

COLUMBIA BANK

BUILDING A

PREMIER

REGIONAL

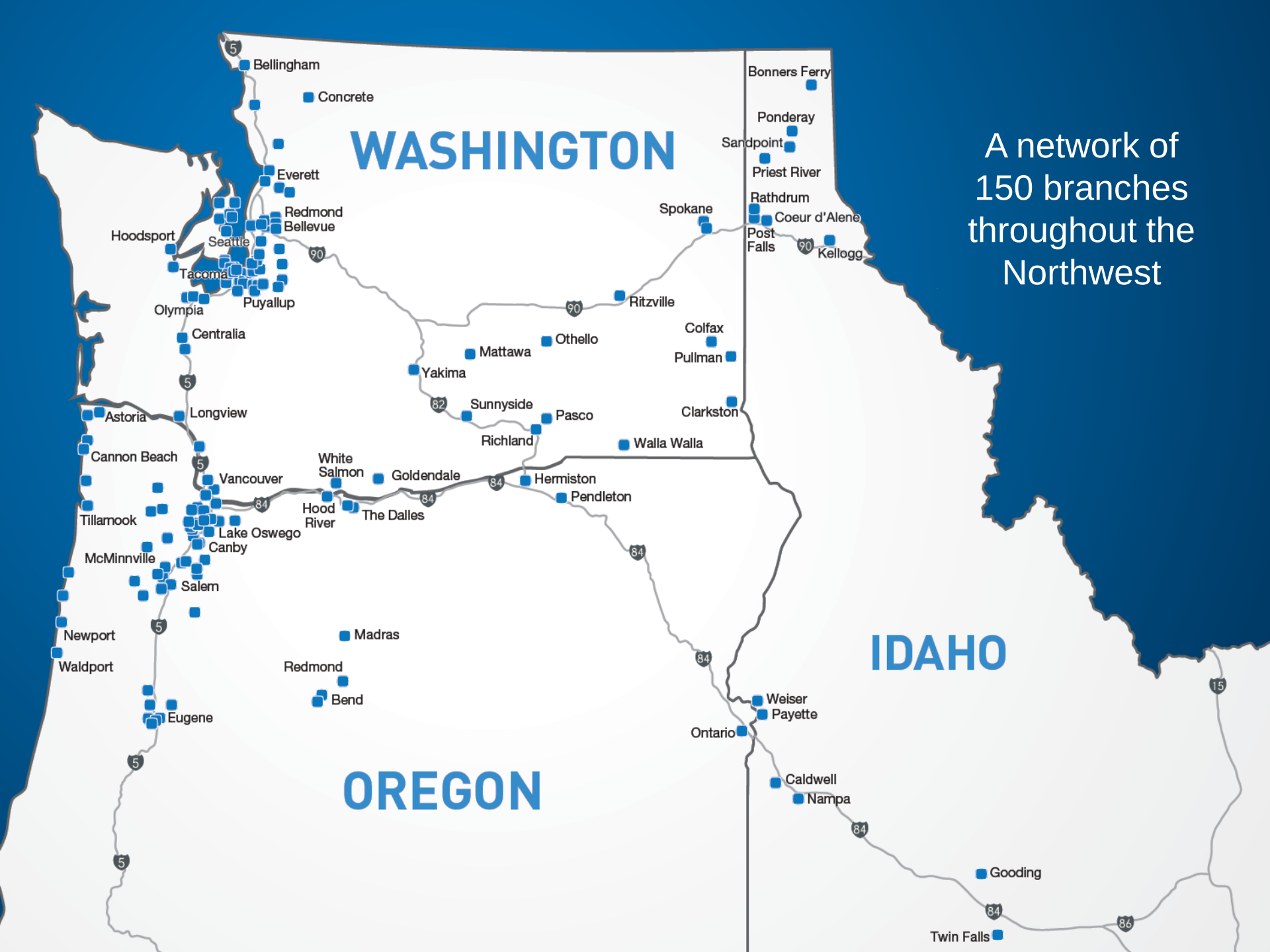
COMMUNITY BANK

NASDAQ:COLB



Why Columbia Bank?

- **Fortress balance sheet**
  - Very low cost, stable funding base
  - Relationship centric C&I focused loan portfolio
  - Diversified loan portfolio with top tier credit quality
- **Sustained track record** of driving long-term shareholder value.
- **Seasoned acquirer** with proven integration results and superior acquisition currency.
- **Successfully crossed the $10 Billion Asset threshold** with the acquisition of Pacific Continental Corporation on November 1, 2017.
- **Award-winning company** that is committed to the communities it serves.
- **Located in one of the top regional economies** in the U.S.


WASHINGTON
OREGON
IDAHO
Bellingham
Concrete
Everett
Redmond
Bellevue
Seattle
Hoodsport
Tacoma
Puyallup
Olympia
Centralia
Longview
Astoria
Cannon Beach
Vancouver
Tillamook
Lake Oswego
Canby
McMinnville
Salem
Newport
Waldport
Eugene
Madras
Redmond
Bend
White Salmon
Goldendale
Hood River
The Dalles
Ritzville
Spokane
Othello
Mattawa
Yakima
Sunnyside
Pasco
Richland
Walla Walla
Colfax
Pullman
Clarkston
Hermiston
Pendleton
Bonners Ferry
Ponderay
Sandpoint
Priest River
Rathdrum
Coeur d'Alene
Post Falls
Kellogg
Weiser
Payette
Ontario
Caldwell
Nampa
Gooding
Twin Falls
A network of 150 branches throughout the Northwest

The Strongest Economic Region in the US

- **Washington's GDP growth rate of 5.8% was the best in the nation** in third quarter 2018. Idaho grew by 3.9% and Oregon by 3.5%.
- In April 2019, US News & World report ranked **Portland #8, Seattle #9 and Boise #17 in the 125 Best Places to Live in the USA** considering Job Market, Value, Quality of Life, Desirability and Net Migration. Spokane #65 and Salem #77 also made the list.
- In February 2018, Forbes **"America's Fastest-Growing Cities"** ranked **Boise #1, Seattle #2, Tacoma #10, and Portland #17** (metropolitan statistical areas).
- **The competition for commercial office space is high in the Puget Sound and Portland markets** driven by the expansion of technology companies such as Amazon, Microsoft, Google and F5 Networks.
- **Diversified agriculture is a key component of the Northwest region's success**. In 2018, 98% of the US Hops crop was produced in the northwest with 73% from Washington, 15% from Idaho and 12% from Oregon. Washington is the #1 producer of apples with 70% of the total US crop; Oregon #1 for Christmas trees, hazelnuts and blackberries; Idaho is #1 for potatoes and trout.
- **The Northwest has an established presence** in aerospace, technology, agriculture and consumer product sectors. Local world-class companies, including Boeing, Starbucks, Microsoft, Amazon, Costco, Nordstrom and Nike are anchors of these sectors.
- **Tacoma, Seattle and Portland ports are big economic drivers in the region.** The Northwest Seaport Alliance is the 4th largest container gateway in North America, and Portland is the number one port on the west coast for automobile exports. The Seattle-Tacoma International Airport is expanding its International Arrivals Facility more than doubling its passenger capacity in 2019.
- **Military is a major driver of the Northwest economy**. Nearly 135,000 Active, Reserve, and Civilian personnel across Washington, Oregon and Idaho *(Sept 2018).*

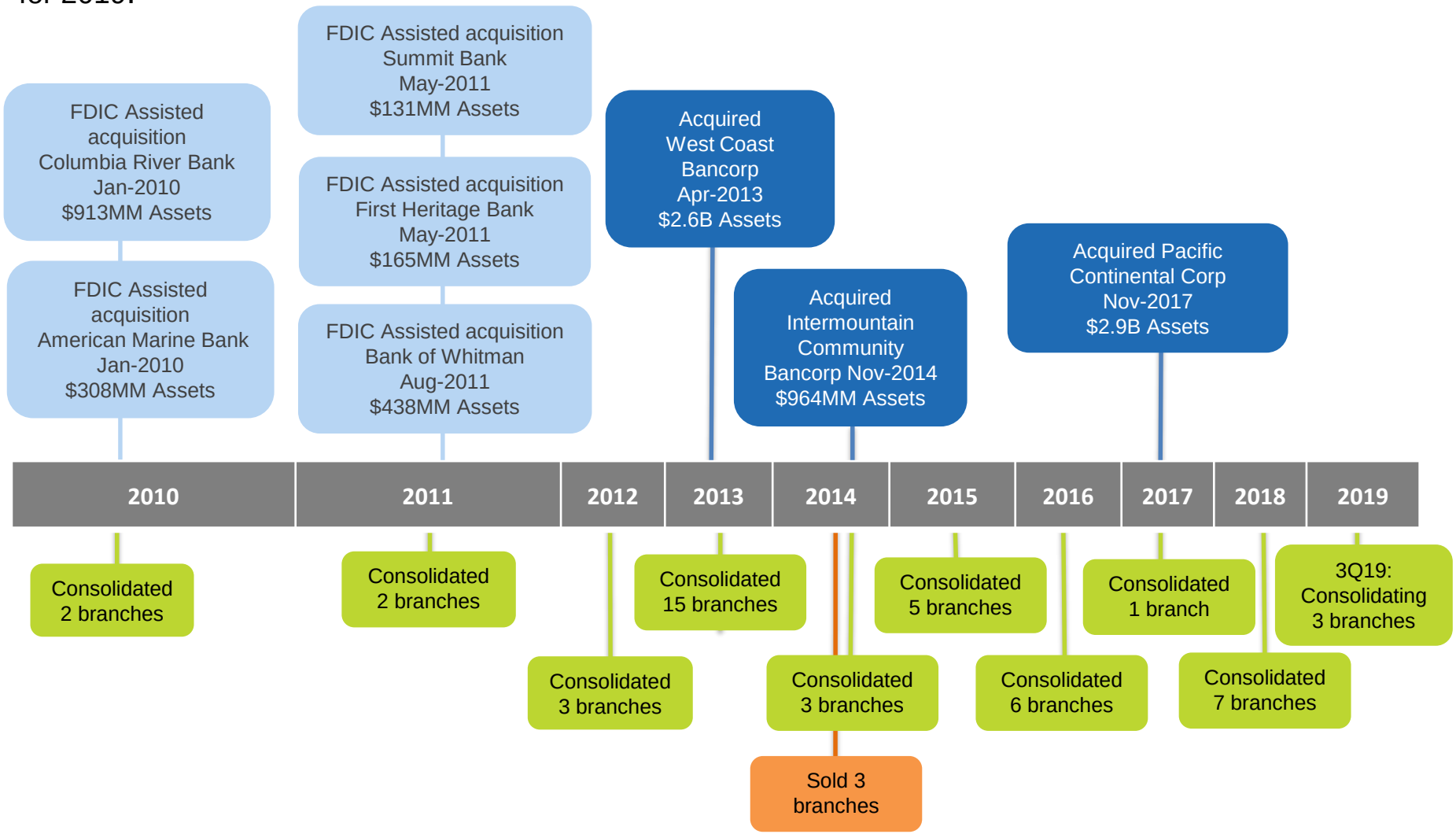
Attractive Northwest Markets

	✓ *Better Than or Equal to U.S. Average*	Seattle-Tacoma-Bellevue	Portland-Vancouver	Boise	Washington	Oregon	Idaho	United States
Demographics	Population Increase *(2010 – 2019)*	15.08%✓	12.64%✓	18.91%✓	12.60%✓	10.24%✓	12.18%✓	6.64%
	Projected Population Change *(2019-2024)*	6.85%✓	6.48%✓	7.81%✓	6.21%✓	5.83%✓	6.25%✓	3.56%
	Projected Median HH Income Change *(2019-2024)*	13.31%✓	15.70%✓	9.94%✓	13.64%✓	12.24%✓	9.93%✓	8.82%
Economics	Unemployment Rate [(1)] *(Mar 2019, MSA's Mar 2019)*	4.1%	4.2%	2.9%✓	4.6%	4.4%	2.9%✓	3.8%
	Home Price Index Change *12 months ending Feb 2019* *24 months ending Feb 2019* *Low in 1Q12 – Feb 2019*	2.8% 15.9%✓ 89.9%✓	3.0% 9.8% 79.6%✓	n/a	n/a	n/a	n/a	4.0% 10.7% 53.0%

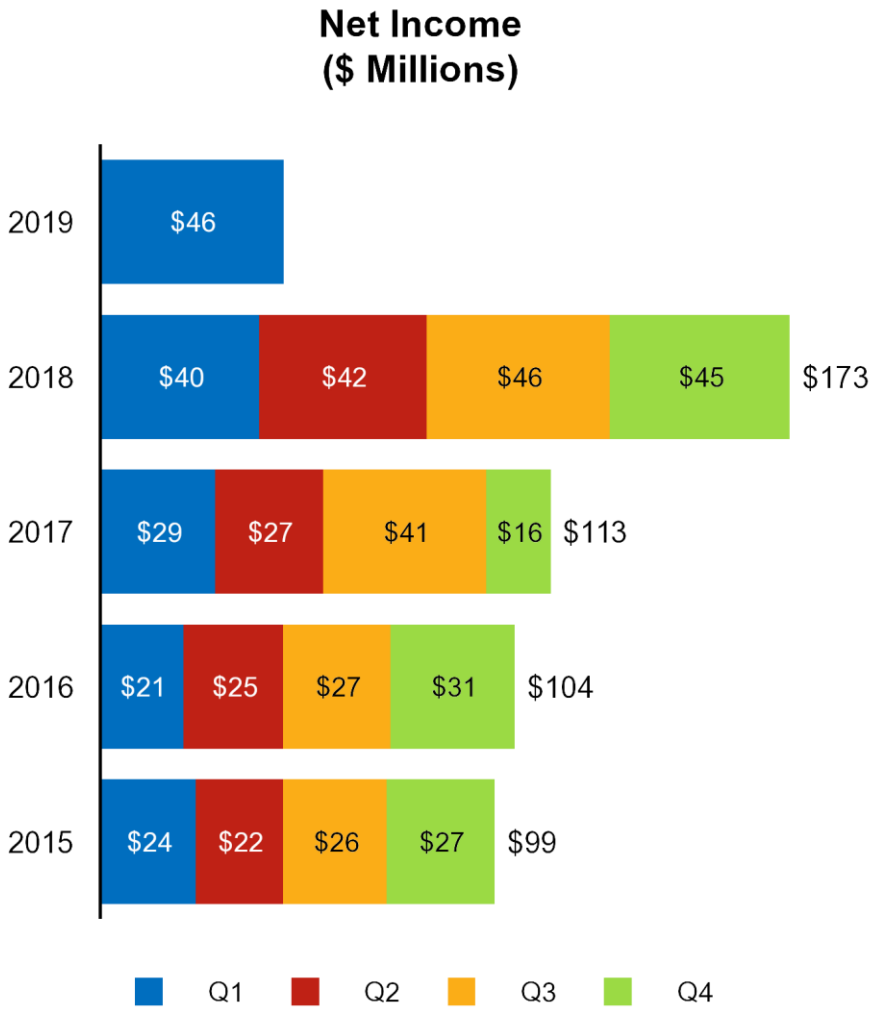
(1) MSA unemployment rates are not seasonally adjusted. State and US rates are seasonally adjusted.
Sources: Bureau of Labor Statistics, S&P-Case Schiller, SNL FInancial

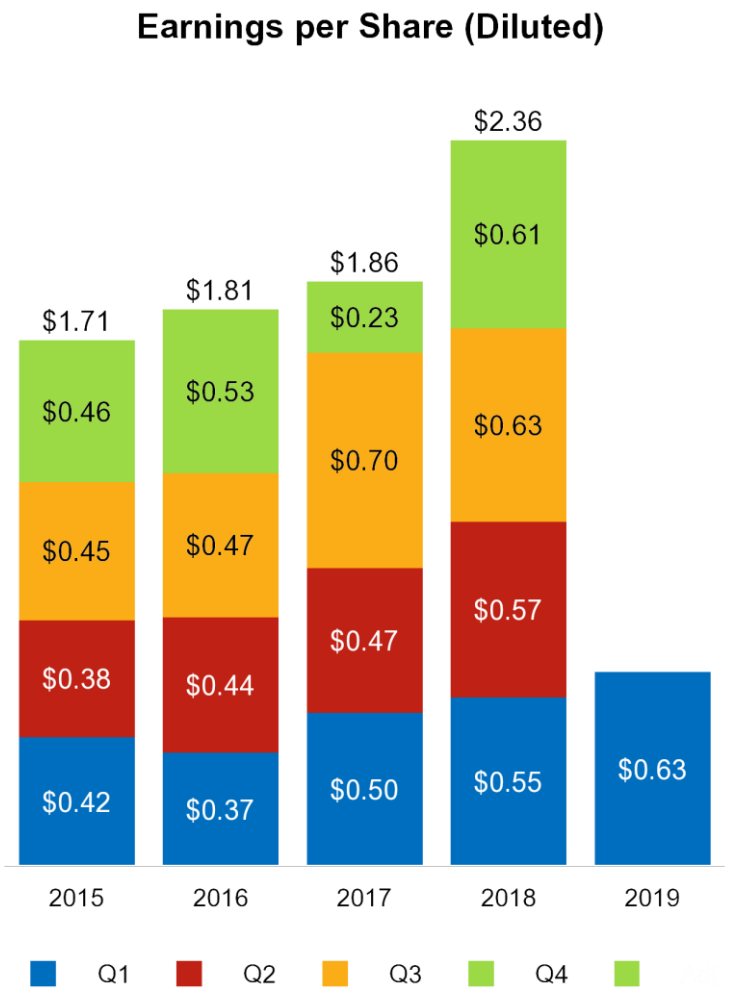
Seasoned Acquirer with Proven Integration Track Record

Over the past 10 years, 8 acquisitions, 3 branch sales and 44 branch consolidations with another 3 slated for 2019.



Favorable Trend of Earnings

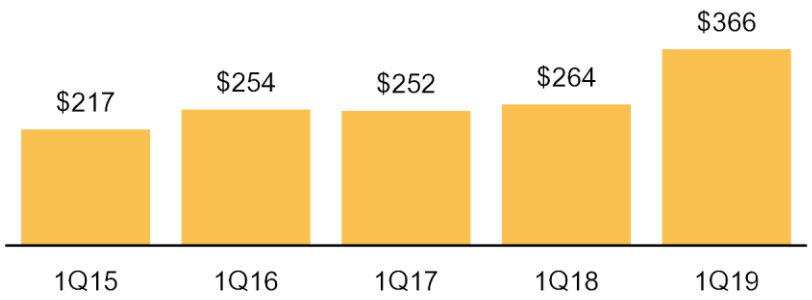




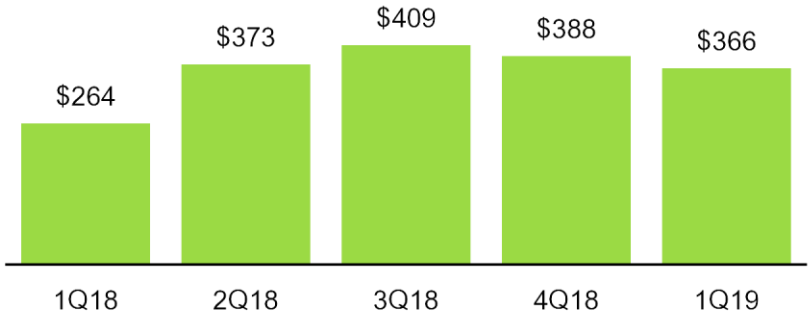
Due to averaging of shares, 2017 quarterly earnings per share does not add up to the total reported for the full year.

Total Loans, Net of Unearned Income

1st Quarter Loan Production



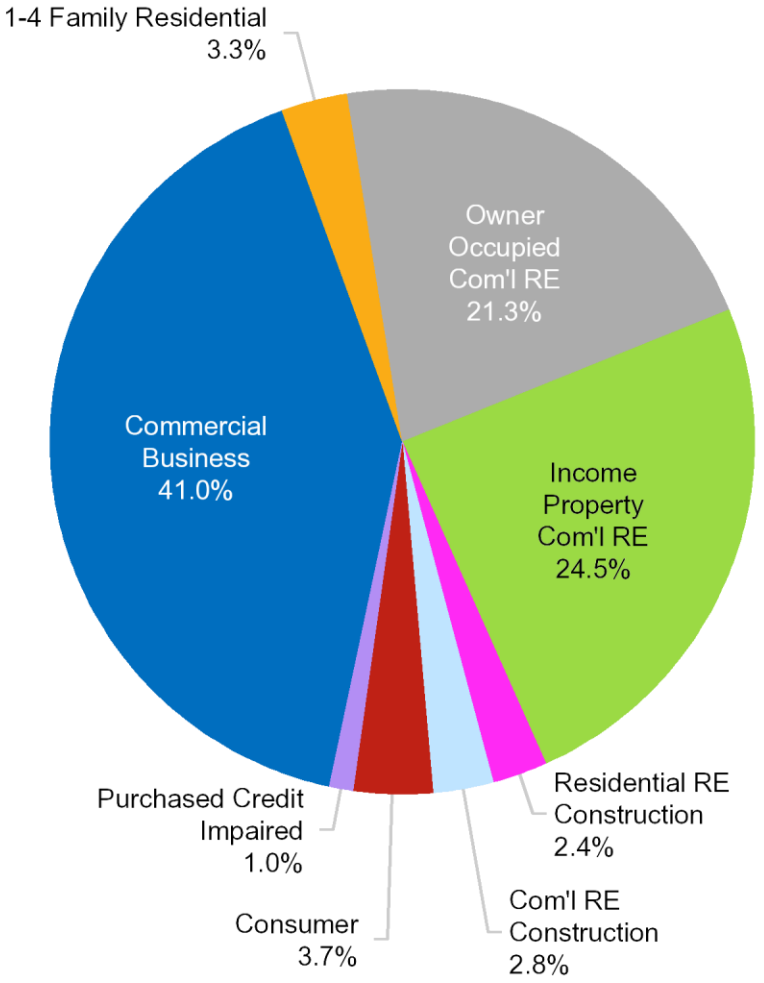
Rolling 5 Quarter Loan Production



$ in Millions

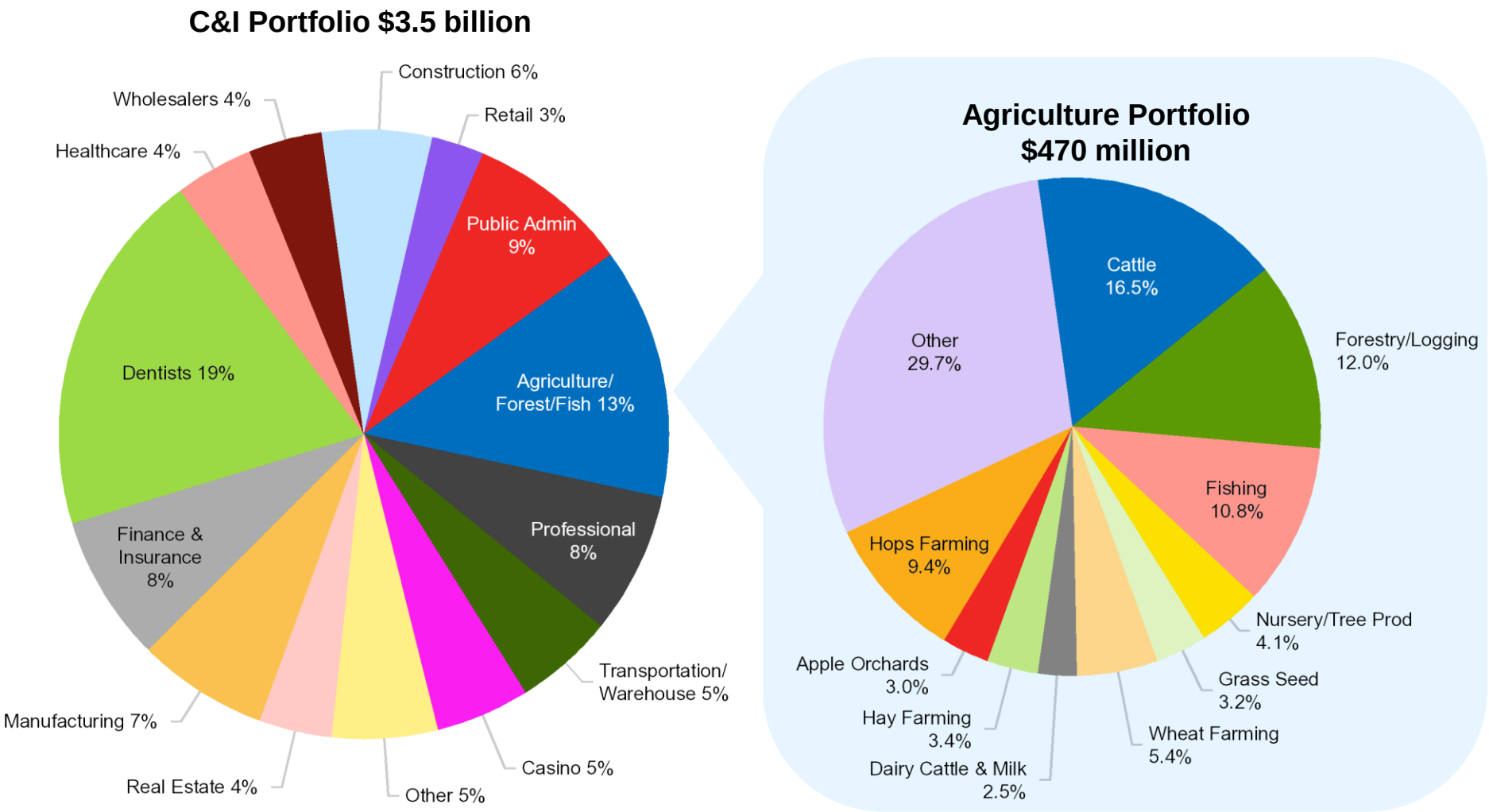
Total Loans = $8.5 billion

Annualized quarterly growth = 6%



As of March 31, 2019

Well Diversified C&I and Agriculture Loan Portfolios

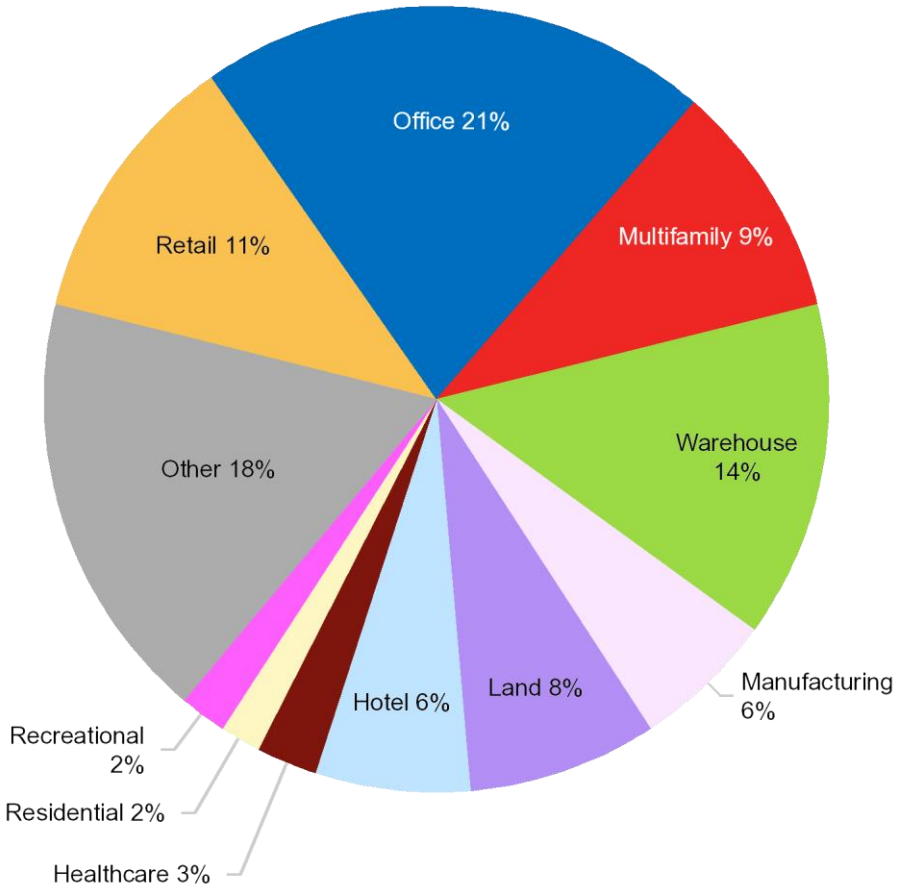


As of March 31, 2019

Balanced CRE Loan Portfolio

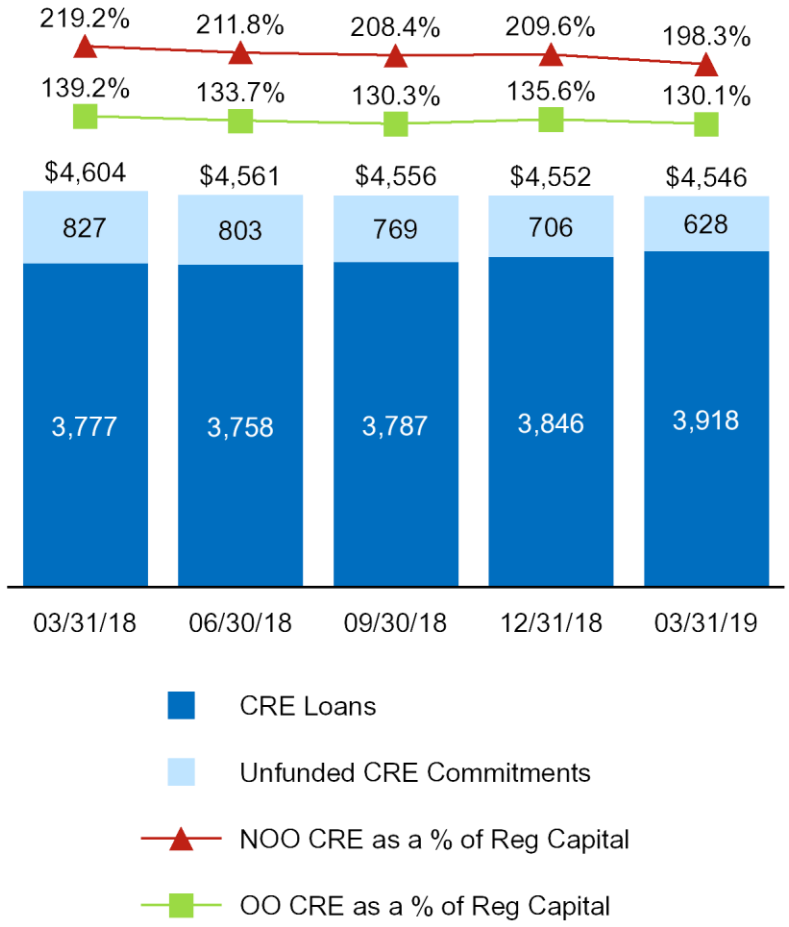
CRE Portfolio $3.9 billion

Balanced with 53% Income Property and 47% Owner-occupied



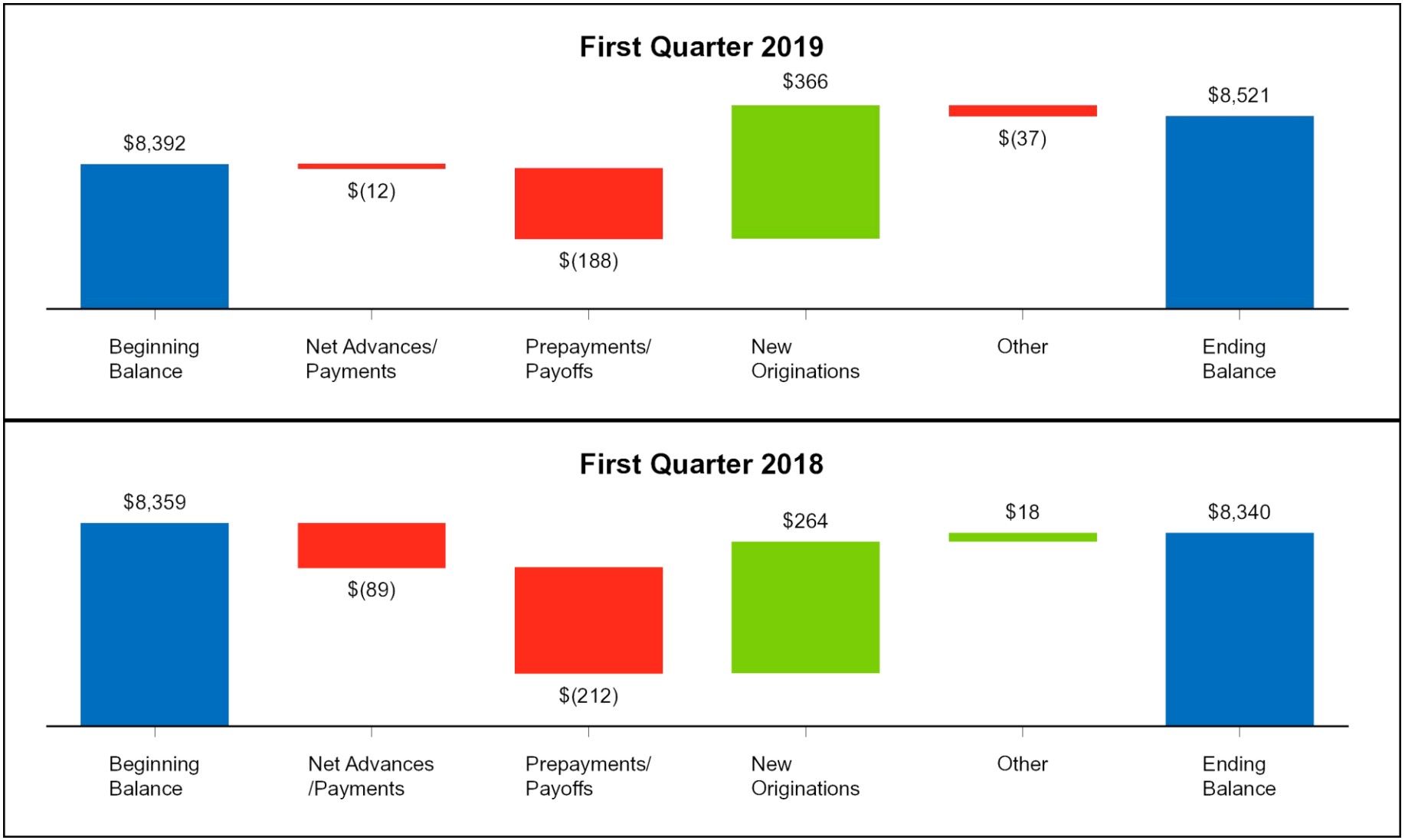
As of March 31, 2019

Consistent CRE Coverage



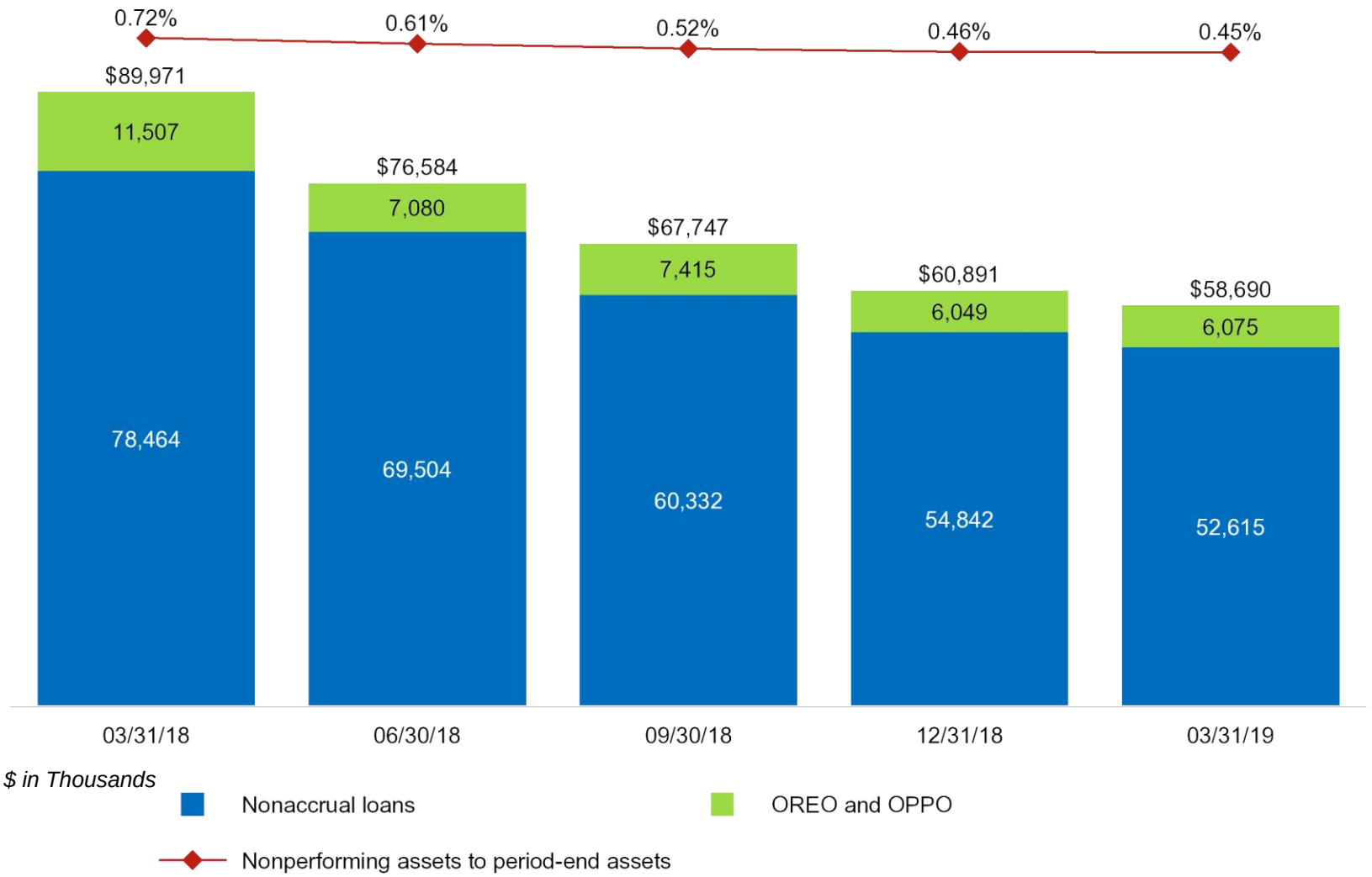
$ in Millions

Components of First Quarter Change in Loans

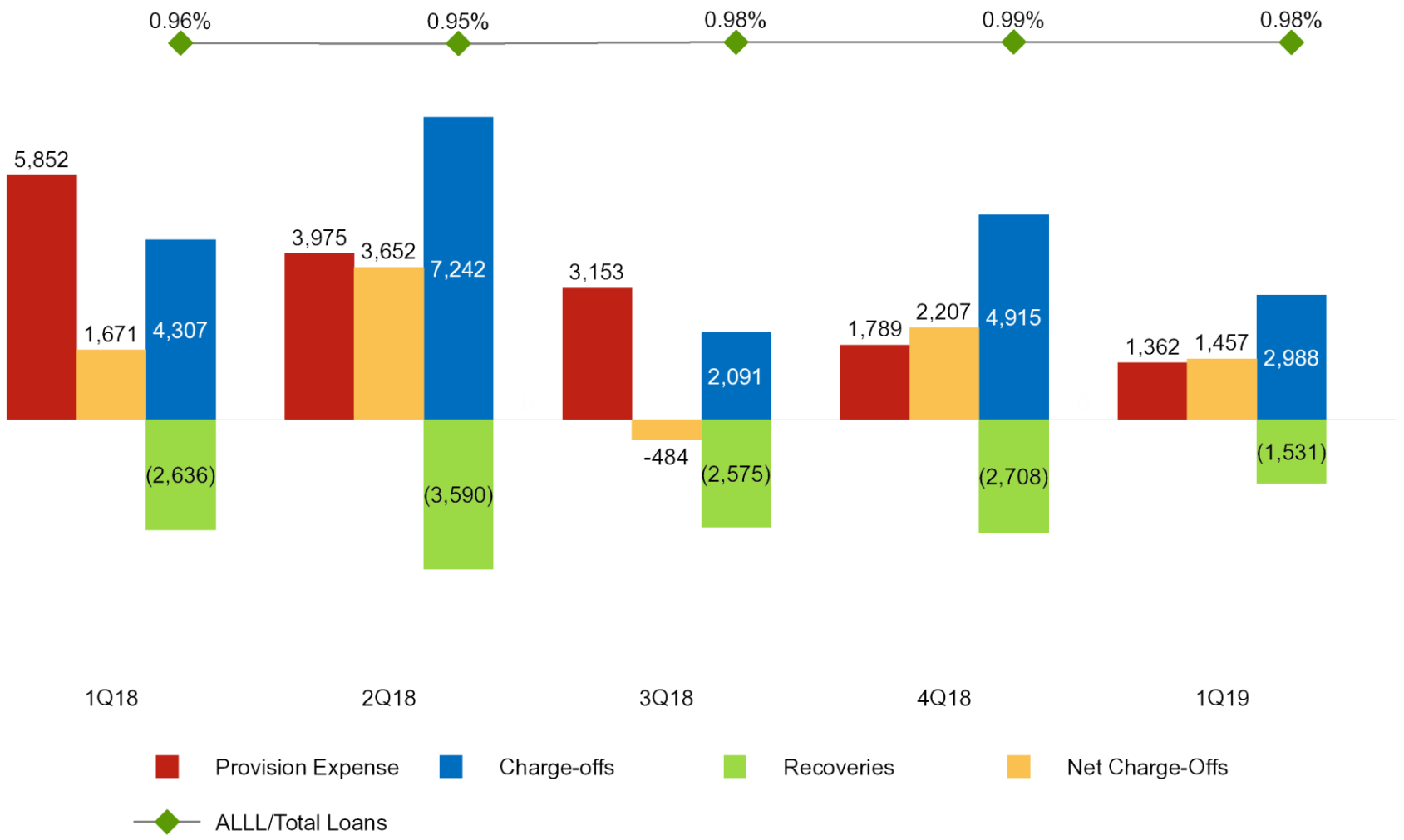


$ in Millions

Nonperforming Assets



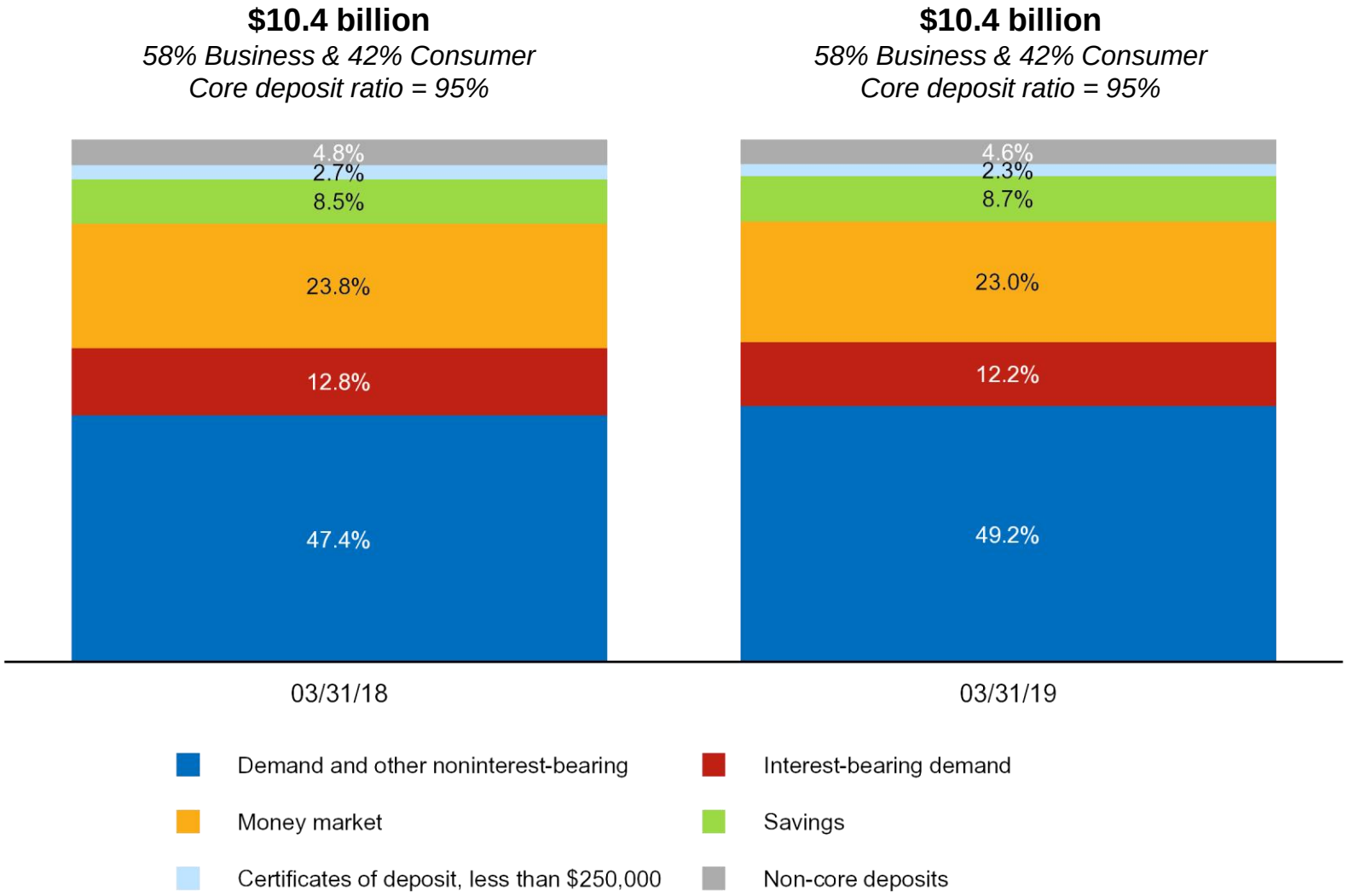
ALLL Components



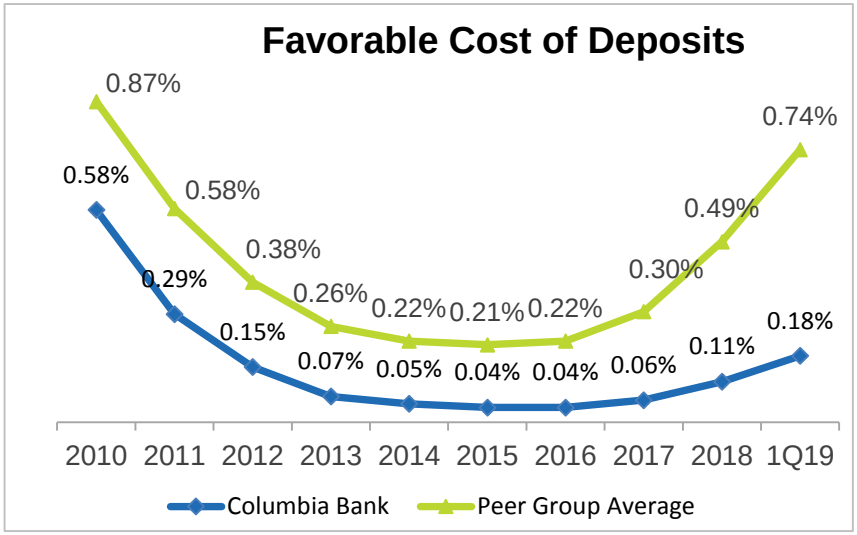
$ in Thousands

Diversified Core Deposit Base

Solid core base that is well diversified across business & consumer with a migration toward noninterest bearing.

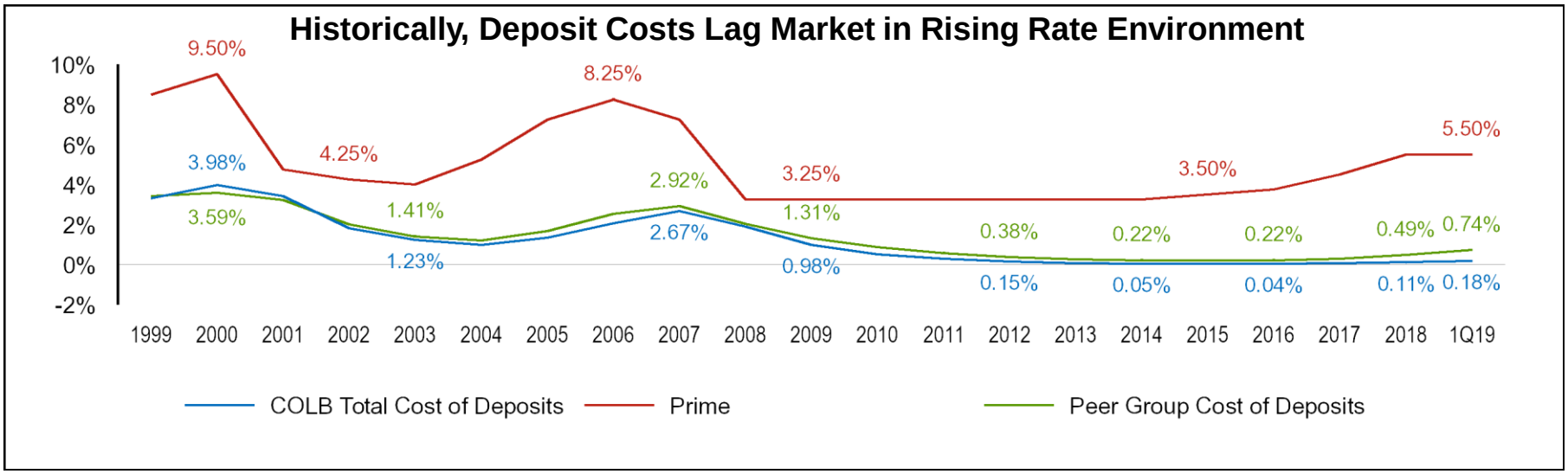


Industry Leading Cost of Deposits

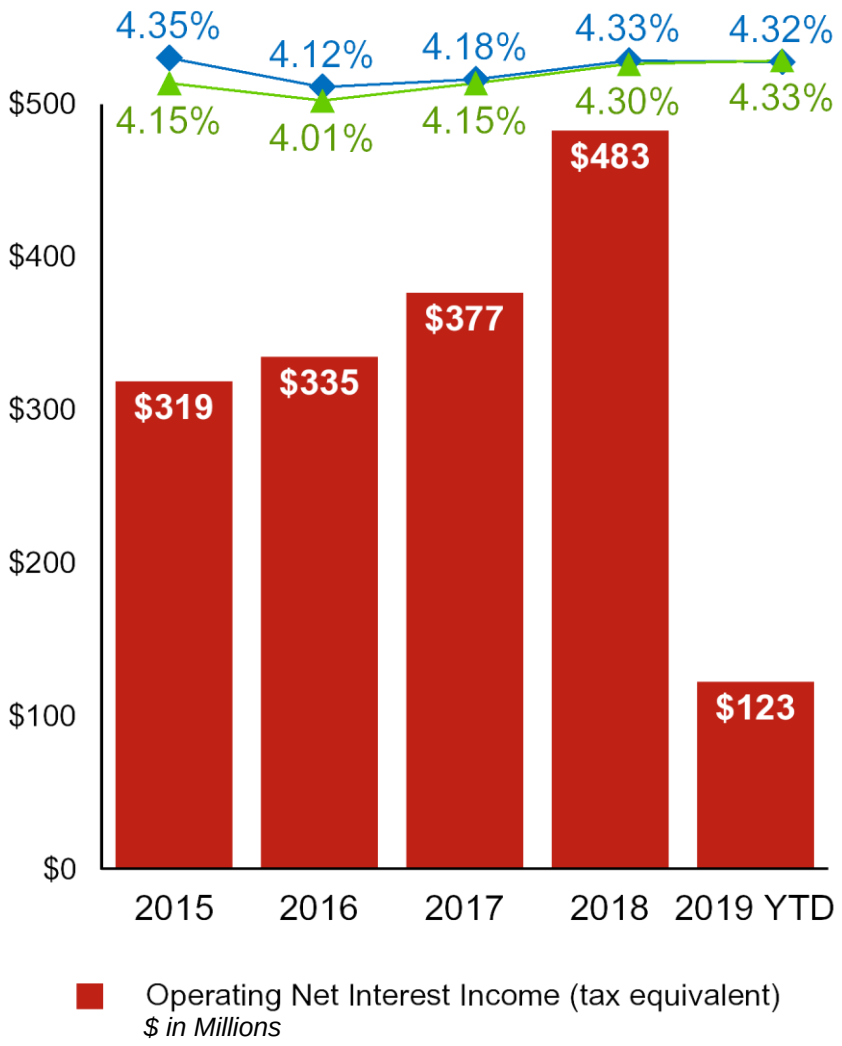


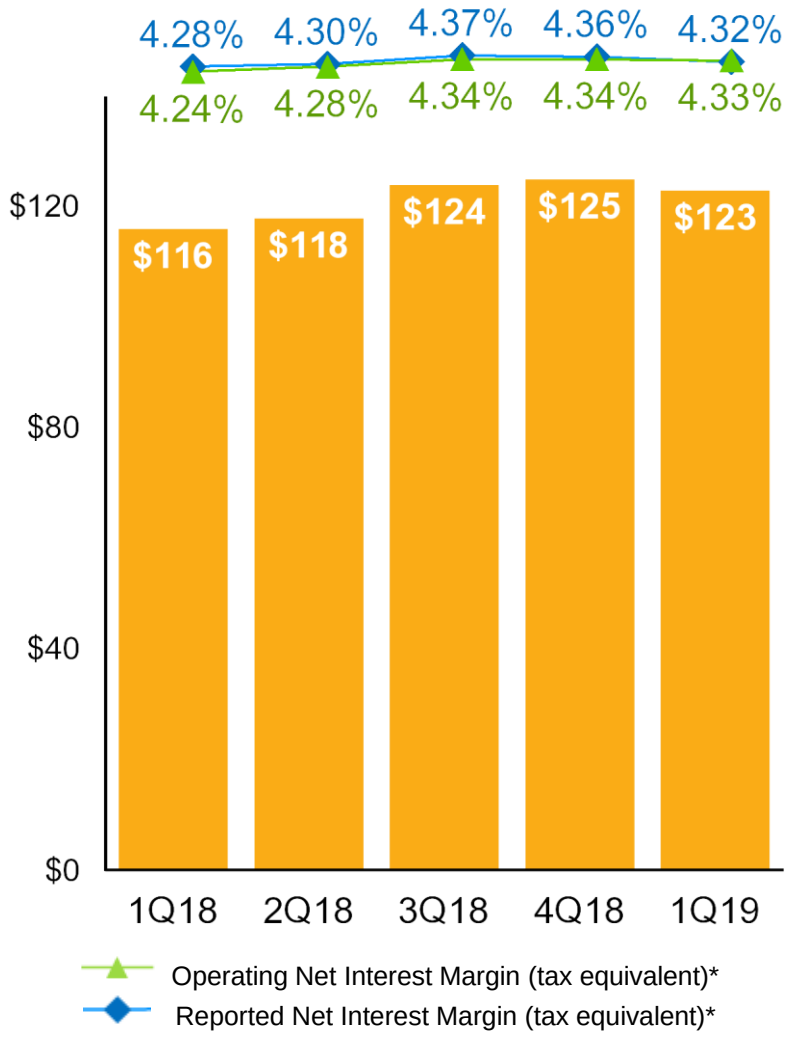
Deposit Market Share
Northwest (Washington, Oregon, Idaho)

Rank	Institution (HQ State)	2018 Deposits ($ Millions)	2018 Market Share	Growth since 2017
1	Bank of America (NC)	$45,296	17.11%	-0.17%
2	U.S. Bank (MN)	37,191	14.05%	-0.20%
3	Wells Fargo (CA)	36,797	13.90%	-0.41%
4	JPMorgan Chase (NY)	26,851	10.14%	+0.26%
5	KeyBank (OH)	17,924	6.77%	+0.13%
6	Umpqua Bank (OR)	14,352	5.42%	+0.21%
7	Columbia State Bank (WA)	10,397	3.93%	+0.76%
8	Washington Federal (WA)	8,591	3.25%	+0.13%
9	Banner Bank (WA)	6,870	2.59%	-0.04%
10	Washington Trust (WA)	5,386	2.03%	+0.12%



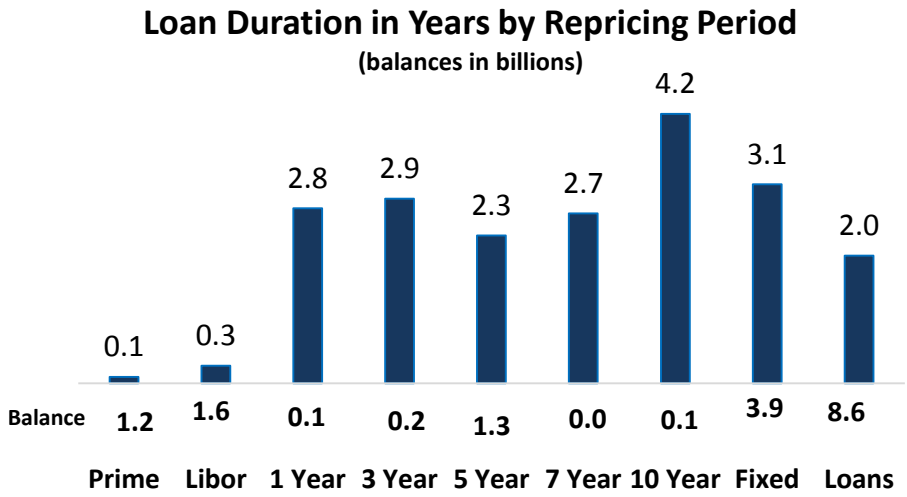
Operating Net Interest Margin *

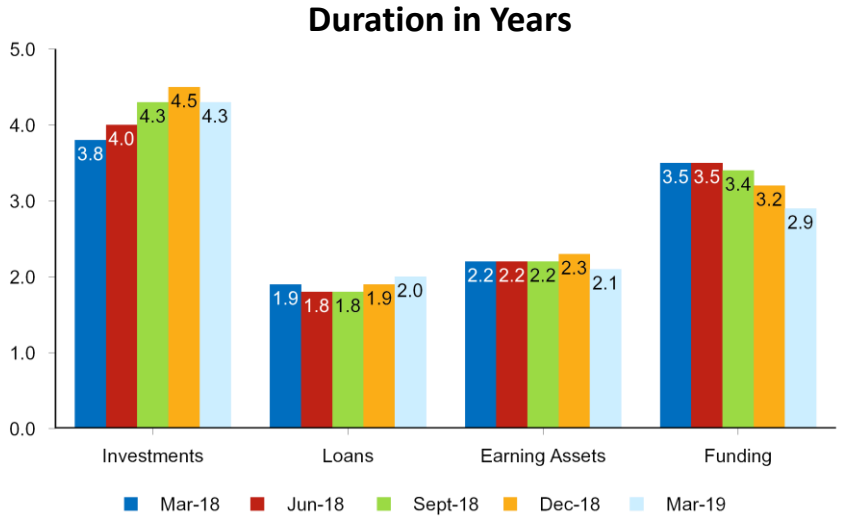




* Beginning January 2019, reported net interest margin (tax equivalent) and operating net interest margin (tax equivalent) were calculated using the actual number of days and on an Actual/ Actual basis. This change was done to provide more meaningful trend information, on a quarterly basis, for our net interest margin regardless of the number of days in the quarter. Prior periods, which were previously reported on a 30/360 basis, have been restated to conform to the current basis. Operating net interest margin is a non-GAAP measure. Refer to end of presentation for additional information.

Interest Rate Sensitivity





Fixed Rate Loan Maturities

	<=3 Months	>3 to 6 Months	>6 to 12 Months	>12 to 24 Months	>24 to 36 Months	>36 to 48 Months	>48 to 60 Months	>60 Months	Total
Fixed Rate	53,534	29,537	87,999	146,815	234,558	349,760	378,344	2,657,576	3,938,123

FLOATING AND VARIABLE RATE LOANS
Next Repricing Period

Balances	<=3 Months	>3 to 6 Months	>6 to 12 Months	>12 to 24 Months	>24 to 36 Months	>36 to 48 Months	>48 to 60 Months	>60 Months	Total
PRIME	1,189,628	1,448	3,901	3,698	6,608	3,047	13,784	639	1,222,753
1 MONTH	1,447,934	186	583	9,799	4,773	14,673	868	9,993	1,488,809
3 MONTH	139,907	0	0	0	0	3,855	0	0	143,761
1 YEAR	8,236	3,520	13,851	37,617	6,096	12,194	9,262	56,076	146,853
3 YEAR	10,923	7,291	15,590	33,575	37,110	19,398	21,720	44,118	189,725
5 YEAR	47,884	33,926	78,784	212,264	328,188	312,235	199,596	45,553	1,258,431
10 YEAR	1,734	0	329	0	6,836	2,628	9,172	144,631	165,330
	2,846,247	46,373	113,038	296,953	389,611	368,029	254,401	301,011	4,615,661

$ in Thousands

Loan Repricing Detail *$ in Thousands*	Dec-18	Mar-19	Dec-18	Mar-19
Fixed	$3,783,234	$3,938,123	45%	46%
Prime	$1,207,594	$1,222,753	14%	14%
1 Month	1,452,944	1,488,809	17%	17%
3 Month	159,988	143,761	2%	2%
1 Year	150,705	146,853	2%	2%
Variable <=1Y	$2,971,231	$3,002,176	35%	35%
3 Year	$186,700	$189,725	2%	2%
5 Year	1,322,301	1,258,431	16%	15%
7 Year	21,265	22,070	—%	—%
10 Year	144,429	143,260	2%	2%
Variable >1Y	$1,674,695	$1,613,486	20%	19%
Total	**$8,429,160**	**$8,553,785**	**100%**	**100%**

2019 Digital Program Summary

Vision

A future where clients can choose to interact with us in-person or through digital channels while seamlessly changing between them. This includes delivering a modern banking experience through digital channels and digitally-enabled bankers allowing us to attract and grow profitable relationships while ensuring our ability to continue serving our communities as the nation's premier regional bank.

Six Programs

Digitally Enabled Commercial, Business, & Healthcare Banking
Solidify the Digital Foundation of the Commercial Experience

Competitive Consumer Digital Experience
Engage Digital Consumer Clients Where They Are

Data Driven Workforce
Sparks Actions and Interactions with Data

Branch & Back-Office Synergy
Create Capacity in the Branches by way of the Back Office

Digital Enterprise Workflow
Standardize and upgrade the core tools supporting the operations

Digital Talent
Leverage the Strategic Function of HR to Develop our Talent in a Digital Environment

Selected Balance Sheet & Ratios

$ in Millions	1Q19	4Q18	3Q18	2Q18	1Q18
Total Assets	$ 13,064	$ 13,095	$ 12,957	$ 12,629	$ 12,531
Securities, Including Equity Securities & FHLB Stock	3,053	3,193	2,943	2,665	2,641
Loans, Net of unearned Income	8,521	8,392	8,514	8,454	8,340
Allowance for Loan & Leases Losses	83	83	84	80	80
Goodwill & Other Intangibles	809	812	815	818	821
Core Deposits	9,899	9,974	10,085	9,889	9,897
Deposits	10,369	10,458	10,604	10,384	10,396
Total Shareholders' Equity	2,089	2,034	1,981	1,965	1,948
Ratios:					
ROAA	1.41%	1.38%	1.45%	1.33%	1.27%
ROAE	8.97%	9.00%	9.36%	8.54%	8.2%
ROATCE*	15.57%	16.00%	16.74%	15.57%	15.08%
Loans/Deposits	82%	80%	80%	81%	80%
Core Deposit Ratio	95%	95%	95%	95%	95%
Tangible Common Equity*	10.44%	9.95%	9.61%	9.71%	9.63%

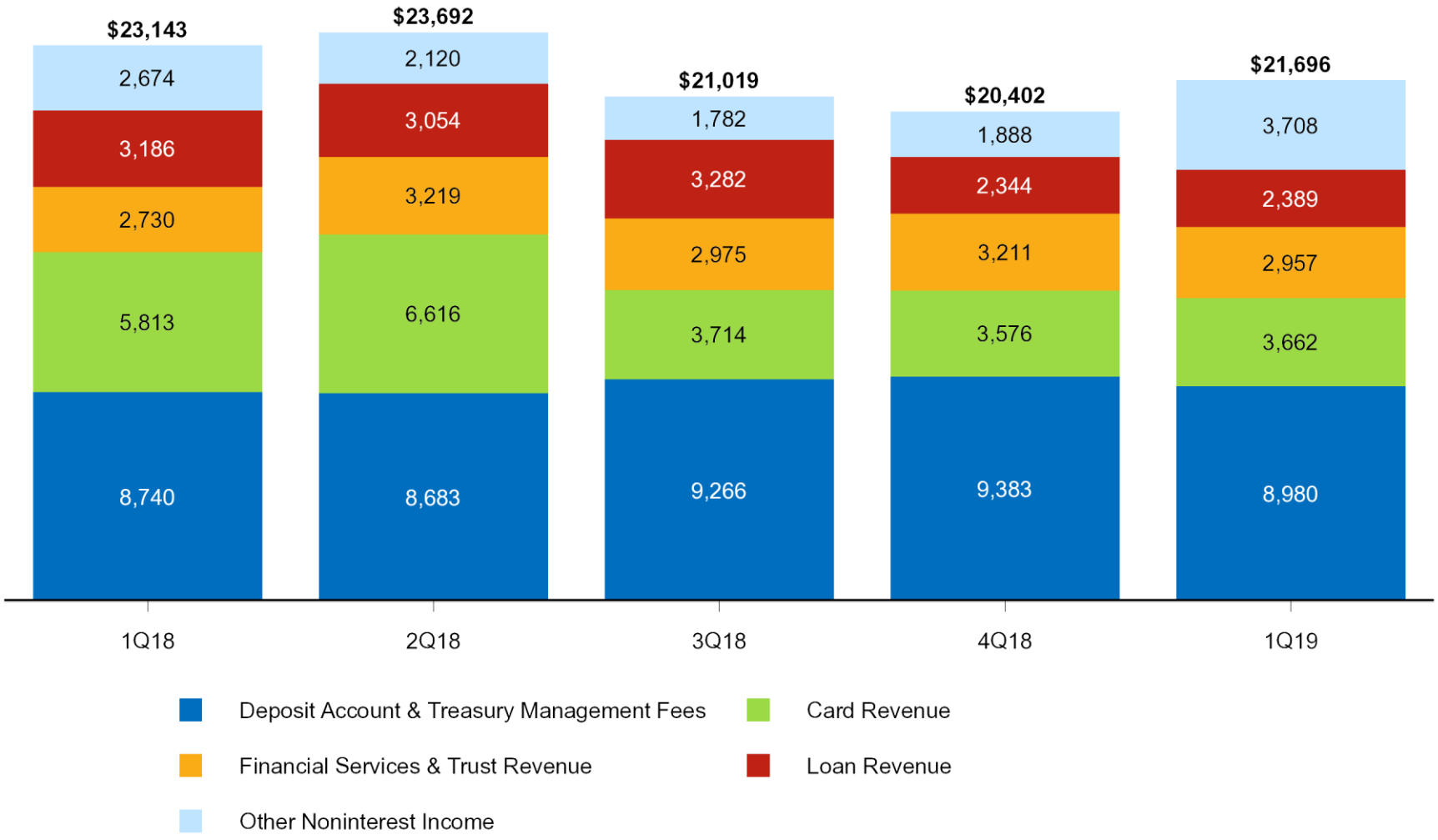
*ROATCE and Tangible Common Equity ratios are non-GAAP measures. Refer to end of presentation for additional information.

Summary Income Statement

$ in Thousands (except EPS)	1Q19	4Q18	3Q18	2Q18	1Q18
Net Interest Income	$121,022	$123,888	$122,796	$116,674	$115,481
Provision for Loan Losses	1,362	1,789	3,153	3,975	5,852
Net Interest Income after Provision	**119,660**	**122,099**	**119,643**	**112,699**	**109,629**
Noninterest Income	21,696	20,402	21,019	23,692	23,143
Noninterest Expense	84,700	87,019	82,841	84,643	85,987
Pre-tax Net Income	**56,656**	**55,482**	**57,821**	**51,748**	**46,785**
Provision for Income Taxes	10,785	10,734	11,406	9,999	6,815
Net Income	**$45,871**	**$44,748**	**$46,415**	**$41,749**	**$39,970**
EPS (Diluted)	$0.63	$0.61	$0.63	$0.57	$0.55
Weighted Avg # of Diluted Shares Outstanding	72,524	72,438	72,432	72,390	72,305
Acquisition Related Costs[(1)]	*$0*	*$493*	*$1,081*	*$2,822*	*$4,265*

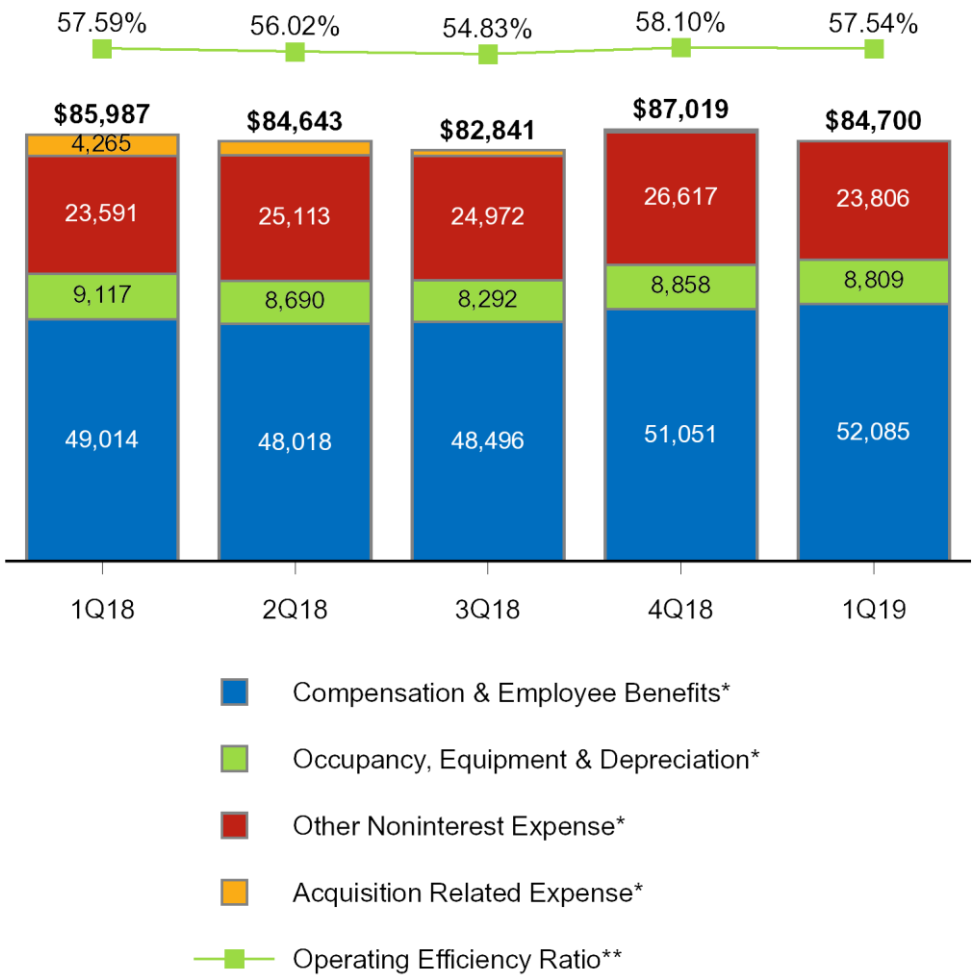
[(1)] Acquisition Related Costs are included in Noninterest Expense, above.

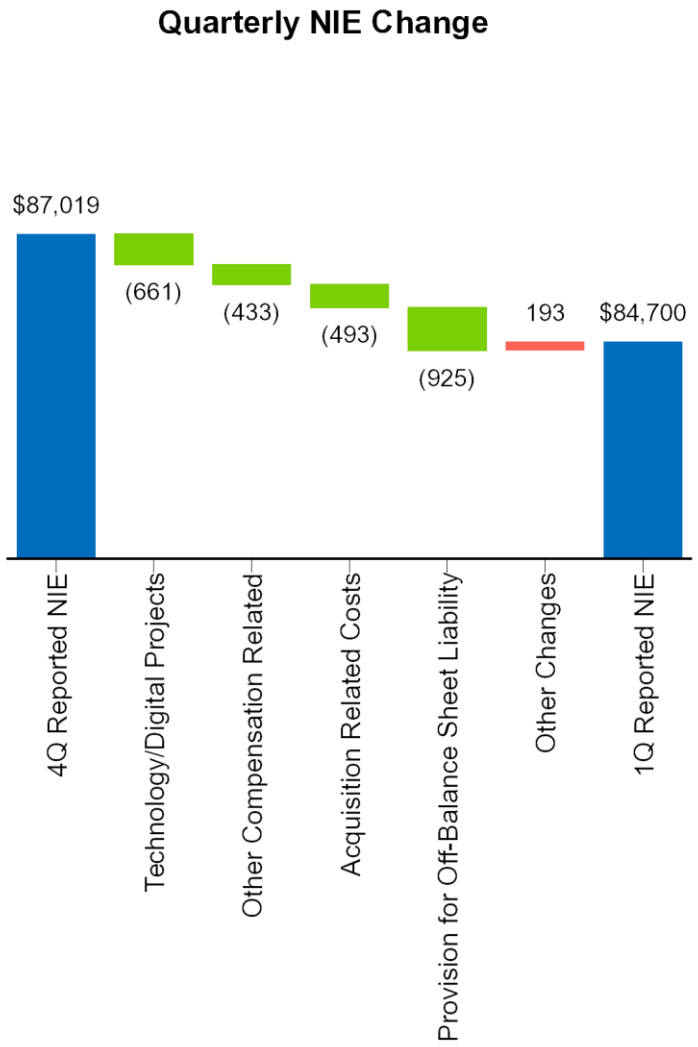
Noninterest Income



$ in Thousands

Noninterest Expense and Operating Efficiency Ratio**



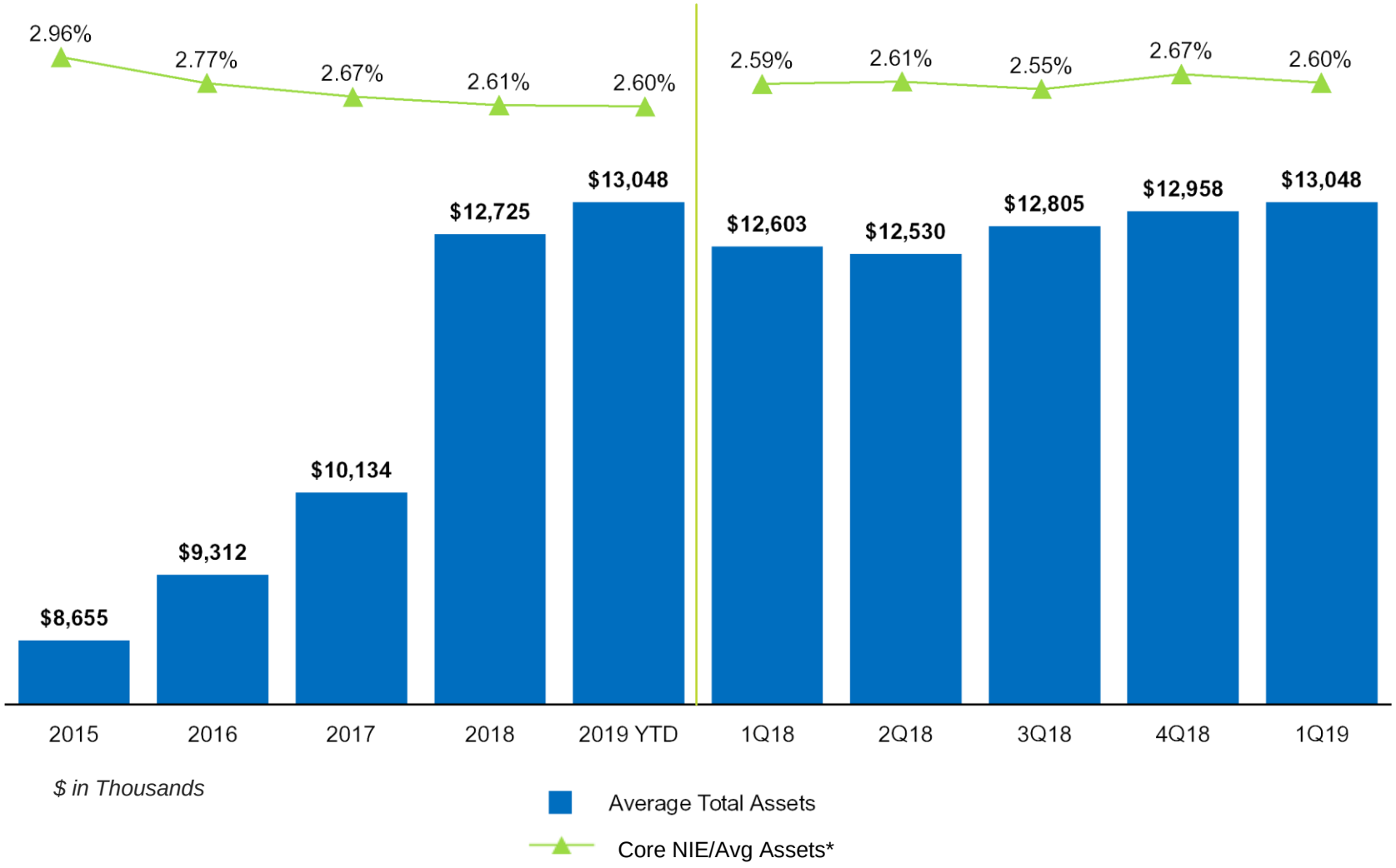


$ in Thousands

*Acquisition Related Expense is excluded from individual expense groups and shown in aggregate. Individual expense groups excluding acquisition expenses are non-GAAP measures. Refer to end of presentation for more information.

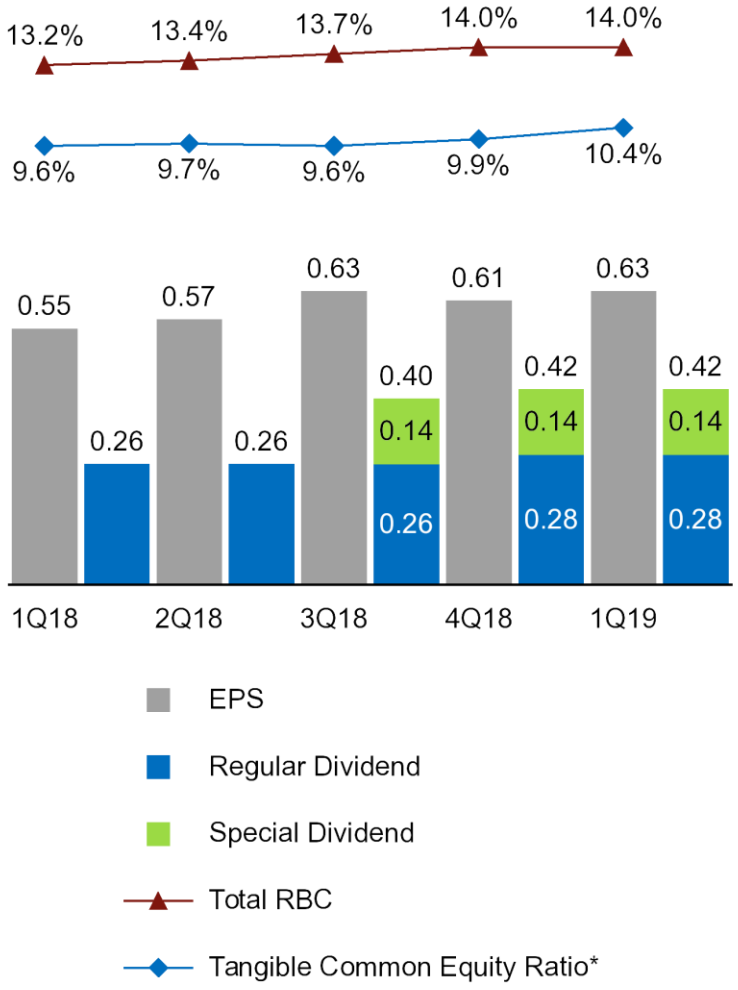
**Operating Efficiency Ratio is a non-GAAP measure. Refer to end of presentation for more information.

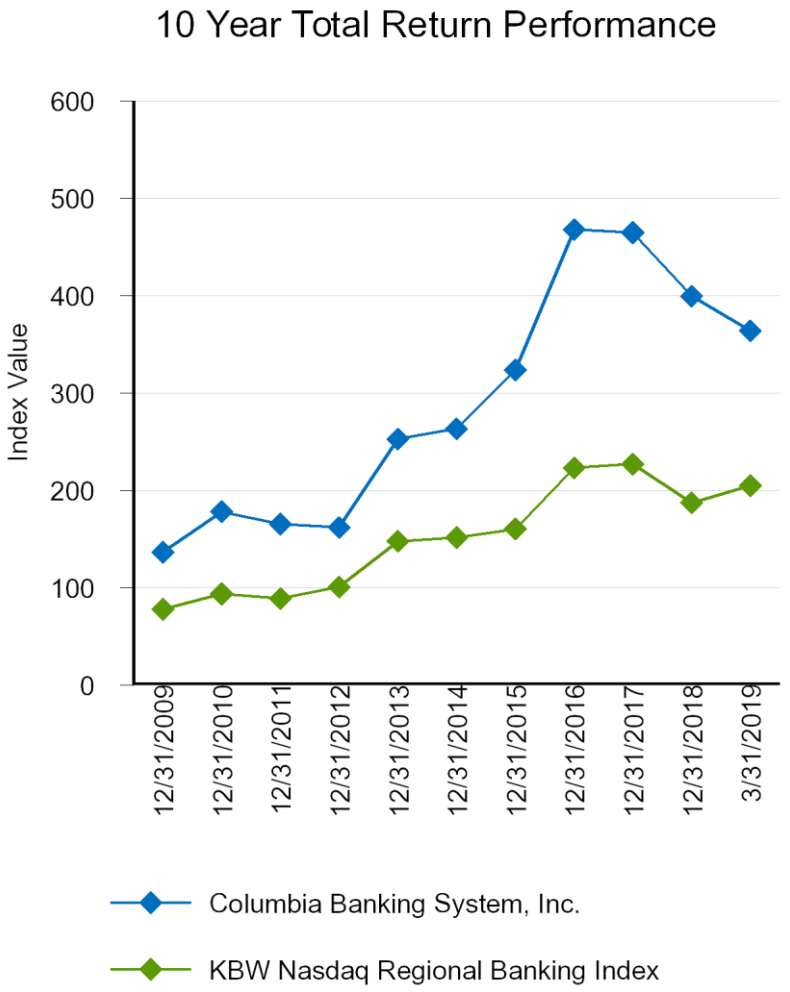
Favorable Trend in Expense Management



*Core NIE/Average Total Assets is a non-GAAP measure. Refer to end of presentation for more information.

Strong Capital, Dividend Payouts & Total Return





*Tangible Common Equity Ratio is a non-GAAP measure. Refer to end of presentation for additional information.

Columbia – An Award-Winning Company

PUGET SOUND BUSINESS JOURNAL | 2018
CORPORATE CITIZENSHIP

Puget Sound Business Journal
2018 Corporate Citizenship Award

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Forbes 2019 BEST BANKS IN AMERICA

8th consecutive year

PUGET SOUND BUSINESS JOURNAL
BEST

Puget Sound Business Journal
2018 Washington's Best Workplaces
12th consecutive year

BEST OF THE SOUTH SOUND 2018

South Sound Magazine
2018 Best Bank & Best Large Business

TOP WORK PLACES 2018
The Oregonian OREGONLIVE

The Oregonian
2018 Oregon's Top Workplaces

SILVER 2018 BEST OF THE MID-VALLEY

Statesman Journal
2018 Best of Mid-Valley
Best Bank

PORTLAND BUSINESS JOURNAL
OREGON'S 2018 MOST ADMIRED COMPANIES

Portland Business Journal
2018 Oregon's Most
Admired Companies

#1 SBA LENDER
PORTLAND DISTRICT
SBA

MOST INNOVATIVE PROJECT
ENERGY TRUST OF OREGON

HIGHEST PERCENT ELECTRICITY SAVINGS
ENERGY TRUST OF OREGON

Hadley Robbins
President & Chief Executive Officer

Clint Stein
Chief Operating Officer

Greg Sigrist
Chief Financial Officer

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Non-GAAP Financial Measures

Net Interest Margin *$ in Thousands*	2015	2016	2017	2018	2019 YTD	1Q18	2Q18	3Q18	4Q18	1Q19
Net interest income (tax equivalent) (1)	$334,548	$344,425	$380,107	$486,667	$123,110	$117,359	$118,602	$124,789	$125,917	$123,110
Adjustments to arrive at operating net interest income (tax equivalent):										
Incremental accretion income on FDIC purchased credit impaired loans	(9,096)	(5,972)	(4,107)	(1,635)	(288)	(329)	(326)	(585)	(395)	(288)
Incremental accretion income: Other FDIC acquired loans (2)	(234)	—	—	—	—	—	—	—	—	—
Incremental accretion income on other acquired loans	(17,862)	(11,983)	(8,689)	(10,921)	(1,747)	(3,370)	(2,690)	(2,643)	(2,218)	(1,747)
Premium amortization on acquired securities	10,217	7,738	6,636	7,736	1,779	2,075	2,131	1,859	1,671	1,779
Correction of immaterial error - securities premium amortization	—	—	1,771	—	—	—	—	—	—	—
Interest reversals on nonaccrual loans	1,713	1,072	1,766	1,564	626	417	253	477	417	626
Operating net interest income (tax equivalent) (1)	$319,286	$335,280	$377,484	$483,411	$123,480	$116,152	$117,970	$123,897	$125,392	$123,480
Average Earning Assets	7,685.734	8,363.309	9,098.276	11,241.321	11,561,627	11,122,753	11,052,807	11,326,629	11,458,470	11,561,627
Net Interest Margin *(tax equivalent) (3)*	4.35%	4.12%	4.18%	4.33%	4.32%	4.28%	4.30%	4.37%	4.36%	4.32%
Operating Net Interest Margin *(tax equivalent) (3)*	4.15%	4.01%	4.15%	4.30%	4.33%	4.24%	4.28%	4.34%	4.34%	4.33%

(1) Tax-exempt interest income has been adjusted to a tax equivalent basis.
(2) Effective 1/1/2016, incremental accretion income on other FDIC acquired loans is no longer considered significant and is no longer tracked for non-GAAP financial measures
(3) Beginning January 2019, reported net interest margin (tax equivalent) and operating net interest margin (tax equivalent) were calculated using the actual number of days and on an Actual/Actual basis. This change was done to provide more meaningful trend information, on a quarterly basis, for our net interest margin regardless of the number of days in the quarter. Prior periods, which were previously reported on a 30/360 basis, have been restated to conform to the current basis.

NIE/Average Assets *$ in Thousands*	2015	2016	2017	2018	2019 YTD	1Q18	2Q18	3Q18	4Q18	1Q19
Reported Noninterest Expense	$266,149	$261,142	$291,017	$340,490	$84,700	$85,987	$84,643	$82,841	$87,019	$84,700
- FDIC Clawback (Expense)/Recap (4)	(979)	(280)	54	—	—	—	—	—	—	—
- Acquisition Related Costs	(10,917)	(2,727)	(17,196)	(8,661)	—	(4,265)	(2,822)	(1,081)	(493)	—
- Net OREO/OPPO Exp(4)	1,724	(544)	(466)	—	—	—	—	—	—	—
- Term of FDIC Loss Sharing Agreement	—	—	(2,409)	—	—	—	—	—	—	—
Core Noninterest Exp	$255,977	$257,591	$271,000	$331,829	$84,700	$81,722	$81,821	$81,760	$86,526	$84,700
Average Assets	8,655,243	9,311,621	10,134,306	12,725,086	13,048,041	12,603,144	12,529,540	12,805,131	12,957,754	13,048,041
Noninterest Expense/Average Assets	3.08%	2.80%	2.87%	2.68%	2.60%	2.73%	2.70%	2.59%	2.69%	2.60%
Core NIE/Average Assets	2.96%	2.77%	2.67%	2.61%	2.60%	2.59%	2.61%	2.55%	2.67%	2.60%

(4) Effective January 1, 2018 Core NIE excludes acquisition expenses and other one-time non-recurring items. Prior to that, Core NIE also excluded the change in the FDIC Clawback liability and net OREO/OPPO expense.

Tangible Common Equity *$ in Thousands*	1Q18	2Q18	3Q18	4Q18	1Q19
Total Shareholders' Equity	1,947,923	1,964,881	1,981,395	2,033,649	2,088,620
- Goodwill	(765,842)	(765,842)	(765,842)	(765,842)	(765,842)
- Other Intangible Assets, net	(54,985)	(51,897)	(48,827)	(45,937)	(43,189)
Tangible Common Equity	$1,127,096	$1,147,142	$1,166,726	$1,221,870	$1,279,589
Total Assets	12,530,636	12,628,586	12,956,596	13,095,145	13,064,436
Goodwill	(765,842)	(765,842)	(765,842)	(765,842)	(765,842)
- Other Intangible Assets, net	(54,985)	(51,897)	(48,827)	(45,937)	(43,189)
Tangible Assets	$11,709,809	$11,810,847	$12,141,927	$12,283,366	$12,255,405
Tangible Common Equity Ratio	9.63%	9.71%	9.61%	9.95%	10.44%

ROATCE *$ in Thousands*	1Q18	2Q18	3Q18	4Q18	1Q19
Net Income	$ 39,970	$ 41,749	$ 46,415	$ 44,748	$ 45,871
- Preferred Dividends	—	—	—	—	—
Net Inc Applicable to Common Shareholders	39,970	41,749	46,415	44,748	45,871
+ Amortization of Intangibles	3,188	3,088	3,070	2,890	2,748
- Tax Effect on Intangible Amort	(669)	(649)	(645)	(607)	(577)
Adjusted Net Inc	42,489	44,188	48,840	47,031	48,042
Avg Shareholders' Equity	1,949,275	1,954,552	1,983,317	1,988,981	2,044,832
- Avg Preferred Equity	—	—	—	—	—
- Average Intangibles	(822,376)	(819,211)	(816,128)	(813,145)	(810,376)
Adjusted Avg Common Shareholders' Equity	1,126,899	1,135,341	1,167,189	1,175,836	1,234,456
Return on Average Tangible Common Shareholders' Equity	15.08%	15.57%	16.74%	16.00%	15.57%

Non-GAAP Financial Measures

Operating Efficiency Ratio $ in Thousands	1Q18	2Q18	3Q18	4Q18	1Q19
Noninterest expense (numerator A)	$ 85,987	$ 84,643	$ 82,841	$ 87,019	$ 84,700
Adjustments to arrive at operating noninterest expense:					
Acquisition-related expenses	(4,265)	(2,822)	(1,081)	(493)	—
Net benefit (cost) of operation of OREO and OPPO	4	(758)	(485)	(23)	(114)
Loss on asset disposals	—	(1)	(110)	(166)	—
Business and Occupation ("B&O") taxes	(1,317)	(1,459)	(1,478)	(1,410)	(1,876)
Operating noninterest expense (numerator B)	$ 80,409	$ 79,603	$ 79,687	$ 84,927	$ 82,710
Net interest income (tax equivalent) (1)	$ 117,359	$ 118,602	$ 124,789	$ 125,917	$ 123,110
Noninterest income	23,143	23,692	21,019	20,402	21,696
Bank owned life insurance tax equivalent adjustment	379	455	373	390	404
Total revenue (tax equivalent) (denominator A)	140,881	142,749	146,181	146,709	145,210
Operating net interest income (tax equivalent) (1)	116,152	117,970	123,897	125,392	123,480
Adjustments to arrive at operating noninterest income (tax equivalent):					
Investment securities loss (gain), net	$ (22)	$ 33	$ 62	$ 16	$ (1,847)
Gain on asset disposals	(35)	(47)	(29)	(30)	—
Operating noninterest income (tax equivalent)	23,465	24,133	21,425	20,778	20,253
Total operating revenue (tax equivalent) (denominator B)	$ 139,617	$ 142,103	$ 145,322	$ 146,170	$ 143,733
Efficiency ratio (tax equivalent) (numerator A/denominator A)	61.04%	59.29%	56.67%	59.31%	58.33%
Operating efficiency ratio (tax equivalent) (numerator B/denominator B)	57.59%	56.02%	54.83%	58.10%	57.54%

Non-interest Expense net of Acquisition Related Expense $ in Thousands	1Q18	2Q18	3Q18	4Q18	1Q19
Compensation & Employee Benefits	$ 50,570	$ 48,949	$ 49,419	$ 51,261	$ 52,085
less: Related Acquisition Costs	(1,556)	(931)	(923)	(210)	—
Compensation & Employee Benefits net of ARC's	$ 49,014	$ 48,018	$ 48,496	$ 51,051	$ 52,085
Occupancy, Equipment & Depreciation	$ 10,121	$ 9,276	$ 8,321	$ 8,858	$ 8,809
less: Related Acquisition Costs	(1,004)	(586)	(29)	—	—
Occupancy, Equipment & Depreciation net of ARC's	$ 9,117	$ 8,690	$ 8,292	$ 8,858	$ 8,809
Total Noninterest Expense	$ 85,987	$ 84,643	$ 82,841	$ 87,019	$ 84,700
-Compensation and employee benefits	(50,570)	(48,949)	(49,419)	(51,261)	(52,085)
-Occupancy, Equipment & Depreciation	(10,121)	(9,276)	(8,321)	(8,858)	(8,809)
Other Noninterest Expense	25,296	26,418	25,101	26,900	23,806
less: Related Acquisition Costs	(1,705)	(1,305)	(129)	(283)	—
Other Noninterest Expense net of ARC's	$ 23,591	$ 25,113	$ 24,972	$ 26,617	$ 23,806
Total Acquisition Related Costs	$ 4,265	$ 2,822	$ 1,081	$ 493	$ —