are built, our cash flow, and not all bankers understand that.”

“We just work hard to make people happy and build the relationship for the long term.” With One Florida, he says, “It’s much easier to do business.”





# Building a Better Future for Central Florida Families

## Susan Rich on a lifetime of support for Habitat for Humanity

Susan Rich, One Florida Bank's Chief Compliance Officer, has served on the Board of Directors for Habitat for Humanity Seminole-Apopka for six years and as the Chairwoman for the past two years, but she's been involved in just about every aspect of Habitat's mission, from fundraising to swinging a hammer.

"I've been involved for decades," she says. "I can hang sheetrock. I can help frame a house. I can caulk," she says with a laugh. "I've had my entire family out on job sites. We're pretty passionate about this."

### Serving a great local need

Habitat for Humanity has partnered with families in Seminole County and Greater Apopka for the last 30 years, building hundreds of homes, empowering thousands and having an estimated annual \$2.8 million impact on our local economy.

Two years ago, Central Florida was cited as the #1 area in the country for lack of affordable housing. "It's been my passion for decades. I was a single mother and most of the people we help are single mothers. It is estimated that in Seminole County 46% of single mothers are low-income, so it's a great need. I've been blessed in life, but everybody isn't so lucky."

Susan says that one of the biggest fallacies about Habitat is that they "give away homes". "We do not," she says. "We build safe, decent housing and make zero interest loans and obtain government assistance for a good portion of the down payment. We keep the monthly house notes affordable."

"It's about helping people with a hand-up," she says. "Applicants have to do 200 hours of sweat-equity, work toward contributing to the down payment, financial literacy training, and home ownership training."

### One Florida Bank – Building together

One Florida Bank team members have joined the Rich family for years, often filling up volunteer slots on the first day.

“It’s a fun and rewarding experience to go out and build together,” she says. “More than that, it’s being able to make a positive difference in our community. We really do believe in serving our community and making it a better place for everyone to live.”

One Florida has sponsored Habitat for Humanity’s Women Build and Raise the Roof events, and recently participated in another team build in January 2021. To learn more about Habitat’s mission, as well as volunteer and donation opportunities, visit [www.https://habitatseminoleapopka.org](https://habitatseminoleapopka.org).

And as Susan always says, “Have a great compliance filled day!”



## CLIENTS GIVING BACK

**One Florida Bank client Bryan Builders supported Habitat for Humanity with a contribution of \$200,000. We thank them for supporting this cause.**

## HELPING FUND DREAMS Zero Equivalent Mortgage Program

Residential Mortgage Loan Officer, Trip Parker, and others in the mortgage team help those individuals who have been through Habitat’s application, education and sweat-equity process secure their loan through the Zero Equivalent Mortgage Program.

When their house is next in line to be built, Trip helps put the loan application together, working with the Habitat family to audit their income and assets to determine how much of the mortgage the buyer can afford, with supplemental loans from the county, state and Habitat itself.

“It really is a great program,” Trip says. “The supplemental loans are forgivable over time, so it’s a great way for us to help people get into a home.”

Studies on home ownership show that individuals in a homeowner environment have a greater sense of stability, their children do better in school, and it helps build family pride. Often Habitat homeowners are the first in their family to own a home. The opportunity Habitat provides leads to a domino effect starting a trend of financial stability for generations to come.

“It’s a complete life-changing, seismic event because they can say ‘I can’t believe I can own a house,’” Trip says. “It’s one of the most gratifying things I can do as a lender, because they appreciate it so much.”

# Global Holdings Group Looks to One Florida

Relationships, entrepreneurship and forward-looking leadership key for Avalon Park Group

Avalon Park Group is a diversified development and management company with assets all over the world. Locally, the company is best known for its master planned communities, like Avalon Park Orlando, located east of downtown. Home to more than 60,000 residents within a three-mile radius of its city center, it's a "Live, Learn, Work, Play" community that has become a model for many of APG's community development projects.



Avalon Park Group President and CEO, Beat Kahli, who moved to Florida from Switzerland 30 years ago, says, "Central Florida is a great place to do business." He points to the area's affordable land opportunities, attractions, and the interconnected business community, which includes his 20-year relationship with many of One Florida's bankers.

"The relationship between a banker and any client is of mutual trust," he says. "You have to know each other. There's the advantage with One Florida: you get to know the people and they know us."

Kahli says APG prides itself on its diversification and ability to pivot toward new opportunities, a quality he looks for in partnerships.

"One Florida is a true entrepreneur bank," he says. "They can serve entrepreneurs, they can serve mortgages, and what we've learned is that if you go to the mega banks you work with a computer. This bank can tailor their service to the individual."



## Looking forward, together, to Daytona Beach

APG's team is adept at managing a variety of ongoing developments, while also planning for new opportunities.

"All of our projects are in different phases," says CFO, Marybel Defillo. "In Avalon Park Orlando we have the Innovation Center, and we'll be breaking ground on a new 55+ independent living community soon. We've made great progress on Avalon Park Wesley Chapel, which is half-way through, and we're also breaking ground on the downtown, starting with five commercial buildings."

Kahli says they now have set their eyes further east, to Daytona Beach. "We acquired, thanks to One Florida who supported us in that, 3,000 acres in Volusia County," he says. "It felt like the natural next Avalon Park."

Along with the Daytona Beach project, APG is also in Phase 1 in Tavares in Lake County, with its own charter school and models opening in late summer 2021.

"One Florida is excited to continue working with APG with their Daytona development and beyond," says OFB's Rick Pullum. "We share and admire their entrepreneurial spirit."



**AVALON  
PARK GROUP**

**THE RELATIONSHIP BETWEEN A  
BANKER AND ANY CLIENT IS OF  
MUTUAL TRUST. YOU HAVE TO KNOW  
EACH OTHER.**

*- Beat Kahli, APG*



**OUR CHIPLEY BRANCH PROVIDES EXCEPTIONAL  
PERSONALIZED BANKING SERVICES TO OUR  
CLIENTS IN THE PANHANDLE OF FLORIDA.**

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A white silhouette of the state of Florida is centered on a dark blue background. Several orange location pins are placed on the map to indicate office locations: one in the north-central region, a cluster of five in the central-eastern region, and one in the southern region.

**Corporate Office**

33 W. Pineloch Avenue, Suite A  
Orlando, FL 32806  
407.693.0593

**Apopka Branch**

21 E. Third Street  
Apopka, Florida 32703  
407.693.0610

**Chipley Branch**

1385 Main Street  
Chipley, Florida 32428  
850.415.6870

**Downtown South – Orlando**

**Main Office**

1601 South Orange Ave.  
Orlando, Florida 32806  
407.693.0601

**Longwood Branch**

1145 W. State Road 434  
Longwood, FL 32750  
407.693.0665

**Winter Park Branch**

531 West Morse Blvd, Suite 100  
Winter Park, Florida 32789  
407.693.0621



# Treasury Management

We offer our business clients the latest in treasury management tools to give you more control over your company's day-to-day finances.

In 2020 we continued to invest in new services to provide improved accessibility to your resources:

- Now offer Direct Connect for QuickBooks users
- Launched the Treasury One Pro mobile App that allows clients to:
  - Make mobile deposits
  - Decision Positive Pay items
  - Approve Payments
  - Send ACH and Wires

Looking forward, we have partnered with Rynoh to provide account reconciliation for our Title Companies. We are launching our Directline International Wires that will allow Treasury One Pro clients to originate international wires from their online banking platform.

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## New: Community Association Program

One Florida Bank now offers a unique local banking solution for community association management companies. It combines community-based banking, association lending and a partnership with the innovative technology platform, CINC Systems.

This new initiative builds on our team's deep knowledge of the needs of the association management industry by providing quick response times, growth and maintenance planning, and technology tools tailored to streamlining business operations.





**CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Unaudited)**  
**As of and for the years ended December 31, 2020 and 2019**

*Dollars in thousands*

**Consolidated Balance Sheets**

	2020	2019
Cash and amounts due from financial institutions	\$ 182,214	\$ 117,759
Securities	16,424	369
Loans held for sale	3,125	554
Loans, net of allowance and net fees	612,517	287,068
Other assets	15,900	12,397
Total assets	\$ 830,180	\$ 418,147
Deposits:		
Noninterest-bearing	\$ 200,737	\$ 51,261
Interest-bearing	521,441	257,333
Total deposits	722,178	308,594
Federal Home Loan Bank advances	1,750	1,750
Other liabilities	2,259	3,014
Total liabilities	726,187	313,358
Total shareholders' equity	103,993	104,789
Total liabilities and equity	\$ 830,180	\$ 418,147

**Consolidated Statements of Operations**

Interest income	\$ 21,664	\$ 9,141
Interest expense	3,158	2,560
Net interest income	18,506	6,581
Provision for loan losses	2,512	2,447
Noninterest income	1,316	520
Noninterest expense	18,420	11,218
Net loss	\$ (1,110)	\$ (6,564)
Pre-tax, pre-provision net income (loss)	\$ 1,402	\$ (4,117)

## BOARD OF DIRECTORS – ONE FLORIDA BANK

Randy O. Burden, Chairman  
John O. Burden, Vice Chairman  
Richard A. Anderson, Sr.  
A. David Bates  
James P. Caruso  
Steven R. Castino  
Edward J. Kleiman  
G. Geoffrey Longstaff  
Brian B. Musso  
Sal A. (Joe) Nunziata  
Samuel D. Oswald  
Jack G. Prevost  
Kim Davis Wilson



Our new corporate office is located in Downtown South Orlando

## REMEMBERING TRACY S. FORREST, 1950 – 2020

Chairman & CEO, Winter Park Construction  
One Florida Bank Board Member



Tracy S. Forrest, founder of Winter Park Construction, built his company from the ground up, leading it to become among Central Florida's most recognizable companies. From its start in 1974, Tracy helped grow

WPC to one of the ENR 400 largest General Contractors in the US as well as one of the 200 largest privately owned companies in Florida.

His business and personal interests led him to success in construction, design, and development, while his passion for air travel inspired him to become a pilot, logging more than 5,000 hours in the sky. He also developed the popular "iFly" indoor skydiving attractions.

He served on numerous aviation-based organizations, funding more than \$500,000 in aviation scholarships. He also served on the advisory board of the Hamilton Holt School at Rollins College.

Tracy served One Florida Bank as a member of our Board of Directors and was the Founding Director & Chairman of our Audit Committee.

We thank Tracy for his contributions to our bank and our community. Our thoughts remain with his family, friends, and colleagues. He will be missed.

**Corporate Office** 33 W. Pines Avenue, Suite A Orlando, FL 32806 407.693.0593

