

2024  
STATEMENT OF  
FINANCIAL  
CONDITION

FIRST AMERICAN BANK

TABLE OF  
CONTENTS

|                                  |       |
|----------------------------------|-------|
| Chairman’s Letter                | 2-3   |
| Summary of Growth                | 4-5   |
| Statement of Financial Condition | 8-9   |
| Board of Directors               | 10-11 |
| First Artesia Bancshares, Inc.   |       |
| First American Bank              |       |
| Corporate Executive Team         | 12    |
| Officers                         | 13-15 |
| Locations                        | 16    |

# GREG MARRS

## [Chairman's Letter]



As we close another successful year, we are pleased to report that First American Bank has achieved another consecutive year of record earnings. This is a testament to our team's dedication, our strategic initiatives, and the trust our customers place in us. Our financial performance continues to reflect a steadfast commitment to operational excellence, sound decision-making, and a clear vision for our bank.

Equally important is the time and energy we have invested in strengthening our culture. We have dedicated significant resources to cultivating a workplace environment that fosters collaboration, teamwork, accountability, and integrity. By

focusing on our internal culture, we have created a team that is not only motivated and skilled but deeply aligned with the values that drive our business model and our community commitment.

We closed the year with total assets of \$1.77 billion and net income of \$44.2 million. Net income increased \$1.1 million from the prior year. These earnings resulted in a Return on Assets (ROA) of 2.37% and a Return on Equity (ROE) of 31.74%. This places First American Bank in the top 5% of peer in terms of ROA and 7% of peer in ROE.

Beyond our financial performance, we remain deeply committed to our communities. We reached a significant milestone in 2024 as our loan portfolio grew to exceed \$1 billion in total outstandings. Not only does the loan portfolio represent a significant driver of the core earnings of our bank, but it also represents investment back into our communities as these dollars help small businesses and individuals to thrive and to accomplish their financial goals.

We continue to place a strong emphasis on philanthropy and community involvement. We supported several fundraisers, working hand-in-hand with local organizations to raise over \$1 million for various causes. These efforts are a direct reflection of our ongoing commitment to being an active and positive force within the communities we serve.

*We have an outstanding team* comprised of our board of directors and employees that are critical to our ongoing success. It is through the vision and support of our board and the implementation of that ***vision*** by our team that makes First American Bank one of the ***strongest and well-respected community banks*** in New Mexico and West Texas. We have continued our ***outstanding financial performance*** again this year and are pleased to present a very positive report for 2024 that positions First American Bank for a bright future. Thank you for your continued ***trust and partnership***.

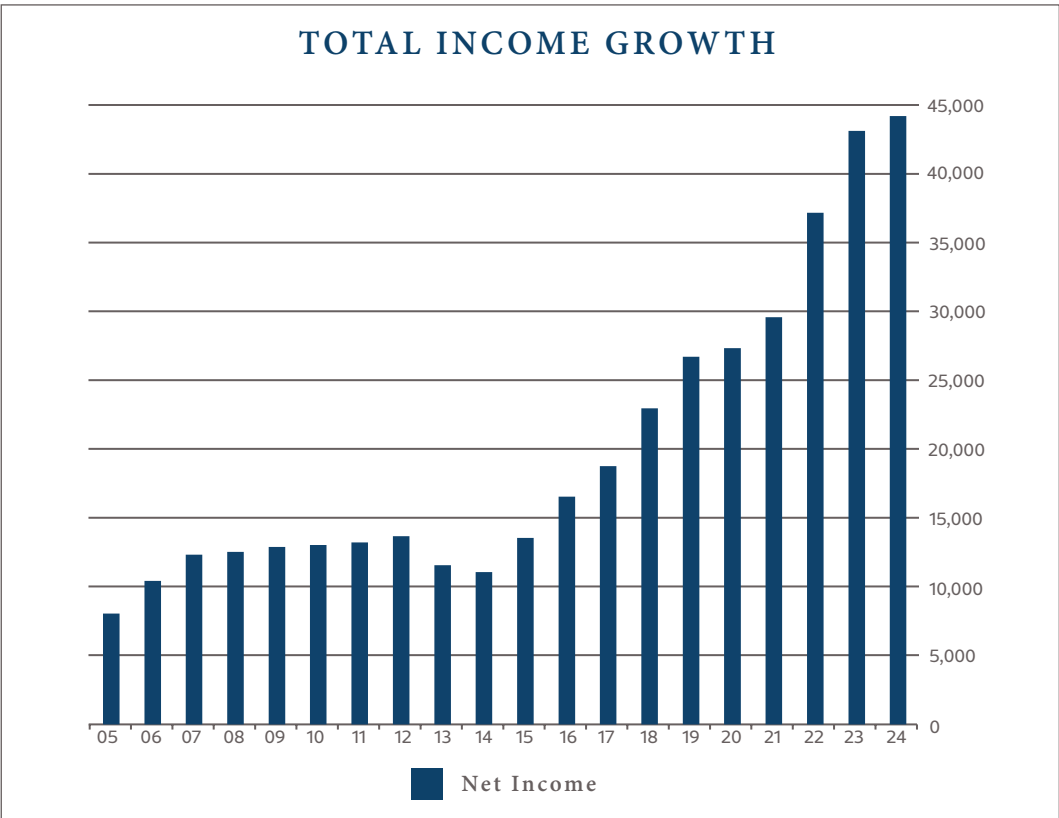
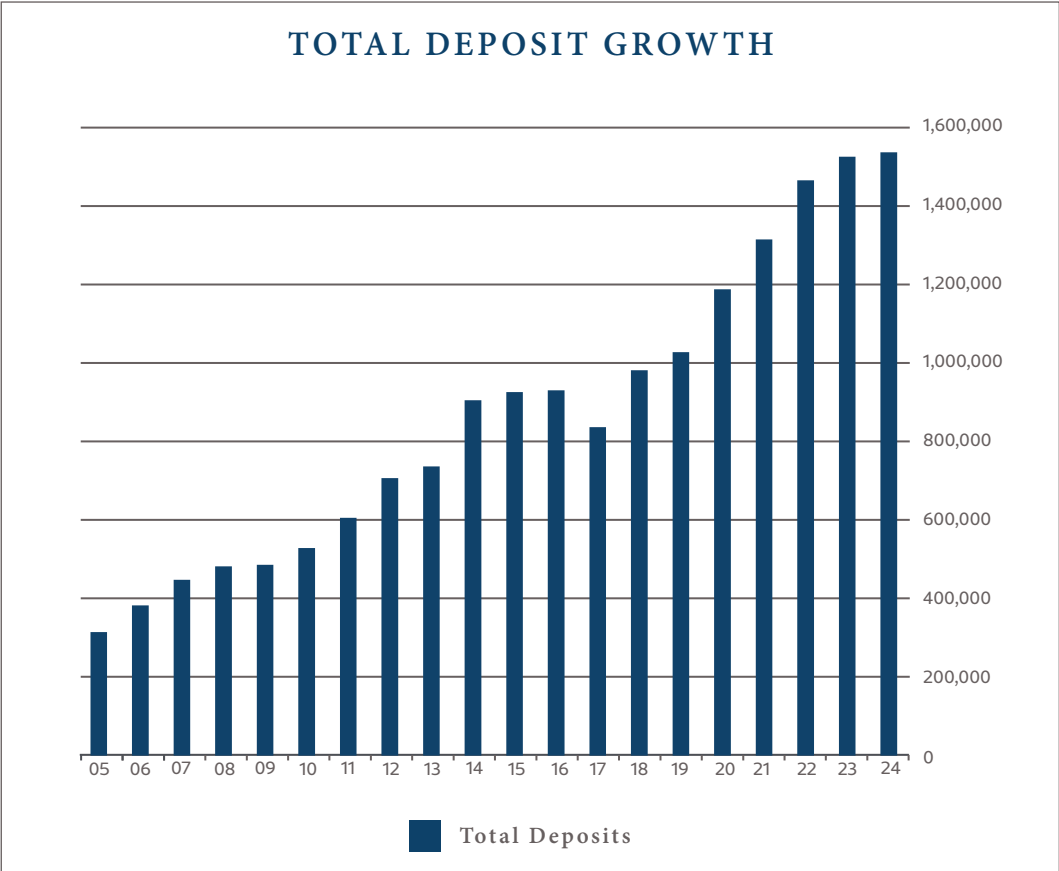
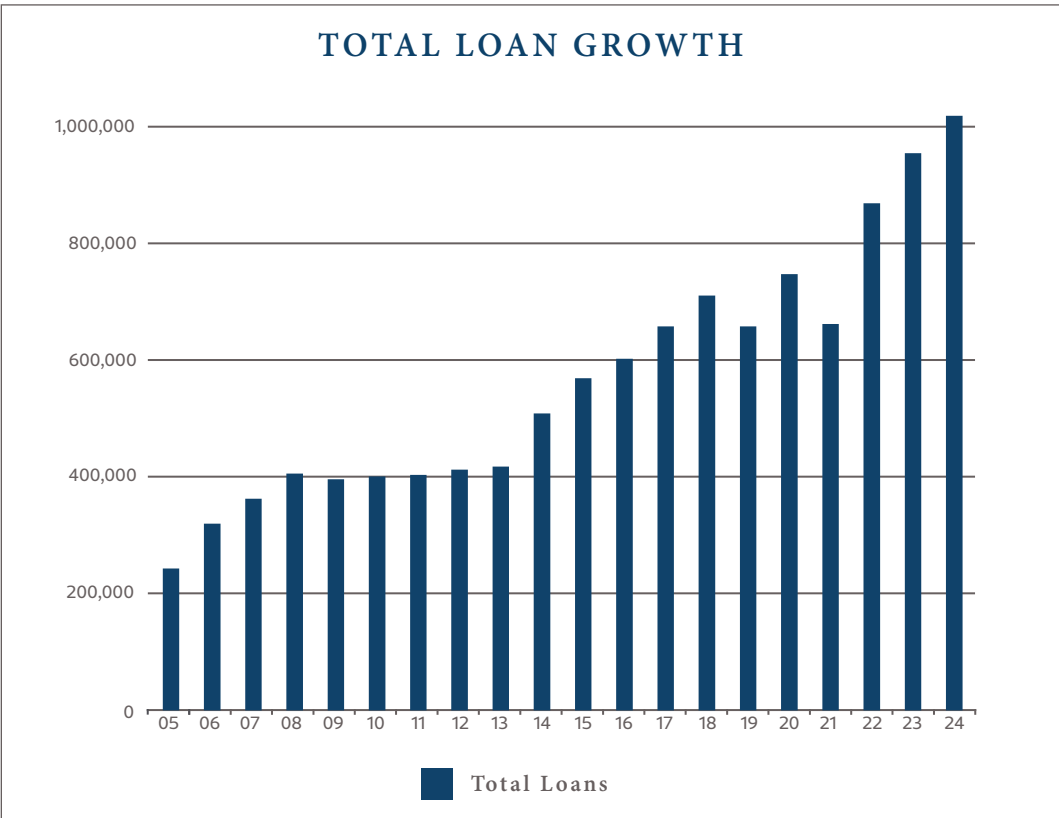
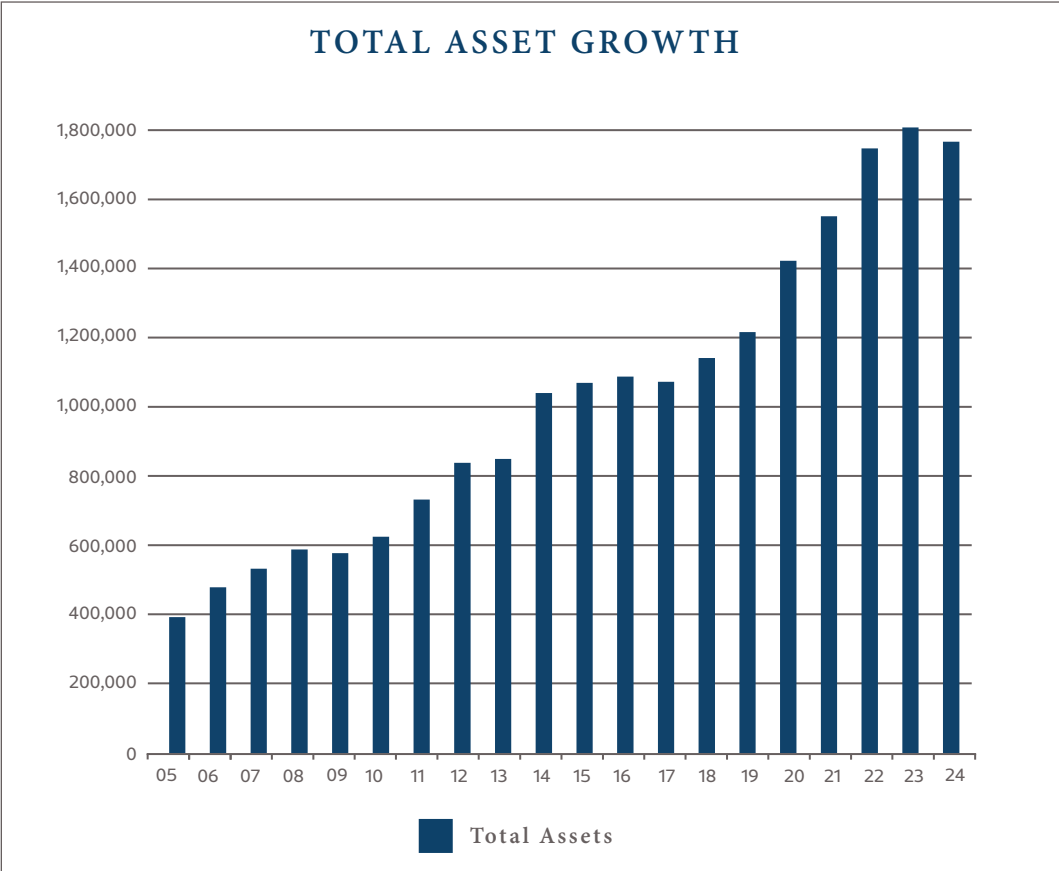
Sincerely,

A handwritten signature in dark ink, appearing to read 'Greg M.', with a stylized flourish at the end.

Greg Marrs

Chief Executive Officer, Chairman

SUMMARY OF GROWTH





# [ Our Culture ]





Statement of

**FINANCIAL CONDITION**

As of December 31

| Assets  | 2024          | 2023          |
|---|---------------|---------------|
| Cash and Cash Equivalents   |               |               |
| Cash and due from banks   | 21,746,320    | 19,050,748    |
| Interest bearing deposits   | 23,895,516    | 65,211,645    |
| Securities  |               |               |
| Available for sale, at fair value   | 563,381,002   | 617,684,313   |
| Restricted stock  | 3,214,116     | 3,086,315     |
| Held to maturity net of allowance for credit losses<br>of \$363,400 for 2024 and \$404,800 for 2023 | 56,221,868    | 62,992,356    |
| Loans Held for Sale   | 1,565,455     | 1,542,660     |
| Loans, Net of Allowance for Credit Losses<br>of \$18,053,692 for 2024 and \$16,940,664 for 2023     | 1,000,056,273 | 937,417,858   |
| Bank Premises & Equipment, Net  | 29,017,648    | 29,654,270    |
| Accrued Interest Receivable   | 7,318,119     | 7,164,555     |
| Goodwill & Intangible Assets  | 19,412,668    | 21,879,381    |
| Other Assets  | 39,661,904    | 41,452,846    |
| TOTAL ASSETS  | 1,765,490,889 | 1,807,136,947 |
| Liabilities & Stockholder’s Equity  |               |               |
| Liabilities   |               |               |
| Deposits  |               |               |
| Demand  | 556,833,227   | 609,316,351   |
| Interest bearing  |               |               |
| Savings, NOW and Money Market deposits  | 724,329,305   | 721,006,672   |
| Certificates of deposit   | 255,473,228   | 195,084,474   |
| Total Deposits  | 1,536,635,760 | 1,525,407,497 |
| Federal funds purchased and securities sold<br>under agreement to repurchase                        | 59,596,729    | 63,429,793    |
| Other borrowed funds  | -             | 55,000,000    |
| Accrued interest payable and other liabilities  | 25,597,724    | 25,362,702    |
| Total Liabilities   | 1,621,830,213 | 1,669,199,992 |
| Commitments and Contingencies   |               |               |
| Stockholder’s Equity  |               |               |
| Common stock: \$188.44 par value; 20,000 shares<br>authorized, issued and outstanding               | 3,768,750     | 3,768,750     |
| Capital surplus   | 101,759,604   | 101,759,604   |
| Retained earnings   | 117,177,585   | 112,604,449   |
| Accumulated other comprehensive loss  | (79,045,263)  | (80,195,848)  |
| Total Stockholder’s Equity  | 143,660,676   | 137,936,955   |
| TOTAL LIABILITIES & STOCKHOLDER’S EQUITY  | 1,765,490,889 | 1,807,136,947 |

Statement of

**INCOME**

Year ended December 31

| Interest Income  | 2024       | 2023        |
|--|------------|-------------|
| Loans  | 75,721,730 | 70,179,320  |
| Securities available for sale  | 18,230,589 | 19,577,405  |
| Securities held to maturity  | 1,162,238  | 1,349,299   |
| Federal funds sold and deposits  | 2,855,211  | 2,098,060   |
| Total Interest Income  | 97,969,768 | 93,204,084  |
| Interest Expense   |            |             |
| Deposits   | 16,421,153 | 8,834,470   |
| Federal funds purchased and securities<br>sold under agreement to repurchase | 1,225,543  | 2,443,507   |
| Other borrowed funds   | 48,992     | 2,595,280   |
| Total Interest Expense   | 17,695,688 | 13,873,257  |
| Net Interest Income  | 80,274,080 | 79,330,827  |
| Provision for credit losses  | 7,346,157  | 9,399,224   |
| Net Interest Income after Provision for Credit Losses                        | 72,927,923 | 69,931,603  |
| Non-Interest Income  |            |             |
| Service charges & fees on deposit accounts                                   | 4,770,160  | 5,136,411   |
| Income from fiduciary activities   | 3,860,122  | 3,929,338   |
| Other service charges and fees   | 1,226,682  | 411,241     |
| Other  | 1,539,739  | 1,132,428   |
| Total Non-Interest Income  | 11,396,703 | 10,609,418  |
| Non-Interest Expense   |            |             |
| Salaries and employee benefits   | 21,808,529 | 17,667,451  |
| Occupancy and equipment expense  | 4,027,641  | 4,363,111   |
| Data processing  | 4,389,652  | 4,144,110   |
| Professional services  | 1,869,506  | 3,643,222   |
| Advertising and promotional  | 550,073    | 659,283     |
| FDIC assessment  | 764,760    | 682,380     |
| Net amortization of intangible assets  | 2,466,712  | 3,235,558   |
| Net (gain) loss on sale of other real estate owned                           | (471,239)  | (2,028,641) |
| Other  | 4,735,911  | 5,080,329   |
| Total Non-Interest Expense   | 40,141,545 | 37,446,803  |
| Net Income   | 44,183,081 | 43,094,218  |

BOARD OF DIRECTORS

FIRST ARTESIA BANCSHARES, INC.

- |   |   |  |
|---|---|--|
| <div>RAYE MILLER</div> <div>Chairman</div>    | <div>DANIEL JOHNCOX</div> <div>Director</div> | <div>RUSTY SMITH</div> <div>Director</div>               |
| <div>MIKE CASABONNE</div> <div>Director</div> | <div>GREG MARRS</div> <div>Director</div>     | <div>BRETT deMILLIANO</div> <div>Advisory Director</div> |
|   |   | <div>LISA WALLER</div> <div>Secretary to the Board</div> |



L to R: Raye Miller, Brett deMilliano, Greg Marrs, Mike Casabonne, Rusty Smith.

Not pictured – Daniel Johncox

BOARD OF DIRECTORS

FIRST AMERICAN BANK

- |  |   |  |
|--|---|--|
| <div>GREG MARRS</div> <div>Chairman</div>            | <div>MIKE CASABONNE</div> <div>Director</div> | <div>JOEL MILLER</div> <div>Director</div>               |
| <div>BRYAN BARTLETT</div> <div>Director</div>        | <div>AMY HUMMER</div> <div>Director</div>     | <div>RUSTY SMITH</div> <div>Director</div>               |
| <div>ALARIC "BUCK" BUCKNER</div> <div>Director</div> | <div>DANIEL JOHNCOX</div> <div>Director</div> | <div>CRAWFORD CULP</div> <div>Director Emeritus</div>    |
|  |   | <div>LISA WALLER</div> <div>Secretary to the Board</div> |



L to R: Bryan Bartlett, Buck Buckner, Joel Miller, Greg Marrs, Rusty Smith, Mike Casabonne, Amy Hummer.

Not pictured – Daniel Johncox

FIRST AMERICAN BANK  
CORPORATE EXECUTIVE TEAM

GREG MARRS

President, Chairman  
Chief Executive Officer

BRETT deMILLIANO

Executive Vice President  
Chief Financial Officer

PAULINE LOPEZ-LUTZ

Executive Vice President  
Chief Operations Officer

ZANE BERGMAN

Executive Vice President  
Chief Credit Officer



L to R: Brett deMilliano, Zane Bergman, Greg Marrs, Pauline Lopez-Lutz

OFFICERS – ADMINISTRATION

GREG MARRS

President, Chairman  
Chief Executive Officer

SANDRA SNOW

Senior Vice President  
Bank Secrecy Act

ELVA MURILLO

Vice President  
Operations

ZANE BERGMAN

Executive Vice President  
Chief Credit Officer

J. KEVIN BALLARD

Vice President  
Employee Development

ANGELICA TORRES

Vice President  
Marketing

BRETT deMILLIANO

Executive Vice President  
Chief Financial Officer

IAN BRUMANA

Vice President  
Controller

NALEHUA WISE-HURST

Vice President  
Treasury Management

PAULINE LOPEZ-LUTZ

Executive Vice President  
Chief Operations Officer

JACK CLARKE III

Vice President  
Operations

KELLY WISEMAN

Vice President  
Compliance

KEITH BIRD

Senior Vice President  
Loan Operations

ARLENE CORTEZ

Vice President  
Credit Analysis

CHRISTINA KANE

Assistant Vice President  
Operations

BARBARA EVANS

Senior Vice President  
Compliance

RUSSELL DILLON II

Vice President  
SBA Lending

APRIL MADRID

Assistant Vice President  
Deposit Operations

BRENT HAMMETT

Senior Vice President  
Loan Review

DORIS GARCIA

Vice President  
Compliance

PAMELA NANCE

Assistant Vice President  
Loan Operations

SANDRA MEAD

Senior Vice President  
Marketing

BETTY LOMELI

Vice President  
Special Assets

KATHLEEN HAGEMEIER

Compliance Officer

MARTHA MENDEZ

Senior Vice President  
Deposit Operations

SUZETTE MCFATRIDGE

Vice President  
Compliance

TIFFANY WEINRICH

Treasury Management Officer

MANNY MORALES

Senior Vice President  
Operations



OFFICERS – NEW MEXICO

ALAMOGORDO  
CHAPARRAL  
LAS CRUCES

**FARRAH MARQUEZ**  
Market President

**ALAMOGORDO**  
**DARRO PANNELL**  
Vice President  
Commercial Lending

**DOREEN PADILLA**  
Assistant Vice President  
Branch Manager

**SUE STROTHER**  
Assistant Vice President  
Consumer Lending

**CHAPARRAL**  
**IMELDA QUINTANA**  
Assistant Vice President  
Branch Manager

**LAS CRUCES**  
**DAVID MEDINA**  
Vice President  
Commercial Lending

**JOE PARRA**  
Vice President  
Branch Manager

**BILLIE HOOD**  
Branch Manager

ALBUQUERQUE  
METRO

**GEOFF WAGNER**  
Market President

**KENNETH MADDEN**  
Vice President  
Branch Manager

**ARTESIA**  
**CARLSBAD**  
**ROSWELL**

**JOHN BAIN**  
Market President

**ARTESIA**  
**AREN DADE**  
Assistant Vice President  
Commercial Lending

**BRIANNA DAVIS**  
Branch Manager

**JOSUE RAMIREZ**  
Commercial Lending Officer

**ROSWELL**  
**RYON GROESBECK**  
Senior Vice President  
Commercial Lending

**LINDA CISNEROS**  
Branch Manager

SILVER CITY

**MELANIE GOMEZ**  
Senior Vice President  
Managing Officer

**AARON PEÑA**  
Operations Manager/Lending

**HOBBS**  
**STEVEN COX**  
Market President

**JAROD WARE**  
Assistant Vice President  
Commercial Lending

**BLAKELY SIKES**  
Commercial Lending Officer

**LOVINGTON**  
**DAVID CAMPBELL**  
Market President

OFFICERS – TEXAS

BROWNWOOD

**DOUG MCLEAN**  
Market President

**DANIEL HUTSON**  
Senior Vice President  
Commercial Lending

EL PASO

**NORM PETERS**  
Market President

**DAVID KELLER**  
Senior Vice President  
Senior Commercial Lending

**ARMANDO MORENO**  
Senior Vice President  
Commercial Lending

**JOSHUA PLASENCIO**  
Senior Vice President  
Commercial Lending

**DANIEL SALAZAR**  
Senior Vice President  
Commercial Lending

**GLADYS AVALOS**  
Vice President  
Loan Administration

**LORENA GARAY**  
Vice President  
Commercial Lending

OFFICERS – DEPARTMENTS

TRUST & WEALTH MANAGEMENT

**CYNTHIA GREEN**  
Senior Vice President  
Manager

**AMANDA GAY**  
Vice President  
Operations Manager

**DIANA MASON**  
Vice President  
Trust Officer

**SUE MCGEE-CHIODINI**  
Vice President  
Trust Officer

**JONATHON HERRERA**  
Assistant Vice President  
Portfolio Manager

**EMOLENE AGUILAR**  
Trust Officer

**TINA BERGLUND**  
Trust Officer

**DANIELLE PARKER**  
Trust Officer

**ALMA SALAS**  
Trust Officer

MORTGAGE

**CHRIS SANDERS**  
Senior Vice President  
Manager

**CORI SAVAGE**  
Compliance Officer



LOCATIONS

NEW MEXICO

|   |   |  |
|---|---|--|
| <b>ALAMOGORDO</b><br>1300 N. White Sands Blvd.              | <b>CARLSBAD</b><br>2201 W. Pierce St.                               | <b>LOVINGTON</b><br>19 W. Washington Ave.              |
| <b>ALBUQUERQUE</b><br>8110 Ventura NE<br>4301 The 25 Way NE | <b>CHAPARRAL</b><br>324 McCombs Rd.                                 | <b>RIO RANCHO</b><br>3002 Southern Blvd. SE            |
| <b>ARTESIA</b><br>303 W. Main St.                           | <b>HOBBS</b><br>1220 W. Joe Harvey Blvd.<br>600 W. Bender Blvd.     | <b>ROSWELL</b><br>111 E. Fifth St.<br>3220 N. Main St. |
| <b>BAYARD</b><br>1401 Tom Foy Blvd.                         | <b>LAS CRUCES</b><br>2145 E. Lohman Ave.<br>1553 Avenida de Mesilla | <b>SILVER CITY</b><br>1609 N. Swan St.                 |

TEXAS

|  |   |
|--|---|
| <b>BROWNWOOD</b><br>Loan Production Office | <b>EL PASO</b><br>401 E. Main St.<br>9801 Gateway West Blvd.<br>125 N. Mesa Hills Dr.<br>1726 N. Zaragoza Rd. |
|--|---|

MORTGAGE OFFICES

|  |                                     |
|--|-------------------------------------|
| <b>LAS CRUCES</b><br>223 E. Idaho Ave. | <b>RUIDOSO</b><br>2825 Sudderth Dr. |
|--|-------------------------------------|

firstamericanbanknm.com

FIRST AMERICAN BANK

