



The Network

Make That Call

For weeks I was trying to call my nephew on his cell phone and he didn't answer. I then tried a text and, wow, two minutes later, he got right back to me. This shows a new communication style for the next generation. I found my desire for human interaction intriguing. The text was missing the voice inflection and substance.

During recent dialogues with clients, I was also struck by the fact they are universally pleased to hear from me and appreciated speaking live. I took great pleasure ending calls with clients by saying "thanks for your banking business". Often, when speaking to clients, prospects, and other team members, we learn more and gain insight into real issues, avoid miscommunication, and have a deeper relationship and understanding of each person's "pressure points." Who knows? We could send that email on a really bad day, personally or professionally in the recipient's life.

Yes, email is valuable. Email is a confirmation and documentation medium (Can you meet for lunch today? Is this figure correct? Is this approved?) It is fast. You can communicate with anyone and anywhere. It allows you to provide communication that does not require immediate response by the other person. It is an easy to reference record of your communication. Emails are great when formal agreements and approvals need to be documented.

BUT email and social media lack human substance and real interaction. (Although you might wish for that in some situations... smiling) It is impersonal or at least can feel that way. It can be misunderstood and unclear resulting in more emails back and forth. It can lead to emotional reaction.

Using the phone allows collaboration, especially for issues with variable outcomes. It is easier to ask questions, give feedback, and reach agreement ...and usually much quicker. It avoids misinterpretation and shows feeling and expression. You can make your point while reflecting on the emotions, whether that is confidence, nervousness, or concern. It forces us to confront uncomfortable issues. Maybe most importantly, it shows that you want to talk with them conveying a sense of importance, while providing human contact.

My wife asked me to read an email drafted to one of our kid's teachers. She read it to me with a wonderful cheery voice, full of high-pitched notes. I then read the email back to her in a low, monotone voice with condescending tone – clearly conveying a different message.

She called the teacher...

Clay Jones
Executive Vice President
Mid-Peninsula Market President
Presidio Bank





The Community

Client Profile

Emerald Fund is one of the Bay Area's premier real estate developers focused on developing and managing high quality properties. Since 1979 Oz Erickson, Founder and Chairman, together with his partner, Alastair Mactaggart, has created properties that revitalize communities, deliver consistent returns, and maintain a long-term asset value. Emerald Fund has successfully completed over 25 developments representing a total value in excess of \$2 billion. Emerald Fund takes both a strategic and creative approach to development and renovations focusing on design, functionality, and sustainability. Emerald Fund's portfolio of managed properties includes over 1200 rental residential units, 20 live-work lofts, and over 100,000 square feet of self-storage. They have consistent occupancy levels of 98%-99% with low delinquencies.



Oz Erickson has 30 years experience developing and managing residential and commercial projects. He is actively involved and identifies new projects, is involved with the initial design, financing, securing of governmental approvals and sales and marketing. Mr. Erickson has significant experience in the community project approval process. He was a licensed real estate broker. Mr. Erickson received a BA from Harvard University and an MBA from Stanford University. Mr. Erickson has been recognized numerous times including most recently with the Lifetime Achievement Award from the San Francisco Housing Action Coalition for an extraordinary career in building thousands of homes for all San Franciscans and The San Francisco Business Times with the CEO Lifetime Achievement Award for his great leadership, vision and values.

Emerald Fund has been a client of Presidio Bank since 2009.

In The News

Largest Bay Area Women-Owned Businesses

(Ranked by Revenue in SF Business Times)

- #56 Editions Limited West *(client)*
Joanne Chappell
- #57 EDG Interior Architecture & Design *(client)*
Jennifer Johanson
- #72 Pro Active Business Solutions *(client)*
Deidrie Towery
- #96 Brainchild Creative *(client)*
Deborah Notestein Loeb

Fastest Growing Private Companies

(Ranked by Revenue Increase in SF Business Times)

- #18 Build Group *(client)*
- #41 Rickshaw Bagworks *(Mark Dwight, founder and CEO; SF Made founder; and Presidio Bank founding shareholder)*
- #69 Flynn Restaurant Group *(Greg Flynn, CEO, Presidio Bank founding organizer and client)*
- #98 C prime *(client)*



The San Francisco Chamber of Commerce honored The Presidio Trust with an Excellence in Business (Ebbie) Award as a bricks-and-mortar project enhancing economic development, housing, transportation and quality of life in San Francisco. *(Paula Collins is a board member on both The Presidio Trust and Presidio Bank)*

New Clients

Community Arts Stabilization Trust (CAST) works to increase the capitalization of community arts and cultural organizations in San Francisco by working in partnership with community arts organizations to purchase or lease space.

Founded in 1939 and at the same location in the GiftCenter & Jewelmart at 888 Brannan since 1983, **Derco Fine Jewelers** has grown steadily over the past 30 years. The company carries a large selection of colored precious gems and fine quality diamonds, most of which are graded by the Gemological Institute of America (GIA). Coupled with custom design and exceptional customer service, the company thrives on referrals from its existing happy client base. Brothers Jack and Olan Der Abrahamian manage the wholesale and manufacturing business.



DNS Wines is an importer and distributor of benchmark French wines for national distribution in the US. It was co-founded by two industry veterans with nearly three decades of experience importing and marketing French wine. Nina Scherotter spent 18 years in the wine import and wholesale business and Todd Mathis owned a wine shop before going into National Sales over a decade ago.



Dogs4Diabetics is a nonprofit providing medical alert assistance dogs to insulin-dependent diabetics through programs of training, placement, and follow-up services. These dogs allow diabetics to live more normal lives and to certainly be more integrated in the community. There are numerous success stories of these dogs saving lives by alerting their owners during the night when their blood sugar was low. Others in this situation would not awaken. Many other diabetics are alerted early just in the normal course of their day and thus not adversely affected by a drop.



Home Care Assistance is the leading provider of Live-In Care for homebound older adults. They provide a comprehensive care plan, including primary and back-up caregivers, so that a trained professional is available in the home 24 hours a day, seven days a week. Live-In Caregivers work one-on-one with clients to ensure the highest quality of care for clients and peace of mind for their families. Caregivers go wherever seniors need it, driving to doctor's appointments, grocery stores or other locations or even with them on vacation trips.



Kehilla Community Synagogue was started in Oakland in 1984 by people who wanted a synagogue that would be a spiritual home for politically progressive people who felt no connection with traditional synagogues. The core of this vision, and central to Judaism, is a spiritual mandate to heal and repair the world by increasing social justice, eschewing war and all forms of violence and aggression, caring for the planet, and exhibiting loving kindness to all.



Lagunitas Brewing Company founded in 1993 by Tony Magee in Lagunitas and moved a year later to nearby Petaluma. They are known for iconoclastic interpretations of traditional beer styles, and irreverent descriptive text and stories on their packaging. The IPA (India Pale Ale) is Lagunitas Brewing Company's flagship beer. Their sales increased 60% in 2012 and up 78% over the past 12 months. The company is the sixth top selling craft brewery in the US.



Savant Investment Group, LLC has been building wealth for its valued clients since 1991. Leveraging intellectual capital and cutting-edge technology, they are able to provide clients with personalized investment solutions that are rooted in market realities. Their independent status means clients receive completely objective investment solutions and guidance. And with two Ph.D.s and over 150 years of collective industry experience, their Investment Committee has few peers.



Thompson Brooks, Inc. is a residential general contractor specializing in construction of top quality, custom built, high end residences in the Bay Area. The company was founded in 1990 by Judith Thompson, who has a diverse background, with a BA in Art, an MS in Education, Counseling Psychology, and three years of Architecture at CCA. Judith brings her extensive technical experience and people skills to personally managing the company's client relationships, a key to her company's success.



ZBeta is a physical security consulting and system design company that helps clients make and then implement sound business decisions for their security programs and systems. They balance forward-thinking practices with a decision making process that emphasizes pragmatism and risk management. This thoughtful and cooperative approach ensures a level of effort and expense that is in line with each client's particular schedule, budget, resources, and level of risk tolerance.

At Presidio Bank

Financial Highlights / Third Quarter 2013

Total Assets	\$424 Million
Total Loans	\$351 Million
Total Deposits	\$374 Million
Total Shareholders' Equity	\$ 47 Million
Net Income	\$ 728,000

www.PresidioBank.com

San Francisco
One Montgomery St. Suite 2300
San Francisco, CA 94104
415.229.8400

Mid-Peninsula
325 Lytton Ave. Suite 100
Palo Alto, CA 94301
650.321.0500

North Bay
999 5th Ave. Suite 100
San Rafael, CA 94901
415.456.6000

East Bay
1850 Mt. Diablo Blvd. Suite 640
Walnut Creek, CA 94596
925.287.7880

New Presidio Bank Board Member

Robert T. Perry-Smith
Chairman
Perry-Smith Foundation



Mr. Perry-Smith retired from public practice as a CPA in 2013, after a 40 year career at both the national level as a Partner, and then as the Founder and CEO of Perry-Smith LLP. Throughout his career in public practice he was widely regarded as a leading provider of professional services to the community banking industry.

MIT Study About Presidio Bank



The Wealth Creation Clinic at MIT's Department of Urban Studies and Planning released a comprehensive study titled "Enhancing the Local Impact of Community Banks", utilizing Presidio Bank as a model. The study traces the ways in which local community banks can have positive economic impact in their local communities. A copy is available for download from our home page.

Cute Additions



Natalie Valentina Book
May 2
6 lbs 13 oz / 20 inches

Daniela Hernandez
AVP/ Credit Manager
San Francisco



Asher Boston Rion
May 23
8 lbs 5 oz / 20 inches

Melissa Rion
Loan Services Officer
Santa Rosa



Daxium Nafchi
July 19
7 lbs / 20.5 inches

A. Nafchi
AVP/ Sr. Relationship
Service Manager
San Francisco



Ariel Quinn Farley
August 1
7 lbs 11 oz / 20.75 inches

Luke Farley
SVP/ Relationship Manager
Palo Alto



Thomas Caldwell
October 7
8 lbs 11 oz / 19.5 inches

AnnMarie Caldwell
Office Manager
San Francisco