



# | 2015 Annual Review

**INDUSTRIAL**  
**BANK**  
*Getting things done*



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"Alone we can do so little;  
together we can do so much!"

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# INDUSTRIAL BANK

4812

Industrial Bank Executive Staff and Employees at Georgia Ave Branch





## Letter from the President

**2015** was another ground-breaking year for IBW Financial Corporation and its subsidiary, Industrial Bank! The winners of the Small Business Grant Initiative (SBGI), which was announced the year before at our 80th-anniversary celebration, were chosen and presented in May. The SBGI was a Bank-sponsored competition for small businesses to compete for \$80,000, divided into five separate equity grants. The Bank granted money to five **for-profit** businesses, with the overall winner receiving \$20,000; this was a first in the business of banking. This competition targeted for-profit small businesses with revenues of less than \$1 million due to the difficulty they experience in locating investment capital. Entrepreneurs at this level leverage their homes, tap their credits cards, and deplete emergency savings accounts in an effort to fulfill their dreams. Many of these businesses are only a few dollars away from entering the next phase of business growth, but cannot attract investors due to their size. By March, the Bank had received 220 applications and business plans from across the Washington, D.C. Metropolitan region, and engaged five non-profit partners to assist in selecting the winners. Our partners assisted us in disseminating information about the program and reviewing many of the wonderful proposals the Bank received. Ten entrepreneurs made a pitch to the Bank in full Shark Tank manner, purposely designed to sharpen their oral-presentation skills in front of interested investors. In May, Radio One, one of our media partners, graciously hosted the announcement program for the winners at their Silver Spring headquarters, where Chairwoman Cathy Hughes gave remarks, remembering her early days on H Street as a determined young female media entrepreneur. The SBGI endeavor required hours of work from staff and volunteers, and was one of the most difficult, yet fulfilling, projects the Bank has ever undertaken.



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## 2015 was another ground-breaking year for IBW Financial Corporation and its subsidiary, Industrial Bank!

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Last year, we also launched our #NextBigMoment campaign that encourages everyone, from every walk of life, to think about and prepare for their #NextBigMoment, and share it with and involve the Bank. A #NextBigMoment could be anything from expanding a business, to buying a first home or a second piece of property, to preparing for retirement.

**2015** was a year of awards for Industrial Bank and its management team, as we received nine, total. Some of the top highlights were the Washington City Paper Reader's Poll, where the Bank won Best Bank/Credit Union in March. The Bank thanks all our supporters who chose Industrial as the Best Bank in Washington, DC. Also, the DC Chamber of Commerce selected the Bank as Small Business Champion of the Year for our unwavering support of small businesses throughout the year. Finally, I was honored and humbled to be selected by the Washington Business as one of 2015's Minority Leaders of the Year, alongside 24 other fabulously accomplished individuals. During the year, the Community Development Financial Institutions

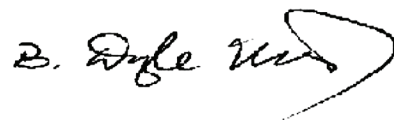
(CDFI) Fund of the US Treasury Department announced that Industrial Bank had once again earned a Bank Enterprise Award, in the amount of \$253K, for increasing the amount of loans and investments the Bank made in low- and moderate-income communities. As a certified CDFI, Industrial has documented for 10+ years that over 60% of its assets are invested in low- and moderate-income communities; while Industrial Bank desires to make loans all over its service territory, part of our mission drives us to make special efforts to lend in the hardest-hit parts of our region. Our CDFI status sets us apart from other banks, and Industrial understands and

is committed to supporting the most challenged neighborhoods, which is critical to achieving a strong and healthy US economy.

Financial performance for the year exceeded that of last year when backing out one-time real estate gains in 2014. Capital ratios remained very strong, while non-performing assets continued to decline. Loan growth remained very strong, as the Bank continued to invest in our community and enjoyed a strong local economy. In July, the Bank invested in one of our partner banks in Newark, New Jersey: City National Bank. The institution was having difficulty, and Industrial Bank participated in a private placement necessary to keep a minority bank healthy, resulting in the first minority bank to minority bank investment in decades.

In 2016, stay tuned for a new look, currently in progress, for the flagship 11th and U Street branch office. The famous clock on that corner will remain after it is shined a little, and we look forward to a full interior renovation and exterior cleaning.

As always, the company continues to improve its financial performance, products, services, and service to its customers and our community. We would like to thank all of our stakeholders who continue to support our financial institution.



**B. Doyle Mitchell, Jr.,**  
President & CEO



# A Lasting Legacy

As the largest African American–owned financial institution in the DC region, and in the top 10 nationwide, with over \$300 million in deposits, here at Industrial Bank for over 80 years, we have opened doors by providing financial services to our community. We get excited when a new business owner or a first-generation college student invests in their success with Industrial Bank because they are investing in more than themselves; they are investing in a network, a community, and ultimately their future!

Our **Mission** is to make a difference in people's lives and in the economic development of their communities. We do so by providing service with incomparable customer care and increased visibility for our business community, and by fostering a climate of support and advocacy for our clients – both within and outside of the District beltway.

Guided by our activism in the community, our core values have led us to achieve great success in 2015!

- Leadership: Model and Inspire Excellence
- Customer Service: Surpass Customer Expectations
- Integrity: Be Honest in Dealing with Customers and Each Other
- Community: Be Committed and Get Involved
- Relationships: Treat Our Customers and Each Other with Respect





# 2015's Highlights & Achievements

At Industrial Bank we're proud that the service we provide to our community is rewarded with recognition by the media, local charities, and community influencers. Winning these awards is a testimony to the strength of our service, the efforts of our staff, and, most importantly, the legacy of excellence we've upheld for over 80 years.

In addition to our accolades, we welcomed seven-year board member Reverend Johnathan Weaver as the new Board Chairman of Industrial Bank and Parent Company IBW Financial Corporation. He holds a bachelor's degree in Business Administration from Washington University in St. Louis, Missouri, and an MBA from the Harvard University Business School.

In 2015 we also honored Bank veteran Mr. Claude O. Barrington, by celebrating his retirement after 40 years of service at Industrial Bank. Mr. Barrington has been an irreplaceable asset to our team and has contributed much to the success of the Bank – we wish him well!



*New Chairman of the Board of Directors  
Rev. Jonathan L. Weaver*



*Veteran Mr. Barrington standing with Industrial Bank  
President and Chief Operating Officer. From left to right:  
Thomas McLaurin, Claude Barrington, B. Doyle Mitchell*



*MaShon Butler, Officer and Asst to the President/CEO  
accepting the 2015 Human Servant Award on behalf of  
Mr. Mitchell.*

## Awards Received in 2015

- 2015 Community Development Financial Institutions (CDFI) Bank Enterprise Award (BEA)
- Washington City Paper 2015 Best Bank in DC
- Heritage Award from Bowie State University
- 2015 Minority Business Leader Award from Washington Business Journal
- 2015 Torch Award from the National Newspaper Publishers Association Foundation
- Greater Prince George's Business Roundtable Chairman Award
- 2015 Human Servant Award from the Training Grounds Organization in Washington, DC
- 2015 Small Business Champion of the Year from DC Chamber of Commerce
- 2015 Civic & Community Leadership Award at the MEA Magazine's Federal Business Forum & Expo





# Our Team



**B. Doyle Mitchell, Jr – President & CEO**

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A native Washingtonian, Mr. Mitchell was born and raised in the Washington banking community that his grandfather – who founded the Bank in 1934, during the Great Depression – and father helped to create. After receiving his bachelor's degree in Economics from Rutgers University in 1984, he began a full-time career with Industrial Bank. He was elected to the Board of Directors in 1990, and succeeded his father as President in 1993. Under his leadership, the Bank formed the IBW Financial Corporation (Holding Company) in 1994 to facilitate expansion into Prince George's County, Maryland. As president of one of the first banks to utilize the new interstate banking laws, he was recognized by the Secretary of the Treasury, Lloyd Bentsen, as a pioneer in the banking industry at the signing of the Interstate Banking Bill enacted in September 1994.



**Patricia A. Mitchell – Executive Vice President**

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Granddaughter of Industrial Bank founder Jesse H. Mitchell, Ms. Mitchell started her first summer job at age 14 as a teller at Industrial Bank and continued working there until her graduation from high school. Although she has had other jobs throughout her 30-year career, she has spent most of her time at Industrial Bank. With much of her tenure spent in commercial and commercial real estate lending, Ms. Mitchell currently responsible for overseeing Industrial Bank's strategic programs, legal counsel, and numerous special projects, including the renovation of the historic 11th & U Streets banking center. Ms. Mitchell has played a pivotal role in the creation of a standardized Industrial Bank-branded financial literacy curriculum. As part of teaching financial empowerment, she has established banks operated by students in several local elementary schools.



**Thomas McLaurin, Jr. – Executive Vice President & COO**

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A graduate of Hampton University, Mr. McLaurin has over 20 years of corporate financial experience in managing, developing, and streamlining various corporate departments – ensuring compliance with laws and regulations.

Mr. McLaurin began his career with Industrial Bank in 1995 as an Assistant Vice President/Commercial Lending. During his tenure, he has served in the capacity of Assistant Vice President/Group Head Commercial Lending; Vice President/Corporate Affairs; and Senior Vice President/Compliance and Risk Management.

## Industrial Bank Board of Directors



Front row, left to right: Patricia A. Mitchell, EVP/Strategic Programs, Industrial Bank; Clinton W. Chapman, Esq., Chairman of the Board, Senior Partner, Chapman and Chapman, Attorneys; B. Doyle Mitchell, Jr., President and Chief Executive Officer, Industrial Bank

Top row, left to right: Robert R. Hagans, Jr., Chief Financial Officer, AARP; S. Kathryn Allen, Esq., Co-President, Answer Title Company; Rev. Jonathan L. Weaver, Pastor, Greater Mt. Nebo African Methodist Episcopal Church; Pamela King, Partner, King, King & Associates; Alphonso Maldon, Jr., President, Partnership Strategies

### SENIOR VICE PRESIDENTS

**Douglas F. Dillon**  
Chief Lending Officer

**Jacqueline McSears Boles**  
Retail Banking

**Rodney D. Epps**  
Chief Information Officer

### VICE PRESIDENTS

**Pamela W. Branch**  
Deposit Operations Manager

**Clarence Carter**  
Director of Residential Lending

**Tina B. Carter**  
Senior Portfolio Manager

**Linwood White**  
Chief Credit Officer

**Thomas A. Wilson, Jr.**  
Chief Financial Officer

**Roy Ewing**  
Retail Banking and Bank Security  
Officer

**Milton Franklin**  
Senior Commercial Real Estate  
Loan Officer

**John N. Gamble**  
Special Assets Manager

**Elduise Johnson**  
General Counsel and Special  
Assets Officer

**Michael T. Johnson**  
Director of Cyber Security & Training

**Roderick Johnson**  
Senior Commercial Loan Officer

**Albert J. Main**  
Director of Electronic Banking

### ASSISTANT VICE PRESIDENTS

**Ebenezer Botchway**  
Commercial Loan Officer

**Kwasi Irving**  
Senior Credit Analyst

**Michelle Johnson**  
Banking Center Sales Manager

**German Jordan**  
Banking Center Sales Manager

### OFFICERS

**Denise Banks**  
Banking Center Sales Manager

**MaShon Butler**  
Executive Assistant to the  
President and CEO

**Arellia Lisa Bynum-Hinton**  
Banking Center Sales Manager

**Denise Holley**  
Loan Operations Officer

**Eric McCamey**  
Banking Center Sales Manager

**Motty V. Melvin**  
Electronic Banking Officer

**Maria Randall**  
Senior Commercial Loan Officer

**Lynne M. Rowe**  
Director of Human Resources

**Jennifer Snowden**  
Strategic Programs

**Roydell N. Stephens**  
Loan Operations Manager

**Vernard J. Tyson**  
Facilities Manager

**Staria Williams**  
Risk Management

**Keith Olfus**  
Assistant Comptroller

**Connie L. Smith**  
Senior Staff Accountant

**Girija Subramonian**  
Payroll and Retirement Manager

**Ellen Williams-McLendon**  
Senior Human Resources Manager

**Phillip A. Miller**  
Electronic Banking Technical Officer

**Ajay Radhakrishnani**  
Systems Engineer

**Melvin Smith**  
Senior Consumer Loan Collector

**Aster Tekle**  
Banking Center Sales Manager

**Clytus Turner**  
Banking Center Sales Manager

**Melanee Woodard**  
Marketing Officer



At Industrial Bank we spend countless hours in our community, attending events, meeting with businesses, and engaging in other activities. We do this not only to represent the Bank and highlight our products and services, but to impact the overall financial health of our community family.

Our staff enjoys interacting with students in schools to begin dialogue at the early stages about goal setting, saving for the future, and needs versus wants. "It is so fulfilling to witness the moment when young students connect the dots, especially when it comes to the difference between purchasing name-brand items and buying stock from that particular company," Industrial Bank Senior Vice President Jacqueline Boles explains. "It all boils down to awareness, changing behavior, shifting priorities, and setting specific goals."

"Engaging in the financial literacy seminars in schools, churches, and other non-profit organizations is so personally fulfilling; it adds the PURPOSE aspect to my job. We are so much more than a bank; we are in the business of enhancing the living conditions, educating, and supporting the success of future entrepreneurs and members of our community family!"

- SVP Retail Boles







Check out these other programs we serve in the community!

#### Kids and Culture

Established in 2010, Kids and Culture is a camp that provides four weeks of summer programming in an effort to introduce children to international affairs at an early age. The camp coordinators and volunteers work to provide a safe, structured environment where children will gain greater knowledge and appreciation of themselves and the world around them. Members of the Industrial Bank team partnered with the Kids and Culture to provide financial literacy to the campers during their 2015 summer session. [www.kidsandculture.com](http://www.kidsandculture.com)

#### SOME

SOME (So Others Might Eat) is a community-based organization in DC that works to help the poor and homeless. Our staff at Industrial Bank works with the organization to help break the cycle of homelessness by offering services such as affordable housing, job training, addiction treatment, and counseling to the poor, the elderly, and individuals with mental illness. [www.some.org](http://www.some.org)

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"Everybody can be great... because anybody can serve. You don't have to have a college degree to serve. You don't have to make your subject and verb agree to serve. You only need a heart full of grace. A soul generated by love."

Martin Luther King, Jr.

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# Affordable Housing Program

As a member bank of FHLBank Atlanta, Industrial Bank was awarded \$1.7 million to make a difference in over 200 households throughout the Washington, D.C., Metropolitan Area. Industrial Bank has used FHLBank Atlanta's AHP Set-aside Products since 2002 to assist 169 homebuyers or homeowners in purchasing or rehabilitating their homes. In 2014, we were awarded \$500,000 through the Affordable Housing Competitive Program for a project with the District of Columbia Housing Authority (DCHA).

The funds can be used for acquisition, construction, or rehabilitation financing to make rental or owner-occupied housing affordable to persons earning 80 percent or less of the area's median income. This was a very competitive application process which required applicants to submit detailed information on prospective housing development projects.

In partnership with the DCHA, we utilized the grant award of \$500,000 to assist in funding the project at The Lofts at Capitol Quarter in Southeast D.C. This project will result in 39 new units of subsidized affordable rental housing in a low-rise elevator building with market-like amenities, including a community room for residents.





## INDUSTRIAL BANK AHP CUMULATIVE IMPACT



### Where Is Industrial Bank Financing?



#### TOTAL DEVELOPMENT BUDGET

MD	\$ 782,812	VA	\$ 1,500
DC	\$ 914,868		
<b>Grand Total</b>		<b>\$ 1,699,180</b>	

## UNITS



208 Units were awarded AHP funds via Industrial Bank

## INDUSTRIAL BANK AHP RENTAL DEVELOPMENT

Based on FHLBank Atlanta multiplier factors,<sup>1</sup> since 2014 Industrial Bank AHP awarded rental projects have created the following estimated economic impact:



**79 JOBS**

**TAX REVENUE \$1.4 million**

## INDUSTRIAL BANK LOW INCOME HOUSING TAX CREDIT (LIHTC) / AHP FINANCING



1 (100%) of all awarded Industrial Bank AHP Projects are LIHTC Projects



39 (100%) of all awarded Industrial Bank AHP Units are LIHTC Units

## INDUSTRIAL BANK AHP HOMEBUYER PURCHASE FINANCING

**\$809,137**  
**AHP Investment**  
**\$21 million**  
**Total Mortgages**



**137 Families Purchased Their First Home Since 2002**

## INDUSTRIAL BANK AHP HOMEBUYER REHAB FINANCING

**\$390,044**  
**AHP Investment**



**32 Families Purchased Their First Home Since 2013**

## RELATIONSHIP MANAGEMENT

INDUSTRIAL BANK STAFF	TITLE	LOCATION
Thomas A. Wilson	Senior Vice President, CFO	Washington, DC
Jennifer Snowden	Vice President, Strategic Programs	Washington, DC
FHLBank Atlanta STAFF	TITLE	CONTACT INFO
Arthur Fleming	Senior Vice President, Director of Community Investment Services	404.888.8359, afleming@fhlbatl.com
Jennifer Robinson	Vice President, Director of Community Investment Services	404.888.8389, jenniferrobinson@fhlbatl.com
Dan Brenton	Senior Relationship Manager	404.888.8547, dbrenton@fhlbatl.com
ShaDonte Butler	Community Investment Business Development Manager	404-888-8416, sbutler@fhlbatl.com
Maxima Sims	Assistant Vice President, Ownership Production Manager	404-888-8366, msims@fhlbatl.com

<sup>1</sup> Beyond Units: Economic Benefit of Federal Home Loan Bank of Atlanta's Affordable Housing Program, The Hendrickson Company in conjunction with The Shmberg Center for Housing Studies, University of Florida, 2010



# \$80K Grant Program

In 2015 we announced the winners of our Small Business Grant Initiative. In celebration of Industrial's 80th anniversary, the Bank awarded five grants totaling \$80,000 to the following: The Wealth Factory, ECORE Living, LLC, Union Kitchen, Advance Employee Intelligence, and Goodies Frozen Custard and Treats.

More than 200 area small businesses applied for Industrial's grant initiative. For this initiative, we partnered with area and national nonprofits and business organizations, including the DC Chamber of Commerce; US Black Chambers of Commerce, Inc.; Operation Hope; Washington Area Community Investment Fund; and FSC First. Here we highlight a few profiles and testimonies from the winners:



Goodies Frozen Custard and Treats  
[www.mmmgoodies.com/](http://www.mmmgoodies.com/)

Goodies, a 1950s-inspired gourmet bakery and soda fountain, offers made-from-scratch comfort treats. The company serves old-fashioned frozen and baked goodies curbside in Washington, DC. Industrial Bank's Small Business Grant Initiative has exponentially enabled Goodies Frozen Custard and Treats to embark upon a business expansion by providing us with the needed resources. First, we set aside funds to complete restoration of our vintage step van, "Rudy." Once curbside this Spring, "Rudy" will deliver breakfast favorites and our newest treat of Goodies Pops! Our Pops are a fruit-based culinary treat and is an answer to customers' requests for a dairy alternative.



The Wealth Factory  
[www.thewealthfactory.com](http://www.thewealthfactory.com)

In 2013, Angel Rich successfully founded The Wealth Factory. Through the Wealth Factory, WealthyLife, a financial literacy and workforce development education technology management system, was named as one of the National Alliance of Public Charter Schools' top nine education innovations in 2015. The Wealth Factory's Mission is to manufacture economic independence for 1 million entrepreneurs and business owners by 2020. The company is committed to helping customers keep more of their money and increase monthly cash flow without having to work harder, take on more risk, or hire a single new employee.

WealthyLife increased users by 15,000 youth throughout 480 government agencies via the Bank of DC Summer Youth Employment Program. Their research showed that WealthyLife helped open 1,300 bank accounts and raised financial literacy rates by 25% after just one session. The company received an award from the D.C. Government's Department of Insurance, Securities and Banking as their official Literacy Tech Partner.



Advance Employee Intelligence  
[www.aecompany.com](http://www.aecompany.com)

Advance Employee Intelligence has built a successful consulting firm by providing the attention and personal service that help clients improve their organizations. The company offers the best in high-impact professional and management training, general consulting, project and program management, staff augmentation, contract administration, and convention/event planning.



ECORE Living, LLC  
[www.ecoreliving.com](http://www.ecoreliving.com)

ECORELiving's team of sustainability professionals provides comprehensive building design and energy efficiency services. The company's main clients are those in the architecture and real estate development spaces who want to design and build high-performance buildings but are cost-conscious.



Union Kitchen  
[www.unionkitchen.com](http://www.unionkitchen.com)

Housed in a 7,300 sq ft warehouse, Union Kitchen exists to grow and promote small businesses. For DC to be a diverse, exciting, prosperous place, we need local businesses to thrive and local entrepreneurs to bring their passion to our community. That is where Union Kitchen comes in. The company's goal is to build a platform and a megaphone for small businesses by providing a low-cost, low-risk, full-service kitchen for local businesses to grow and establish their operations. Union Kitchen eliminates the need for small businesses to take on debt, purchase expensive equipment, sign a long-term lease, or take many of the other risks that business owners have come to expect as the norm for starting a business.



INDUSTRIAL  
BANK  
24 HOUR BANKING

INDUSTRIAL  
BANK  
HOME MORTGAGE SOLUTION

INDUSTRIAL  
BANK  
COMMERCIAL BANK

# Our Leaders of Tomorrow

It is estimated that there are 83.1 million Millennials in our nation – which is unarguably the largest generation in the US workforce. At Industrial Bank we've observed this robust generation and have thought of ways to provide them with the proper tools and resources to help make their #NextBigMoment. Financial tips for Millennials don't differ much from the advice that we offer to the general population. Financial planning is a critical activity at all life stages. However, here are just a few "must do's" to ensure a financially healthy future for our younger generations:



## Millennial Must Do's

1. Pay yourself first. Open a savings account of some kind and do just that – SAVE. It may be easier to utilize a savings vehicle such as a CD or IRA which will allow you to deposit frequently but limit withdrawals.
2. Track your spending. Develop a relationship with your money so you can identify areas where you can trim excess spending and increase your savings.
3. Separate needs from wants. This is especially applicable for Millennials because of the FOMO (fear of missing out). Create a balance in your spending habits and resist the urge to spend on the latest technology, newest tennis shoes, or name-brand items. You may need to skip this weekend's events and enjoy an evening at home to avoid over-spending with friends.
4. Create a realistic budget based on income and expenses, and adhere to it.
5. Manage your credit. It is critical to understand that your credit score will affect your ability to gain employment, insurance, housing, and loans.

*Left: Industrial Bank and Panel, at Game Changers event – a discussion about the professional, financial, and personal challenges facing Millennial adults today.*



This past year, in an effort to circulate dollars in the black community, a group of black male entrepreneurs led by the US Black Chambers, Inc. (USBC), opened accounts with Industrial Bank. The Black Male Entrepreneur (BME) Institute, which is an extension of USBC, works to provide Millennial black male entrepreneurs with a 16-week dynamic and personalized business development experience.

The selected entrepreneurs received business development counseling from diverse business leaders through formal and informal sessions addressing lessons learned and best practices. Time was also allowed for exchange of ideas with fellow entrepreneurs to enhance their education and empower one another.



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"In order for there to be a strong black America, you must have strong black businesses. In order for there to be strong black businesses, we must have strong black banks....this is just a reciprocation for what Industrial Bank has done for our communities for the last 80 years."

—Ron Busby, Sr., USBC CEO

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*USBC CEO Ron Busby, Sr. (center left, red tie), with Industrial Bank CEO Doyle Mitchell and members of the Black Male Entrepreneur Institute*



# Business Owner Spotlight

## Phinis Jones

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Phinis Jones is the principal of District Development Group (DDG). DDG is a community-focused development firm with special expertise in affordable housing and community-serving facilities. The philosophy is development with a moral imperative that seeks to create places that build communities holistically.

Jones has been a resident of Ward 8 for nearly 40 years and has been a business owner in the Congress Heights community for over 30 years. His educational background includes studies in public administration, real estate and urban development, and business administration at the University of the District of Columbia, Prince George's Community College, and the University of Maryland.

He is the founder of Congress Heights Community Training and Development Corporation (CHCTDC), which focuses on human capital development and affordable housing. He is chairman of the board for Brighter Day Academy, which focuses on youth development, and he is the founder/publisher of The Capital News Newspaper, which focuses on telling untold positive stories. He is also the founder of the Congress Heights Arts and Culture Center, the first art gallery in the Congress Heights neighborhood.

Prior to working independently, Mr. Jones worked in the public-private sectors, where he assisted organizations in providing assistance to disadvantaged persons. Additionally, he has served as chief of staff to a former District of Columbia councilmember and Vice President and Business Agent for the Hotel and Restaurant Employees Union.



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"Industrial Bank showed its commitment to the Ward 8 community when they opened a branch on Good Hope Road, SE. And they furthered their commitment by providing financing for this worthy project, Old Congress Heights School."

—Phinis Jones

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### Sylvia Small-Ehilen

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Sylvia Small-Ehilen is the owner of two of the top-performing Denny's restaurants in the nation. As native Washingtonians, Sylvia and her husband opened their first franchise location over 16 years ago on Benning Road. In November 2011, they opened a second one on Bladensburg Road.

As a business owner, Sylvia has been an Industrial Bank client for almost two decades. She loves keeping up with the latest technology trends and giving back to her community.

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My relationship with Industrial Bank has been great! I love being able to 'reach out and touch' my Banking Center Manager – to be able to call and talk to her at any time as well as not having to wait in line when I come in to conduct business."

—Sylvia Small-Ehilen

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# Getting Things Done



In 2016, stay tuned for a new look, currently in progress, for the flagship 11th and U Street branch office. The famous clock on that corner will remain after it is shined a little, and we look forward to a full interior renovation and exterior cleaning.







# In Memory



**Dr. Frances Cress Welsing**

*March 18, 1935 – January 2, 2016*

Our former customer Dr. Frances Cress Welsing, who passed away on January 2, 2016, at the age of 80 in Washington DC, was one of our country's most influential and controversial theoreticians on the subject of race and racism.

Dr. Welsing was a faithful customer of Industrial Bank for more than 42 years. Dr. Welsing was a Psychologist and an author of many books. She was a commentator for several documentaries. One very familiar documentary is "Hidden Color."

Many of our staff who worked at Georgia Avenue Banking Center remember seeing Dr. Welsing on a weekly basis making her deposit. She was a very kind and gracious woman who walked with confidence. Dr. Welsing will be remembered as a loyal customer of Industrial Bank.



**Alyce Dixon**

*September 11, 1907 – January 27, 2016*

Alyce Dixon, the nation's oldest female veteran and Industrial Bank's oldest customer, who expedited mail delivery in World War II and later worked as a civilian at the Pentagon facilitating what she called the purchase of everything from "pencils to airplanes," died Jan. 27, 2016, at a veterans' retirement center in Washington. She was 108.

Ms. Dixon was well-known in the community for her elegant sense of style, her long repertoire of eyebrow-raising jokes, and her very strong opinions. She credited her long life to sharing and caring. She too will be remembered as a loyal customer of Industrial Bank.



24 HOUR BANKING

HOME MORTGAGE SOLUTION

COMMERCIAL BANKING

# Branch Locations

## Washington DC Branches

- **Georgia Avenue Office**  
4812 Georgia Avenue, N.W., Washington, DC 20011
- **Frank D. Reeves Municipal Center Office**  
2000 14th Street, N.W., Washington, DC 20004
- **U Street Office**  
2000 11th Street, N.W., Washington, DC 20001
- **F Street Office**  
1317 F Street, N.W., Washington, DC 20004
- **J. H. Mitchell Office**  
125 45th Street, N.E., Washington, DC 20019
- **Anacostia Gateway Office**  
1800 Martin Luther King Jr. Avenue, S.E., Washington, DC 20020

## Maryland Branches

- **Oxon Hill Office**  
1900 John Hanson Lane, Oxon Hill, MD 20745
- **Forestville Office**  
7610 Pennsylvania Avenue, Forestville, MD 20747









The top of the page features a red-tinted background. On the left, a photograph of an Industrial Bank storefront is shown with signs for '24 HOUR BANKING', 'HOME MORTGAGE SOLUTION', and 'COMMERCIAL BANK'. On the right, a historical black and white photograph shows a group of men in suits and military uniforms seated at a long table, with American flags in the background.

# About Industrial Bank

Since 1934, Industrial Bank has delivered essential banking and financial services, which have contributed greatly to the growth and development of the Washington, DC, community. From that first day in 1934, when Industrial Bank had just six employees and \$192,000 in assets, Industrial Bank has grown into an institution with 115 employees and over \$389 million in assets.

Industrial Bank offers a full range of banking services from eight banking centers, six of which are located in the District of Columbia. These services include a host of checking, savings, and investment accounts for retail and commercial customers, cash management, corporate online banking, electronic banking services, debit cards, and a variety of consumer, real estate, and commercial loans and lines of credit.

## Contact Us

 Business hours: (202) 722-2000;  
After hours: (800) 461-5056  
Telebanc services: (800) 205-0840

 Email: [info@industrial-bank.com](mailto:info@industrial-bank.com)

 Like us on Facebook: [/IndustrialBank](https://www.facebook.com/IndustrialBank)

 Follow us on Twitter [@BankIndustrial](https://twitter.com/BankIndustrial)

 Connect with us on LinkedIn: [/IndustrialBank](https://www.linkedin.com/company/IndustrialBank)

 Visit us at [www.industrial-bank.com](http://www.industrial-bank.com)

Tell us about your [#NextBigMoment](https://twitter.com/NextBigMoment) at [www.nextbigmoment.com](http://www.nextbigmoment.com)







# Financials

## CONSOLIDATED BALANCE SHEETS

### DECEMBER 31, 2015 AND 2014

(Dollars in Thousands)

ASSETS	2015	2014
Cash and due from banks	\$5,858	\$4,790
Federal funds sold	-	-
Total cash and cash equivalents	5,858	4,790
Interest-bearing deposits in other banks	11,424	19,760
Securities available-for-sale, at fair value	74,619	68,917
Loans Held for Sale	403	1,478
Loans receivable - net of allowance for loan losses of \$4,071 (2015) and \$4,732 (2014)	280,259	255,606
Other real estate owned	-	-
Bank premises and equipment - net	4,099	4,028
Accrued interest receivable	1,531	1,235
Bank owned life insurance	8,704	8,482
Deferred income taxes	1,088	1,190
Other assets	1,063	2,925
<b>TOTAL ASSETS</b>	<b>\$389,048</b>	<b>\$368,411</b>

LIABILITIES AND SHAREHOLDERS' EQUITY		
<b>LIABILITIES:</b>		
Noninterest bearing deposits	\$83,583	\$76,042
Interest bearing deposits	226,923	227,913
Total deposits	310,506	303,955
Short-term borrowing	37,363	23,374
Accrued expenses and other liabilities	1,299	1,887
<b>TOTAL LIABILITIES</b>	<b>349,168</b>	<b>329,216</b>

<b>SHAREHOLDERS' EQUITY:</b>		
Preferred stock - \$1 par value; 1,000,000 (500,000 voting and 500,000 nonvoting) authorized; 20,000 Series A nonvoting issued and outstanding, stated liquidation value	500	500
Preferred stock - \$1 par value; 1,000,000 issued and outstanding, stated liquidation value	5,971	5,971
Common stock - \$1 par value; 1,000,000 shares authorized; 599,927 issued and outstanding for 2015 and 601,371 for 2014	600	601
Additional paid in capital	2,977	3,023
Retained earnings	28,370	27,063
Accumulated other comprehensive income	1,462	2,037
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>39,880</b>	<b>39,195</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$389,048</b>	<b>\$368,411</b>

## CONSOLIDATED STATEMENT OF INCOME

### FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

(Dollars in Thousands, Except Per Share Data)

INTEREST INCOME:	2015	2014
Interest and fees on loans	\$14,906	\$13,906
"Obligations of U.S. Government agencies and corporations"	235	254
Collateralized mortgage obligations	934	1,172
Obligations of states and political subdivisions	705	959
Bank balances and other securities	65	51
<b>Total interest income</b>	<b>16,845</b>	<b>16,342</b>

INTEREST EXPENSE:		
Interest-bearing deposits	325	326
Time certificates over \$100,000	503	549
Short term borrowings	18	19
<b>Total interest expense</b>	<b>846</b>	<b>894</b>

<b>NET INTEREST INCOME</b>	<b>15,999</b>	<b>15,448</b>
<b>PROVISIONS FOR LOAN LOSSES</b>	<b>550</b>	<b>350</b>
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>15,449</b>	<b>15,098</b>

NONINTEREST INCOME:		
Service charges on deposit and checking accounts	1,477	1,685
Other fee income	547	574
Gain on sale of securities	527	88
Gain on sale of loans	304	286
Gain on sale of building	-	1,884
Other operating income	1,617	1,352
<b>Total noninterest income</b>	<b>4,472</b>	<b>5,869</b>

NONINTEREST EXPENSE:		
Salaries and employee benefits	10,055	9,870
Occupancy	1,636	1,593
Furniture and equipment	803	831
Data Processing	1,063	873
Office expense	739	653
Professional fees	1,044	1,022
FDIC assessment	314	402
Other	2,009	2,359
<b>Total noninterest expense</b>	<b>\$17,663</b>	<b>\$17,603</b>

	2015	2014
Income Before Provision For Income Taxes	\$2,258	\$3,364
Income Tax Provision	728	1,150
<b>Net Income</b>	<b>1,530</b>	<b>2,214</b>
Preferred Stock Dividends	(145)	(145)
<b>Net Income Available To Common Shareholders</b>	<b>\$1,385</b>	<b>\$2,069</b>
Basic And Diluted Net Income Per Common Share	\$2.30	\$3.43
Weighted Average Common Shares Outstanding	601,320	602,863
Per Share Common Stock Dividends	\$0.13	\$0.13

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME


### FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

(Dollars in Thousands)

	2015	2014
Net Income	\$1,530	\$2,214
Other comprehensive income, before tax:		
Securities available for sale:		
Unrealized holding gains (losses) arising during the period	(1,180)	2,206
Reclassification adjustment for gains included in net income	527	87
Other comprehensive income (loss), before tax	(653)	2,293
Income tax benefit (expense) effect	78	(837)
Other comprehensive (loss) income, net of tax	(575)	1,456
<b>Total comprehensive income</b>	<b>\$955</b>	<b>\$3,670</b>




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