

First Foundation Inc.  
Form 10-Q  
August 09, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2018

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 001-36461

FIRST FOUNDATION INC.

(Exact name of Registrant as specified in its charter)

Delaware  
(State or other jurisdiction  
of incorporation or organization)

20-8639702  
(I.R.S. Employer  
Identification Number)

18101 Von Karman Avenue, Suite 700 Irvine, CA 92612  
(Address of principal executive offices)

92612  
(Zip Code)

(949) 202-4160

(Registrant's telephone number, including area code)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every interactive data file required to be submitted and posted pursuant to Rule 405 of Regulation S-T (section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	Accelerated filer
Non-accelerated filer	Smaller reporting company
Emerging growth company	

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of August 7, 2018, there were 44,397,035 shares of registrant’s common stock outstanding

FIRST FOUNDATION INC.

QUARTERLY REPORT ON FORM 10-Q

FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2018

TABLE OF CONTENTS

	Page No.
<u>Part I. Financial Information</u>	
Item 1. <u>Financial Statements</u>	1
Item 2 <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	23
Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	43
Item 4. <u>Controls and Procedures</u>	43
<u>Part II. Other Information</u>	
Item 1A <u>Risk Factors</u>	43
Item 6 <u>Exhibits</u>	44
<u>SIGNATURES</u>	S-1

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## PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS  
FIRST FOUNDATION INC.

## CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share amounts)

	June 30, 2018 (unaudited)	December 31, 2017
<b>ASSETS</b>		
Cash and cash equivalents	\$370,390	\$120,394
Securities available-for-sale (“AFS”)	492,877	519,364
Loans held for sale	644,605	154,380
Loans, net of deferred fees	4,287,390	3,663,727
Allowance for loan and lease losses (“ALLL”)	(19,000 )	(18,400 )
Net loans	4,268,390	3,645,327
Premises and equipment, net	9,010	6,581
Investment in FHLB stock	22,707	19,060
Deferred taxes	18,290	12,143
Real estate owned (“REO”)	2,979	2,920
Goodwill and intangibles	100,370	33,576
Other assets	36,383	27,440
<b>Total Assets</b>	<b>\$5,966,001</b>	<b>\$4,541,185</b>
<b>LIABILITIES AND SHAREHOLDERS’ EQUITY</b>		
<b>Liabilities:</b>		
Deposits	\$4,632,950	\$3,443,527
Borrowings	791,000	678,000
Accounts payable and other liabilities	24,082	24,707
<b>Total Liabilities</b>	<b>5,448,032</b>	<b>4,146,234</b>
Commitments and contingencies	—	—
<b>Shareholders’ Equity</b>		
Common Stock, par value \$0.01: 70,000,000 shares authorized; 44,397,035 and 38,207,766 shares issued and outstanding at June 30, 2018 and December 31, 2017, respectively	44	38
Additional paid-in-capital	430,479	314,501
Retained earnings	99,625	85,503

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Accumulated other comprehensive loss, net of tax	(12,179 )	(5,091 )
Total Shareholders' Equity	517,969	394,951
Total Liabilities and Shareholders' Equity	\$5,966,001	\$4,541,185

(See accompanying notes to the consolidated financial statements)

FIRST FOUNDATION INC.

CONSOLIDATED INCOME STATEMENTS - UNAUDITED

(In thousands, except share and per share amounts)

	Quarter Ended		Six Months Ended	
	June 30,	June 30,	June 30,	June 30,
	2018	2017	2018	2017
Interest income:				
Loans	\$43,535	\$29,982	\$82,506	\$56,473
Securities AFS	3,575	3,126	6,997	6,157
Fed funds sold, FHLB stock and deposits				