



### FROM THE CHAIRMAN/ CEO



David Summers

We are excited to share with you this first issue of our quarterly newsletter. The purpose of this publication is to highlight the people and products that make up the essence of Virginia Heritage Bank (VHB). This publication is designed to be a resource for current financial issues, including lending and investing topics which we think you will find helpful and interesting.

As we approach the 4th quarter of 2009, the initial stages of an economic recovery are evident. The increase in national unemployment appears to be slowing and liquidity is returning to the financial sector. The programs initiated by the Federal Reserve and the Treasury Department have stabilized the economy with the next apparent trouble spot being the commercial real estate sector. Residential home foreclosure activity remains

elevated, but loan modification programs designed to help responsible homeowners stay in their homes are slowly gaining ground.

VHB is over \$300 million in assets and is in its 3rd year of existence. We have 3 conveniently located branches with our 4th office, located in Tysons Corner, scheduled to open in October. Because we are profitable and have no significant loan collection problems, we are one of the most active community bank lenders in the area. With a broad array of consumer and commercial lending products, please contact us to discuss your next borrowing need.

*David Summers*

*dsummers@virginiaheritagebank.com*

### FINANCIAL NEWS



Chris Brockett

What is a trillion? If someone asked me this back in the seventies or eighties, I would have responded with 'it's the same as a ga-zillion'; a term that was an almost 'cartoonish' definition of an indescribable amount. The term, in its plural form, is now being used extensively while describing the projected U.S. budget deficit and related debt.

These are certainly challenging times. It is difficult today to turn on the news or pick up a newspaper without hearing or reading some reference to a recent bank shuttered by the FDIC or the financial crisis in general.

While management of Virginia Heritage Bank is quite confident about the financial stability of the Bank, we also understand that there may be circumstances where your deposits must be fully insured by the FDIC, even if they

exceed the current insurance limits. For this reason, we have partnered with the Promontory Interfinancial Network which allows us to offer full coverage for Certificates of Deposit to a maximum of \$50 million through the CDARS® programs.

For more information about this program or other services, please visit our website, call, or stop by one of our offices.

*Chris Brockett, CFO*

*cbrockett@virginiaheritagebank.com*



## BETTY'S BRANCH NEWS



Betty Gillen

### NEWEST BRANCH OFFICE

I am very excited and pleased to announce the staff of our newest Tysons Corner office, which is scheduled to open in October.

Rajesh "Raj" Periyapatna will be the branch manager. Raj began his banking career in 2000. He was hired as a teller at Community Bank of Northern Virginia. He worked his way up to assistant branch manager before joining VHB in 2008.

Tyler Hutchison will be the assistant branch manager. He began his banking career in May 2007 as a part time teller for VHB in Chantilly, while attending college.

Homa Sharifi will be the teller. She has nine years of banking experience with Wachovia Bank.

We have many prospective and former bank clients that are eagerly awaiting the opening of this branch. I have spent

many years of my banking career working in the Tysons Corner market, and I am happy to be back in the area.

Tysons Corner has 46 million square feet of office and retail space, which makes it an important business district. It has the largest concentration of office space in Northern Virginia, making it the "downtown" of Fairfax County. Currently there is a 40-year plan to urbanize Tysons Corner around the coming four stops of Washington Metro's Silver Line to the area.

*Betty Gillen, bgillen@virginiaheritagebank.com  
Chief Branch Administrator*



**Betty,  
Raj, and  
Tyler in  
front of  
the new  
Tysons  
location**

## CHRIS' CORNER



Chris Mortenson

### GET TO KNOW YOUR BANKER!

During these turbulent times, having a relationship with your banker is critically important, not only to obtain credit, but also to obtain information, market analysis and protection. Small to medium size business leaders often struggle with developing relationships with their bankers. So how do you build rapport with your banker? Communication is the key. Open the lines of communication.

Meet with your banker on a regular basis, share financial records and be honest sharing the good and not so good news. Even if you are not a financial wizard, sit down with your banker to go over recent financial results and explain the need for credit. It is far better to be proactive and have the basics covered than to establish the relationship during a crisis or when emergency funding is needed. Consider

your banking relationship as an investment in your future. Not only should your bank be supportive to your needs now, but it should also be there for you in the future when you or your business has specific needs.

Whether you have a comprehensive relationship involving various credit and non-credit services or just a single transaction account, your banker can be a source of market information for you. Chances are he or she is engaged in the community and understands the current business climate.

A strong relationship with your personal banker will serve you well, especially if your transaction is difficult or requires special handling. The bottom line is that your bank should know you in order to respond your needs. Even if your loan request meets specific debt service coverage and loan-to-value hurdles, banks still want to know their customers and be well informed before making a decision.

*Chris Mortenson, cmortenson@virginiaheritagebank.com  
Chief Commercial Lending Officer*

## MORTGAGE NEWS



Rick Hutchison

### IT IS TIME

For many of us in the Washington Metropolitan Area, the idea of owning a home meant that one would have to secure property in the outlying areas of Northern Virginia such as Winchester, Stafford, North of Leesburg, etc. Although these are great areas to live, the daily commute to Tysons or Fairfax is a killer.

The current rate environment and the decline in real estate values in Fairfax, Leesburg, Centreville, South Riding and Prince William County can and have provided great opportunities for the First Time Homebuyer. "IT IS TIME" to become a home owner. The current environment of depressed home values coupled with the incentive offered by the IRS for tax credits of up to \$8,000.00 or the FHLB Grant Program of \$10,000.00 for first time homebuyer can make purchasing a home very affordable. Any one or the combination of the two are excellent incentives to purchase and may be programs that will never be offered again.

The law defines "first-time home buyer" as a buyer who has not owned a principal residence during the three-year period prior to the purchase.

VHB Mortgage has provided over \$700,000.00 in FHLB grant funds in 2009 for First Time Homebuyers with Loan Officers such as Kristina O'Neill, Tony Denk and Brian Kamin leading the group as experts in the first time homebuyer experience.

Regardless of what you may read or hear in the press, this is a great market and we (VHB) have been encouraged by the number of First Time Homebuyers taking advantage of what we can offer. Our message is simple: take advantage of the market and become a homeowner. "IT IS TIME!"

*Rick Hutchison, rhutchison@vhbmortgage.com  
Chief Mortgage Officer*



## CASH MANAGEMENT



Eva M. Seifert

### REMOTE DEPOSIT IS A HUGE SUCCESS!

*Saving Money is Easier Than Ever*

Remote Deposit has become the preferred method of banking for many of our business customers. Why is Remote Deposit successful? We're glad you asked. Technology saves time and money. No longer will you waste time, gas, and wear and tear on your vehicle going to the bank. The bank is sitting on your desk. It's safe and secure. Scan > Submit> Deposit > Done! Visit [www.virginiaheritagebank.com](http://www.virginiaheritagebank.com) for additional information or call Eva M. Seifert at 703.766.6422.

There have been some recent changes for our Remote Deposit customers. The number of days you need to maintain the original checks have changed. You may shred the checks at 30 days instead of the original 60 days.

If you have a cash management topic/question you would like to see in our next newsletter, please email [eseifert@virginiaheritagebank.com](mailto:eseifert@virginiaheritagebank.com).

## INOVA BLOOD DONOR SERVICES

The Chantilly branch of VHB recently partnered with INOVA Blood Donor Services to sponsor a blood drive. INOVA Blood Donor Services supplies lifesaving blood and blood products to 15 different hospitals in Northern Virginia and the Washington, D.C., metro area. They also work with national and international redistribution organizations to get blood where it's needed most. For 35 years donors have helped INOVA provide a safe, adequate blood supply for patients in our diverse community. But today the demand for blood is increasing while blood donation levels are decreasing. You are needed more than ever! Call 1-866-BLOODSAVES (1-866-256-6372) and see how you can help!

## WE ARE YOUR NEIGHBORS.

You might ask why this matters. We don't live in Charlotte, San Francisco, New York or London. We live down the street. We want to see our region, the communities we serve and the people in those communities thrive and prosper.

Because we are locally owned and managed, you have direct access to decision-makers where and when you need them. Our Chairman and CEO, David Summers, loves to meet our customers. Try talking to the CEO of one of those big national banks!



At VHB, you'll never be left hanging for banking decisions that come from across the country or even from abroad. Pick up the phone or visit the branch, and you are instantly connected to your VHB banking professional.

## BRANCHES

### Fairfax

11166 Fairfax Boulevard • Fairfax, VA 22030  
Phone: 703.359.4100  
Fax: 703.359.2776

### Gainesville

7905 Heritage Village Plaza • Gainesville, VA 20155  
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Fax: 571.248.8066

### Chantilly

13986 Metrotech Drive • Chantilly, VA 20151  
Phone: 703.378.0010  
Fax: 703.378.0104

### Tysons Corner

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Phone: 703.752.9360  
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**VIRGINIA HERITAGE BANK**  
*Building Prosperity Together*

4211 Pleasant Valley Road  
Chantilly, VA 20151

**We can help you  
build prosperity!**

**<NAME>, Chairman/CEO David  
Summers invites you to see how VHB  
can help you prosper with our full line  
of services!**

