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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2025

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 Number: 0-50275

BCB Bancorp, Inc.

(Exact name of registrant as specified in its charter)

New Jersey	**26-0065262**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer I.D. No.)**
104-110 Avenue C Bayonne, New Jersey	**07002**
(Address of principal executive offices)	**(Zip Code)**

(201) 823-0700
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year if changed since last report)

Securities registered pursuant to section 12(b) of the Securities and Exchange Act of 1934:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	BCBP	The Nasdaq Stock Market, LLC

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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☐	Accelerated Filer	☒
Non-Accelerated Filer	☐	Smaller Reporting Company	☐
		Emerging Growth Company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. As of May 1, 2025, BCB Bancorp, Inc. had 17,162,627 shares of common stock, no par value, outstanding.

BCB BANCORP INC. AND SUBSIDIARIES

INDEX

	Page
PART I. CONSOLIDATED FINANCIAL INFORMATION	
Item 1. Consolidated Financial Statements	
Consolidated Statements of Financial Condition as of March 31, 2025 (unaudited) and December 31, 2024 (unaudited)	1
Consolidated Statements of Operations for the three months ended March 31, 2025, 2024 and 2023 (unaudited)	2
Consolidated Statements of Comprehensive Income (Loss) for the three months ended March 31, 2025, 2024 and 2023 (unaudited)	3
Consolidated Statement of Changes in Stockholders' Equity for the three ended March 3, 2025, 2024 and 2023 (unaudited)	4
Consolidated Statements of Cash Flows for the three months ended March 31, 2025, 2024 and 2023 (unaudited)	5
Notes to Unaudited Consolidated Financial Statements	6
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	26
Item 3. Quantitative and Qualitative Disclosures about Market Risk	32
Item 4. Controls and Procedures	32
PART II. OTHER INFORMATION	33
Item 1. Legal Proceedings	33
Item 1A. Risk Factors	33
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	33
Item 3. Defaults Upon Senior Securities	33
Item 4. Mine Safety Disclosures	33
Item 5. Other Information	33
Item 6. Exhibits	34
Signatures	35

PART I. CONSOLIDATED FINANCIAL INFORMATION
ITEM I. CONSOLIDATED FINANCIAL STATEMENTS

BCB BANCORP INC. AND SUBSIDIARIES
Consolidated Statements of Financial Condition
(In thousands, Except Share and Per Share Data, Unaudited)

	March 31, 2025	December 31, 2024
ASSETS		
Cash and amounts due from depository institutions	**$ 11,977**	$ 14,075
Interest-earning deposits	**240,773**	303,207
Total cash and cash equivalents	**252,750**	317,282
Interest-earning time deposits	**735**	735
Debt securities available for sale, at fair value	**116,496**	101,717
Equity investments, at fair value	**9,357**	9,472
Loans receivable, net of allowance for credit losses of $51,484 and $34,789 respectively	**2,917,610**	2,996,259
Federal Home Loan Bank of New York stock, at cost	**22,066**	24,272
Premises and equipment, net	**12,474**	12,569
Accrued interest receivable	**16,354**	15,176
Deferred income taxes, net	**22,814**	17,181
Goodwill and other intangibles	**5,253**	5,253
Operating lease right-of-use assets	**12,622**	12,686
Bank-owned life insurance ("BOLI")	**76,648**	76,040
Other assets	**8,643**	10,476
Total Assets	**$ 3,473,822**	$ 3,599,118
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Non-interest-bearing deposits	**$ 542,621**	$ 520,387
Interest-bearing deposits	**2,143,887**	2,230,471
Total deposits	**2,686,508**	2,750,858
FHLB advances	**405,499**	455,361
Subordinated debentures	**43,024**	42,961
Operating lease liability	**13,087**	13,139
Other liabilities	**10,982**	12,874
Total Liabilities	**3,159,100**	3,275,193
STOCKHOLDERS' EQUITY		
Preferred stock: $0.01 par value, 10,000,000 shares authorized; issued and outstanding 2,548 shares Series J 8.0% and Series K 6.0% (liquidation value $10,000 per share) noncumulative perpetual preferred stock at March 31, 2025 and 2,496 shares of Series J 8.0% and Series K 6.0% (liquidation value $10,000 per share) noncumulative perpetual preferred stock at December 31, 2024	**-**	-
Additional paid-in capital preferred stock	**25,243**	24,723
Common stock: no par value; 40,000,000 shares authorized; issued 20,396,598 and 20,296,748 at March 31, 2025 and December 31, 2024, respectively, outstanding 17,162,627 and 17,062,777, at March 31, 2025 and December 31, 2024, respectively	**-**	-
Additional paid-in capital common stock	**201,804**	200,935
Retained earnings	**130,291**	141,853
Accumulated other comprehensive loss	**(4,269)**	(5,239)
Treasury stock, at cost, 3,233,971 shares at March 31, 2025 and December 31, 2024	**(38,347)**	(38,347)
Total Stockholders' Equity	**314,722**	323,925
Total Liabilities and Stockholders' Equity	**$ 3,473,822**	$ 3,599,118

See accompanying notes to unaudited consolidated financial statements.

BCB BANCORP INC. AND SUBSIDIARIES
Consolidated Statements of Operations
(In thousands, Except for Per Share Amounts, Unaudited)

	Three Months Ended March 31,		
	2025	2024	2023
Interest and dividend income:			
Loans, including fees	**$ 38,927**	$ 43,722	$ 38,889
Mortgage-backed securities	**561**	305	186
Other investment securities	**968**	975	1,120
FHLB stock and other interest earning assets	**3,736**	4,283	2,157
Total interest and dividend income	**44,192**	49,285	42,352
Interest expense:			
Deposits:			
Demand	**5,418**	5,257	3,154
Savings and club	**151**	166	118
Certificates of deposit	**10,762**	14,983	6,453
	16,331	20,406	9,725
Borrowings	**5,856**	5,736	5,156
Total interest expense	**22,187**	26,142	14,881
Net interest income	**22,005**	23,143	27,471
Provision for credit losses	**20,845**	2,088	622
Net interest income after provision for credit losses	**1,160**	21,055	26,849
Non-interest income (loss):			
Fees and service charges	**1,173**	1,215	1,098
BOLI income	**608**	675	421
Gain on sales of loans	**-**	45	6
Gain on sale of fixed asset	**-**	4	-
Realized and unrealized (losses) gains on equity investments	**(115)**	130	(3,227)
Other	**125**	40	38
Total non-interest income (loss)	**1,791**	2,109	(1,664)
Non-interest expense:			
Salaries and employee benefits	**7,403**	6,981	7,618
Occupancy and equipment	**2,723**	2,644	2,552
Data processing and communications	**1,844**	1,853	1,665
Professional fees	**692**	595	566
Director fees	**418**	277	265
Regulatory assessments	**709**	1,142	536
Advertising and promotional	**179**	216	278
Other real estate owned, net	**-**	-	1
Other	**692**	1,130	373
Total non-interest expense	**14,660**	14,838	13,854
(Loss) Income before income tax provision	**(11,709)**	8,326	11,331
Income tax (benefit) provision	**(3,385)**	2,460	3,225
Net (Loss) Income	**$ (8,324)**	$ 5,866	$ 8,106
Preferred stock dividends	**482**	434	173
Net (Loss) Income available to common stockholders	**$ (8,806)**	$ 5,432	$ 7,933
Net (Loss) Income per common share-basic and diluted			
Basic	**$ (0.51)**	$ 0.32	$ 0.47
Diluted	**$ (0.51)**	$ 0.32	$ 0.46
Weighted average number of common shares outstanding			
Basic	**17,113**	16,930	16,949
Diluted	**17,113**	16,939	17,208

See accompanying notes to unaudited consolidated financial statements.

BCB BANCORP INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income (Loss)
(In thousands, Unaudited)

	Three Months Ended March 31,		
	2025	2024	2023
Net (Loss) Income	**$ (8,324)**	$ 5,866	$ 8,106
Other comprehensive loss, net of tax:			
Available-for-sale debt securities:			
Unrealized holding gains (losses) arising during the period	**1,287**	(177)	13
Tax effect	**(317)**	44	(135)
Other comprehensive income (loss)	**970**	(133)	(122)
Comprehensive (loss) income	**$ (7,354)**	$ 5,733	$ 7,984

See accompanying notes to unaudited consolidated financial statements.

BCB BANCORP INC. AND SUBSIDIARIES
Consolidated Statement of Changes in Stockholders' Equity
(In thousands, Except Share and Per Share Data, Unaudited)

	Preferred Stock	Common Stock	Additional Paid-In Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total
Balance at January 1, 2025	**$ -**	**$ -**	**$ 225,658**	**$ 141,853**	**$ (38,347)**	**$ (5,239)**	**$ 323,925**
Net loss	-	-	-	**(8,324)**	-	-	**(8,324)**
Other comprehensive income	-	-	-	-	-	**970**	**970**
Issuance of Series K Preferred Stock	-	-	**520**	-	-	-	**520**
Stock-based compensation expense	-	-	**321**	-	-	-	**321**
Dividends payable on Series J 8.0% and Series K 6.0% noncumulative perpetual preferred stock	-	-	-	**(482)**	-	-	**(482)**
Cash dividends on common stock ($0.16 per share declared)	-	-	-	**(2,679)**	-	-	**(2,679)**
Dividend reinvestment plan	-	-	77	(77)	-	-	-
Stock Purchase Plan	-	-	**471**	-	-	-	**471**
Balance at March 31, 2025	**$ -**	**$ -**	**$ 227,047**	**$ 130,291**	**$ (38,347)**	**$ (4,269)**	**$ 314,722**

	Preferred Stock	Common Stock	Additional Paid-In Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss	Total
Balance at January 1, 2024	$ -	$ -	$ 223,966	$ 135,927	$ (38,347)	$ (7,491)	$ 314,055
Net income	-	-	-	5,866	-	-	5,866
Other comprehensive loss	-	-	-	-	-	(133)	(133)
Issuance of Series J Preferred Stock	-	-	2,690	-	-	-	2,690
Stock-based compensation expense	-	-	195	-	-	-	195
Dividends payable on Series I 3.0% and Series J 8.0% noncumulative perpetual preferred stock	-	-	-	(434)	-	-	(434)
Cash dividends on common stock ($0.16 per share declared)	-	-	-	(2,608)	-	-	(2,608)
Dividend reinvestment plan	-	-	108	(108)	-	-	-
Stock Purchase Plan	-	-	500	-	-	-	500
Balance at March 31, 2024	$ -	$ -	$ 227,459	$ 138,643	$ (38,347)	$ (7,624)	$ 320,131

	Preferred Stock	Common Stock	Additional Paid-In Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss	Total
Balance at December 31, 2022	$ -	$ -	$ 217,167	$ 115,109	$ (34,531)	$ (6,491)	$ 291,254
Effect of Adopting ASU No. 2016 -13 ("CECL")	-	-	-	2,870	-	-	2,870
Beginning Balance at January 1, 2023	-	-	217,167	117,979	(34,531)	(6,491)	294,124
Net income	-	-	-	8,106	-	-	8,106
Other comprehensive loss	-	-	-	-	-	(122)	(122)
Exercise of stock options (61,000 shares)	-	-	418	-	-	-	418
Stock-based compensation expense	-	-	106	-	-	-	106
Treasury Stock Purchases (151,753 shares)	-	-	-	-	(2,559)	-	(2,559)
Dividends payable on Series H 3.5% and Series I 3.0% noncumulative perpetual preferred stock	-	-	-	(173)	-	-	(173)
Cash dividends on common stock ($0.16 per share declared)	-	-	-	(2,687)	-	-	(2,687)
Dividend reinvestment plan			104	(104)			-
Stock Purchase Plan	-	-	405	-	-	-	405
Balance at March 31, 2023	$ -	$ -	$ 218,200	$ 123,121	$ (37,090)	$ (6,613)	$ 297,618

BCB BANCORP INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(In thousands, Unaudited)

	Three Months Ended March 31,		
	2025	2024	2023
Cash Flows from Operating Activities:			
Net (Loss) Income	**$ (8,324)**	$ 5,866	$ 8,106
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Depreciation of premises and equipment	**386**	457	478
Amortization and accretion, net	**(180)**	(530)	(474)
Provision for credit losses	**20,845**	2,088	622
Deferred income tax (benefit) expense	**(5,950)**	702	1,149
Loans originated for sale	**(360)**	(1,264)	-
Proceeds from sales of loans	**-**	2,596	664
Gain on sales of loans	**-**	(45)	(6)
Gain on sale of fixed asset	**-**	(4)	-
Realized and unrealized loss (gain) on equity investments	**115**	(130)	3,227
Stock-based compensation expense	**321**	195	106
Increase in cash surrender value of BOLI	**(608)**	(675)	(421)
Net change in accrued interest receivable	**(1,178)**	(1,370)	(1,262)
Net change in other assets	**1,833**	1,661	1,100
Net change in accrued interest payable	**(1,224)**	(127)	1,304
Net change in other liabilities	**(668)**	(1,132)	1,821
Net Cash Provided by Operating Activities	**5,008**	8,288	16,414
Cash flows from investing activities:			
Proceeds from repayments, calls, and maturities on securities	**1,362**	624	4,661
Purchases of securities	**(14,854)**	-	-
Proceeds from sale of fixed asset	**-**	4	-
Net decrease (increase) in loans receivable	**58,557**	51,426	(183,527)
Additions to premises and equipment	**(291)**	(144)	(76)
(Redemption) Purchase of Federal Home Loan Bank of New York stock	**2,206**	-	(6,762)
Net Cash Provided by (Used in) Investing Activities	**46,980**	51,910	(185,704)
Cash flows from financing activities:			
Net (decrease) increase in deposits	**(64,350)**	12,579	55,602
Proceeds from Federal Home Loan Bank of New York Long Term Advances	**-**	-	50,000
Repayment from Federal Home Loan Bank of New York Long Term Advances	**(50,000)**	-	-
Net change in Federal Home Loan Bank of New York Short Term Advances	**-**	-	100,000
Purchases of treasury stock	**-**	-	(2,559)
Cash dividends paid on common stock	**(2,679)**	(2,608)	(2,687)
Cash dividends paid on preferred stock	**(482)**	(434)	(173)
Net proceeds from issuance of common stock	**471**	500	405
Net proceeds from issuance of preferred stock	**520**	2,690	-
Exercise of Stock Options	**-**	-	418
Net Cash Provided by (Used in) Financing Activities	**(116,520)**	12,727	201,006
Net Increase (Decrease) in Cash and Cash Equivalents	**(64,532)**	72,925	31,716
Cash and Cash Equivalents-Beginning	**317,282**	279,523	229,359
Cash and Cash Equivalents-Ending	**$ 252,750**	$ 352,448	$ 261,075
Supplementary Cash Flow Information:			
Cash paid during the period for:			
Income taxes	**$ 1,245**	$ 979	$ 797
Interest	**23,411**	26,268	13,578

See accompanying notes to unaudited consolidated financial statements.

Note 1 – Basis of Presentation

BCB Bancorp, Inc. (the "Company") is incorporated in the State of New Jersey and is a bank holding company. The common stock of the Company is listed on the NASDAQ Global Market and trades under the symbol "BCBP".

The Company's primary business is the ownership and operation of BCB Community Bank (the "Bank"). The Bank is a New Jersey based commercial bank which, as of March 31, 2025, operated at 27 locations in Bayonne, Edison, Fairfield, Hoboken, Holmdel, Jersey City, Lyndhurst, Maplewood, Monroe Township, Newark, Parsippany, Plainsboro, South Orange, River Edge, Rutherford, Union, and Woodbridge New Jersey, as well as Staten Island and Hicksville, New York and is subject to regulation, supervision, and examination by the New Jersey Department of Banking and Insurance and the Federal Deposit Insurance Corporation. The Bank is principally engaged in the business of attracting deposits from the general public and using these deposits, together with borrowed funds, to invest in securities and to make loans collateralized by residential and commercial real estate and, to a lesser extent, business and consumer loans. BCB Holding Company Investment Corp. (the "New Jersey Investment Company") was organized in January 2005 under New Jersey law as a New Jersey investment company primarily to hold investment and mortgage-backed securities. As a part of the merger with IA Bancorp, Inc., the Company acquired Special Asset REO 1, LLC and Special Asset REO 2, LLC. Special Asset REO 2 was inactive at March 31, 2025. The Bank changed the name of Special Asset REO 1, LLC to BCB Capital Finance Group, LLC in November 2023.

The consolidated financial statements which include the accounts of the Company and its wholly-owned subsidiaries have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP"). All significant intercompany accounts and transactions have been eliminated in consolidation.

The Company operates as a single reportable segment under ASC 280, as the Chief Operating Decision Maker (CODM) reviews financial performance and allocates resources based on the consolidated results of the Company as a whole. The Company, through its bank subsidiary, provides banking services to individuals and companies primarily in New Jersey and New York. These services include commercial lending, residential lending, and consumer lending, checking, savings and time deposits, and cash management. The CODM primarily evaluates performance using net interest income and net income as reported in the consolidated statement of operations. The Company's primary measure of profitability is net interest income, which represents interest earned on loans and investment securities, net of interest expense on deposits and borrowings. In addition, the CODM considers net income as a key measure of overall financial performance. The Company's CODM is the President & Chief Executive Officer.

Other performance indicators regularly reviewed by management include:

- Net Interest Margin (NIM) – Measures the profitability of interest-earning assets.
- Return on Assets (ROA) and Return on Equity (ROE) – Evaluates efficiency and shareholder returns.
- Efficiency Ratio – Assesses cost management by comparing non-interest expense to total revenue.

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and Regulation S-X and, therefore, do not necessarily include all information that would be included in audited consolidated financial statements. The information furnished reflects all adjustments that are, in the opinion of management, necessary for a fair presentation of consolidated financial condition and results of operations. All such adjustments are of a normal recurring nature. These results are not necessarily indicative of the results to be expected for the fiscal year ending December 31, or any other future period. The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the consolidated statement of financial condition and revenues and expenses for the periods then ended. Actual results could differ significantly from those estimates.

These unaudited consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and related notes for the year ended December 31, 2024, which are included in the Company's Annual Report on Form 10-K as filed with the Securities and Exchange Commission (the "SEC"). In preparing these consolidated financial statements, the Company evaluated the events and transactions that occurred between December 31, 2024 and the date these consolidated financial statements were issued.

Risks and Uncertainties - The occurrence of events which adversely affect the global, national and regional economies may have a negative impact on our business. Like other financial institutions, our business relies upon the ability and willingness of our customers to transact business with us. A strong and stable economy at each of the local, federal and global levels is often a critical component of consumer confidence and typically correlates positively with our customers' ability and willingness to transact certain types of business with us. Local and global events outside of our control which disrupt the New Jersey, New York, United States and/or global economy may therefore negatively impact our business and financial condition.

Note 2 - Recent Accounting Pronouncements

In March 2024, the FASB issued ASU 2024-02, "Codification Improvements," which amends the Codification to remove references to various concepts statements and impacts a variety of topics in the Codification. The amendments apply to all reporting entities within the scope of the affected accounting guidance, but in most instances the references removed are extraneous and not required to understand or apply the guidance. Generally, the amendments in ASU 2024-02 are not intended to result in significant accounting changes for most entities. ASU 2024-02 was effective January 1, 2025, and did not have a material impact on the Company's consolidated financial statements.

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09, *Income Taxes (Topic 740)—Improvements to Income Tax Disclosures*. The ASU is intended to enhance the transparency of income tax disclosures, primarily related to the rate reconciliation and income taxes paid information. The amendments in this ASU require a tabular reconciliation using both percentages and reporting currency amounts, with prescribed categories and separate disclosure of reconciling items with an effect equal to 5% or more of the amount determined by multiplying pretax income (or loss) from continuing operations by the applicable statutory income tax rate; a qualitative description of the states and local jurisdictions that make up the majority (greater than 50%) of the effect of the state and local income taxes; and the amount of income taxes paid, net of refunds received, disaggregated by federal, state, and foreign taxes and by individual jurisdictions when 5% or more of total income taxes paid, net of refunds received. The ASU also includes other amendments to improve the effectiveness of income tax disclosures. The update is effective for annual periods beginning after December 15, 2024, with early adoption permitted. The transition method is prospective with retrospective method permitted. The Company is currently evaluating the impact on disclosures.

In November 2023, FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures.* The amendments in this update require public entities with reportable segments to provide additional and more detailed disclosures. The update is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption permitted. The adoption of ASU 2023-07 did not have an impact on its consolidated financial statements.

Note 2 - Recent Accounting Pronouncements (continued)

Allowance for Credit Losses

The allowance for credit losses represents the estimated amount considered necessary to cover lifetime expected credit losses inherent in financial assets at the balance sheet date. The measurement of expected credit losses is applicable to loans receivable and securities measured at amortized cost. It also applies to off-balance sheet credit exposures such as loan commitments and unused lines of credit. The allowance is established through a provision for credit losses that is charged against income. The methodology for determining the allowance for credit losses is considered a critical accounting policy by management because of the high degree of judgment involved, the subjectivity of the assumptions used, and the potential for changes in the forecasted economic environment that could result in changes to the amount of the recorded allowance for credit losses. The allowance for credit losses is reported separately as a contra-asset on the consolidated statement of financial condition. The expected credit loss for unfunded loan commitments is reported on the consolidated statement of financial condition in other liabilities while the provision for credit losses related to unfunded commitments is reported in other non-interest expense. Changes in the allowance for credit losses are recorded as provision for, or reversal of, credit loss expense. Losses are charged against the allowance when management believes the uncollectibility of a receivable is confirmed or when either of the criteria regarding intent or requirement to sell is met.

Allowance for Credit Losses on Loans Receivable

The allowance for credit losses on loans is deducted from the amortized cost basis of the loan to present the net amount expected to be collected. Expected losses are evaluated and calculated on a collective, or pooled, basis for those loans which share similar risk characteristics. If the loan does not share risk characteristics with other loans, the Company will evaluate the loan on an individual basis. Individually evaluated loans are primarily non-accrual and collateral dependent loans. Furthermore, the Company evaluates the pooling methodology at least annually to ensure that loans with similar risk characteristics are pooled appropriately. Loans are charged off against the allowance for credit losses when the Company believes the balances to be uncollectible. Expected recoveries do not exceed the aggregate of amounts previously charged off or expected to be charged off.

The Company has chosen to segment its portfolio consistent with the manner in which it manages credit risk. Starting with the first quarter of 2025, the Company has decided to include cannabis related loans as a separate segment given its unique characteristics. Previously these loans were included in Commercial and multi-family, Construction, and commercial business segments. The cannabis loan portfolio at March 31, 2025 and December 31, 2024 was $103.6 million and $103.2 million, respectively. The Company calculates estimated credit losses for these loan segments using quantitative models and qualitative factors. Further information on loan segmentation and the credit loss estimation is included in Note 7 – Loans Receivable and Allowance for Credit Losses.

Individually Evaluated Loans

On a case-by-case basis, the Company may conclude that a loan should be evaluated on an individual basis based on its disparate risk characteristics. When the Company determines that a loan no longer shares similar risk characteristics with other loans in the portfolio, the allowance will be determined on an individual basis using the present value of expected cash flows or, for collateral-dependent loans, the fair value of the collateral as of the reporting date, less estimated selling costs, as applicable. If the fair value of the collateral is less than the amortized cost basis of the loan, the Company will charge off the difference between the fair value of the collateral, less costs to sell at the reporting date and the amortized cost basis of the loan.

Allowance for Credit Losses on Off-Balance Sheet Commitments

The Company is required to include unfunded commitments that are expected to be funded in the future within the allowance calculation, other than those that are unconditionally cancelable. To arrive at that reserve, the reserve percentage for each applicable segment is applied to the unused portion of the expected commitment balance and is multiplied by the expected funding rate. As noted above, the allowance for credit losses on unfunded loan commitments is included in other liabilities on the consolidated statements of financial condition and the related credit expense is recorded in other non-interest expense in the consolidated statements of operations.

Allowance for Credit Losses on Available-for-Sale Securities

For available-for-sale securities in an unrealized loss position, the Company first assesses whether it intends to sell, or it is more than likely than not that it will be required to sell the security before recovery of its amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the security's amortized cost basis is written down to fair value through income. For securities available-for-sale that do not meet the above criteria, the Company evaluates whether the decline in fair value has resulted from credit losses or other factors. In making this assessment, the Company considers the extent to which fair value is less than amortized cost and adverse conditions related to the security, among other factors. If this assessment indicates that a credit loss exists, the present value of cash flows expected to be collected from the security are compared to the amortized cost basis of the security. If the present value of the cash flows expected to be collected is less than the amortized cost basis, a credit loss exists and an allowance for credit losses is recorded for the credit loss, limited by the amount that the fair value is less than the amortized cost. Any impairment that has not been recorded through an allowance for credit losses is recognized in other comprehensive income (loss), net of tax. The Company elected the practical expedient of zero loss estimates for securities issued by U.S. government entities and agencies. These securities are either explicitly or implicitly guaranteed by the U.S. government, are highly rate by major agencies and have a long history of no credit losses.

Accrued Interest Receivable

The Company made an accounting policy election to exclude accrued interest receivable from the amortized cost basis of loans and available-for-sale securities. Accrued interest receivable on loans and securities is reported as a component of accrued interest receivable on the consolidated statements of financial condition.

Note 3 – Reclassification

Certain amounts have been reclassified to conform to the current period's presentation. These changes had no effect on the Company's results of operations or financial position.

Note 4 – Equity Incentive Plans

Equity Incentive Plans

The Company, under the plan approved by its shareholders on April 27, 2023 ("2023 Equity Incentive Plan"), authorized the issuance of up to 1,000,000 shares of common stock of the Company pursuant to grants of stock options, restricted stock awards, restricted stock units, and performance awards. Employees and Directors of the Company and the Bank are eligible to participate in the 2023 Equity Incentive Plan. All stock options are granted in the form of either "incentive" stock options or "non-qualified" stock options. Incentive stock options have certain tax advantages that must comply with the requirements of Section 422 of the Internal Revenue Code. Only employees are permitted to receive incentive stock options.

The Company, under the plan approved by its shareholders on April 26, 2018 ("2018 Equity Incentive Plan"), authorized the issuance of up to 1,000,000 shares of common stock of the Company pursuant to grants of stock options and restricted stock units. Employees and Directors of the Company and the Bank are eligible to participate in the 2018 Stock Plan. All stock options are granted in the form of either "incentive" stock options or "non-qualified" stock options. Incentive stock options have certain tax advantages that must comply with the requirements of Section 422 of the Internal Revenue Code. Only employees are permitted to receive incentive stock options.

The Company, under the plan approved by its shareholders on April 28, 2011 ("2011 Stock Plan"), authorized the issuance of up to 900,000 shares of common stock of the Company pursuant to grants of stock options. Employees and Directors of the Company and the Bank are eligible to participate in the 2011 Stock Plan. All stock options were granted in the form of either "incentive" stock options or "non-qualified" stock options. Incentive stock options have certain tax advantages that must comply with the requirements of Section 422 of the Internal Revenue Code. Only employees are permitted to receive incentive stock options.

On February 24, 2025, grants of 63,763 options, in aggregate, were declared for certain officers of the Bank and the Company, which vest over a 3-year period commencing on the first anniversary of the grant date. The exercise price was recorded as of close of business on February 24, 2025.

On February 3, 2025, awards of 43,773 shares of restricted stock, in aggregate were declared for members of the Board of Directors of the Bank and the company, which vest over a 1-year period, commencing on the anniversary of the award date.

On April 25, 2024, awards of 30,000 and 20,000 shares of restricted stock were declared for an executive officer of the Bank and the Company, which vest over a 2 and 3-year period, respectively, commencing on the anniversary date of the awards.

On January 31, 2023, awards of 27,000 shares of restricted stock, in aggregate were declared for members of the Board of Directors of the Bank and the Company, which vest over a 4-year period, commencing on the anniversary of the award date.

On June 30, 2023, an award of 25,252 shares of restricted stock was declared for a director and executive officer of the Bank and the Company, which fully vests on the anniversary of the award date.

The following table presents a summary of the status of the Company's restricted shares as of March 31, 2025 and 2024.

	Number of Shares Awarded		Weighted Average Grant Date Fair Value
Non-vested at January 1, 2025	**84,800**	**$**	**12.38**
Granted	**43,773**		**10.66**
Vested	**(21,300)**		**16.14**
Forfeited	**-**		**-**
Non-vested at March 31, 2025	**107,273**	**$**	**10.93**

	Number of Shares Awarded		Weighted Average Grant Date Fair Value
Non-vested at January 1, 2024	86,752	$	14.98
Granted	-		-
Vested	(20,625)		15.75
Forfeited	(1,725)		14.92
Non-vested at March 31, 2024	64,402	$	14.73

Restricted stock expense for the three months ended March 31, 2025, March 31, 2024 and March 31, 2023 was $257,000, $156,000 and $73,000, respectively. Expected future expenses relating to the non-vested restricted shares outstanding as of March 31, 2025 was approximately $844,000 over a weighted average period of 1.22 years.

The following table presents a summary of the status of the Company's outstanding stock option awards as of March 31, 2025.

	Number of Option Shares		Range of Exercise Prices		Weighted Average Exercise Price
Outstanding at January 1, 2025	**893,975**	**$**	**9.91-13.68**	**$**	**11.76**
Options granted	**63,763**		**9.91**		**9.91**
Options exercised	**-**		**-**		**-**
Options forfeited	**-**		**-**		**-**
Options expired	**-**		**-**		**-**
Outstanding at March 31, 2025	**957,738**	**$**	**9.91-13.68**	**$**	**11.64**

As of March 31, 2025, stock options which were granted and were exercisable totaled 832,955. It is the Company's policy to issue new shares upon a stock option exercise.

Compensation expense for the three months ended March 31, 2025, March 31, 2024, and March 31, 2023 was $64,000, $39,000 and $33,000, respectively. Expected future compensation expense relating to the 124,783 shares of unvested options outstanding as of March 31, 2025 was $204,000 over a weighted average period of 2.45 years.

Note 5 – Net (Loss) Income per Common Share

Basic net (loss) income per common share is computed by dividing net income less dividends on preferred stock by the weighted average number of shares of common stock outstanding. The diluted net income per common share is computed by adjusting the weighted average number of shares of common stock outstanding to include the effects of outstanding stock options, if dilutive, using the treasury stock method. Dilution is not applicable in periods of net loss. For the three months ended March 31, 2025, 2024 and 2023, the difference in the weighted average number of basic and diluted common shares was due solely to the effects of outstanding stock options. There were 950,000 and 508,000 outstanding options considered to be anti-dilutive for the three months ended March 31, 2025 and 2024, respectively. There were no outstanding options considered to be anti-dilutive for the three months ended March 31, 2023.

The following is a reconciliation of the numerators and denominators of the basic and diluted earnings per share computations:

	For the Three Months Ended March 31,								
	2025			2024			2023		
	Income (Numerator)	**Shares (Denominator)**	**Per Share Amount**	**Income (Numerator)**	**Shares (Denominator)**	**Per Share Amount**	**Income (Numerator)**	**Shares (Denominator)**	**Per Share Amount**
	(In Thousands, except per share data)								
Net (loss) income available to common stockholders	**$ (8,806)**			$ 5,432			$ 7,933		
Basic earnings per share:									
(Loss) income available to common stockholders	**$ (8,806)**	**17,113**	**$ (0.51)**	$ 5,432	16,930	$ 0.32	$ 7,933	16,949	$ 0.47
Effect of dilutive securities:									
Stock options	**-**	**-**		-	9		-	259	
Diluted earnings per share:									
(Loss) income available to common stockholders	**$ (8,806)**	**17,113**	**$ (0.51)**	$ 5,432	16,939	$ 0.32	$ 7,933	17,208	$ 0.46

Note 6 - Securities

Equity Securities

Equity securities are defined to include (a) preferred, common and other ownership interests in entities including partnerships, joint ventures and limited liability companies and (b) rights to acquire or dispose of ownership interest in entities at fixed or determinable prices.

The following is a summary of unrealized and realized gains and losses recognized in net (loss) income on equity securities during the three months ended March 31, 2025, 2024 and 2023:

	For the three months ended March 31,		
(In Thousands)	2025	2024	2023
Net (losses) gains recognized during the period on equity securities held at the reporting period	$ **(115)**	$ 130	$ (3,227)
Net (losses) gains recognized during the period on equity securities sold during the period	**-**	-	-
Realized and unrealized (losses) gains on equity investments during the reporting period	$ **(115)**	$ 130	$ (3,227)

Note 6 - Securities (continued)

Debt Securities Available for Sale

The following tables present by maturity the amortized cost, gross unrealized gains and losses on, and fair value of, securities available for sale as of March 31, 2025 and December 31, 2024:

	March 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(In Thousands)			
Residential Mortgage-backed securities:				
More than one to five years	$ 1,187	$ -	$ 42	$ 1,145
More than five to ten years	2,239	-	103	2,136
More than ten years	59,092	411	2,953	56,550
Sub-total:	62,518	411	3,098	59,831
Corporate Debt securities:				
More than one to five years	38,789	26	836	37,979
More than five to ten years	20,775	-	2,089	18,686
Sub-total:	59,564	26	2,925	56,665
Total securities	$ 122,082	$ 437	$ 6,023	$ 116,496

	December 31, 2024			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(In Thousands)			
Residential Mortgage-backed securities:				
More than one to five years	$ 1,286	$ -	$ 57	$ 1,229
More than five to ten years	2,395	-	135	2,260
More than ten years	45,345	188	3,508	42,025
Sub-total:	49,026	188	3,700	45,514
Corporate Debt securities:				
More than one to five years	37,488	-	1,081	36,407
More than five to ten years	22,076	-	2,280	19,796
Sub-total:	59,564	-	3,361	56,203
Total securities	$ 108,590	$ 188	$ 7,061	$ 101,717

Note 6 - Securities (continued)

The unrealized losses, categorized by the length of time of continuous loss position, and fair value of related securities available for sale were as follows:

	12 Months or Less		More than 12 Months		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
			(In Thousands)			
March 31, 2025						
Residential mortgage-backed securities	**$ 4,853**	**$ 23**	**$ 30,333**	**$ 3,075**	**$ 35,186**	**$ 3,098**
Corporate Debt securities	**-**	**-**	**52,335**	**2,925**	**52,335**	**2,925**
	$ 4,853	**$ 23**	**$ 82,668**	**$ 6,000**	**$ 87,521**	**$ 6,023**
December 31, 2024						
Residential mortgage-backed securities	$ 10,558	$ 127	$ 24,673	$ 3,573	$ 35,231	$ 3,700
Corporate Debt Securities	2,985	19	51,918	3,342	54,903	3,361
	$ 13,543	$ 146	$ 76,591	$ 6,915	$ 90,134	$ 7,061

Note 7 - Loans Receivable and Allowance for Credit Losses

The following tables present the recorded investment in loans receivable as of March 31, 2025 and December 31, 2024 by segment and class:

	March 31, 2025	December 31, 2024
	(In Thousands)	
Residential one-to-four family	$ **232,456**	$ 239,870
Commercial and multi-family [1]	**2,131,047**	2,155,929
Cannabis related [2]	**103,579**	103,206
Construction [1]	**113,934**	130,589
Commercial business [1][3]	**234,048**	242,239
Business express	**87,747**	92,947
Home equity [4]	**66,479**	66,769
Consumer	**2,271**	2,235
	2,971,561	3,033,784
Less:		
Deferred loan fees, net	**(2,467)**	(2,736)
Allowance for credit losses	**(51,484)**	(34,789)
Total Loans, net	**$ 2,917,610**	$ 2,996,259

(1) Excludes Cannabis related loans.
(2) Includes Commercial and multi-family, Construction, and Commercial business loans.
(3) Excludes Business express loans.
(4) Includes Home equity lines of credit.

Note 7 – Loans Receivable and Allowance for Credit Losses (Continued)

Allowance for Credit Losses

The Company engages a third-party vendor to assist in the CECL calculation and has established a robust internal governance framework to oversee the quarterly estimation process for the allowance for credit losses ("ACL"). The ACL calculation methodology relies on regression-based discounted cash flow ("DCF") models that correlate relationships between certain financial metrics and external market and macroeconomic variables. Following are some of the key factors and assumptions that are used in the Company's CECL calculations:

- methods based on probability of default and loss given default which are modeled based on macroeconomic scenarios;
- a reasonable and supportable forecast period determined based on management's current review of macroeconomic environment;
- a reversion period after the reasonable and supportable forecast period;
- estimated prepayment rates based on the Company's historical experience and future macroeconomic environment;
- estimated credit utilization rates based on the Company's historical experience and future macroeconomic environment; and
- incorporation of qualitative factors not captured within the modeled results. The qualitative factors include but are not limited to changes in lending policies, business conditions, changes in the nature and size of the portfolio, portfolio concentrations, and external factors such as competition.

Allowance for credit losses are aggregated for the major loan segments, with similar risk characteristics, summarized below. However, for the purposes of calculating the reserves, these segments may be further broken down into loan classes by risk characteristics that include but are not limited to regulatory call codes, industry type, geographic location, and collateral type.

Residential one-to-four family real estate loans involve certain risks such as interest rate risk and risk of non-repayment. Adjustable-rate residential real estate loans decrease the interest rate risk to the Bank that is associated with changes in interest rates but involve other risks, primarily because as interest rates rise, the payment by the borrower rises to the extent permitted by the terms of the loan, thereby increasing the potential for default. At the same time, the marketability of the underlying properties may be adversely affected by higher interest rates. Repayment risk may be affected by a number of factors including, but not necessarily limited to, job loss, divorce, illness and personal bankruptcy of the borrower.

Commercial and multi-family real estate lending entails additional risks as compared with residential family property lending. Such loans typically involve large loan balances to single borrowers or groups of related borrowers. The payment experience on such loans is typically dependent on the successful operation of the real estate project. The success of such projects is sensitive to changes in supply and demand conditions in the market for commercial real estate as well as general economic conditions.

Construction lending is generally considered to involve a high risk due to the concentration of principal in a limited number of loans and borrowers and the effects of the general economic conditions on developers and builders. Moreover, a construction loan can involve additional risks because of the inherent difficulty in estimating both a property's value at completion of the project and the estimated cost (including interest) of the project. The nature of these loans is such that they are generally difficult to evaluate and monitor. In addition, speculative construction loans to a builder are not necessarily pre-sold and thus pose a greater potential risk to the Bank than construction loans to individuals on their personal residence.

Commercial business lending, including lines of credit, is generally considered higher risk due to the concentration of principal in a limited number of loans and borrowers and the effects of general economic conditions on the business. Commercial business loans are primarily secured by inventories and other business assets. In many cases, any repossessed collateral for a defaulted commercial business loan will not provide an adequate source of repayment of the outstanding loan balance. The Bank has further segregated its commercial business portfolio into commercial business express loans that carry higher risk relative to other commercial business loans. The Bank had originated commercial business express loans to support small business owners coming out of the COVID crisis. The portfolio consists of a large number of loans with majority of the loans carrying a balance of $250,000 or lower.

Home equity lending entails certain risks such as interest rate risk and risk of non-repayment. The marketability of the underlying property may be adversely affected by higher interest rates, decreasing the collateral value securing the loan. Repayment risk can be affected by job loss, divorce, illness and personal bankruptcy of the borrower. Home equity line of credit lending entails securing an equity interest in the borrower's home. In many cases, the Bank's position in these loans is as a junior lien holder to another institution's superior lien. This type of lending is often priced on an adjustable rate basis with the rate set at or above a predefined index. Adjustable-rate loans decrease the interest rate risk to the Bank that is associated with changes in interest rates but involve other risks, primarily because as interest rates rise, the payment by the borrower rises to the extent permitted by the terms of the loan, thereby increasing the potential for default.

Other consumer loans generally have more credit risk because of the type and nature of the collateral and, in certain cases, the absence of collateral. Consumer loans generally have shorter terms and higher interest rates than other lending. In addition, consumer lending collections are dependent on the borrower's continuing financial stability, and thus are more likely to be adversely affected by job loss, divorce, illness and personal bankruptcy. In many cases, any repossessed collateral for a defaulted consumer loan will not provide an adequate source of repayment of the outstanding loan.

Note 7 - Loans Receivable and Allowance for Credit Losses (Continued)

The following table sets forth the activity in the Company's allowance for credit losses for the three months ended March 31, 2025, and the related portion of the allowance for credit losses that is allocated to each loan class, as of March 31, 2025 (in thousands):

	Residential	Commercial & Multi-family [1]	Cannabis Related [2]	Construction [1]	Commercial Business [1][3]	Business Express	Home Equity [4]	Consumer	Total
Allowance for credit losses:									
Beginning Balance, January 1, 2025	$ 1,947	$ 10,451	$ 1,613	$ 1,902	$ 10,497	$ 7,769	$ 594	$ 16	$ 34,789
Charge-offs:	-	(255)	-	-	(18)	(3,925)	-	-	(4,198)
Recoveries:	25	-	-	-	2	21	-	-	48
Provision (benefit):	(182)	(120)	13,223	(358)	1,282	7,017	(15)	(2)	20,845
Ending Balance, March 31, 2025	$ 1,790	$ 10,076	$ 14,836	$ 1,544	$ 11,763	$ 10,882	$ 579	$ 14	$ 51,484
Ending Balance attributable to loans:									
Individually evaluated	$ -	$ 1,161	$ 13,714	$ -	$ 6,758	$ 5,718	$ -	$ -	$ 27,351
Collectively evaluated	1,790	8,915	1,122	1,544	5,005	5,164	579	14	24,133
Ending Balance, March 31, 2025	$ 1,790	$ 10,076	$ 14,836	$ 1,544	$ 11,763	$ 10,882	$ 579	$ 14	$ 51,484
Loans Receivables:									
Individually evaluated	$ 472	$ 69,107	$ 34,194	$ 586	$ 11,789	$ 5,718	$ 651	$ -	$ 122,517
Collectively evaluated	231,984	2,061,940	69,385	113,348	222,259	82,029	65,828	2,271	2,849,044
Total Gross Loans:	$ 232,456	$ 2,131,047	$ 103,579	$ 113,934	$ 234,048	$ 87,747	$ 66,479	$ 2,271	$ 2,971,561

(1) Excludes Cannabis related loans.
(2) Includes Commercial and multi-family, Construction, and Commercial business loans.
(3) Excludes Business express loans.
(4) Includes Home equity lines of credit.

The following table sets forth the activity in the Company's allowance for credit losses for the three months ended March 31, 2024, and the related portion of the allowance for credit losses that is allocated to each loan class, as of March 31, 2024 (in thousands):

	Residential	Commercial & Multi-family [1]	Cannabis Related [2]	Construction [1]	Commercial Business [1][3]	Business Express	Home Equity [4]	Consumer	Total
Allowance for credit losses:									
Beginning Balance, January 1, 2024	$ 2,344	$ 15,343	$ 2,344	$ 3,758	$ 4,508	$ 4,542	$ 691	$ 78	$ 33,608
Charge-offs:	-	-	-	-	(29)	(1,122)	-	-	(1,151)
Recoveries:	11	-	-	-	3	4	-	-	18
Provision (benefit):	(192)	(1,331)	(439)	(616)	2,699	1,606	(41)	402	2,088
Ending Balance, March 31, 2024	$ 2,163	$ 14,012	$ 1,905	$ 3,142	$ 7,181	$ 5,030	$ 650	$ 480	$ 34,563
Ending Balance attributable to loans:									
Individually evaluated	$ -	$ 956	$ 250	$ 203	$ 3,041	$ 657	$ -	$ 409	$ 5,516
Collectively evaluated	2,163	13,056	1,655	2,939	4,140	4,373	650	71	29,047
Ending Balance, March 31, 2024	$ 2,163	$ 14,012	$ 1,905	$ 3,142	$ 7,181	$ 5,030	$ 650	$ 480	$ 34,563
Loans Receivables:									
Individually evaluated	$ 173	$ 50,752	$ 4,111	$ 3,802	$ 6,024	$ 657	$ 212	$ -	$ 65,731
Collectively evaluated	244,589	2,248,090	103,645	173,596	260,789	100,552	65,306	2,847	3,199,414
Total Gross Loans:	$ 244,762	$ 2,298,842	$ 107,756	$ 177,398	$ 266,813	$ 101,209	$ 65,518	$ 2,847	$ 3,265,145

(1) Excludes Cannabis related loans.
(2) Includes Commercial and multi-family, Construction, and Commercial business loans.
(3) Excludes Business express loans.
(4) Includes Home equity lines of credit.

Note 7 - Loans Receivable and Allowance for Credit Losses (Continued)

The following table sets forth the activity in the Company's allowance for credit losses for the three months ended March 31, 2023, and the related portion of the allowance for credit losses that is allocated to each loan class, as of March 31, 2023 (in thousands):

	Residential	Commercial & Multi-family [1]	Cannabis Related [2]	Construction [1]	Commercial Business [1] [3]	Business Express	Home Equity [4]	Consumer	Unallocated	Total
Allowance for credit losses:										
Ending Balance December 31, 2022	$ 2,474	$ 21,381	$ 402	$ 2,073	$ 4,482	$ 872	$ 485	$ 24	$ 180	$ 32,373
Effect of adopting ASU No. 2016-13 ("CECL")	144	(6,953)	(145)	1,369	1,727	(316)	182	7	(180)	(4,165)
Beginning Balance, January 1, 2023	$ 2,618	$ 14,428	$ 257	$ 3,442	$ 6,209	$ 556	$ 667	$ 31	$ -	$ 28,208
Charge-offs:	-	-	-	-	(1)	-	-	-	-	(1)
Recovery:	12	-	-	-	25	-	16	-	-	53
Provisions (benefit):	(269)	207	303	289	(870)	962	(3)	3	-	622
Ending Balance March 31, 2023	$ 2,361	$ 14,635	$ 560	$ 3,731	$ 5,363	$ 1,518	$ 680	$ 34	$ -	$ 28,882
Ending Balance attributable to loans:										
Individually evaluated	$ -	$ -	$ -	$ 605	$ 1,942	$ 39	$ -	$ -	$ -	$ 2,586
Collectively evaluated	2,361	14,635	560	3,126	3,421	1,479	680	34	-	26,296
Ending Balance March 31, 2023	$ 2,361	$ 14,635	$ 560	$ 3,731	$ 5,363	$ 1,518	$ 680	$ 34	$ -	$ 28,882
Loans Receivables:										
Individually evaluated	$ 358	$ 10,114	$ 75,402	$ 3,217	$ 3,644	$ 39	$ 212	$ -	$ -	$ 92,986
Collectively evaluated	246,325	2,388,346	-	154,626	236,129	85,566	58,610	3,383	-	3,172,985
Total Gross Loans:	$ 246,683	$ 2,398,460	$ 75,402	$ 157,843	$ 239,773	$ 85,605	$ 58,822	$ 3,383	$ -	$ 3,265,971

(1) Excludes Cannabis related loans.
(2) Includes Commercial and multi-family, Construction, and Commercial business loans.
(3) Excludes Business express loans.
(4) Includes Home equity lines of credit.

Note 7 - Loans Receivable and Allowance for Credit Losses (Continued)

The following table sets forth the activity in the allowance for credit losses and amount recorded in loans receivable at and for the year ended December 31, 2024. The table also details the amount of total loans receivable that are evaluated individually and collectively, and the related portion of the allowance for credit losses that is allocated to each loan class (in thousands):

	Residential	Commercial & Multi-family [1]	Cannabis Related [2]	Construction [1]	Commercial Business [1][3]	Business Express	Home Equity [4]	Consumer	Total
Allowance for credit losses:									
Beginning Balance, January 1, 2024	$ 2,344	$ 15,343	$ 2,344	$ 3,758	$ 4,508	$ 4,542	$ 691	$ 78	$ 33,608
Charge-offs:	-	(531)	-	-	(1,799)	(8,038)	-	(467)	(10,835)
Recoveries:	48	-	-	-	371	27	-	-	446
Provision (benefit):	(445)	(4,361)	(731)	(1,856)	7,417	11,238	(97)	405	11,570
Ending Balance, December 31, 2024	$ 1,947	$ 10,451	$ 1,613	$ 1,902	$ 10,497	$ 7,769	$ 594	$ 16	$ 34,789
Ending Balance attributable to loans:									
Individually evaluated	$ -	$ 1,473	$ -	$ -	$ 4,725	$ 5,619	$ -	$ -	$ 11,817
Collectively evaluated	1,947	8,978	1,613	1,902	5,772	2,150	594	16	22,972
Ending Balance, December 31, 2024	$ 1,947	$ 10,451	$ 1,613	$ 1,902	$ 10,497	$ 7,769	$ 594	$ 16	$ 34,789
Loans Receivables:									
Individually evaluated	$ 853	$ 64,735	$ -	$ 586	$ 11,163	$ 5,619	$ 443	$ -	$ 83,399
Collectively evaluated	239,017	2,091,194	103,206	130,003	231,076	87,328	66,326	2,235	2,950,385
Total Gross Loans:	$ 239,870	$ 2,155,929	$ 103,206	$ 130,589	$ 242,239	$ 92,947	$ 66,769	$ 2,235	$ 3,033,784

(1) Excludes Cannabis related loans.
(2) Includes Commercial and multi-family, Construction, and Commercial business loans.
(3) Excludes Business express loans.
(4) Includes Home equity lines of credit.

Note 7 - Loans Receivable and Allowance for Credit Losses (Continued)

The following tables presents the activity in the allowance for credit losses on off-balance sheet exposures for the three months ended March 31, 2025, 2024, and 2023.

	Three Months Ended March 31,		
	2025	2024	2023
	(In thousands)	(In thousands)	(In thousands)
Allowance for Credit Losses:			
Beginning balance at January 1	**$ 813**	$ 694	$ -
Impact of adopting ASU 2013-13 ("CECL") effective January 1, 2023		-	- 1,266
Provision (benefit) for credit losses	**(110)**	65	(577)
Ending balance at March 31	**$ 703**	$ 759	$ 689

The following table sets forth the delinquency status of total loans receivable as of March 31, 2025:

	30-59 Days Past Due	**60-90 Days Past Due**	**Greater Than 90 Days Past Due**	**Total Past Due**	**Current**	**Total Loans Receivable**	**Loans Receivable >90 Days Past Due and Accruing**
			(In Thousands)				
Residential one-to-four family	**$ 3,168**	**$ -**	**$ 302**	**$ 3,470**	**$ 228,986**	**$ 232,456**	**$ -**
Commercial and multi-family [1]	**20,644**	**588**	**31,526**	**52,758**	**2,078,289**	**2,131,047**	**-**
Cannabis related [2]	**4,845**	**-**	**-**	**4,845**	**98,734**	**103,579**	
Construction [1]	**1,828**	**-**	**586**	**2,414**	**111,520**	**113,934**	**-**
Commercial business [1][3]	**8,904**	**288**	**3,747**	**12,939**	**221,109**	**234,048**	**-**
Business express	**8,560**	**1,492**	**-**	**10,052**	**77,695**	**87,747**	**-**
Home equity [4]	**877**	**-**	**248**	**1,125**	**65,354**	**66,479**	**-**
Consumer	**-**	**-**	**-**	**-**	**2,271**	**2,271**	**-**
Total	**$ 48,826**	**$ 2,368**	**$ 36,409**	**$ 87,603**	**$ 2,883,958**	**$ 2,971,561**	**$ -**

(1) Excludes Cannabis related loans.
(2) Includes Commercial and multi-family, Construction, and Commercial business loans.
(3) Excludes Business express loans.
(4) Includes Home equity lines of credit.

The following table sets forth the delinquency status of total loans receivable at December 31, 2024:

	30-59 Days Past Due	60-90 Days Past Due	Greater Than 90 Days Past Due	Total Past Due	Current	Total Loans Receivable	Loans Receivable >90 Days Past Due and Accruing
			(In Thousands)				
Residential one-to-four family	$ 3,229	$ -	$ 302	$ 3,531	$ 236,339	$ 239,870	$ -
Commercial and multi-family [1]	8,279	2,673	30,903	41,855	2,114,074	2,155,929	6,049
Cannabis related [2]	-	-	-	-	103,206	103,206	
Construction [1]	-	1,829	586	2,415	128,174	130,589	-
Commercial business [1][3]	9,125	580	3,795	13,500	228,739	242,239	-
Business express	6,714	3,452	3,141	13,307	79,640	92,947	1,677
Home equity [4]	1,846	18	231	2,095	64,674	66,769	-
Consumer	-	-	-	-	2,235	2,235	-
Total	$ 29,193	$ 8,552	$ 38,958	$ 76,703	$ 2,957,081	$ 3,033,784	$ 7,726

(1) Excludes Cannabis related loans.
(2) Includes Commercial and multi-family, Construction, and Commercial business loans.
(3) Excludes Business express loans.
(4) Includes Home equity lines of credit.

Note 7 - Loans Receivable and Allowance for Credit Losses (Continued)

Modifications

The following tables present the amortized cost basis at March 31, 2025 and 2024 of loans modified to borrowers experiencing financial difficulty that were modified during the three months ended March 31, 2025 and 2024 by loan category and type of concession granted.

	For the three Months Ended March 31, 2025 (In Thousands)				
	Number	Payment Delay	Term Extension	Total Principal	% of Total Class of Financing Receivable
Commercial business	3	$ -	$ 1,006	$ 1,006	0.41 %
Business express	65	-	15,563	15,563	17.74
Total loans	68	$ -	$ 16,569	$ 16,569	

	For the three Months Ended March 31, 2024 (In Thousands)				
	Number	Payment Delay	Term Extension	Total Principal	% of Total Class of Financing Receivable
Residential one-to-four family	1	$ -	$ 180	$ 180	0.07 %
Total loans	1	-	180	180	

The following tables present loan modifications made during the three months ended March 31, 2025 and 2024 by payment status.

	For the three Months Ended March 31, 2025 (In Thousands)					
	Current	30-59 Days Past Due	60-90 Days Past Due	Greater than 90 Days Past Due & Still Accruing	Non-accrual	Total
Commercial business	$ 1,006	$ -	$ -	$ -	$ -	$ 1,006
Business express	14,905	-	-	-	658	15,563
	$ 15,911	$ -	$ -	-	$ 658	$ 16,569

	For the three Months Ended March 31, 2024 (In Thousands)					
	Current	30-59 Days Past Due	60-90 Days Past Due	Greater than 90 Days Past Due & Still Accruing	Non-accrual	Total
Residential one-to-four family	$ 180	$ -	$ -	$ -	$ -	$ 180
	$ 180	$ -	$ -	-	$ -	$ 180

The Company monitors the performance of loans modified to borrowers experiencing financial difficulty to understand the effectiveness of the modification efforts.

For modified loans, a subsequent payment default occurs after management evaluates a borrower's financial condition subsequent to modification and upon evaluating facts and circumstances determines the borrower is not adhering to the terms of the modification but no later than when a principal or interest payment is 90 days past due or the loan has been classified into non-accrual status during the reporting period.

Of the loans modified during the preceding twelve months, there were five Business express loans with a combined balance of $1.2 million that subsequently defaulted and were charged-off in full.

Note 7 - Loans Receivable and Allowance for Credit Losses (Continued)

The tables below set forth the amounts and types of non-accrual loans in the Bank's loan portfolio at March 31, 2025 and December 31, 2024, respectively. Loans are placed on non-accrual status when they become more than 90 days delinquent, or when the collection of principal and/or interest become doubtful.

As of March 31, 2025 and December 31, 2024, non-accrual loans differed from the amount of total loans past due 90 days due to loans that were previously 90 days past due both of which are maintained on non-accrual status for a minimum of six months until the borrower has demonstrated their ability to satisfy the terms of the loan.

	As of March 31, 2025 (in Thousands)			
	Non-accrual loans with an Allowance for Credit Losses	Non-accrual loans without an Allowance for Credit Losses	Total Non-accrual loans	Amortized Cost of Loans Past due 90 and Still Accruing
Residential one-to-four family	$ -	$ 1,138	$ 1,138	$ -
Commercial and multi-family (1)	4,047	51,055	55,102	-
Cannabis related (2)	34,194	-	34,194	-
Construction (1)	-	586	586	-
Commercial business (1)(3)	4,991	2,725	7,716	-
Business express loans	658	-	658	-
Home equity (4)	-	439	439	-
Consumer	-	-	-	-
Total	$ 43,890	$ 55,943	$ 99,833	$ -

(1) Excludes Cannabis related loans.
(2) Includes Commercial and multi-family, Construction, and Commercial business loans.
(3) Excludes Business express loans.
(4) Includes Home equity lines of credit.

	As of December 31, 2024 (in Thousands)			
	Non-accrual loans with an Allowance for Credit Losses	Non-accrual loans without an Allowance for Credit Losses	Total Non-accrual loans	Amortized Cost of Loans Past due 90 and Still Accruing
Residential one-to-four family	$ 534	$ 853	$ 1,387	$ -
Commercial and multi-family (1)	4,823	28,151	32,974	6,049
Cannabis related (2)	-	-	-	-
Construction (1)	-	586	586	-
Commercial business (1)(3)	5,208	2,425	7,633	-
Business express loans	1,706	191	1,897	1,677
Home equity (4)	-	231	231	-
Total	$ 12,271	$ 32,437	$ 44,708	$ 7,726

(1) Excludes Cannabis related loans.
(2) Includes Commercial and multi-family, Construction, and Commercial business loans.
(3) Excludes Business express loans.
(4) Includes Home equity lines of credit.

Had non-accrual loans been performing in accordance with their original terms, the interest income recognized for the three months ended March 31, 2025, 2024, and 2023 would have been $1.9 million, $710,000 and $431,000, respectively. Interest income recognized on loans returned to accrual was $323,000, 123,000 and $681,000, for the three months ended March 31, 2025, 2024, and 2023, respectively. The Bank has not committed to lend additional funds to the borrowers whose loans have been placed on non-accrual status. There were no loans that were more than ninety days past due and still accruing at March 31, 2025. There were $7.7 million in loans more than ninety days past due and still accruing interest at December 31, 2024.

Criticized and Classified Assets

Company policies provide for a classification system for problem assets. Under this classification system, problem assets are classified as "substandard," "doubtful," or "loss."

The Company's internal credit risk grades are based on the definitions currently utilized by the banking regulatory agencies. The grades assigned and definitions are as follows, and loans graded excellent, above average, good and watch list (risk ratings 1-5) are treated as "pass" for grading purposes. The "criticized" risk rating (6) and the "classified" risk ratings (7-9) are detailed below:

6 – Special Mention- Loans currently performing but with potential weaknesses including adverse trends in borrower's operations, credit quality, financial strength, or possible collateral deficiency.

7 – Substandard- Loans that are inadequately protected by current sound worth, paying capacity, and collateral support. Loans on "non-accrual" status. The loan needs special and corrective attention.

8 – Doubtful- Weaknesses in credit quality and collateral support make full collection improbable, but pending reasonable factors remain sufficient to defer the loss status.

9 – Loss- Continuance as a bankable asset is not warranted. However, this does not preclude future attempts at partial recovery.

Note 7 - Loans Receivable and Allowance for Credit Losses (Continued)

The following table summarizes the Company's loans by year of origination and internally assigned credit risk rating at March 31, 2025 and gross charge-offs for the three months ended March 31, 2025.

Loans by Year of Origination at March 31, 2025

	2025	2024	2023	2022	2021	Prior	Revolving Loans	Revolving Loans to Term Loans	Total
Residential one-to-four family									
Pass	$ 360	$ 12,026	$ 16,249	$ 46,973	$ 36,408	$ 119,133	$ -	$ -	$ 231,149
Special Mention	-	-	-	-	-	169	-	-	169
Substandard	-	-	-	296	170	672	-	-	1,138
Total one-to-four family	**$ 360**	**$ 12,026**	**$ 16,249**	**$ 47,269**	**$ 36,578**	**$ 119,974**	**$ -**	**$ -**	**$ 232,456**
Commercial and multi-family (1)									
Pass	$ 1,999	$ 8,228	$ 165,488	$ 554,334	$ 146,654	$ 816,379	$ 3,010	$ -	$ 1,696,092
Special Mention	-	-	16,930	142,742	29,480	66,360	-	-	255,512
Substandard	-	-	10,071	49,319	23,227	96,686	140	-	179,443
Total Commercial and multi-family	**$ 1,999**	**$ 8,228**	**$ 192,489**	**$ 746,395**	**$ 199,361**	**$ 979,425**	**$ 3,150**	**$ -**	**$ 2,131,047**
Cannabis related (2)									
Pass	$ -	$ -	$ 19,281	$ 26,429	$ 2,117	$ 8,150	$ 7,563	$ -	$ 63,540
Special Mention	-	-	-	-	4,845	-	1,000	-	5,845
Substandard	-	-	9,719	24,475	-	-	-	-	34,194
Total Cannabis related	**$ -**	**$ -**	**$ 29,000**	**$ 50,904**	**$ 6,962**	**$ 8,150**	**$ 8,563**	**$ -**	**$ 103,579**
Construction (1)									
Pass	$ -	$ 1,486	$ 34,811	$ 35,570	$ 5,500	$ -	$ 5,024	$ -	$ 82,391
Special Mention	-	-	1,653	3,792	10,257	-	-	-	15,702
Substandard	-	-	-	259	14,996	586	-	-	15,841
Total Construction	**$ -**	**$ 1,486**	**$ 36,464**	**$ 39,621**	**$ 30,753**	**$ 586**	**$ 5,024**	**$ -**	**$ 113,934**
Commercial business (1) (3)									
Pass	$ -	$ 7,724	$ 2,021	$ 5,126	$ 2,178	$ 30,783	$ 143,274	$ -	$ 191,106
Special Mention	-	-	-	-	150	4,254	23,588	-	27,992
Substandard	-	-	-	-	417	5,569	8,964	-	14,950
Total Commercial business	**$ -**	**$ 7,724**	**$ 2,021**	**$ 5,126**	**$ 2,745**	**$ 40,606**	**$ 175,826**	**$ -**	**$ 234,048**
Business express									
Pass	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,504	$ 70,984	$ 78,488
Special Mention	-	-	-	-	-	-	1,054	2,488	3,542
Substandard	-	-	-	-	-	-	1,669	4,048	5,717
Total Business express	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 10,227**	**$ 77,520**	**$ 87,747**
Home equity (4)									
Pass	$ -	$ 256	$ 3,709	$ 1,343	$ 487	$ 5,872	$ 51,961	$ 2,146	$ 65,774
Special Mention	-	-	-	-	-	-	-	-	-
Substandard	-	-	-	53	-	99	403	150	705
Total Home equity	**$ -**	**$ 256**	**$ 3,709**	**$ 1,396**	**$ 487**	**$ 5,971**	**$ 52,364**	**$ 2,296**	**$ 66,479**
Consumer									
Pass	$ 311	$ 377	$ 1,112	$ 369	$ 5	$ 91	$ 6	$ -	$ 2,271
Special Mention	-	-	-	-	-	-	-	-	-
Substandard	-	-	-	-	-	-	-	-	-
Total Consumer	**$ 311**	**$ 377**	**$ 1,112**	**$ 369**	**$ 5**	**$ 91**	**$ 6**	**$ -**	**$ 2,271**
Total Loans	**$ 2,670**	**$ 30,097**	**$ 281,044**	**$ 891,080**	**$ 276,891**	**$ 1,154,803**	**$ 255,160**	**$ 79,816**	**$ 2,971,561**
Gross charge-offs	**$ -**	**$ -**	**$ -**	**$ -**	**$ 255**	**$ 1,042**	**$ 2,165**	**$ 736**	**$ 4,198**

(1) Excludes Cannabis related loans.
(2) Includes Commercial and multi-family, Construction, and Commercial business loans.
(3) Excludes Business express loans.
(4) Includes Home equity lines of credit.

Note 7 - Loans Receivable and Allowance for Credit Losses (Continued)

The following table summarizes the Company's loans by year of origination and internally assigned credit risk rating and gross charge-offs for the year ended December 31, 2024.

Loans by Year of Origination at December 31, 2024

	2024	2023	2022	2021	2020	Prior	Revolving Loans	Revolving Loans to Term Loans	Total
Residential one-to-four family									
Pass	$ 12,059	$ 16,586	$ 47,544	$ 37,639	$ 28,550	$ 92,376	$ -	$ -	$ 234,754
Special Mention	-	-	3,555	-	-	174	-	-	3,729
Substandard	-	-	301	173	-	913	-	-	1,387
Total one-to-four family	**$ 12,059**	**$ 16,586**	**$ 51,400**	**$ 37,812**	**$ 28,550**	**$ 93,463**	**$ -**	**$ -**	**$ 239,870**
Commercial and multi-family (1)									
Pass	$ 9,105	$ 183,547	$ 604,868	$ 154,968	$ 158,029	$ 709,239	$ 2,610	$ -	$ 1,822,366
Special Mention	-	-	108,076	37,600	9,232	47,756	140	-	202,804
Substandard	-	10,115	33,958	13,027	11,782	61,877	-	-	130,759
Total Commercial and multi-family	**$ 9,105**	**$ 193,662**	**$ 746,902**	**$ 205,595**	**$ 179,043**	**$ 818,872**	**$ 2,750**	**$ -**	**$ 2,155,929**
Cannabis related (2)									
Pass	$ -	$ 19,384	$ 26,626	$ 2,129	$ 8,213	$ -	$ 6,863	$ -	$ 63,215
Special Mention	-	9,761	24,636	4,844	-	-	750	-	39,991
Substandard	-	-	-	-	-	-	-	-	-
Total Cannabis related	**$ -**	**$ 29,145**	**$ 51,262**	**$ 6,973**	**$ 8,213**	**$ -**	**$ 7,613**	**$ -**	**$ 103,206**
Construction (1)									
Pass	$ 4	$ 34,906	$ 37,624	$ -	$ -	$ -	$ 5,824	$ -	$ 78,358
Special Mention	-	1,521	3,792	42,330	3,745	-	-	-	51,388
Substandard	-	257	-	-	586	-	-	-	843
Total Construction	**$ 4**	**$ 36,684**	**$ 41,416**	**$ 42,330**	**$ 4,331**	**$ -**	**$ 5,824**	**$ -**	**$ 130,589**
Commercial business (1) (3)									
Pass	$ -	$ 2,477	$ 266	$ 475	$ 3,711	$ 28,902	$ 156,581	$ 663	$ 193,075
Special Mention	-	8,874	-	1,878	194	4,835	19,548	409	35,738
Substandard	-	-	-	-	-	5,884	7,542	-	13,426
Total Commercial business	**$ -**	**$ 11,351**	**$ 266**	**$ 2,353**	**$ 3,905**	**$ 39,621**	**$ 183,671**	**$ 1,072**	**$ 242,239**
Business express									
Pass	$ -	$ -	$ -	$ -	$ -	$ -	$ 23,739	$ 59,189	$ 82,928
Special Mention	-	-	-	-	-	-	1,506	2,894	4,400
Substandard	-	-	-	-	-	-	3,082	2,537	5,619
Total Business express	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 28,327**	**$ 64,620**	**$ 92,947**
Home equity (4)									
Pass	$ 300	$ 3,767	$ 1,369	$ 501	$ 549	$ 5,754	$ 51,829	$ 2,186	$ 66,255
Special Mention	-	-	-	-	-	18	-	-	18
Substandard	-	-	53	-	81	-	-	362	496
Total Home equity	**$ 300**	**$ 3,767**	**$ 1,422**	**$ 501**	**$ 630**	**$ 5,772**	**$ 51,829**	**$ 2,548**	**$ 66,769**
Consumer									
Pass	$ 623	$ 1,117	$ 389	$ 5	$ 95	$ -	$ 6	$ -	$ 2,235
Special Mention	-	-	-	-	-	-	-	-	-
Substandard	-	-	-	-	-	-	-	-	-
Total Consumer	**$ 623**	**$ 1,117**	**$ 389**	**$ 5**	**$ 95**	**$ -**	**$ 6**	**$ -**	**$ 2,235**
Total Loans	**$ 22,091**	**$ 292,312**	**$ 893,057**	**$ 295,569**	**$ 224,767**	**$ 957,728**	**$ 280,020**	**$ 68,240**	**$ 3,033,784**
Gross charge-offs	**$ 446**	**$ 20**	**$ -**	**$ 174**	**$ -**	**$ 1,133**	**$ 8,381**	**$ 681**	**$ 10,835**

(1) Excludes Cannabis related loans.
(2) Includes Commercial and multi-family, Construction, and Commercial business loans.
(3) Excludes Business express loans.
(4) Includes Home equity lines of credit.

Note 8 – Stockholders' Equity

On March 15, 2025, the Company completed a private placement of 52 shares of Series K 6.0% Noncumulative Perpetual Stock, par value $0.01 per share (the "Series K Preferred Stock"), resulting in gross proceeds of $520,000.

On September 25, 2024, the Company closed a private placement of Series J Noncumulative Perpetual Stock, par value $0.01 per share (the "Series J Preferred Stock"), resulting in gross proceeds of $1,360,000 for 136 shares.

On June 21, 2024, the Company closed a private placement of Series J Noncumulative Perpetual Stock, par value $0.01 per share (the "Series J Preferred Stock"), resulting in gross proceeds of $670,000 for 67 shares.

On March 29, 2024, the Company closed a private placement of Series J Noncumulative Perpetual Stock, par value $0.01 per share (the "Series J Preferred Stock"), resulting in gross proceeds of $2,690,000 for 269 shares.

On December 14, 2023, the Company closed a private placement of Series J Noncumulative Perpetual Stock, par value $0.01 per share (the "Series J Preferred Stock"), resulting in gross proceeds of $15,270,000 for 1,527 shares.

On September 14, 2023, the Company redeemed 22 outstanding shares of its Series H 3.5% Noncumulative Perpetual Preferred Stock, at their face value of $10,000 per share, for a total redemption amount of $220,000. The Company redeemed the remaining 1,101 outstanding shares of its Series H 3.5% Noncumulative Perpetual Preferred Stock during the fourth quarter of 2023, at their face value of $10,000 per share, for a total redemption amount of $11.0 million.

Note 9 – Bank-Owned Life Insurance

BOLI involves life insurance purchased by the Bank on a chosen group of employees, and the Bank is owner and beneficiary of the policies. At March 31, 2025, the Bank had $76.6 million in BOLI. BOLI is recorded at its net realizable value.

Note 10 – Goodwill and Other Intangible Assets

The Company's intangible assets consist of goodwill and core deposit intangibles in connection with acquisitions. The initial recording of goodwill and other intangible assets requires subjective judgments concerning estimates of the fair value of the acquired assets and assumed liabilities. Goodwill is not amortized but is subject to annual tests for impairment or more often if events or circumstances indicate it may be impaired.

Amortization expense of the core deposit intangibles was $23,000 for the three months ended March 31, 2023. The core deposit intangibles were fully amortized during the year ended December 31, 2023. The amount of goodwill at March 31, 2025, 2024 and 2023 was $5.2 million.

The Company's core deposit intangibles are amortized on an accelerated basis using an estimated life of 10 years and in accordance with U.S. GAAP are evaluated annually for impairment. An impairment loss will be recognized if the carrying amount of the intangible asset is not recoverable and exceeds fair value. The carrying amount of the intangible asset is not considered recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use of the asset.

The Company conducts impairment analysis on goodwill at least annually or more often as conditions require. Pursuant to ASC 350-20-35, the Company conducted a qualitative assessment of goodwill as of October 31, 2024, and determined that it was more likely than not that goodwill was not impaired. Accordingly, there was no impairment at December 31, 2024.

The Company believes that the fair values of its goodwill was in excess of its carrying amounts and there was no impairment at March 31, 2025.

Note 11 – Fair Values of Financial Instruments

Guidance on fair value measurements establishes a fair value hierarchy that prioritizes the inputs to valuation methods used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

***Level 1*:** Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

***Level 2*:** Quoted prices in markets that are not active, or inputs that are observable either directly or indirectly, for substantially the full term of the asset or liability.

***Level 3*:** Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e. supported with little or no market activity).

An asset or liability's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Assets that the Company measured at fair value on a recurring basis were as follows (In thousands):

Description	Total	(Level 1) Quoted Prices in Active Markets for Identical Assets	(Level 2) Significant Other Observable Inputs	(Level 3) Significant Unobservable Inputs
As of March 31, 2025:				
Securities				
Debt Securities Available for Sale	**$ 116,496**	**$ -**	**$ 116,496**	**$ -**
Marketable Equities	**$ 9,357**	**$ 9,357**	**$ -**	**$ -**
Total Securities	**$ 125,853**	**$ 9,357**	**$ 116,496**	**$ -**
As of December 31, 2024:				
Securities				
Debt Securities Available for Sale	$ 101,717	$ -	$ 101,717	$ -
Marketable Equities	$ 9,472	$ 9,472	$ -	$ -
Total Securities	$ 111,189	$ 9,472	$ 101,717	$ -

There were no transfers of assets or liabilities into or out of Level 1, Level 2, or Level 3 of the fair value hierarchy during the three months ended March 31, 2025 and 2024.

There were no liabilities measured at fair value on a recurring basis at March 31, 2025 or December 31, 2024.

Assets that the Company measured at fair value on a nonrecurring basis were as follows (In thousands):

Description	Total	(Level 1) Quoted Prices in Active Markets for Identical Assets	(Level 2) Significant Other Observable Inputs	(Level 3) Significant Unobservable Inputs
As of March 31, 2025:				
Individually Evaluated Loans	**$ 28,954**	**$ -**	**$ -**	**$ 28,954**
As of December 31, 2024:				
Individually Evaluated Loans	$ 19,391	$ -	$ -	$ 19,391

Certain individually evaluated loans were adjusted to the fair value, less costs to sell, of the underlying collateral securing these loans resulting in losses. The loss is not recorded directly as an adjustment to current earnings, but rather as a component in determining the allowance for credit losses. Fair value was measured using appraised values of collateral and adjusted as necessary by management based on unobservable inputs for specific properties. Losses on individually evaluated loans for the three months ended March 31, 2025 and the twelve months ended December 31, 2024 were $15.5 million and $7.6 million, respectively.

There were no liabilities measured at fair value on a nonrecurring basis at March 31, 2025 or December 31, 2024.

Note 11 – Fair Values of Financial Instruments (Continued)

The following tables present additional quantitative information as of March 31, 2025 and December 31, 2024 about assets measured at fair value on a nonrecurring basis and for which the Company has utilized adjusted Level 3 inputs to determine fair value. (Dollars in thousands):

Quantitative Information about Level 3 Fair Value Measurements

	Fair Value Estimate	Valuation Techniques	Unobservable Input	Range
March 31, 2025:				
Individually Evaluated Loans	**$ 28,954**	Appraisal of collateral (1)	Appraisal adjustments (2)	0%-10%

	Fair Value Estimate	Valuation Techniques	Unobservable Input	Range
December 31, 2024:				
Individually Evaluated Loans	$ 19,391	Appraisal of collateral (1)	Appraisal adjustments (2)	0%-10%

(1) Fair value is generally determined through independent appraisals of the underlying collateral, which generally include various level 3 inputs which are not objectively determinable.
(2) Appraisals may be adjusted by management for qualitative factors such as economic conditions and estimated liquidation expenses. The range of liquidation expenses and other appraisal adjustments are presented as a percent of the appraisal.

The following information should not be interpreted as an estimate of the fair value of the entire Company since a fair value calculation is only provided for a limited portion of the Company's assets and liabilities. Due to a wide range of valuation techniques and the degree of subjectivity used in making the estimates, comparisons between the Company's disclosures and those of other companies may not be meaningful. The following methods and assumptions were used to estimate the fair values of the Company's financial instruments as of March 31, 2025 and December 31, 2024.

Cash and Cash Equivalents and Interest-Earning Time Deposits (Carried at Cost)

The carrying amounts reported in the consolidated statements of financial condition for cash and short-term instruments approximate fair values.

Securities (Carried at Fair Value)

The fair value of securities is determined by obtaining quoted market prices on nationally recognized security exchanges (Level 1) or, by matrix pricing (Level 2), which is a mathematical technique used widely in the industry to value debt securities without relying exclusively on quoted market prices for the specific securities but rather by relying on the securities' relationship to other benchmark quoted prices.

Loans Held for Sale (Lower of Cost or Market)

The fair value of loans held for sale is determined, when possible, using quoted secondary-market prices. If no such quoted prices exist, the fair value of a loan is determined using quoted prices for a similar loan or loans, adjusted for specific attributes of that loan. Loans held for sale are carried at the lower of cost or fair value.

Loans Receivable (Carried at Amortized Cost)

The fair values of loans, except for certain individually evaluated loans, are estimated using discounted cash flow analyses, using market rates at the date of the Statement of Financial Condition that reflect the credit and interest rate-risk inherent in the loans. Projected future cash flows are calculated based upon contractual maturity or call dates, projected repayments and prepayments of principal. Generally, for variable rate loans that reprice frequently and with no significant change in credit risk, fair values are based on carrying values.

Individually Evaluated Loans (Generally Carried at Fair Value)

Individually evaluated loans are those for which the Company has measured and recorded credit losses based on the fair value of the loan's collateral, less estimated costs to sell. Fair value is generally determined based upon independent third-party appraisals of the properties, or discounted cash flows based upon the expected proceeds. These assets are included as Level 3 fair values, based upon the lowest level of input that is significant to the fair value measurements. The fair value at March 31, 2025 and December 31, 2024 consisted of the loan balances of $56.3 million, net of an allowance for credit losses of $27.4 million, and $31.2 million net of an allowance for credit losses of $11.8 million, respectively.

Other Real Estate Owned (Carried at Lower of Cost or Fair Value)

Other real estate owned is carried at fair value less estimated costs to sell which is determined based upon independent third-party appraisals of the properties or based upon the expected proceeds from a pending sale. These assets are included as Level 3 fair values, based upon the lowest level of input that is significant to the fair value measurements.

FHLB of New York Stock (Carried at Cost)

The carrying amount of restricted investment in bank stock approximates fair value and considers the limited marketability of such securities.

Accrued Interest Receivable and Payable (Carried at Cost)

The carrying amount of accrued interest receivable and accrued interest payable approximates its fair value.

Deposits (Carried at Cost)

The fair values disclosed for demand deposits (e.g., interest and non-interest checking, savings and money market accounts1) are, by definition, equal to the amount payable on demand at the reporting date (i.e., their carrying amounts). Fair values for fixed-rate certificates of deposit are estimated using a discounted cash flow calculation that applies interest rates currently being offered in the market on certificates to a schedule of aggregated expected monthly maturities on time deposits.

Note 11 – Fair Values of Financial Instruments (Continued)

Debt Including Subordinated Debentures (Carried at Cost)

Fair values of debt are estimated using discounted cash flow analysis, based on quoted prices for new long-term debt with similar credit risk characteristics, terms and remaining maturity. Prices obtained from this active market represent a market value that is deemed to represent the transfer price if the liability were assumed by a third party.

Off-Balance Sheet Financial Instruments

Fair values for the Company's off-balance sheet financial instruments (lending commitments and unused lines of credit) are based on fees currently charged in the market to enter into similar agreements, taking into account, the remaining terms of the agreements and the counterparties' credit standing. The fair value of these commitments was deemed immaterial and is not presented in the accompanying table.

The carrying values and estimated fair values of financial instruments were as follows as of March 31, 2025 and December 31, 2024:

	As of March 31, 2025				
	Carrying Value	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
			(In Thousands)		
Financial assets:					
Cash and cash equivalents	$ 252,750	$ 252,750	$ 252,750	$ -	$ -
Interest-earning time deposits	735	735	-	735	-
Debt securities available for sale	116,496	116,496	-	116,496	-
Equity investments	9,357	9,357	9,357	-	-
Loans receivable, net	2,917,610	2,834,828	-	-	2,834,828
FHLB of New York stock, at cost	22,066	22,066	-	22,066	-
Accrued interest receivable	16,354	16,354	-	16,354	-
Financial liabilities:					
Deposits	2,686,508	2,686,343	1,740,601	945,742	-
Borrowings	405,499	407,161	-	407,161	-
Subordinated debentures	43,024	41,262	-	41,262	-
Accrued interest payable	3,972	3,972	-	3,972	-

	As of December 31, 2024				
	Carrying Value	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
			(In Thousands)		
Financial assets:					
Cash and cash equivalents	$ 317,282	$ 317,282	$ 317,282	$ -	$ -
Interest-earning time deposits	735	735	-	735	-
Debt securities available-for-sale	101,717	101,717	-	101,717	-
Equity investments	9,472	9,472	9,472	-	-
Loans held for sale	-	-	-	-	-
Loans receivable, net	2,996,259	2,900,892	-	-	2,900,892
FHLB of New York stock, at cost	24,272	24,272	-	24,272	-
Accrued interest receivable	15,176	15,176	-	15,176	-
Financial liabilities:					
Deposits	2,750,858	2,751,625	1,721,602	1,030,023	-
Debt	455,361	456,290	-	456,290	-
Subordinated debentures	42,961	41,594	-	41,594	-
Accrued interest payable	5,195	5,195	-	5,195	-

Note 12 – Subordinated debt

On August 29, 2024, the Company issued $40 million of fixed-to-floating subordinated debentures (the "New Notes") in a private placement to certain qualified institutional investors. The New Notes have a 10-year term and bear interest at a fixed rate of 9.250% for the first five years of the term. The fixed interest rate is payable semiannually for the first five years and will be reset quarterly thereafter to the then-current three-month SOFR (defined below) plus 582 basis points. The Notes qualify as Tier 2 capital for the Company for regulatory purposes, when applicable, and the portion that the Company contributes to the Bank will qualify as Tier 1 capital for the Bank. The Notes constitute an unsecured and subordinated obligation of the Company and rank junior in right of payment to any senior indebtedness and obligations to general and secured creditors. The Company used the net proceeds from the offering to repurchase $33.5 million of subordinated debt issued on July 30, 2018 (the "Old Notes") and for general corporate purposes. Subordinated debt included associated deferred costs of $1.2 million at December 31, 2024.

The Company also has $4.1 million of mandatory redeemable trust preferred securities. The interest rate on these floating rate junior subordinated debentures adjusts quarterly and had been equal to the three-month LIBOR plus 2.65%. They mature on June 17, 2034.

In accordance with the Adjustable Interest Rate Act (the "LIBOR Act") and the regulation issued by the Board of Governors of the Federal Reserve System implementing the LIBOR Act, the Company has selected the three-month Chicago Mercentile Exchange ("CME") Term SOFR as the applicable successor rate for the trust preferred securities. The calculation of the amount of interest payable, based on the three-month CME Term SOFR, will also include the applicable tenor spread adjustment of 0.26161% per annum as specified in the LIBOR Act. At March 31, 2025, the interest rate for the trust preferred securities was 7.211%.

Note 13 – Lease Obligations

The Company leases 26 of its offices under various operating lease agreements. The leases have remaining terms of one year to nine years. The leases contain provisions for the payment by the Company of its pro-rata share of real estate taxes, insurance, common area maintenance and other variable expenses. The Company will allocate payments made under such leases between lease and non-lease components. Some leases contain renewal options and options to purchase the assets.

The Company has elected not to recognize a lease liability and a right of use asset for leases with a lease term of 12 or fewer months.

The following tables present certain information related to the Company's leases (in thousands):

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Operating lease cost	$ 940	$ 885
Variable lease cost-operating leases	$ 284	$ 282

Supplemental balance sheet information related to leases:	At March 31, 2025	At December 31, 2024
Operating Leases		
Operating lease right-of-use assets	$ 12,622	$ 12,686
Current liabilities	$ 2,477	$ 3,189
Operating lease liabilities (noncurrent portion)	11,925	11,299
Imputed Interest	(1,315)	(1,349)
Total operating lease liabilities	$ 13,087	$ 13,139

The weighted average remaining lease term for operating leases at March 31, 2025 and December 31, 2024 was 5.21 years and 5.39 years, respectively. The weighted average discount rate for operating leases at March 31, 2025 and December 31, 2024 was 3.48 percent and 3.40 percent, respectively.

The following table summarizes the Company's maturity of lease obligations for operating leases at March 31, 2025 and December 31, 2024 (in thousands):

Maturities of lease liabilities:	At March 31, 2025 Operating Leases	At December 31, 2024 Operating Leases
One year or less	$ 2,477	$ 3,189
Over one year through three years	5,987	5,680
Over three years through five years	3,533	3,213
Over five years	2,405	2,406
Gross Operating Lease Liabilities	$ 14,402	$ 14,488
Imputed Interest	(1,315)	(1,349)
Total Operating Lease Liabilities	$ 13,087	$ 13,139

Note 14 – Subsequent Events

On April 22, 2025, the Board of Directors of the Company declared a cash dividend of $0.16 per share to shareholders of record of its common stock on May 7, 2025, with a payment date of May 21, 2025.

ITEM 2.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

This report on Form 10-Q contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995, or the PSLRA. Such forward-looking statements, in addition to historical information, involve risk and uncertainties, and are based on the beliefs, assumptions and expectations of our management team. Words such as "expects," "believes," "should," "plans," "anticipates," "will," "potential," "could," "intend," "may," "outlook," "predict," "project," "would," "estimated," "assumes," "likely," and variation of such similar expressions are intended to identify such forward-looking statements. Forward-looking statements speak only as of the date they are made. Because forward-looking statements are subject to assumptions and uncertainties, actual results or future events could differ, possibly materially, from those that we anticipated in our forward-looking statements and future results could differ materially from historical performance.

The most significant factor that could cause future results to differ materially from those anticipated by our forward-looking statements include the ongoing impact of higher inflation levels, higher interest rates and general economic and recessionary concerns, all of which could impact economic growth and could cause a reduction in financial transactions and business activities, including decreased deposits and reduced loan originations, our ability to manage liquidity and capital in a rapidly changing and unpredictable market, supply chain disruptions, labor shortages and additional interest rate increases by the Federal Reserve. Other factors that could cause future results to vary materially from current management expectations as reflected in our forward-looking statements include, but are not limited to:

- the global economic trends and geopolitical risks, including the ongoing conflicts in Ukraine and the Middle East, and changes in the rate of investment or economic growth, including as a result of sanctions, tariffs or other measures;
- unfavorable economic conditions in the United States generally and particularly in our primary market area and those of our customers;
- the impact of any future pandemics or other natural disasters;
- the Company's ability to effectively attract and deploy deposits;
- changes in the Company's corporate strategies, the composition of its assets, or the way in which it funds those assets;
- shifts in investor sentiment or behavior in the securities, capital, or other financial markets, including changes in market liquidity or volatility;
- the effects of declines in real estate values that may adversely impact the collateral underlying our loans;
- increase in unemployment levels and slowdowns in economic growth;
- our level of non-performing assets and the costs associated with resolving any problem loans including litigation and other costs;
- the impact of changes in interest rates and the credit quality and strength of underlying collateral and the effect of such changes on the market value of our loan and investment securities portfolios;
- the credit risk associated with our loan portfolio;
- changes in the quality and composition of the Bank's loan and investment portfolios;
- changes in our ability to access cost-effective funding;
- deposit flows;
- legislative and regulatory changes, including but not limited to, increases in Federal Deposit Insurance Corporation, or FDIC, insurance rates;
- monetary and fiscal policies of the federal and state governments, including changes in government priorities or budgets;
- changes in tax policies, rates and regulations of federal, state and local tax authorities;
- demands for our loan products;
- demand for financial services;
- competition;
- changes in the securities or secondary mortgage markets;
- changes in management's business strategies;
- our ability to enter new markets successfully;
- our ability to successfully integrate acquired businesses;
- changes in consumer spending;
- our ability to retain key employees;
- the effects of any reputational, credit, interest rate, market, operational, legal, liquidity, or regulatory risk;
- potential impact of regulatory requirements, matters, litigation, or other legal actions which could adversely affect operating results;
- civil unrest in the communities that we serve;
- and other factors discussed elsewhere in this report, and in other reports we filed with the SEC, including under "Risk Factors" in Part I, Item 1A of our annual Report on Form 10-K, in Part II, Item 1A of our quarterly reports on Form 10-Q, and our other periodic reports that we file with the SEC.

You should not place undue reliance on these forward-looking statements, which reflect our expectations only as of the date of this Form 10-Q. We do not assume any obligation to revise forward-looking statements except as may be required by law.

Overview

BCB Bancorp, Inc. is a New Jersey corporation, and is the holding company parent of BCB Community Bank, or the Bank. The Company has not engaged in any significant business activity other than owning all of the outstanding common stock of BCB Community Bank. Our executive office is located at 104-110 Avenue C, Bayonne, New Jersey 07002. At March 31, 2025, we had $3.474 billion in consolidated assets, $2.687 billion in deposits and $314.7 million in consolidated stockholders' equity.

BCB Community Bank opened for business on November 1, 2000 as Bayonne Community Bank, a New Jersey chartered commercial bank. The Bank changed its name from Bayonne Community Bank to BCB Community Bank in April 2007. At March 31, 2025, the Bank operated twenty-three branches in Bayonne, Edison, Jersey City, Hoboken, Fairfield, Holmdel, Lyndhurst, Maplewood, Monroe Township, Newark, Parsippany, Plainsboro, River Edge, Rutherford, South Orange, Union, and Woodbridge, New Jersey, as well as three branches in Hicksville and Staten Island, NY, and through executive offices located at 104-110 Avenue C and an administrative office located at 591-595 Avenue C, Bayonne, New Jersey 07002. The Bank's deposit accounts are insured by the FDIC, and the Bank is a member of the Federal Home Loan Bank System.

We are a community-oriented financial institution. Our business is to offer FDIC-insured deposit products and to invest funds held in deposit accounts at the Bank, together with funds generated from operations, in loans and investment securities. We offer our customers:

- loans, including commercial and multi-family real estate loans, one- to four-family mortgage loans, home equity loans, construction loans, consumer loans and commercial business loans. In recent years the primary growth in our loan portfolio has been in loans secured by commercial real estate and multi-family properties;
- FDIC-insured deposit products, including savings and club accounts, interest and non-interest bearing demand accounts, money market accounts, certificates of deposit and individual retirement accounts; and
- retail and commercial banking services including wire transfers, money orders, safe deposit boxes, a night depository, debit cards, online banking, mobile banking, gift cards, fraud detection (positive pay), and automated teller services.

Critical Accounting Estimates

Estimates and assumptions are necessary in the application of certain accounting policies and can be susceptible to significant change. Critical accounting estimates are defined as those that involve a significant level of estimation uncertainty and have had, or could have, a material impact on the Company's financial conditions or results of operation. At March 31, 2025, the Company considers the allowance for credit losses to be a critical accounting estimate.

See further discussion of this critical accounting estimate in Note 7 of this Form 10-Q and in our Annual Report on Form 10-K for the year ended December 31, 2024.

Financial Condition

Total assets decreased by $125.3 million, or 3.5 percent, to $3.474 billion at March 31, 2025, from $3.599 billion at December 31, 2024. The decrease in total assets was mainly related to a decrease in net loans and in cash and cash equivalents.

Total cash and cash equivalents decreased by $64.5 million, or 20.3 percent, to $252.8 million at March 31, 2025, from $317.3 million at December 31, 2024. The decrease in cash was primarily due to the reduction of the Bank's exposure to wholesale funding by paying down high cost brokered deposits.

Loans receivable, net, decreased by $78.6 million, or 2.6 percent, to $2.918 billion at March 31, 2025, from $2.996 billion at December 31, 2024. Total loan decreases during the period included decreases totaling $62.3 million in commercial real estate and multi-family loans, construction loans, 1-4 family residential loans and home equity loans. The allowance for credit losses increased $16.7 million to $51.5 million, or 51.6 percent of non-accruing loans and 1.73 percent of gross loans, at March 31, 2025, as compared to an allowance for credit losses of $34.8 million, or 77.8 percent of non-accruing loans and 1.15 percent of gross loans, at December 31, 2024.

Total investment securities increased by $14.7 million, or 13.2 percent, to $125.9 million at March 31, 2025, from $111.2 million at December 31, 2024, representing current year purchases.

Deposits decreased by $64.4 million, or 2.3 percent, to $2.687 billion at March 31, 2025, from $2.751 billion at December 31, 2024. Brokered deposits decreased $112.5 million, and were offset by increases in certificates of deposit, money market accounts, transaction accounts and savings accounts which totaled $48.4 million.

Debt obligations decreased by $49.8 million, or 10.0 percent, to $448.5 million at March 31, 2025 from $498.3 million at December 31, 2024, due to maturities and paydowns of our FHLB advances. The weighted average interest rate of FHLB advances was 4.33 percent at March 31, 2025 and 4.35 percent at December 31, 2024. The weighted average maturity of FHLB advances as of March 31, 2025 was 0.83 years. The interest rate of our subordinated debt balances was 9.25 percent at both March 31, 2025 and December 31, 2024.

Stockholders' equity decreased by $9.2 million, or 2.8 percent, to $314.7 million at March 31, 2025, from $323.9 million at December 31, 2024. The decrease was attributable to the decrease in retained earnings of $11.6 million, or 8.2 percent, to $130.3 million at March 31, 2025 from $141.9 million at December 31, 2024. Offsetting this were increases in accumulated other comprehensive income (loss), and additional paid in capital on stock, which totaled $2.4 million.

Net Interest Income Analysis

Net interest income represents the difference between income earned on our interest-earning assets and the expense incurred on our interest-bearing liabilities, and is analyzed and monitored by the Company on a regular basis. The following tables set forth average balance sheets, yields, and costs. The yields include the effect of deferred fees, discounts, and premiums that are amortized or accreted to interest income or expense. No tax equivalent adjustments have been made as the effects would not be significant.

	Three Months Ended March 31,					
	2025			2024		
	Average Balance	Interest Earned/Paid	Average Yield/Rate [3]	Average Balance	Interest Earned/Paid	Average Yield/Rate [3]
	(Dollars in thousands)					
Interest-earning assets:						
Loans receivable [4][5]	**$ 2,994,529**	**$ 38,927**	**5.27%**	$ 3,299,938	$ 43,722	5.30%
Investment securities	**117,205**	**1,529**	**5.22%**	96,226	1,280	5.32%
Interest earnings assets	**331,808**	**3,736**	**4.57%**	303,291	4,283	5.65%
Total interest-earning assets	**3,443,542**	**44,192**	**5.20%**	3,699,455	49,285	5.33%
Non-interest-earning assets	**125,974**			125,480		
Total assets	**$ 3,569,516**			$ 3,824,935		
Interest-bearing liabilities:						
Interest-bearing demand accounts	**$ 560,565**	**$ 2,369**	**1.71%**	$ 560,190	$ 2,230	1.59%
Money market accounts	**394,282**	**3,049**	**3.14%**	369,096	3,027	3.28%
Savings accounts	**252,227**	**151**	**0.24%**	277,731	166	0.24%
Certificates of Deposit	**1,005,669**	**10,762**	**4.34%**	1,239,807	14,983	4.83%
Total interest-bearing deposits	**2,212,743**	**16,331**	**2.99%**	2,446,824	20,406	3.34%
Borrowed funds	**488,418**	**5,856**	**4.86%**	510,503	5,736	4.49%
Total interest-bearing liabilities	**2,701,161**	**22,187**	**3.33%**	2,957,327	26,142	3.54%
Non-interest-bearing liabilities	**543,660**			552,959		
Total liabilities	**3,244,821**			3,510,286		
Stockholders' equity	**324,695**			314,649		
Total liabilities and stockholders' equity	**$ 3,569,516**			$ 3,824,935		
Net interest income		**$ 22,005**			$ 23,143	
Net interest rate spread [1]			**1.87%**			1.79%
Net interest margin [2]			**2.59%**			2.50%

(1) Net interest rate spread represents the difference between the average yield on average interest-earning assets and the average cost of average interest-bearing liabilities.
(2) Net interest margin represents net interest income divided by average total interest-earning assets.
(3) Annualized.
(4) Excludes allowance for credit losses.
(5) Includes non-accrual loans.

Results of Operations Comparison for the Three Months Ended March 31, 2025 and 2024

The Company reported a net loss of $8.3 million for the first quarter ended March 31, 2025 as compared to net income of $5.9 million for the first quarter ended March 31, 2024. The decline was primarily driven by an increase to the provision for credit losses on loans of $18.8 million offset by a $5.8 million decrease in income tax provision. Also, net interest income decreased by $1.1 million, or 4.9 percent, to $22.0 million for the first quarter of 2025, from $23.1 million for the first quarter of 2024. The decrease in net interest income resulted from lower interest income which was partially offset by lower interest expense.

Interest income decreased by $5.1 million, or 10.3 percent, to $44.2 million for the first quarter of 2025 from $49.3 million for the first quarter of 2024. The average balance of interest-earning assets decreased $255.9 million, or 6.9 percent, to $3.444 billion for the first quarter of 2025 from $3.699 billion for the first quarter of 2024, while the average yield decreased 13 basis points to 5.20 percent for the first quarter of 2025 from 5.33 percent for the first quarter of 2024.

Interest expense decreased by $4.0 million, or 15.1 percent to $22.2 million for the first quarter of 2025 from $26.1 million for the first quarter of 2024. The decrease resulted from a decrease in the average rate paid on interest-bearing liabilities of 21 basis points to 3.33 percent for the first quarter of 2025 from 3.54 percent for the first quarter of 2024, while the average balance of interest-bearing liabilities decreased by $256.2 million, or 8.7 percent to $2.701 billion for the first quarter of 2025 from $2.957 billion for the first quarter of 2024.

The net interest margin was 2.59 percent for the first quarter of 2025 compared to 2.50 percent for the first quarter of 2024. The increase in the net interest margin compared to the first quarter of 2024 was the result of a decrease in the cost of interest-bearing liabilities partially offset by the decrease in the yield on interest-earning assets.

During the first quarter of 2025, the Company recognized $4.2 million in net charge-offs compared to $1.1 million in net charge-offs in the first quarter of 2024. The Company had non-accrual loans totaling $99.8 million, or 3.36 percent of gross loans, at March 31, 2025 as compared to $44.7 million, or 1.48 percent of gross loans, at December 31, 2024. The allowance for credit losses on loans was $51.5 million, or 1.73 percent of gross loans, at March 31, 2025, and $34.8 million, or 1.15 percent of gross loans, at December 31, 2024. The provision for credit losses was $20.8 million for the first quarter of 2025 compared to $4.2 million for the fourth quarter of 2024. The increase in loan loss provisioning was driven by a $13.7 million specific reserve tied to a $34.2 million loan in the cannabis sector. Although the borrower remains current, the significant deterioration in their financial condition warranted a downgrade to non-accrual status and the establishment of the reserve. The Company also increased the allowance for credit losses for the discontinued Business Express Loan portfolio by $3.1 million, in response to the portfolio's continued elevated deterioration and broader macroeconomic headwinds. Management believes that the allowance for credit losses on loans was adequate at March 31, 2025 and December 31, 2024.

The following table summarizes the Company's classified loans greater than $5 million at March 31, 2025 (in thousands):

	Purpose	Loan Type	Location	Balance	Loan to Value (5)	Current/Past Due
1	Flex/Industrial	Cannabis (4)	Milford, MA	$ 24,475	80 %	current
2	Industrial loft and Industrial Warehouse	CRE	Brooklyn, NY	16,311	64	current (1)
3	Vacant Land	CRE	Basking Ridge, NJ	15,523	64	current
4	Mixed Use -retail/office	CRE	New York, NY	15,071	94	current
5	Multi-family	Construction (3)	Belleville, NJ	14,996	25	current
6	Mixed use-retail/office/residential	CRE	Clifton, NJ	11,633	42	current
7	Mixed use-retail/residential	CRE	New York, NY	11,067	64	current
8	Multi-family	CRE	Woodbridge, NJ	10,071	n/a	current (2)
9	Flex/Industrial	Cannabis (4)	Milford, MA	9,719	80	current
10	Mixed use - retail/residential	CRE	New York, NY	9,654	68	current
11	Retail Condominium	CRE	New York, NY	8,028	44	current
12	Mixed use - retail/residential	CRE	New York, NY	6,765	68	current
13	Office building	CRE	S. Brunswick, NJ	5,869	39	past due
14	Mixed Use -retail/office	CRE	Montclair, NJ	5,525	n/a	current (2)
15	Mixed Use -retail/office	CRE	New Brunswick, NJ	5,156	66	current
16	Land	CRE	Queens, NY	5,022	31	current

(1) Current with forbearance agreement.
(2) Paid off April 2025.
(3) Participation loan.
(4) Loan to the same borrower
(5) Based on the most recent appraised values available.

Non-interest income decreased by $318 thousand to $1.8 million for the first quarter of 2025 from $2.1 million in the first quarter of 2024. The decrease in total non-interest income was mainly related to decreases in gains on equity securities and BOLI income of $245 thousand and $67 thousand, respectively.

Non-interest expense decreased by $178 thousand, or 1.2 percent, to $14.7 million for the first quarter of 2025 when compared to non-interest expense of $14.8 million for the first quarter of 2024. The decrease in these expenses for the first quarter of 2025 was primarily driven by lower regulatory assessment charges, offset by higher salaries and employee benefits.

The income tax provision decreased by $5.8 million, to an income tax benefit of $3.4 million for the first quarter of 2025 when compared to a $2.5 million provision for the first quarter of 2024.

Liquidity and Capital Resources

Liquidity

The overall objective of our liquidity management practices is to ensure the availability of sufficient funds to meet financial commitments and to take advantage of lending and investment opportunities. The Company manages liquidity in order to meet deposit withdrawals on demand or at contractual maturity, to repay borrowings and other obligations as they mature, and to fund loan and investment portfolio opportunities as they arise.

The Company's primary sources of funds to satisfy its objectives are net growth in deposits (primarily retail), principal and interest payments on loans and investment securities, proceeds from the sale of originated loans and FHLB and other borrowings. The scheduled amortization of loans is a predictable source of funds. Deposit flows and mortgage prepayments are greatly influenced by general interest rates, economic conditions and competition. The Company has other sources of liquidity if a need for additional funds arises, including unsecured overnight lines of credit and other collateralized borrowings from the Federal Reserve Bank Discount Window, the FHLB and other correspondent banks. Our Asset / Liability Management Committee is responsible for establishing and monitoring our liquidity targets and strategies in order to ensure that sufficient liquidity exists for meeting the borrowing needs of our customers as well as unanticipated contingencies.

At March 31, 2025 and December 31, 2024, the Company had no overnight borrowings outstanding with the FHLB. The Company utilizes overnight borrowings from time to time to fund short-term liquidity needs. The Company had total outstanding borrowings of $448.5 million at March 31, 2025 as compared to $498.3 million at December 31, 2024.

At March 31, 2025, the Company had the ability to obtain additional funding of $148.5 million from the FHLB and $271.8 million from the Federal Reserve Bank Discount Window, utilizing unencumbered loan collateral. The Company expects to have sufficient funds available to meet current loan commitments in the normal course of business through typical sources of liquidity. Time deposits scheduled to mature in one year or less totaled $914.9 million at March 31, 2025. Based upon historical experience data, management estimates that a significant portion of such deposits will remain with the Company.

The Company was well-positioned with adequate levels of cash and liquid assets as of March 31, 2025 and a significant amount of available borrowing capacity with FHLB and Federal Reserve Bank Discount Window.

Subordinated Debentures

The Company has subordinated debentures outstanding, whose aggregate principal totaled $40.0 million at March 31, 2025. Refer to Note 12 of the Notes to Unaudited Consolidated Financial Statements for additional details on the outstanding subordinated debentures.

The Company also has $4.1 million of mandatory redeemable trust preferred securities outstanding. Effective September 18, 2023, the interest rate on these floating rate junior subordinated debentures adjusts quarterly based on the three-month CME Term SOFR, as adjusted by the spread adjustment of 0.26161 percent, plus 2.650%. The rate paid as of March 31, 2025 and 2024 was 7.211% and 8.288%, respectively. The trust preferred debenture became callable, at the Company's option, on June 17, 2009, and quarterly thereafter.

Capital Resources

The Bank is subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet the minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Company's consolidated financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of its assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting practices. Our capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk-weightings and other factors.

The Bank has opted into the community bank leverage ratio (tier 1 capital to average consolidated assets) ("CBLR") framework, with a minimum requirement of 9% for institutions under $10 billion in assets. Such institutions meeting that requirement may elect to utilize the CBLR in lieu of the general applicable risk-based capital requirements under Basel III. Such institutions that meet the CBLR and certain other qualifying criteria will automatically be deemed to be well-capitalized.

At March 31, 2025 and December 31, 2024, the Bank exceeded all of its regulatory capital requirements. The following table sets forth the regulatory capital ratios for the Bank as well as regulatory capital requirements for the periods presented.

	Actual		For Capital Adequacy Purposes		For Well Capitalized Under Prompt Corrective Action	
			Dollars in Thousands			
As of March 31, 2025:						
Bank						
Community Bank Leverage Ratio	**$ 353,657**	**9.91%**	**$ 285,495**	**8.00%**	**321,182**	**9.00%**
As of December 31, 2024:						
Bank						
Community Bank Leverage Ratio	$ 363,697	10.03%	$ 290,087	8.00 %	$ 326,348	9.00 %

The following table sets forth the regulatory capital ratios for the Company as well as the regulatory requirements for March 31, 2025 and December 31, 2024.

	Actual		For Capital Adequacy Purposes		For Well Capitalized Under Prompt Corrective Action	
			Dollars in Thousands			
As of March 31, 2025:						
Bancorp						
Total Capital (to Risk-Weighted Assets)	**$ 393,897**	**12.94%**	**$ 243,522**	**8.00%**	**$ 304,403**	**10.00%**
Tier 1 Capital (to Risk-Weighted Assets)	**316,792**	**10.41**	**182,589**	**6.00**	**182,589**	**6.00**
Common Equity Tier 1 Capital (to Risk-Weighted Assets)	**287,425**	**9.45**	**136,869**	**4.50**	**-**	**-**
Tier 1 Capital (to adjust total assets)	**316,792**	**8.88**	**142,699**	**4.00**	**-**	**-**
As of December 31, 2024:						
Bancorp						
Total Capital (To Risk-Weighted Assets)	$ 400,591	12.89 %	$ 248,621	8.00 %	$ 310,777	10.00 %
Tier 1 Capital (to Risk-Weighted Assets)	326,965	10.52	186,482	6.00	186,482	6.00
Common Equity Tier 1 Capital (to Risk-Weighted Assets)	298,118	9.59	139,889	4.50	-	-
Tier 1 Capital (to adjusted total assets)	326,965	9.02	144,996	4.00	-	-

For the Company to be "well capitalized" under Federal Reserve definitions for bank holding companies, the Company is required to have a Tier 1 Capital to Risk Weighted Assets ratio of at least 6.00% and a Total Capital to Risk Weighted Assets ratio of at least 10.00%.

ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

Management of Market Risk

Market risk is a broad term for the risk of economic loss due to adverse changes in the fair value of a financial instrument. These changes may be the result of various factors, including interest rates, foreign exchange prices, commodity prices, or equity prices. Financial instruments that are subject to market risk can be classified either as held for trading or held for purposes other than trading.

Qualitative Analysis. The majority of our assets and liabilities are monetary in nature. Consequently, one of our most significant forms of market risk is interest rate risk. Our assets, consisting primarily of mortgage loans, have longer maturities than our liabilities, consisting primarily of deposits. As a result, a principal part of our business strategy is to manage interest rate risk and reduce the exposure of our net interest income to changes in market interest rates. Accordingly, our Board of Directors has established an Asset/Liability Committee which is responsible for evaluating the interest rate risk inherent in our assets and liabilities, for determining the level of risk that is appropriate given our business strategy, operating environment, capital, liquidity and performance objectives, and for managing this risk consistent with the guidelines approved by the Board of Directors. Senior management monitors the level of interest rate risk on a regular basis and the Asset/Liability Committee, which consists of senior management and outside directors operating under a policy adopted by the Board of Directors, meets quarterly or as needed to review our asset/liability policies and interest rate risk position.

Quantitative Analysis. The following table presents the Company's net portfolio value ("NPV"). These calculations were based upon assumptions believed to be fundamentally sound, although they may vary from assumptions utilized by other financial institutions. The information set forth below is based on data that included all financial instruments as of March 31, 2025. Assumptions have been made by the Company relating to interest rates, loan prepayment rates, core deposit duration, and the market values of certain assets and liabilities under the various interest rate scenarios. Actual maturity dates were used for fixed rate loans and certificate accounts. Investment securities were scheduled at either the maturity date or the next scheduled call date based upon management's judgment of whether the particular security would be called in the current interest rate environment and under assumed interest rate scenarios. Variable rate loans were scheduled as of their next scheduled interest rate repricing date. The NPV at "PAR" represents the difference between the Company's estimated value of assets and estimated value of liabilities assuming no change in interest rates. The NPV for an increase of 200 to 300 basis points has been excluded since it would not be meaningful in the interest rate environment as of March 31, 2025. The following sets forth the Company's NPV as of March 31, 2025.

					NPV as a % of Assets	
Change in calculation	Net Portfolio Value	$ Change from PAR	% Change from PAR	NPV Ratio	Change	
		(Dollars in Thousands)				
+100bp	$ 358,537	$ (18,272)	(4.85) %	10.77 %	(0.36)	%
PAR	376,808	-	0.00	11.13	0.00	
-100bp	390,727	13,919	3.69	11.35	0.22	
-200bp	397,794	20,986	5.57	11.37	0.24	
-300bp	408,422	31,614	8.39	11.44	0.31	

bps-basis point

The table above indicates that at March 31, 2025, in the event of a 100-basis point decrease in interest rates, we would experience a 0.22 percent increase in NPV, as compared to a 0.27 percent increase at December 31, 2024.

Certain shortcomings are inherent in the methodology used in the above interest rate risk measurement. Modeling changes in NPV require making certain assumptions that may or may not reflect the manner in which actual yields and costs respond to changes in market interest rates. In this regard, the NPV table presented assumes that the composition of our interest-sensitive assets and liabilities existing at the beginning of a period remains constant over the period being measured and assumes that a particular change in interest rates is reflected uniformly across the yield curve regardless of the duration or repricing of specific assets and liabilities. Accordingly, although the NPV table provides an indication of our interest rate risk exposure at a particular point in time, such measurements are not intended to and do not provide a precise forecast of the effect of changes in market interest rates on our net interest income and will differ from actual results.

ITEM 4. Controls and Procedures

Under the supervision and with the participation of the Company's management, including the Chief Executive Officer and Chief Financial Officer, the Company has evaluated the effectiveness of the design and operation of its disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this quarterly report. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this quarterly report, the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed in the reports that the Company files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms.

There was no change to our internal controls over financial reporting during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are involved, from time to time, as plaintiff or defendant in various legal actions arising in the normal course of business. As of March 31, 2025, we were not involved in any material legal proceedings the outcome of which, if determined in a manner adverse to the Company, would have a material adverse effect on our financial condition or results of operations.

ITEM 1.A. RISK FACTORS

There have been no material changes to the risk factors set forth under the Part I, Item 1.A. Risk Factors as set forth in the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFTEY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBITS

Exhibit 31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 31.2	Certification of Principal Accounting Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 32	Officers' Certification filed pursuant to section 906 of the Sarbanes-Oxley Act of 2002.
Exhibit 101.INS	XBRL Instance Document
Exhibit 101.SCH	XBRL Taxonomy Extension Schema
Exhibit 101.CAL	XBRL Taxonomy Extension Calculation LinkBase
Exhibit 101.DEF	XBRL Taxonomy Extension Definition LinkBase
Exhibit 101.LAB	XBRL Taxonomy Extension Label LinkBase
Exhibit 101.PRE	XBRL Taxonomy Extension Presentation LinkBase
Exhibit 104	Cover page Interactive Data File (embedded within the Inline XBRL document)

Signatures

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned, thereto duly authorized.

BCB BANCORP, INC.

Date: May 7, 2025

By: /s/ Michael A. Shriner
Michael A. Shriner
President and Chief Executive Officer
(Principal Executive Officer)

Date: May 7, 2025

By: /s/ Jawad Chaudhry
Jawad Chaudhry
Chief Financial Officer
(Principal Accounting and Financial Officer)