

PARKE BANCORP, INC.  
Form 10-Q  
August 15, 2016

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended: June 30, 2016.

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 No. 000-51338

PARKE BANCORP, INC.  
(Exact name of registrant as specified in its charter)

New Jersey 65-1241959  
(State or other jurisdiction of incorporation or organization) (IRS Employer Identification No.)

601 Delsea Drive, Washington Township, New Jersey 08080  
(Address of principal executive offices) (Zip Code)

856-256-2500  
(Registrant's telephone number, including area code)

N/A  
(Former name, former address and former fiscal year, if changed since last report)

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 Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§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

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

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

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 15, 2016, there were issued and outstanding 6,843,059 shares of the registrant's common stock.

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PARKE BANCORP, INC.

FORM 10-Q

FOR THE QUARTER ENDED June 30, 2016

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## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

## Parke Bancorp, Inc. and Subsidiaries

## Consolidated Balance Sheets

(unaudited)

(in thousands except share and per share data)

	June 30, 2016	December 31, 2015
Assets		
Cash and due from financial institutions	\$3,648	\$ 3,131
Federal funds sold and cash equivalents	48,985	24,298
Total cash and cash equivalents	52,633	27,429
Investment securities available for sale, at fair value	40,140	42,567
Investment securities held to maturity (fair value of \$2,535 at June 30, 2016 and \$2,471 at December 31, 2015)	2,202	2,181
Total investment securities	42,342	44,748
Loans held for sale	—	2,640
Loans, net of unearned income	783,388	758,501
Less: Allowance for loan losses	(14,165 )	(16,136 )
Net loans	769,223	742,365
Accrued interest receivable	2,877	3,012
Premises and equipment, net	4,829	4,591
Other real estate owned (OREO)	12,815	16,629
Restricted stock, at cost	4,208	4,789
Bank owned life insurance (BOLI)	24,180	23,822
Deferred tax asset	10,593	10,928
Other assets	790	4,171
Total Assets	\$924,490	\$ 885,124
Liabilities and Equity		
Liabilities		
Deposits		
Noninterest-bearing deposits	\$47,301	\$ 52,773
Interest-bearing deposits	665,494	612,437
Total deposits	712,795	665,210
FHLB NY borrowings	69,650	84,650
Subordinated debentures	13,403	13,403
Accrued interest payable	597	494
Other liabilities	5,876	9,160
Total liabilities	802,321	772,917
Equity		
Preferred stock, 1,000,000 shares authorized, \$1,000 liquidation value Series B - non-cumulative convertible; Issued: 20,000 shares at June 30, 2016 and December 31, 2015	20,000	20,000
Common stock, \$.10 par value; authorized 15,000,000 shares; Issued: 7,127,581 shares at June 30, 2016 and 6,501,610 at December 31, 2015	713	650
Additional paid-in capital	62,076	53,984
Retained earnings	42,063	40,582
Accumulated other comprehensive income (loss)	337	(165 )

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Treasury stock, 284,522 shares at June 30, 2016 and 280,354 shares at December 31, 2015, at cost	(3,015 )	(3,011 )
Total shareholders' equity	122,174	112,040
Noncontrolling interest in consolidated subsidiaries	(5 )	167
Total equity	122,169	112,207
Total liabilities and equity	\$924,490	\$ 885,124
See accompanying notes to consolidated financial statements		

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Parke Bancorp Inc. and Subsidiaries  
 CONSOLIDATED STATEMENTS OF INCOME  
 (unaudited)

	For the three months ended June 30, 2016		For the six months ended June 30, 2015	
	(in thousands except share data)		(in thousands except share data)	
Interest income:				
Interest and fees on loans	\$10,100	\$9,567	\$20,062	\$18,705
Interest and dividends on investments	316	339	672	585
Interest on federal funds sold and cash equivalents	55	27	78	42
Total interest income	10,471	9,933	20,812	19,332
Interest expense:				
Interest on deposits	1,375	1,198	2,630	2,329
Interest on borrowings	339	276	673	489
Total interest expense	1,714	1,474	3,303	2,818
Net interest income	8,757	8,459	17,509	16,514
Provision for loan losses	(638	) 750	62	1,590
Net interest income after provision for loan losses	9,395	7,709	17,447	14,924
Noninterest income:				
Gain on sale of SBA loans	372	1,200	1	