



# INVESTOR PRESENTATION



July 2024

BANKING • PRIVATE WEALTH MANAGEMENT • TRUST SERVICES

# Safe Harbor Statement

---

This report includes forward-looking statements within the meaning of the "Safe-Harbor" provisions of the Private Securities Litigation Reform Act of 1995, including forward-looking statements regarding our expectations and beliefs about our future financial performance and financial condition, as well as trends in our business and markets. Forward-looking statements often include words such as "believe," "expect," "anticipate," "intend," "plan," "estimate," "project," "outlook," or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could," or "may." The forward-looking statements in this report are based on current information and on assumptions that we make about future events and circumstances that are subject to a number of risks and uncertainties that are often difficult to predict and beyond our control. As a result of those risks and uncertainties, our actual financial results in the future could differ, possibly materially, from those expressed in or implied by the forward-looking statements contained in this report and could cause us to make changes to our future plans. Those risks and uncertainties include, but are not limited to, changes in our capital management and balance sheet strategies and our ability to successfully implement such strategies; changes in our strategic plan, and our ability to successfully implement such plan; whether and when certain of our preferred stock converts into common stock and the capital treatment of such shares prior to conversion; the risk of incurring credit losses, which is an inherent risk of the banking business; the quality and quantity of our deposits; adverse developments in the financial services industry generally such as bank failures and any related impact on depositor behavior or investor sentiment; risks related to the sufficiency of liquidity; the risk that we will not be able to maintain growth at historic rates or at all; the performance of loans currently on deferral following the expiration of the respective deferral periods; the risk that we will not be able to access the securitization market on favorable terms or at all; changes in general economic conditions, either nationally or locally in the areas in which we conduct or will conduct our business; risks associated with changes in interest rates, which could adversely affect our interest income, interest rate margins, and the value of our interest-earning assets, and therefore, our future operating results; the risk that the performance of our investment management business or of the equity and bond markets could lead clients to move their funds from or close their investment accounts with us, which would reduce our assets under management and adversely affect our operating results; negative impacts of news or analyst reports about us or the financial services industry; the impacts of inflation on us and our customers; results of examinations by regulatory authorities and the possibility that such regulatory authorities may, among other things, limit our business activities or our ability to pay dividends, or impose fines, penalties or sanctions; the risk that we may be unable or that our board of directors may determine that it is inadvisable to pay future dividends at historic levels or at all; risks associated with changes in income tax laws and regulations; and risks associated with seeking new client relationships and maintaining existing client relationships.

Additional information regarding these and other risks and uncertainties to which our business and future financial performance are subject is contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, and other documents we file with the SEC from time to time. We urge readers of this report to review those reports and other documents we file with the SEC from time to time. Also, our actual financial results in the future may differ from those currently expected due to additional risks and uncertainties of which we are not currently aware or which we do not currently view as, but in the future may become, material to our business or operating results. Due to these and other possible uncertainties and risks, readers are cautioned not to place undue reliance on the forward-looking statements contained in this report, which speak only as of today's date, or to make predictions based solely on historical financial performance. We also disclaim any obligation to update forward-looking statements contained in this report or in the above-referenced reports, whether as a result of new information, future events or otherwise, except as may be required by law or NYSE rules.

## Non-GAAP Financial Measures

This presentation contains both financial measures based on GAAP and non-GAAP based financial measures, which are used when management believes them to be helpful in understanding the Company's results of operations or financial position. These disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies.

# Five-Point Strategic Plan for Additional Capital

		Strengthen Earnings	Improve Risk Profile
1	Reduce Multifamily Concentration Over Time	✓	✓
2	Evaluate Lower Yielding Multifamily Loans for Sale and Strengthen Core Funding to Accelerate Earnings Growth	✓	✓
3	Strengthen the ACL Position of the Bank		✓
4	Continue to Support and Grow First Foundation Advisors and Private Banking	✓	✓
5	Further Invest in Our Core Businesses and Enhance Focus on C&I Growth Across California, Texas and Florida	✓	✓

4Q26 ROAA	4Q26 ROTCE	4Q26 CRE %	Long-term Tier 1 %
0.90-1.00%	10-12%	<400%	12-13%

# Pivoting to Offense | Execution and Performance

*Maintaining Our Culture & Core Focus while Capitalizing on Opportunities Across Our Attractive Markets*

## Phase 1 | Near-term Actions in 3Q24

### Repositioning the balance sheet and stabilizing earnings

- *Raise capital* to provide flexibility for strengthening the balance sheet and pivoting to offense
- *Move ~20% of multifamily loans to LHS*, ensuring best execution by running a process similar to those during the capital raise, which included **detailed investor diligence & an independent third-party loan review**
- *Initiate detailed review of ACL methodology*, resulting in an ACL coverage ratio within the peer range for similarly situated peers <sup>(\*)</sup>
- *Set goals and align incentives through the organization* to focus phase-2 actions on investments that optimize long-term shareholder value

## Phase 2 | Medium- and Long-term Actions

### Measured investments to capitalize on market opportunities

- *Diversify geographically* into North Texas and Southwest Florida markets
- *Diversify the loan portfolio and improve core funding* by hiring C&I bankers (amidst multifamily contraction) to further leverage existing C&I platform and expertise
- *Accelerate FFA growth and further increase fee income*, particularly in markets with significant high-net worth household concentrations and attractive in-migration demographics
- *Maintain expense discipline* that led to best-in-class NIE/Assets

## Performance & Risk Enhancements

Strengthened Capital & Liquidity Positions

***Reduced Multifamily Concentration***

***ACL within Peer Range <sup>(\*)</sup>***

Greater Flexibility to Reduce Wholesale Funding Concentrations

Improved Net Interest Margin & Profitability

Reduced Concentration Risk

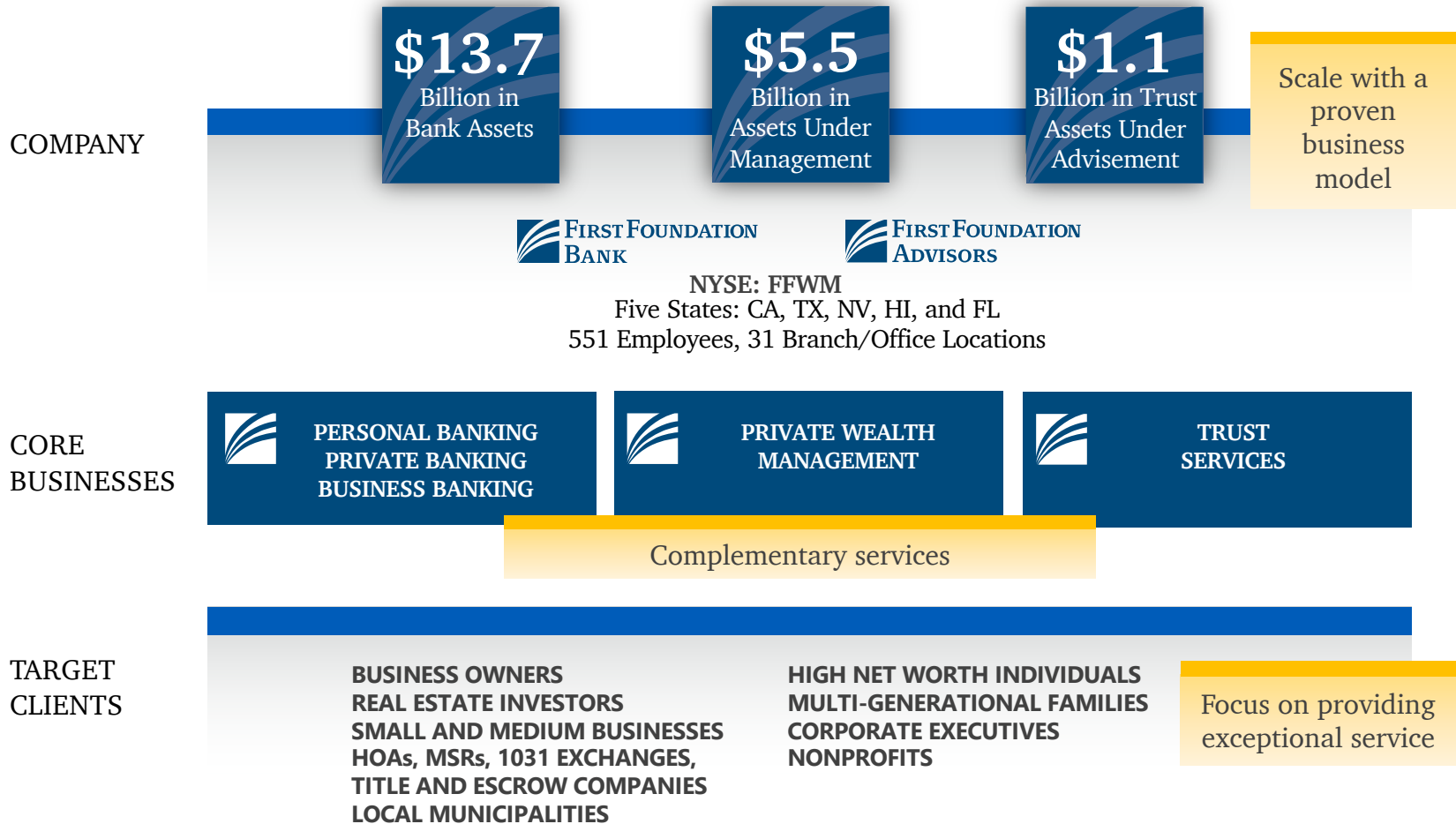
*(loans, geography, state-by-state business cycles)*

***Improved Core Funding & Noninterest Deposits***

Further Diversified Revenue Mix

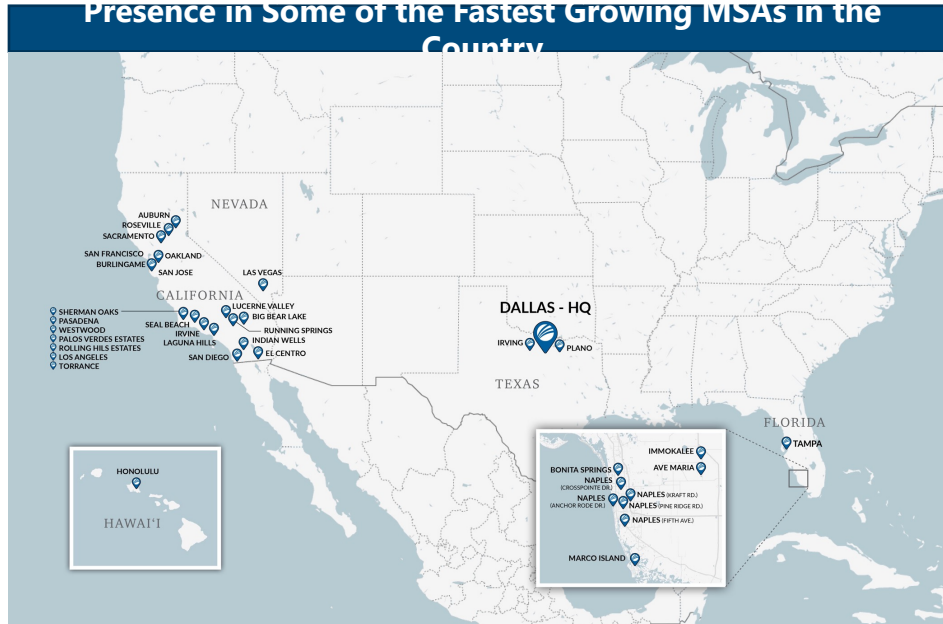
***Reduced Thru-cycle Earnings Variability & Lower Cost of Equity***

# A Multi-Diversified Regional Financial Services Company with a Personal Touch



# Strong Regional Presence

- Headquartered in Dallas, TX, First Foundation has 31 branch/office locations in five states: CA, TX, NV, HI, and FL
- First Foundation's loan portfolio is primarily concentrated within the branch footprint; 72% of total loans in CA, 8% in FL, 4% in TX, 1% in NV, and 14% in other
- Expansion focused on attractive markets with positive demographic trends and business friendly environments



## Located in Expanding and Affluent Markets

- Average household income of \$86k versus overall U.S. average of \$67k<sup>(1)</sup>

## Outsized population growth in markets with large market share<sup>(1)(2)</sup>

- Riverside-San Bernardino-Ontario, CA: 1.5%
- Sacramento-Roseville-Folsom, CA: 3.6%
- Las Vegas-Henderson-Paradise, NV: 4.4%

## Exceptional historical and projected population growth in newly-entered markets<sup>(1)</sup>

- Dallas-Fort Worth-Arlington, TX (Historical): 7.3%<sup>(2)</sup>
- Dallas-Fort Worth-Arlington, TX (Projected): 5.1%<sup>(3)</sup>
- Naples-Marco Island, FL (Historical): 6.4%<sup>(2)</sup>
- Naples-Marco Island, FL (Projected): 7.4%<sup>(3)</sup>



# Our Approach Within Attractive Markets

---

## Three-pronged approach to market entry and presence

1. Grow presence in business friendly and expanding markets
  - Dallas-Fort Worth Metroplex, TX
  - Naples-Marco Island, FL
2. Maintain a strong presence in mature and affluent markets
  - West Los Angeles and Pasadena, CA
  - Palos Verdes and the South Bay, CA
  - Orange County, CA
  - San Diego, CA
  - Indian Wells and Palm Springs, CA
  - San Francisco, CA
  - Sacramento, CA
  - Las Vegas, NV
  - Honolulu, HI
3. Obtain market share in secondary and stable markets<sup>(1)</sup>
  - Lucerne Valley: 100%
  - Running Springs: 100%
  - Big Bear Lake: 30.9%
  - El Centro: 6.1%
  - Auburn: 3.5%

Significant new opportunities for entire suite of services

Provide excellent customer service and deepen relationships

Focus on deposits as the bank of choice in local region

# Serving Clients Across Generations



## Solutions for every stage in the financial journey

### Personal and Business Banking

- Checking and Savings Accounts
- Money Market Accounts
- Certificate of Deposits (CDs)
- Digital Account Opening and Support
- Mobile Banking
- Full Suite of Treasury Management Offerings

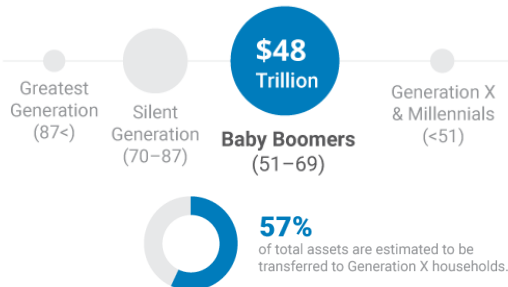
### Focused Consumer, Real Estate, and Commercial Lending

- SBA & Small Business
- Small Balance Business
- Equipment Finance
- Owner Occupied Real Estate
- Multifamily
- Investor-Owned Real Estate
- Primary Single Family
- Rental Single Family
- Home Equity Lines of Credit
- Personal Lines of Credit

### Private Wealth Management

- Wealth Planning & Advisory
- Investment Management
- Business Succession
- Philanthropy Services
- Corporate Trustee
- Nevada Asset Protection Trust
- Successor Trustee

## Well-Positioned to Facilitate The Great Wealth Transfer



Solutions to serve both the boomer and the next generations

Expertise on multi-generational gifting strategies and setting up the next generations for financial success



# Technology Driving Efficiencies and Enhancing Client Experience



Nationally recognized for our investments to drive innovation



Core Technology Tech  
Driving Process Efficiencies



Client Experience Tech  
Enhancing the Client Experience



Traditional  
Banking  
Services



With the  
Same  
Features as a  
Fintech



Existing Strong  
Foundation

- ✓ Latest Fiserv Core Banking system: Precision
- ✓ Data warehouse / CRM – marketing and client data mining
- ✓ Deep integrations with loan origination systems and core
- ✓ AI automating workflows to drive efficiency
- ✓ Technology-enhanced compliance tracking
- ✓ Digital banking processes with open APIs
- ✓ Dedicated to the strictest security

- ✓ Peer-to-peer payments through Zelle®
- ✓ Digital signature capture for lending and deposit products
- ✓ Automated online deposit account opening and delivery
- ✓ Industry-leading commercial business banking online
- ✓ Automated account switching solution to move new customer direct deposits and bill pay to bank

Key Partners



Recent  
Enhancements  
Made /  
Planned

- Upgraded to Orion, state-of-the-art enterprise investment software platform for wealth management clients
- Deep integration between trust accounting and portfolio management systems
- New single-family loan origination system
- New commercial loan origination system upgrades

- Account aggregation across institutions
- New mobile and desktop consumer banking applications
- New client portal for wealth management clients
- Rewards deposit accounts
- Financial wellness scoring

# Brand Awareness Using Digital Channels

## 1. AWARENESS Search Engine Optimization

Building awareness without paid advertising by ranking highly for relevant search phrases on Google

Focused on 50-60 key terms related to our business. Ranked consistently in Top 25 nationally for high-value search phrases

## 2. ENGAGEMENT Social Media

- Presence on major social networks
- Engaged community of followers
- Affinity towards brand and culture

## 3. DELIVERY Content Marketing

Valuable content sourced by in-house and third-party writers

- Provides education; Fosters interest
- Boosts SEO; Generates leads

Sample Search Phrases (note: rankings fluctuate daily)	National Rank <sup>1</sup>
“Multifamily lending”	3
“What is wealth planning”	5
“Life and wealth planning”	7
“Wealth planning services”	11
“Business banking”	14
“Apartment lending”	15
“Online savings account rates”	26
“Online savings”	29
“Owner occupied real estate financing”	33
“Online savings account”	35
“Trust services”	38
“Personal banking”	40
“Wealth planning”	43
“Best online savings rates”	50

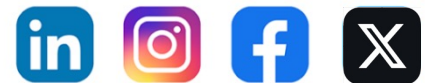
Digital brand awareness significantly reduces the cost of new client acquisition

**Online Savings Account | First Foundation Bank**  
<https://firstfoundationinc.com/personal-banking/bank/online-savings>  
 Your soon-to-be favorite savings account. ... An Overview of First Foundation. ... Our Online Savings account offers one of the highest available interest rates in the market.

**Savings Accounts - Discover Your Options - HSBC Bank USA**  
<https://www.us.hsbc.com/savings-accounts>  
 Compare and apply online for HSBC Savings Accounts that offer higher rates the more you save competitive rates or a traditional savings account that helps to ...

**High Yield Online Savings Account | Marcus by Goldman ...**  
<https://www.marcus.com/savings/high-yield-savings>  
 Marcus by Goldman Sachs® offers an online savings account with a rate that beats the National Savings Average. Learn more and open an online savings ...

Key Content Topics	Frequency
Investment Commentary	4 / year
Market Alerts	2-4 / year
The Week Ahead	50 / year
Wealth Planning	4-6 / year
Cyber Security	4 / year

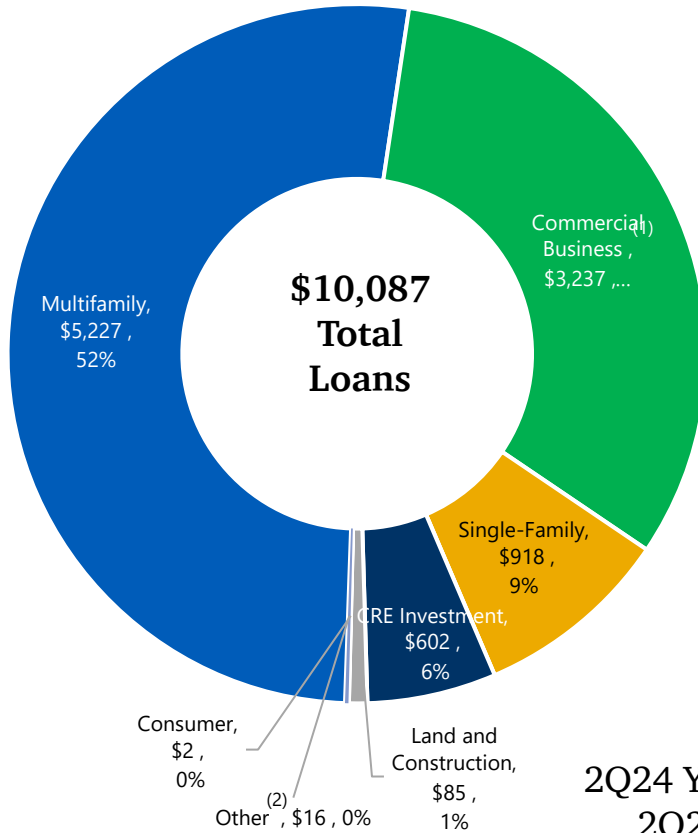


1) SEMRush, as of July 15, 2024; based on all internet traffic; does not include paid search; however, does include all website traffic, not just those of banks and financial services companies

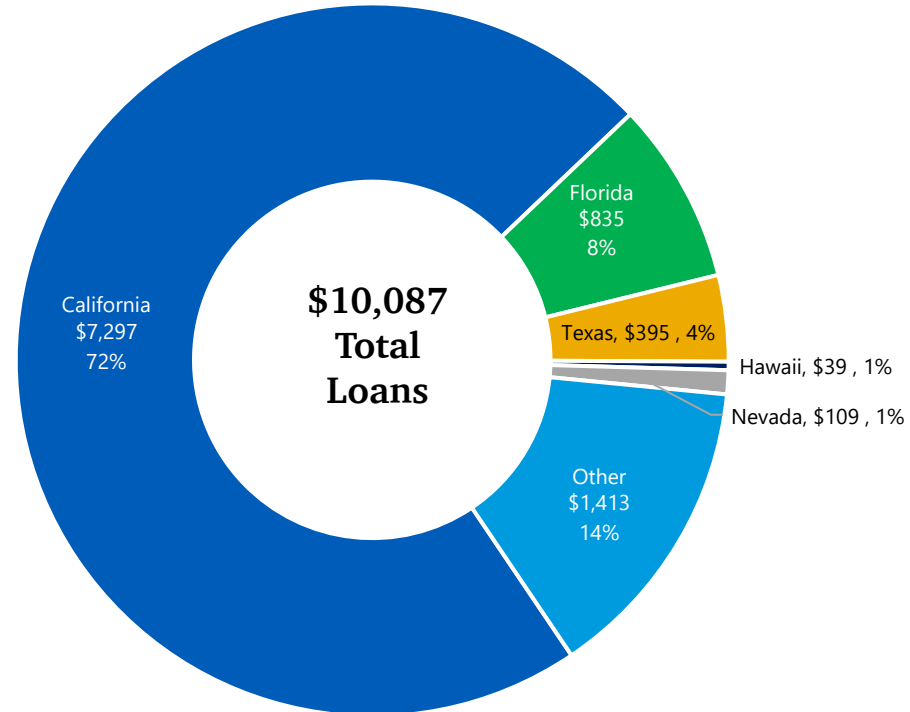
# Loans

# Loan Portfolio Overview

**Loan Portfolio by Asset Class 2Q24**  
(\$ in millions)



**Loan Portfolio by State 2Q24**  
(\$ in millions)



2Q24 Yield on Originations: 8.19%  
2Q24 Yield on Loans: 4.77%

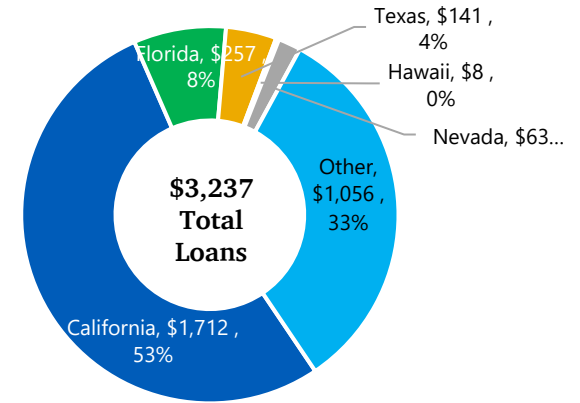
Diversification by asset class and geography/state

1) Commercial Business asset class includes C&I and Commercial Owner Occupied CRE Loans  
2) Other includes premiums, discounts and deferred fees and expenses on all loans

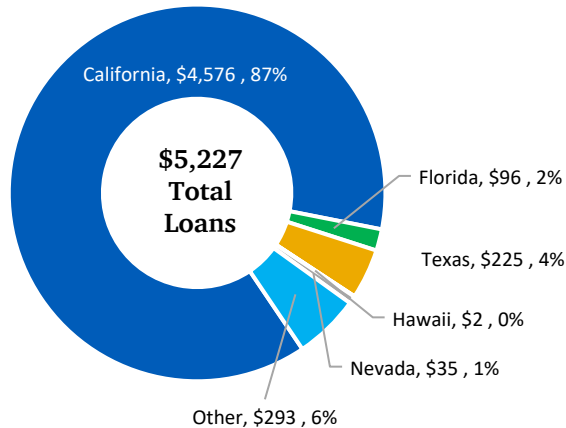
# Loan Portfolio by Geographic Distribution

- Texas originations totaled \$9 million during 2Q24 in the commercial business
- Florida originations totaled \$970 thousand during 2Q24 in the commercial business

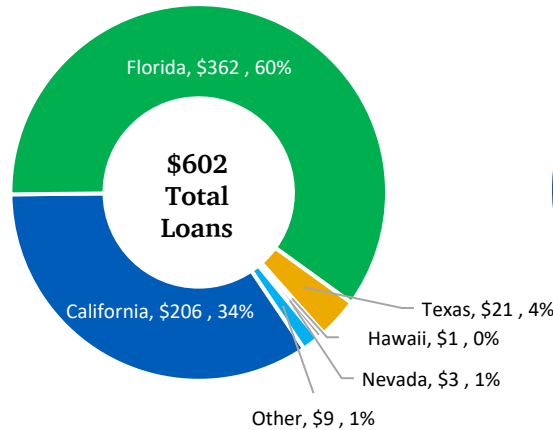
**Commercial Business Loans 2Q24**  
(\$ in millions)



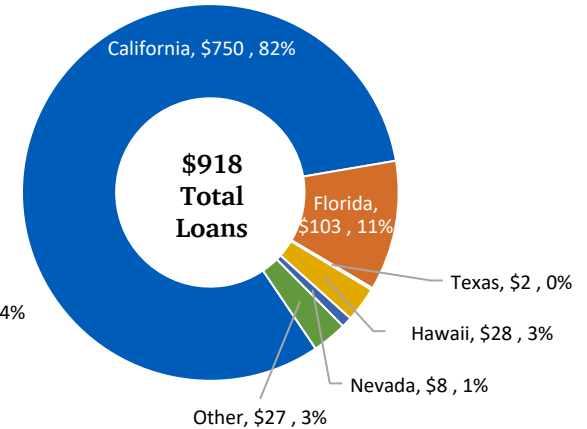
**Multifamily Loans 2Q24**  
(\$ in millions)



**NOO CRE Loans 2Q24**  
(\$ in millions)

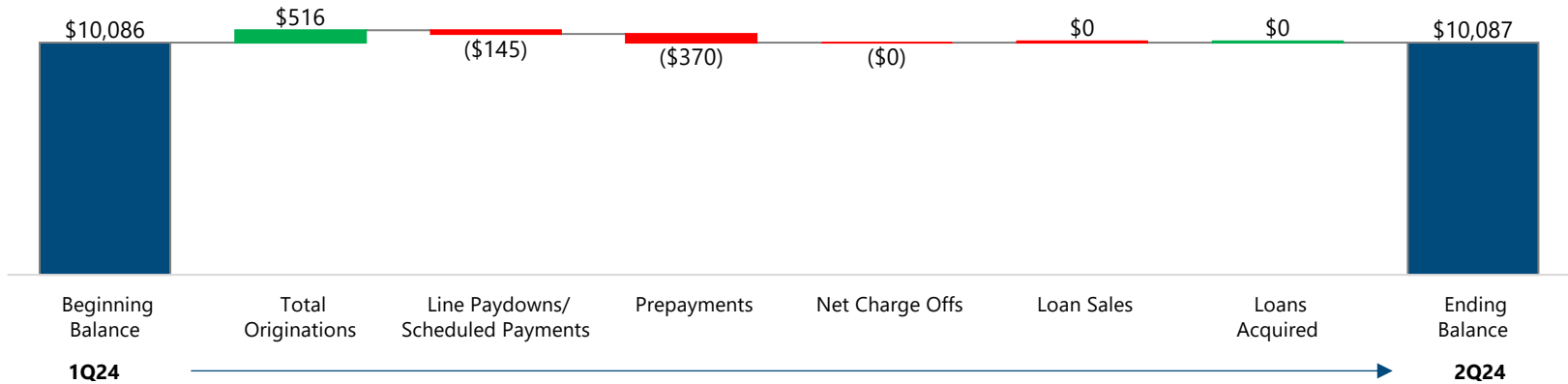


**Single-Family Loans 2Q24**  
(\$ in millions)

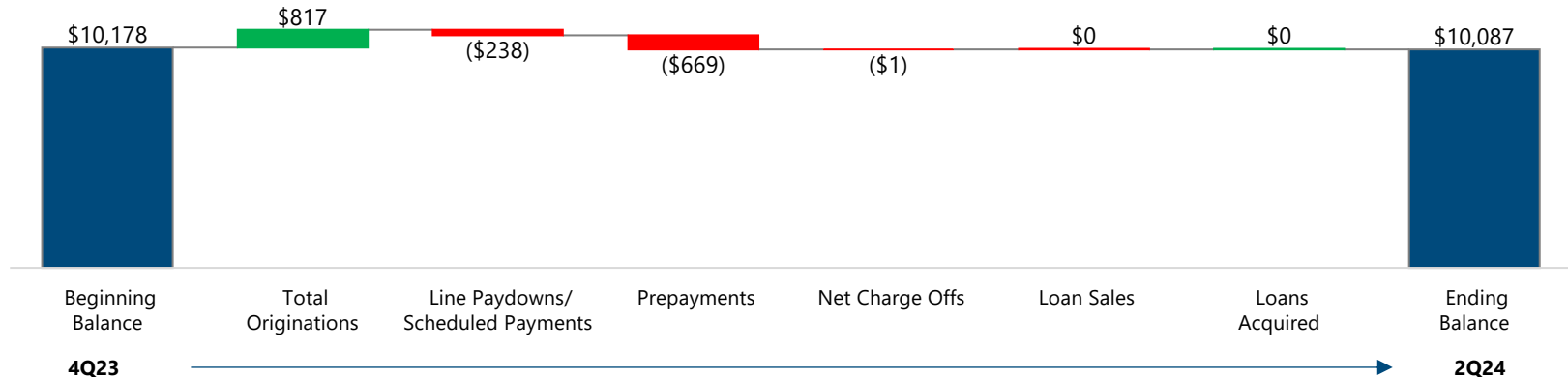


# Net Loan Activity

## 2Q24 Loan Roll Forward

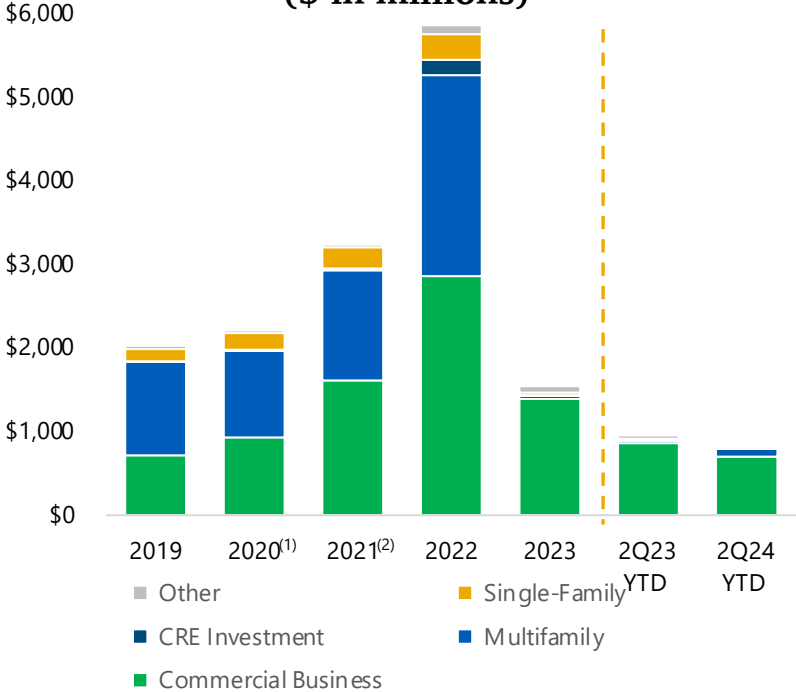


## 2Q24 YTD Loan Roll Forward

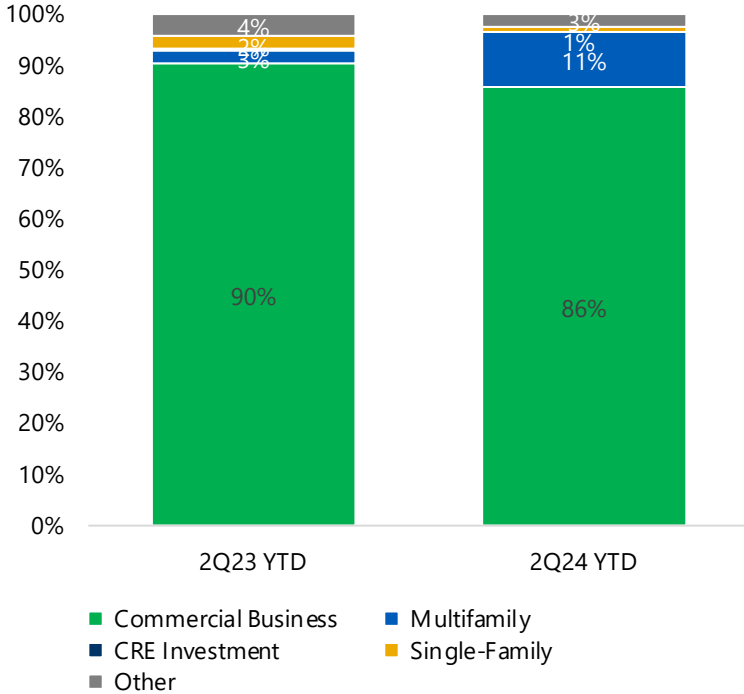


# Lending Activities Limited but Focused on High Quality Commercial Business

**Loan Origination Composition Trend**  
(\$ in millions)



**Origination Composition**



- Commercial business originations of \$126 million in 2Q24

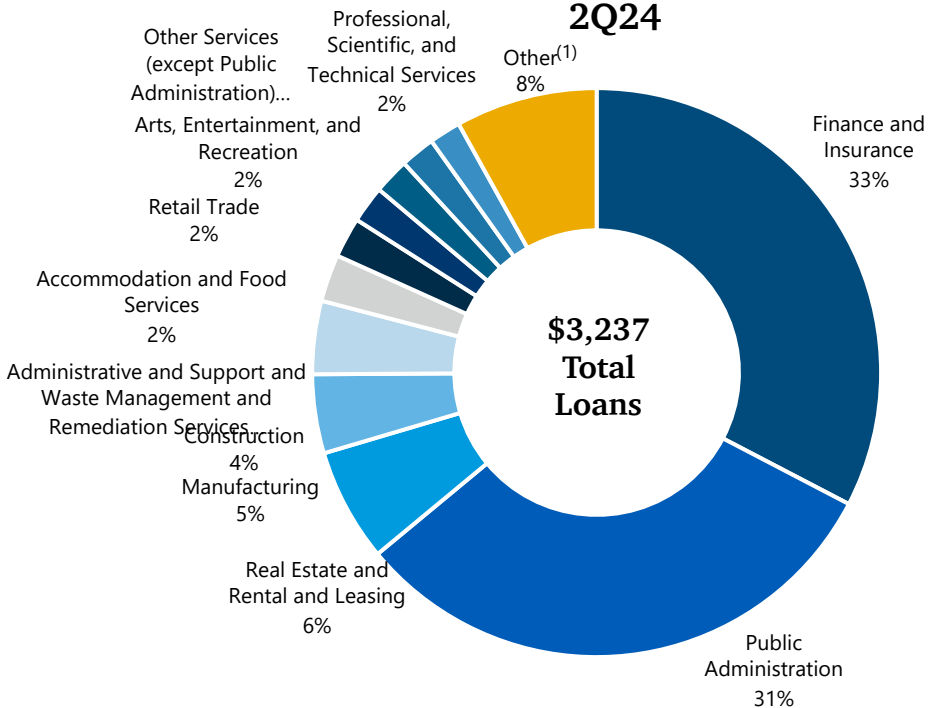
1) Includes \$171 million in PPP loans  
2) Includes \$56 million in PPP loans



# Diversified Commercial Business Portfolio

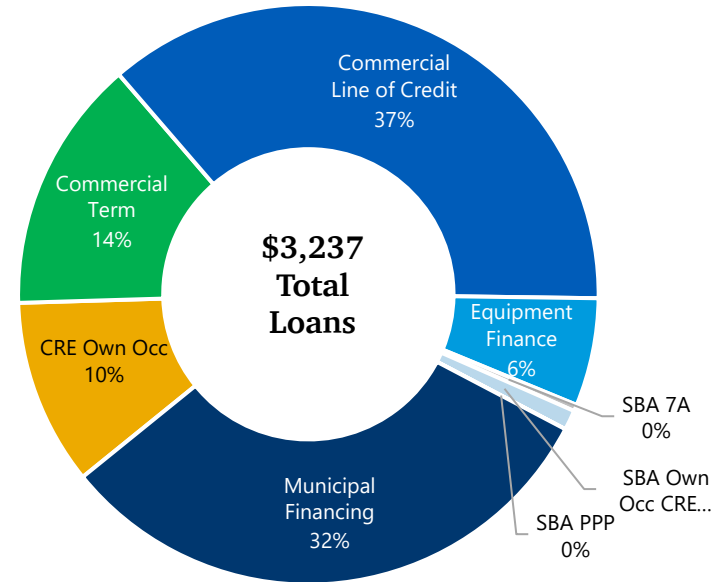
## Commercial Portfolio by Industry Sectors

2Q24



No sector comprises more than a 1/3 of the portfolio  
Low CRE exposure

## Commercial Portfolio by Facility Type 2Q24



89% of commercial business portfolio is not commercial real estate

1) No individual sector within "Other" category is larger than 1.8%

# Multifamily – Strong Underwriting in Resilient Segment (1/3)

## Expertise and Underwriting

- Conservative underwriting to the lower of in-place rents or market and the higher of market or actual vacancy and expenses
  - No credit is given for future or pro forma figures for rents**
- Loan amounts are underwritten to DSCRs using a qualifying rate that is higher than the initial rate for 3- and 5-year fixed loans and underwritten to stressed expenses (e.g., underwriting insurance coverage in California to no less than **20%** above YoY insurance premiums)
  - 7- and 10-year fixed are underwritten to the initial start rate
- Interest-only options for lower LTV and higher DSCR properties with strong sponsorship
  - All IO loans underwritten to a fully amortizing DSCR
- Sponsors are required to meet minimum liquidity requirements of 6-12 months principal, interest, taxes and insurance, and a minimum of 10% of the loan amount

## High-level Portfolio Overview

- Primary focus is on small-balance (average size of \$3.3 million) loans on non-luxury Essential Housing apartment stock
  - Average property has 22 units
  - Buildings tend to be older and smaller in size with over 60% of properties built between 1950-1980 catering towards at or below median income earners
  - Approx. 68% of the \$2.4B originations in 2022 were rent controlled and on average 14% below market, providing potential upside in rents if units turn over
- Loans are generally fixed for 3-,5-,7- and 10-year periods
- 30-year maturity with 30-year amortization

## Conservative Portfolio of Residential Loans

### Multifamily Loan Characteristics<sup>(1)</sup>

<b>Average Loan Size</b>	<b>\$3.31M</b>
<b>Average LTV<sup>(2)</sup></b>	<b>54%</b>
<b>Average DSCR<sup>(3)</sup></b>	<b>1.43x</b>
<b>% Delinquent</b>	<b>0.00%</b>

## Midrise, Garden, and Workforce Housing Focus



- High credit quality with consistently low LTVs for multifamily loans and strong DSCR ratios
- Conservative underwriting to in-place rents and higher of market or actual vacancy and expenses (e.g., insurance coverage)
- No multifamily charge-offs since First Foundation's start in 2007

1) Data as of June 30, 2024, unless otherwise noted

2) LTV at time of origination

3) Represents the actual fully amortizing DSCR based on the initial interest rate, loan amount and property's NOI at time of origination

# Multifamily – Markets Matter (2/3)

## Rent Regulations in California are Less Onerous Compared to New York

### California Rent Regulations

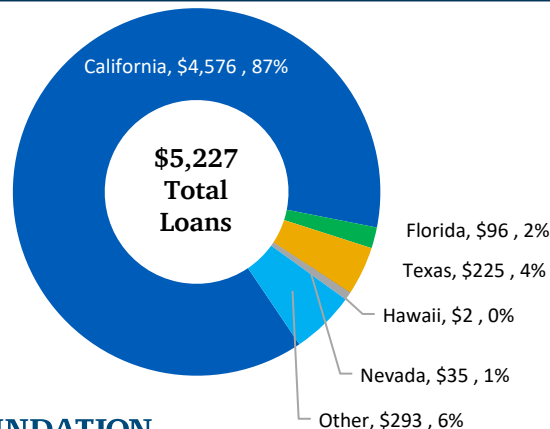
- 1) Statewide rent cap limiting yearly increases to the lesser of **10% or 5% plus inflation**
  - a) Exceptions include apartments built in 2005 or after
- 2) Rent regulation laws, including the above rent increases, in effect through 2029 (not permanent)
  - a) Rent control prohibited from certain kinds of residences including apartment units constructed after 1995 (Costa-Hawkins Act)
- 3) Apartment owners have the **right to rent a vacant unit at market price**
- 4) Capital improvements may not be used to increase the rent beyond the rent cap noted in bullet 1) for existing tenants, but monitoring in place to ensure regular upkeep and preventative maintenance

### New York Rent Regulations

- 1) Rent can be raised the lesser of the **average of the five** most recent Rent Guidelines Board annual increases (**2023 5-year average: 1.85%**) or 7.5% each year
- 2) Rent regulation laws were made **permanent** in 2019, which **repealed “vacancy decontrol”** and the **“vacancy bonus”**, two key drivers of multifamily price appreciation in the prior 25yr regime (1994-2019)
  - 1) Under vacancy decontrol an apartment’s rent would be deregulated if a tenant left the apartment (voluntarily or evicted). The regulated monthly rent had to **exceed \$2,700** to take effect
  - 2) If the rent was **under \$2,700**, the landlord had the ability to increase rents **20%**
- 3) Apartment owners have the right to rent at the above levels for both vacancy and renewal leases
- 4) Capital improvement rent increases were lowered from **6% to 2%** in New York City (and from **15% to 2%** in other counties) making more costly repairs harder to recoup

## Geographic Exposure

Vast majority of the portfolio is in rent controlled markets within California



Copyright © 2023 First Foundation Inc. All Rights Reserved

## Exposure by County

Exposure by Top 10 Counties	(000s)	%
Los Angeles	2,700,186	51.66%
Orange	451,696	8.64%
San Diego	379,330	7.26%
San Francisco	244,884	4.68%
Alameda	221,197	4.23%
Santa Clara	145,800	2.79%
Maricopa	146,127	2.80%
Sacramento	104,446	2.00%
Bexar	96,220	1.84%
San Mateo	79,577	1.52%
<b>SUBTOTAL</b>	<b>4,569,465</b>	<b>87.4%</b>
<b>Portfolio Total</b>	<b>5,227,262</b>	<b>100.0%</b>

1) Source: California Apartment Association; New York Office of Rent Administration

# Multifamily – Loan Repricing Opportunity (3/3)

## Variable & Adjustable-Rate Loan Composition<sup>(1)</sup>

Variable-rate loans represent 4% of total Multifamily portfolio

Adjustable-rate loans represents 88% of total Multifamily portfolio

Average implied spread of 394 bps

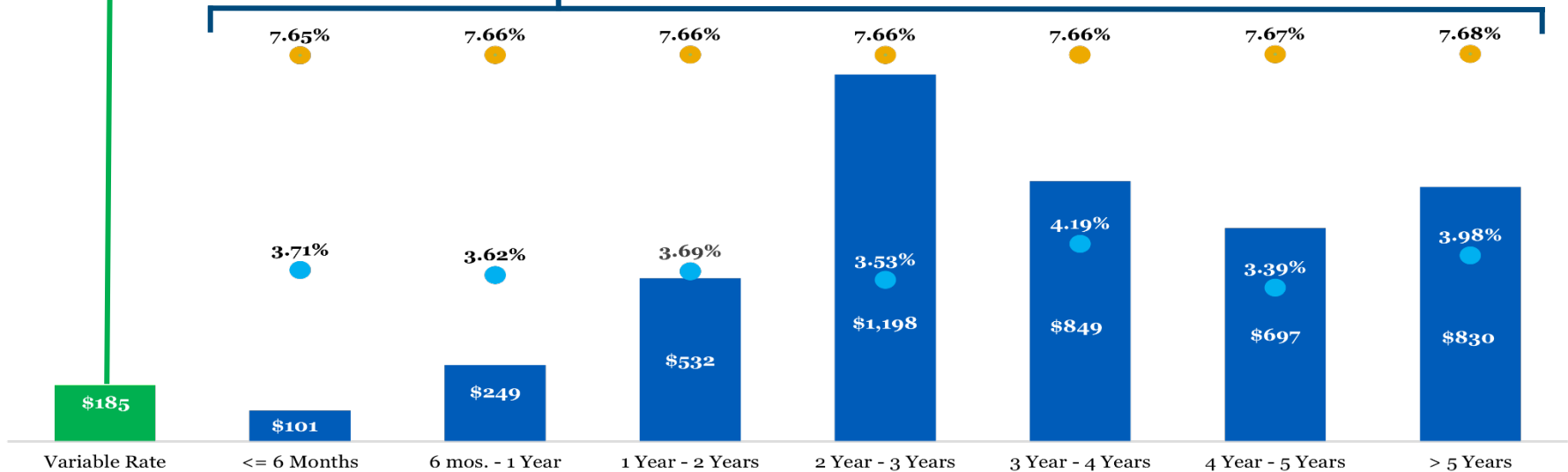
(\$ millions)

Variable Rate  
185  
4%

Fixed Rate  
585  
11%

\$5,227  
Total Loans

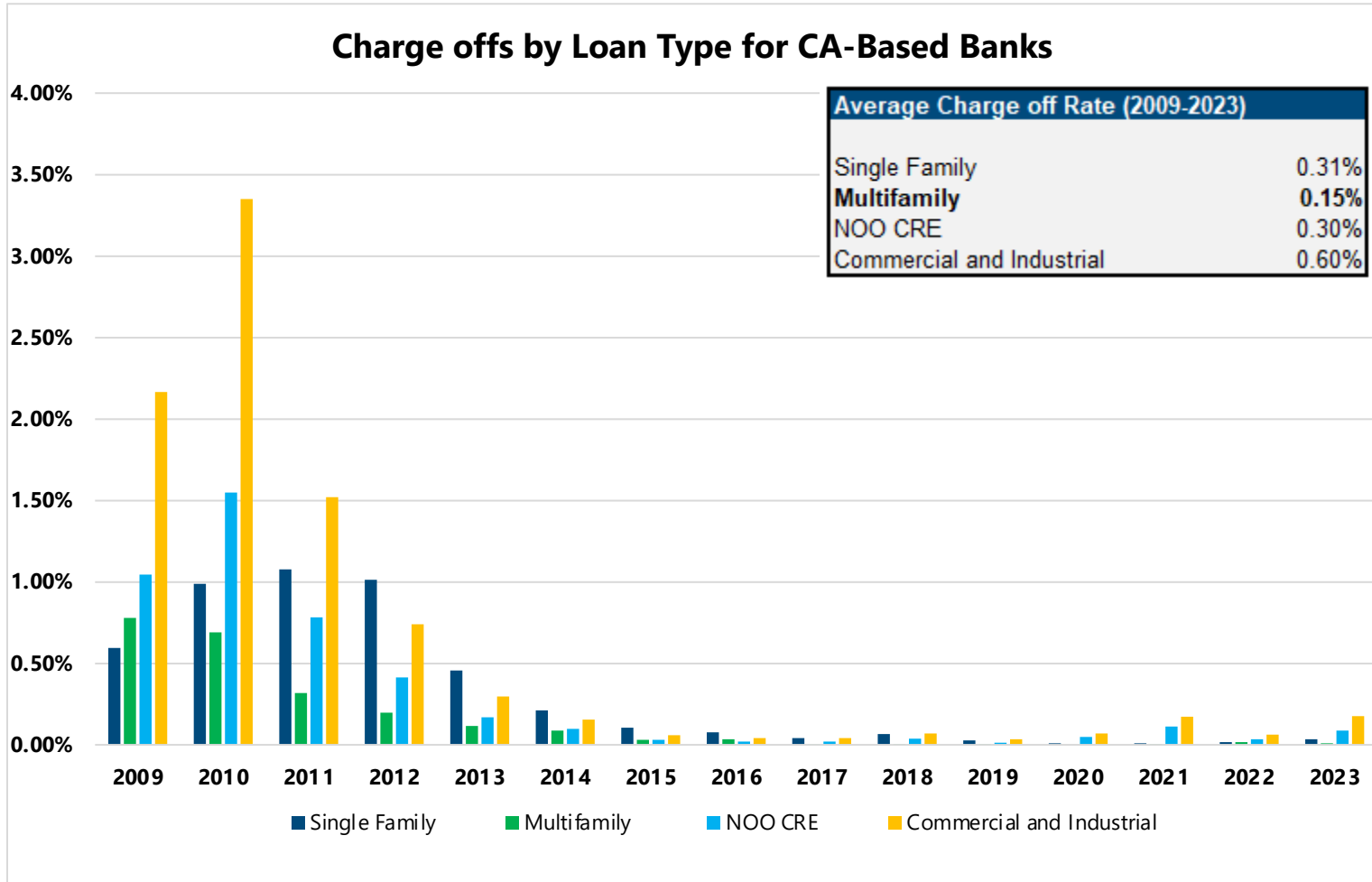
Adjustable Rate  
4,457  
85%



■ Adjustable-Rate Loans ● WAR ● WAR (if Repriced 7/10/24)

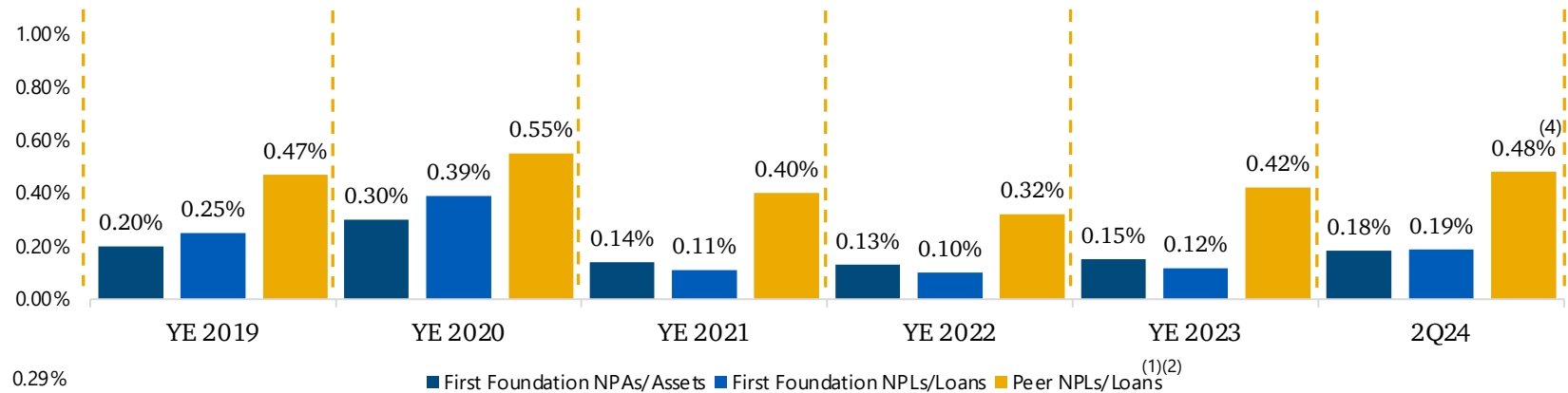
# Industry Trends: Top Performing Asset Class

Multifamily loans have historically been the best performing of all real estate loan types

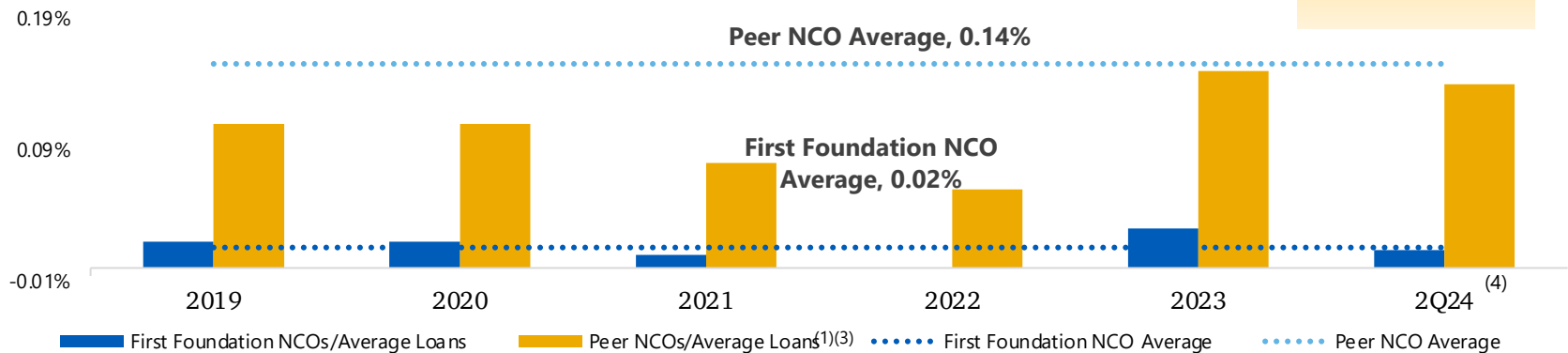


# Strong Credit Quality

## Non-Performing Loans and Assets



## Net Charge-offs (“NCOs”)/Average Loans



1) UPBR peer group includes commercial banks with assets between \$3 billion and \$10 billion for data through 3Q21. Starting in 4Q21 peer group includes commercial banks with assets between \$10 and \$100 billion  
 2) Ratio defined as Total loans and leases on nonaccrual status divided by total loans and leases  
 3) Ratio defined as loan and lease charge-off, net of recoveries divided by average total loans and leases  
 4) Peer group data based on the most recently available UBPR report of 1Q24

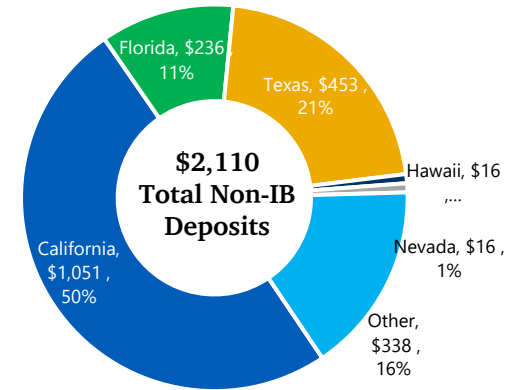
# Deposits



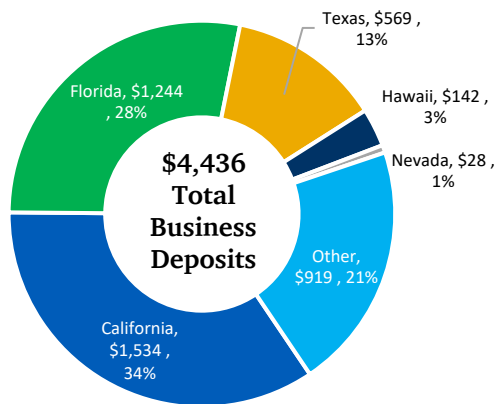
# Deposits by Geographic Distribution

- Insured and Collateralized Deposits 85%, Uninsured and Uncollateralized Deposits 15% as of 2Q24
- Florida ranks 2<sup>nd</sup> and Texas 3<sup>rd</sup> for total number of accounts raised from our nationwide digital bank channel

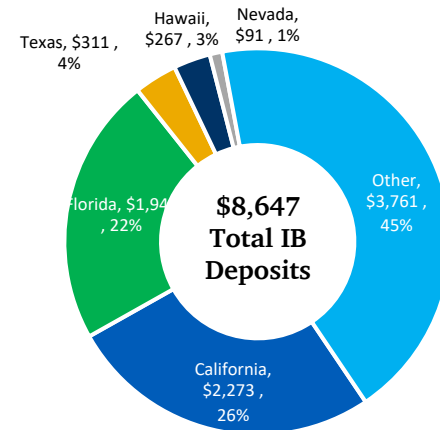
**Noninterest-Bearing Deposits 2Q24**  
(\$ in millions)



**Core Business Deposits 2Q24**  
(\$ in millions)



**Interest-Bearing Deposits 2Q24**  
(\$ in millions)



# Digital Deposit Channel Success

## Launched digital consumer deposit channel in 3Q19

**Products**

- Online savings – 2019
- Online CDs – 2020
- Online checking – 2020
- Online money market – 2022

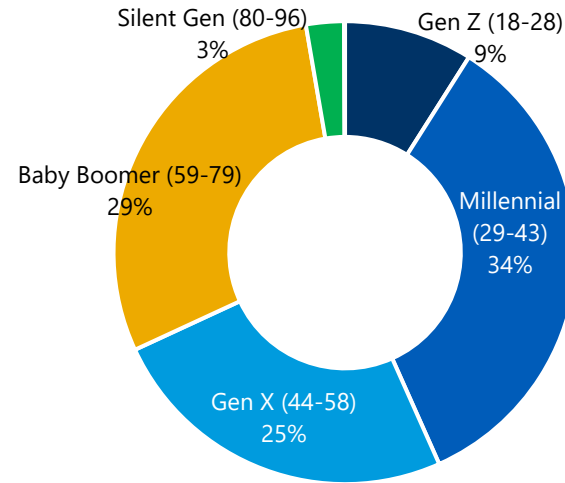
**Account Data**

- Balances: \$864 million as of 2Q24
- Good granularity of clients: ~ 12,000
- Over 88% new clients
- Reaching new, younger client audience
- Average account size: ~\$70 K

**Benefits**

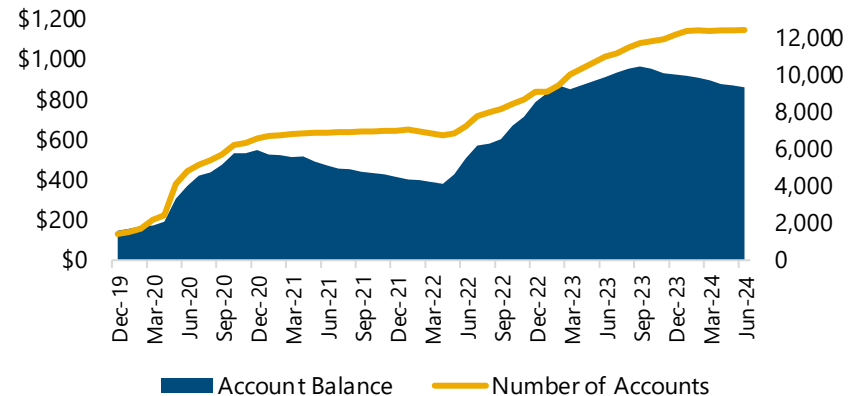
- Strong retention experience when dropping rates
- Low costs to obtain and service
- Expanded digital experience into our retail branches to include paperless onboarding and in branch support for online opening

## Number of Accounts by Generation 2Q24



69% of digital bank clients are younger than Baby Boomers

## Growth Driven by Digital Marketing Strategy (\$ in millions)



# Wealth Management and Trust

# Comprehensive Offering for High-Net-Worth Clients



INVESTMENT MANAGEMENT



WEALTH PLANNING



ASSET ALLOCATION



PHILANTHROPY SERVICES



TRUST SERVICES



LEGACY PLANNING

## Key Characteristics

- Lead with sophisticated financial planning to address client needs
- Open architecture investment philosophy with mix of stocks, bonds, mutual funds, ETFs, private equity, REITs, and separately managed accounts
- In-house investment capabilities with strong performance
- Fee-only model (vs. commission-based brokerage) with avg. fee of 60-70 bps
- Significant cross promotion opportunities with bank, trust, and philanthropy services
- Ability to deepen relationship with multiple generations of the family because of trust and philanthropy business
- 100% of new Assets Under Management (“AUM”) and Assets Under Advisement (“AUA”) through organic growth, more stable than M&A
- Presence in affluent communities throughout CA such as Pasadena, San Diego, West Los Angeles, Orange County, in addition to expanding into Naples, FL in 2022
- Combined Advisory and Trust business pre-tax profit margin of 26% in 2Q24

## In-House Expertise to Serve Clients

### Wealth Planning

- Lead with planning
- Entry point to client’s total financial picture

### Asset Allocation

- Manage custom investment strategies to serve clients across the risk and return spectrum
- Utilizes a mix of equities, fixed income, real estate, and alternative assets
- Open architecture

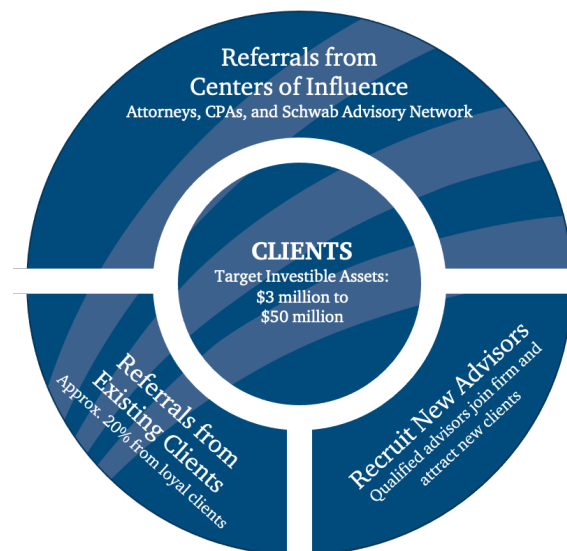
### Portfolio Construction

- Conduct due diligence
- Create custom portfolios to match clients’ goals
- Monitor, report, and adjust as necessary

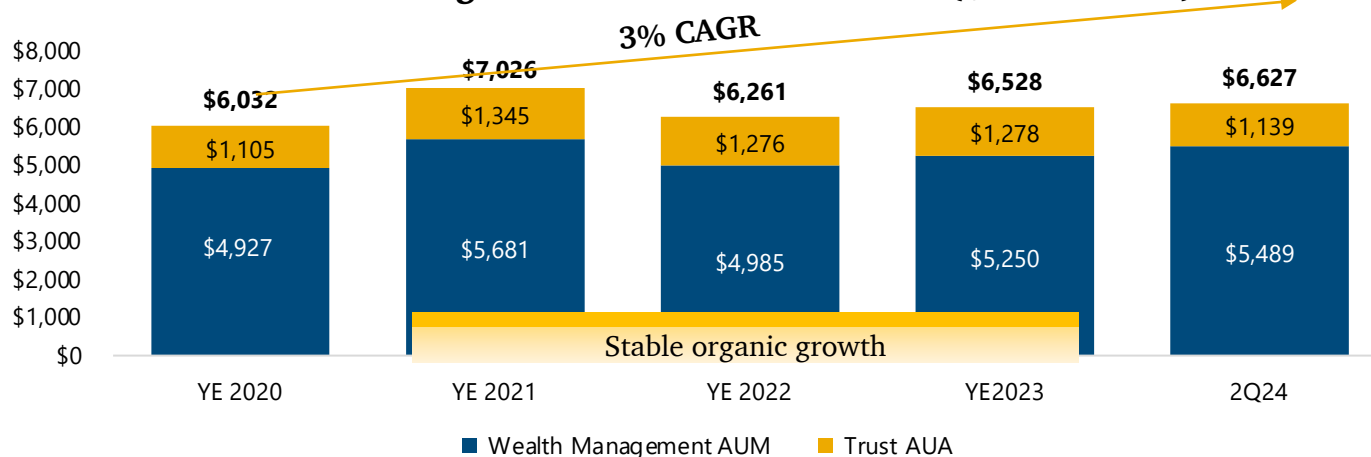
# Loyal Clients and Growing Assets

## Profile of Client Growth

- Target client of \$3 million to \$50 million in investible assets
- Clients are high-net-worth individuals and families (as opposed to institutional)
- Serve as central point of contact for clients' financial matters
- Average size of new clients is increasing as model attracts higher net worth clients
- New client referrals through centers of influence (“COIs”) and partner channels, which is difficult for other RIAs to replicate
  - 30+ year track record of building relationships with COIs – shows trust in ability to serve complex client cases
- Client referrals from existing clients – shows loyalty across clients



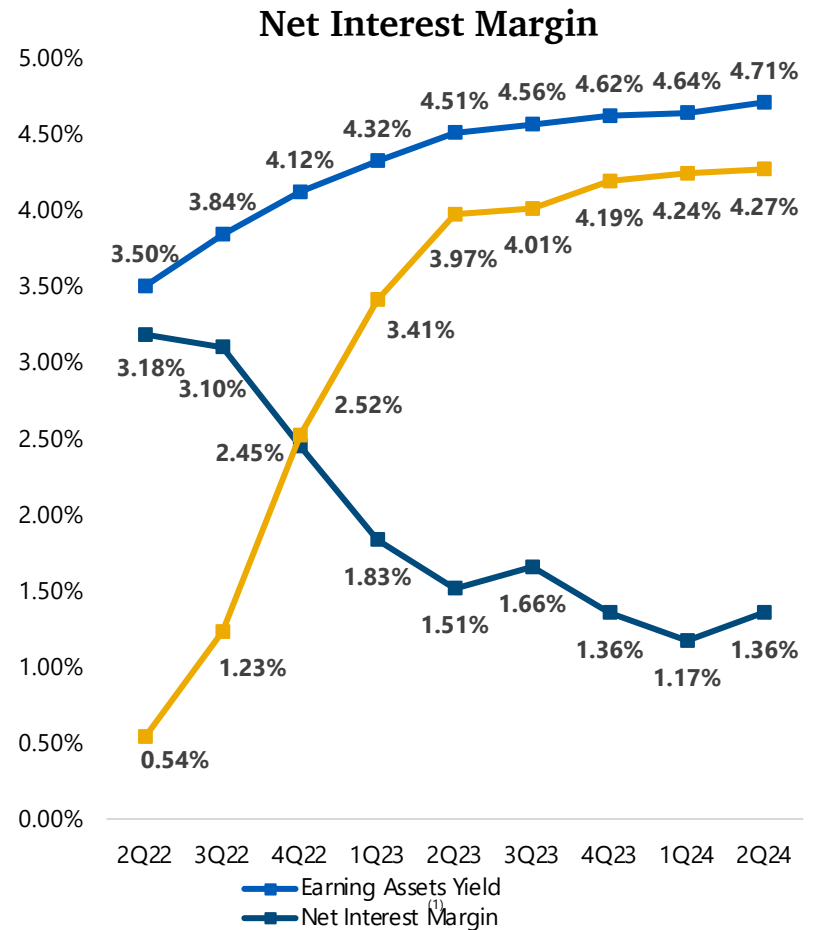
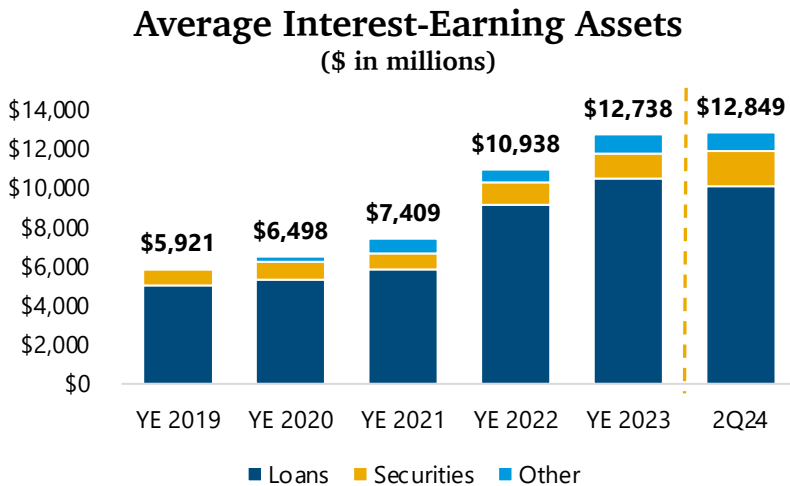
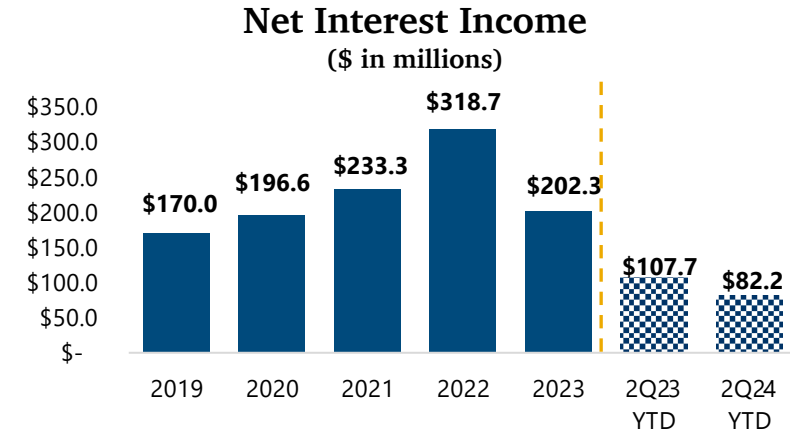
## Wealth Management AUM and Trust AUA (\$ in millions)



# Profitability

# Net Interest Income

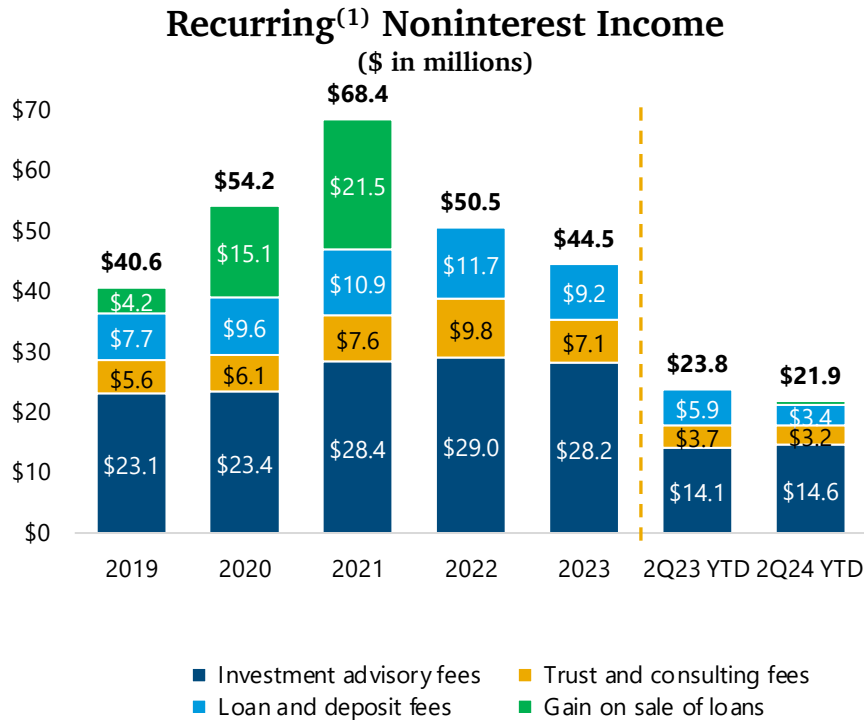
- NII and NIM were adversely impacted due to Fed interest rate actions since 2022.



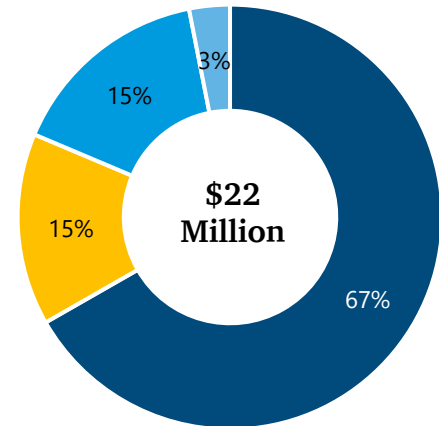
1) Cost of interest-bearing liabilities excludes the positive impact of non-interest-bearing deposits



# Attractive Noninterest Fee Income



**Recurring<sup>(1)</sup> Noninterest Income Breakdown 2Q24 YTD**



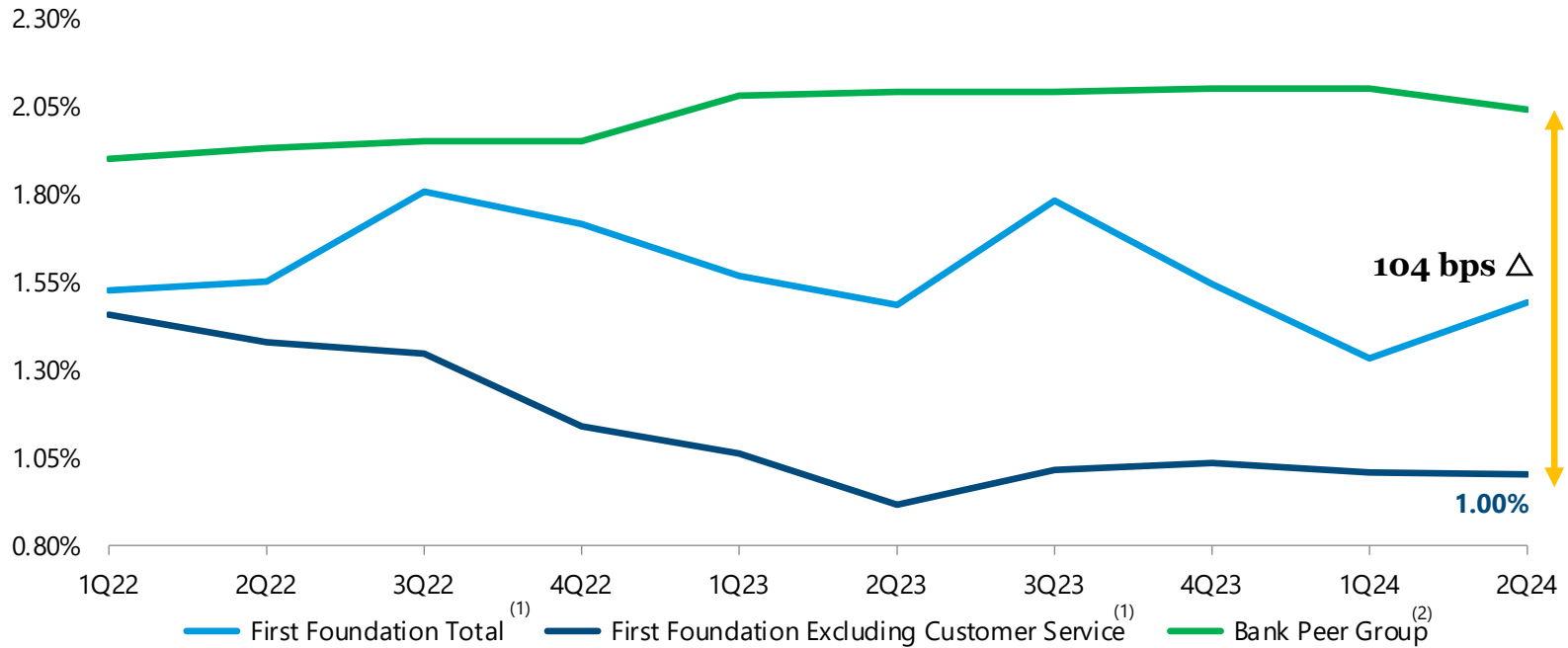
- Investment advisory fees
- Trust and consulting fees
- Loan and deposit fees
- Gain on sale of loans

- Proven ability to generate consistent noninterest recurring fee income
- Fee income diversifies First Foundation’s operating revenue stream with 20% generated from recurring noninterest income for 2Q24

1) Recurring revenue includes all noninterest income excluding revenue in the “other” category

# Efficient Operating Platform

## Noninterest Expense / Average Assets



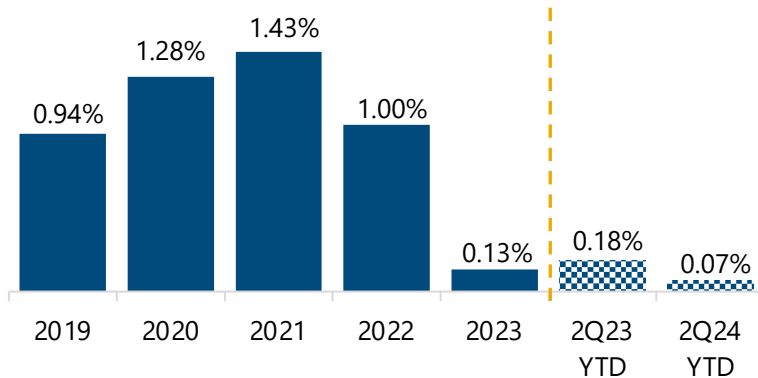
- Leveraging its investments in personnel and technology, First Foundation has consistently lowered its noninterest expense to average assets and is currently operating at a significant advantage to peers

1) Non-GAAP measure. See "Non-GAAP Financial Measures"

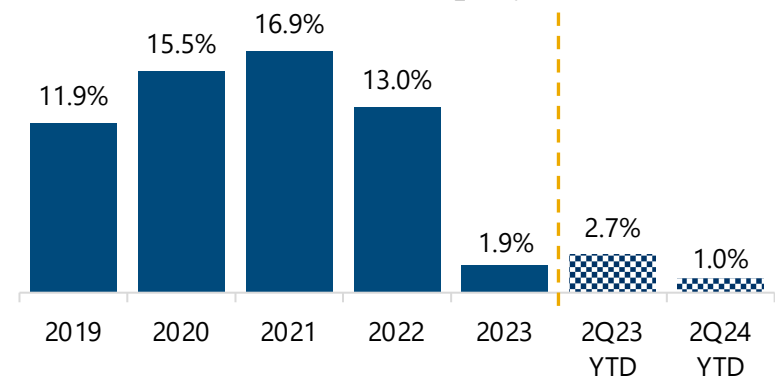
2) Uniform Bank Performance Report ("UBPR") Peer group includes commercial banks with assets between \$3 billion and \$10 billion for data through 3Q21. Starting in 4Q21 peer group includes commercial banks with assets between \$10 and \$100 billion. Peer group data based on the most recently available UBPR report of 1Q24

# Track Record of Delivering Profitability

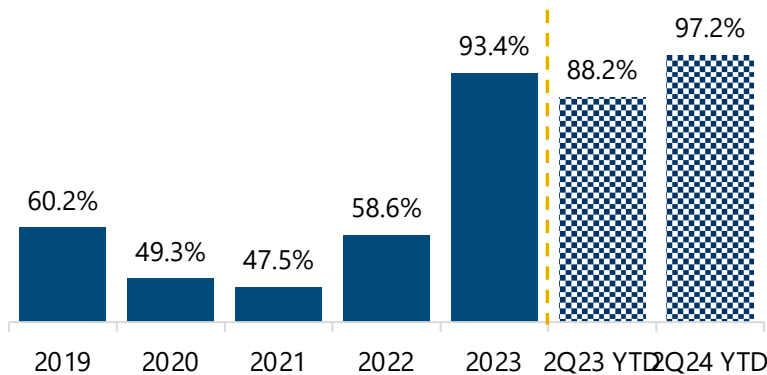
## Adjusted Return on Average Assets<sup>(1)</sup>



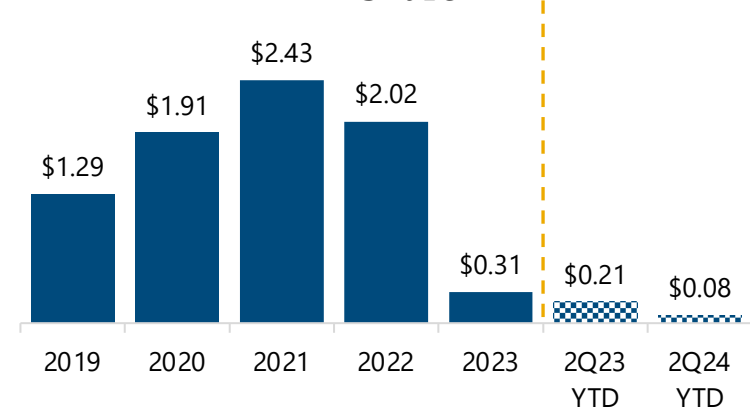
## Return on Average Tangible Common Equity<sup>(1)</sup>



## Efficiency Ratio<sup>(1)</sup>



## Adjusted Diluted Earnings Per Share<sup>(1)</sup>

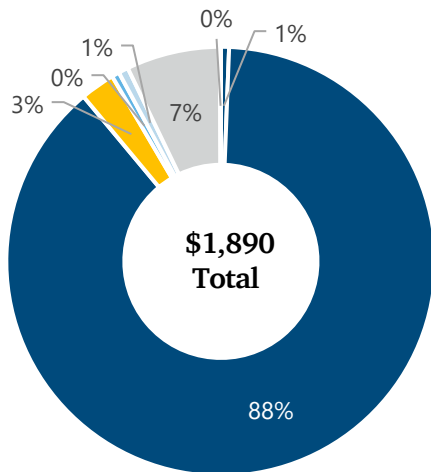


# Securities Portfolio

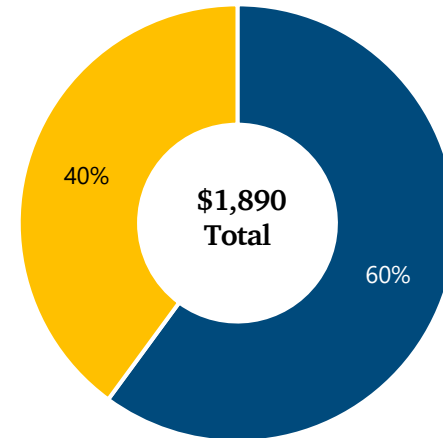
- 90% of investment portfolio is government guaranteed
- Highly liquid and pledgeable Portfolio

- HTM unrealized loss \$56 Million<sup>(1)</sup>
- AFS unrealized loss \$17 Million<sup>(1)</sup>
- Total unrealized loss \$73 Million<sup>(1)</sup>

**Investment Securities 2Q24**  
(\$ in thousands)



**Securities Mix 2Q24**  
(\$ in thousands)



■ CMO ■ MBS ■ Munis ■ SBA ■ FHLMC ■ Corporate ■ Treasury

■ AFS ■ HTM

1) Tax-effected

# Why First Foundation

---



## Financial Performance

- Strong and stable revenue from core operations
- Recurring non-interest revenue from in-house wealth management and trust operations
- Diversified and high-quality loans



## Valuable Business Model

- Commercial banking model augmented with wealth management and trust expertise
- Organic growth strategy complemented by strategic acquisitions
- Valuable client base with cross promotion opportunities. Strong presence in geographic markets with high household income
- Technology-centric infrastructure to enhance the client experience and drive efficiency



## Leadership and Culture

- Experienced and proven management team
- Talented workforce with client-centric culture
- Significant insider ownership aligned with shareholders' interests



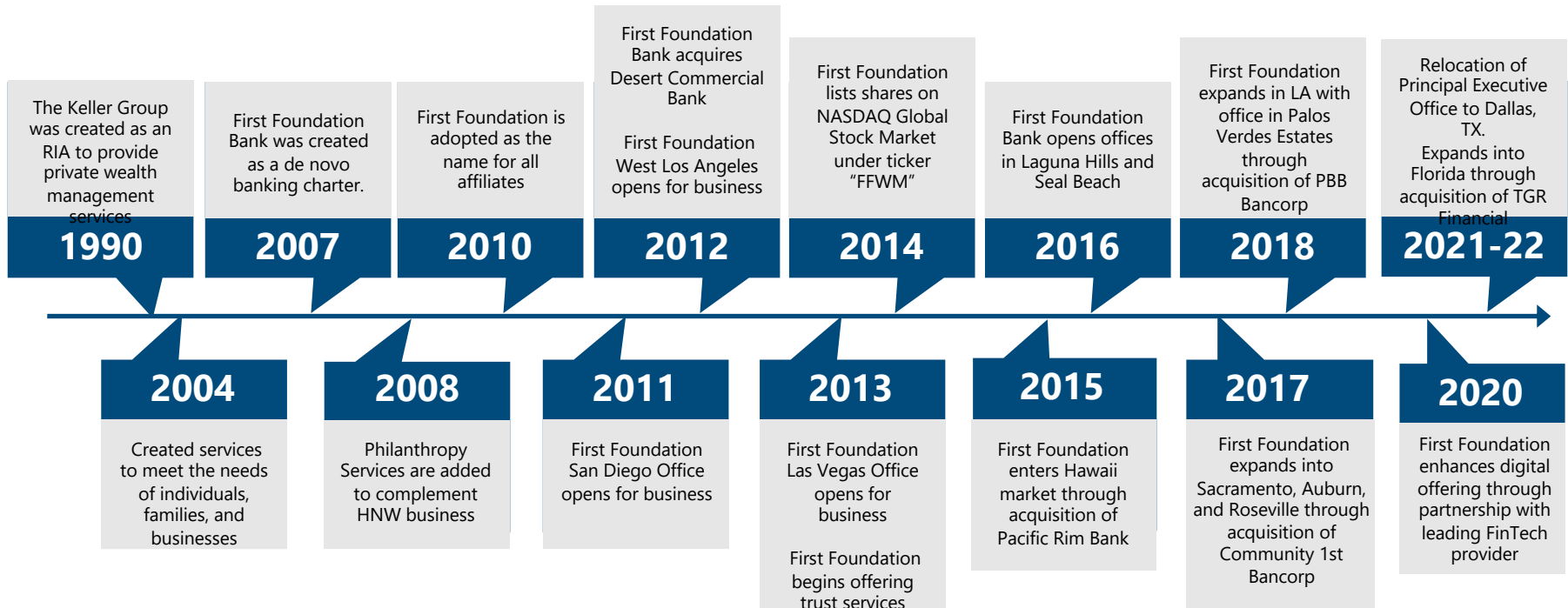
## Credit Quality

- Conservative credit culture driving superior asset quality
- Very low non-performing assets
- Low to minimal historical charge-offs
- Well capitalized

# Appendix

# A Tradition of Serving Our Clients

## History of First Foundation



The path First Foundation Inc. has taken to provide banking, trust, financial planning, investment management, estate and legacy planning and consulting services to our clients, all under one roof and all under this level of care, is a path not often traveled. But we prefer it this way. At First Foundation Inc., we've never taken the easy path, but we've always chosen the right one – for our clients, our communities, and our stakeholders.



# Industry Recognition

## A sampling of awards and accolades received



### 2021 Vision List – Outperforming Stock

First Foundation Inc. (FFWM) made B Riley's Vision List which is a list of the top-24 stocks across all industries selected by analysts to outperform the small-cap benchmark Russell 2000 Index in the current year. Each year analysts are tasked to identify a single, immutable pick to outperform based on a set of defined criteria.

### Model Bank Employee Enablement

First Foundation Bank was recognized as a Model Bank for Employee Enablement by Celent as we developed an integrated back-end and front-end data warehouse and employee intranet designed to keep everything connected and in sync.



### 2021 Civic 50

First Foundation was included in the OneOC Civic 50 list, which is compiled annually to spotlight those companies who are civic-minded within the communities they serve.



### Barron's Top 100 Independent Advisors

America's top independent financial advisors, as identified by Barron's. The ranking reflects the volume of assets overseen by the advisors and their teams, revenues generated for the firms, and the quality of the advisors' practices.



### Bank Director Best Small Regional Bank

First Foundation Bank (FFB) was selected as the Top 4 small regional bank in the nation in the most recent ranking by Bank Director. The list selected the top 10 banks in each peer group based on several metrics provided by S&P Global Market Intelligence as of year-end 2020 and then studied and ranked each bank further for its performance.



### Bank & Thrift Sm-All Stars Class of 2022: FFWM

The Sm-All Stars represent the top performing small-cap banks and thrifts in the country. This is the third time FFWM was one of 35 banks chosen. According to Piper Sandler, banks selected have superior performance metrics in growth, profitability, credit quality and capital strength.



### Best Performing Bank in 2021 with Assets Greater than \$10B

First Foundation Bank ranked as the 6th best performing bank in 2021 with assets greater than \$10B. S&P Global Market Intelligence calculated score for each bank on six key metrics.



### Best-in-Class for HR Management

Gallagher, a global human resources consulting firm, has awarded our team with an award for Best-in-Class for HR Management from their 2019 Benefits Strategy and Benchmarking Survey.



### CNBC FA 100

The CNBC FA 100 recognizes the advisory firms that top the list when it comes to offering a comprehensive planning and financial service that helps clients navigate through their complex financial life.

## Featured in the Media

First Foundation is a contributor to the media on important topics related to our industry

WALL STREET JOURNAL



BARRON'S

MarketWatch



See disclosures at: <https://www.firstfoundationinc.com/important-disclosure-information>

# Selected Financial Information

## Financial Highlights: As of 2Q24

<b>Loans</b>	\$10.1 Billion
--------------	----------------

<b>Deposits</b>	\$10.8 Billion
-----------------	----------------

<b>Total Assets</b>	\$13.7 Billion
---------------------	----------------

<b>FFA AUM &amp; Trust AUA</b>	\$6.6 Billion
--------------------------------	---------------

<b>TBV per share<sup>(1)</sup></b>	\$16.43
------------------------------------	---------

<b>Revenue:</b>	\$58 Million
-----------------	--------------

<b>Adjusted Net Income<sup>(1)</sup></b>	\$3.3 Million
--	---------------

<b>Adjusted ROAA<sup>(1)</sup></b>	0.10%
------------------------------------	-------

<b>ROATCE<sup>(1)</sup></b>	1.5%
-----------------------------	------

<b>Efficiency Ratio<sup>(1)</sup></b>	96.1%
---------------------------------------	-------

# Current Expected Credit Losses (“CECL”)

## Reserves

- Allowance for Credit loss (“ACL”) of gross loans held for investment portfolio remained unchanged at 29 bps or \$29.3 million in 2Q24. The model calculated reserve on loans decreased by \$3,249 thousand and offset by an increase of \$964 thousand in the reserve for impaired & collateral dependent loans, and an increase of \$2,285 thousand in qualitative reserve reflecting adjustment for the repricing and interest rate risks in the multifamily portfolio and higher level of criticized loans at the end of the quarter.

## CECL Methodology

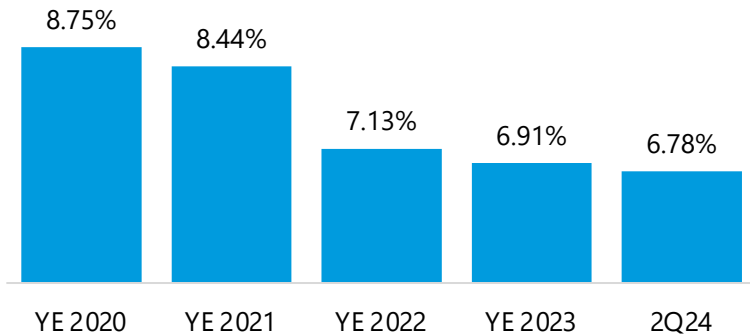
- Probability of Default (“PD”) and Loss Given Default (“LGD”) model calculated reserves approach applied to the majority of loan portfolio (97.7% of Total Loan Portfolio) with Loss Rate approach applied to the remaining smaller, homogeneous loan portfolios (2.2% of Total Loan Portfolio). Beginning in 1Q2024, all impaired loans not deemed to be collateral dependent, including purchased credit deteriorated loans, are no longer individually valued; rather, they are afforded the same structured (model calculated) approach to determine PDs and LGDs for much of the loan portfolio.

## Ongoing Impact

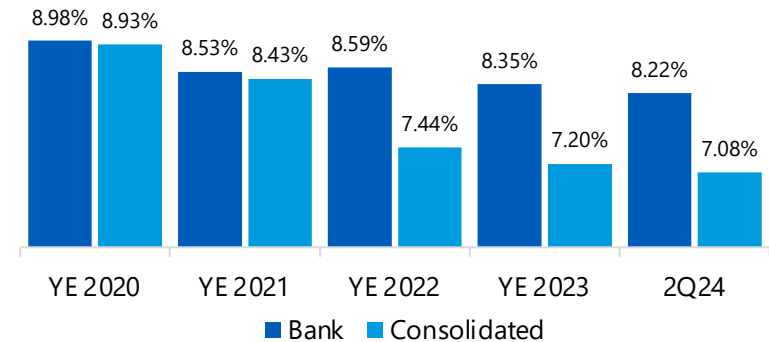
- Management expects key drivers of provisioning and reserving under the CECL standard going forward to include:
  - Replenishment of reserves for net charge-offs
  - Change in portfolio size and composition
  - All other macroeconomic variables and loan level characteristics
- Ongoing reserve levels will continue to utilize quantitative and qualitative information

# Balance Sheet and Equity Capital

TCE/TA<sup>(1)</sup>

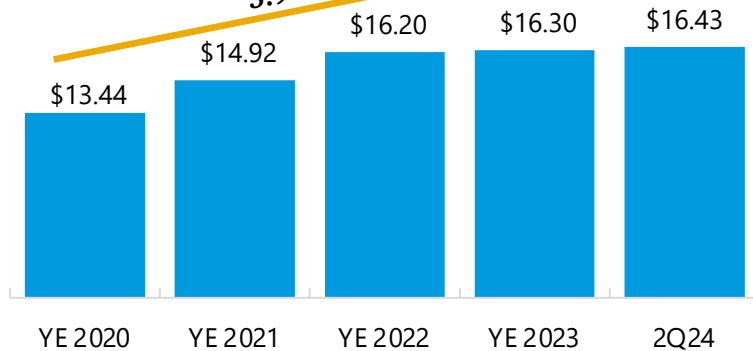


Tier I Leverage Ratio<sup>(2)</sup>

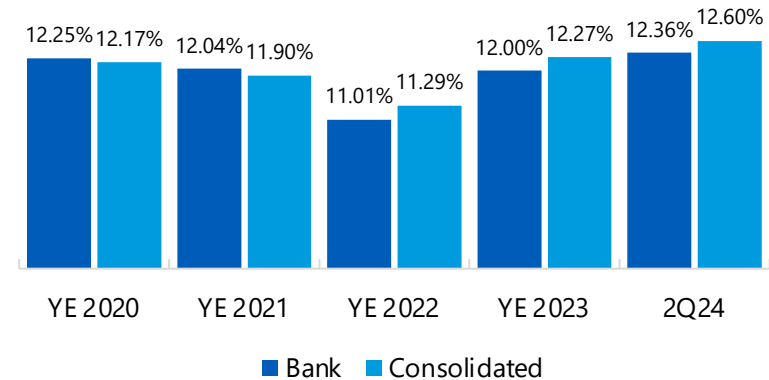


TBV Per Share<sup>(1)</sup>

5.9% CAGR



Total Risk-Based Capital Ratio<sup>(2)</sup>



# Non-GAAP Return on Average Tangible Common Equity, Adjusted Return on Average Assets and Net Income

Return on average tangible common equity was calculated by excluding average goodwill and intangibles assets from the average shareholders' equity during the associated periods. Adjusted return on average assets represents adjusted net income attributable to common shareholders divided by average total assets. Adjusted net income attributable to common shareholders includes various adjustments to net income, including an adjustment for non-cash goodwill impairment charges, and any associated tax effect of those adjustments during the associated periods.

The table below provides a reconciliation of the GAAP measure of return on average equity to the non-GAAP measure of return on average tangible common equity. The table below also provides a reconciliation of the GAAP measure of net income (loss) to the non-GAAP measure of adjusted net income attributable to common shareholders. The table below also provides a reconciliation of the GAAP measure of return on average assets to the non-GAAP measure of adjusted return on average assets.

(\$ in thousands) Unaudited	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Six Months Ended,	
							6/30/2023	6/30/2024
Average shareholders' equity	\$ 474,256	\$ 585,728	\$ 649,031	\$ 759,101	\$ 1,100,684	\$ 1,017,884	\$ 1,102,811	\$ 924,009
Less: Average goodwill and intangible assets	69,177	98,291	96,209	104,355	222,393	105,093	190,653	4,519
Average tangible common equity	\$ 405,080	\$ 487,437	\$ 552,823	\$ 654,746	\$ 878,291	\$ 912,791	\$ 912,158	\$ 919,490
Average total assets	5,300,243	6,156,739	6,690,422	7,733,279	11,456,932	13,149,454	13,222,955	13,209,195
Net Income	\$ 42,958	\$ 56,239	\$ 84,369	\$ 109,511	\$ 110,512	\$ (199,064)	\$ (203,792)	\$ 3,878
Add: Goodwill impairment	-	-	-	-	-	215,252	215,252	-
Adjustments:								
Plus: Amortization of intangible assets expense	2,043	2,291	1,895	1,579	1,914	1,636	853	726
Plus/(Less): Merger related costs	-	-	-	-	(36)	-	-	-
Plus: Professional service costs	-	-	-	-	971	1,374	1,124	-
Plus: Valuation loss on equity investment	-	-	-	-	6,250	-	-	-
Plus: Severance costs	-	-	-	-	-	748	748	-
Less: Incentive compensation reversal	-	-	-	-	(4,150)	-	-	-
Less: Stock compensation reversal	-	-	-	-	-	(1,118)	(1,118)	-
Less: FDIC insurance expense refund	-	-	-	-	-	(724)	(724)	-
Total Adjustments	2,043	2,291	1,895	1,579	4,949	1,916	883	726
Less: Tax effect on adjustments	(592)	(664)	(550)	(458)	(1,400)	(536)	(247)	(203)
Adjusted Net Income (loss) available to common shareholders	\$ 44,408	\$ 57,866	\$ 85,714	\$ 110,632	\$ 114,061	\$ 17,568	\$ 12,096	\$ 4,401
Tax rate utilized for calculating tax effect on adjustments	29%	29%	29%	29%	28%	28%	28%	28%
Return on average equity <sup>(1)</sup>	9.1%	9.6%	13.0%	14.4%	10.0%	-19.6%	-37.0%	0.8%
Return on average tangible common equity <sup>(2)(5)</sup>	11.0%	11.9%	15.5%	16.9%	13.0%	1.9%	2.7%	1.0%
Return on average assets <sup>(3)</sup>	0.81%	0.91%	1.26%	1.42%	0.96%	-1.51%	-3.08%	0.06%
Adjusted return on average assets <sup>(4)(5)</sup>	0.84%	0.94%	1.28%	1.43%	1.00%	0.13%	0.18%	0.07%



- 1) Annualized net income divided by average shareholders' equity
- 2) Annualized adjusted net income available to common shareholders divided by average tangible common equity
- 3) Annualized net income divided by average assets
- 4) Annualized adjusted net income divided by average assets
- 5) Use of Non-GAAP measure

# Non-GAAP Efficiency Ratio

Efficiency ratio is a non-GAAP financial measurement determined by methods other than in accordance with U.S. GAAP. This figure represents the ratio of adjusted noninterest expense to adjusted revenue.

The table below provides a calculation of the non-GAAP measure of efficiency ratio.

(\$ in thousands) Unaudited	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Six Months Ended,	
							6/30/2023	6/30/2024
Total noninterest expense	\$ 127,075	\$ 129,594	\$ 125,778	\$ 148,086	\$ 216,589	\$ 452,202	\$ 332,104	\$ 106,238
Less: Amortization of intangible assets expense	(2,043)	(2,291)	(1,895)	(1,579)	(1,914)	(1,636)	(853)	(726)
(Less)/Plus: Merger-related expense	(3,794)	-	-	(2,606)	36	-	-	-
Less: Professional service costs	-	-	-	-	(971)	(1,374)	(1,124)	-
Less: Severance costs	-	-	-	-	-	(748)	(748)	-
Less: Goodwill impairment	-	-	-	-	-	(215,252)	(215,252)	-
Plus: Incentive compensation reversal	-	-	-	-	4,150	-	-	-
Plus: Stock compensation reversal	-	-	-	-	-	1,118	1,118	-
Plus: FDIC insurance expense refund	-	-	-	-	-	724	724	-
<b>Adjusted Noninterest expense</b>	<b>\$ 121,238</b>	<b>\$ 127,303</b>	<b>\$ 123,883</b>	<b>\$ 143,901</b>	<b>\$ 217,890</b>	<b>\$ 235,034</b>	<b>\$ 115,969</b>	<b>\$ 105,512</b>
Net interest income	\$ 155,610	\$ 169,954	\$ 196,644	\$ 233,284	\$ 318,690	\$ 202,305	\$ 107,739	\$ 82,215
Plus: Total noninterest income	35,771	41,776	54,647	70,453	48,234	49,351	23,777	26,341
Plus: Valuation loss on equity investment	-	-	-	-	6,250	-	-	-
Less: Net gain (loss) from other real estate owned	-	(742)	-	-	-	-	-	-
Less: Net gain (loss) from securities	-	316	-	-	-	-	-	-
Less: Net gain on other equity investments	-	-	-	(1,069)	-	-	-	-
Less: Net gain on sale-leaseback	-	-	-	-	(1,111)	-	-	-
<b>Adjusted Revenue</b>	<b>\$ 191,381</b>	<b>\$ 211,304</b>	<b>\$ 251,291</b>	<b>\$ 302,668</b>	<b>\$ 372,063</b>	<b>\$ 251,656</b>	<b>\$ 131,516</b>	<b>\$ 108,556</b>
<b>Efficiency Ratio</b>	<b>63.3%</b>	<b>60.2%</b>	<b>49.3%</b>	<b>47.5%</b>	<b>58.6%</b>	<b>93.4%</b>	<b>88.2%</b>	<b>97.2%</b>

# Non-GAAP Noninterest Expense to Average Assets Ratio

Noninterest expense to average asset ratio is a non-GAAP financial measurement determined by methods other than in accordance with U.S. GAAP. This figure represents the ratio of noninterest expense less amortization of intangible assets expense to the average assets during the associated periods for First Foundation Bank. We believe this non-GAAP measure is important to investors and provides meaningful supplemental information regarding the performance of the Company. This non-GAAP measure should not be considered a substitute for financial measures presented in accordance with GAAP and may differ from similarly titled measures reported by other companies.

The table below provides a calculation of the non-GAAP measure of noninterest expense to average assets for FFB Consolidated.

<i>(\$ in thousands) - Unaudited</i>	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
<b>Noninterest Expense to Average Assets Ratio</b>												
Total noninterest expense	\$ 31,488	\$ 32,440	\$ 40,101	\$ 42,032	\$ 53,571	\$ 52,915	\$ 51,645	\$ 265,952	\$ 57,988	\$ 50,182	\$ 44,540	\$ 49,301
Less: Amortization of intangible assets expense	(372)	(365)	(509)	(491)	(459)	(454)	(434)	(419)	(393)	(389)	(370)	(356)
(Less)/Plus: Merger-related expense	(384)	(1,056)	36	-	-	-	-	-	-	-	-	-
Less: Professional service costs	-	-	-	-	-	(971)	(782)	(342)	(250)	-	-	-
Less: Severance costs	-	-	-	-	-	-	(468)	(280)	-	-	-	-
Less: Goodwill impairment	-	-	-	-	-	-	-	(215,252)	-	-	-	-
Plus: Bonus accrual adjustment	-	-	-	-	-	2,850	-	-	-	-	-	-
Plus: Stock compensation reversal	-	-	-	-	-	-	1,118	-	-	-	-	-
Plus: FDIC insurance expense refund	-	-	-	-	-	-	724	-	-	-	-	-
<b>Adjusted Noninterest expense</b>	<b>\$ 30,732</b>	<b>\$ 31,019</b>	<b>\$ 39,628</b>	<b>\$ 41,541</b>	<b>\$ 53,112</b>	<b>\$ 54,340</b>	<b>\$ 51,803</b>	<b>\$ 49,659</b>	<b>\$ 57,345</b>	<b>\$ 49,793</b>	<b>\$ 44,170</b>	<b>\$ 48,945</b>
Less: Customer service expense	(2,512)	(2,140)	(1,788)	(4,611)	(13,560)	(18,219)	(16,715)	(19,004)	(24,683)	(16,404)	(10,738)	(16,104)
<b>Adjusted Noninterest expense exc. customer service expense</b>	<b>\$ 28,220</b>	<b>\$ 28,879</b>	<b>\$ 37,840</b>	<b>\$ 36,930</b>	<b>\$ 39,552</b>	<b>\$ 36,121</b>	<b>\$ 35,088</b>	<b>\$ 30,655</b>	<b>\$ 32,662</b>	<b>\$ 33,389</b>	<b>\$ 33,432</b>	<b>\$ 32,841</b>
<b>Average Assets</b>	<b>7,922,934</b>	<b>8,088,622</b>	<b>10,391,150</b>	<b>10,720,238</b>	<b>11,757,962</b>	<b>12,680,435</b>	<b>13,220,269</b>	<b>13,388,980</b>	<b>12,882,518</b>	<b>12,900,075</b>	<b>13,260,957</b>	<b>13,118,196</b>
<b>Noninterest Expense to Average Assets Ratio</b>	<b>1.55%</b>	<b>1.53%</b>	<b>1.53%</b>	<b>1.55%</b>	<b>1.81%</b>	<b>1.71%</b>	<b>1.57%</b>	<b>1.48%</b>	<b>1.78%</b>	<b>1.54%</b>	<b>1.33%</b>	<b>1.49%</b>
<b>Noninterest Expense exc. Customer Service Expense to Average Assets Ratio</b>	<b>1.42%</b>	<b>1.43%</b>	<b>1.46%</b>	<b>1.38%</b>	<b>1.35%</b>	<b>1.14%</b>	<b>1.06%</b>	<b>0.92%</b>	<b>1.01%</b>	<b>1.04%</b>	<b>1.01%</b>	<b>1.00%</b>

# Non-GAAP Tangible Common Equity Ratio, Tangible Book value Per Share, And Adjusted Earnings Per Share

Tangible shareholders' equity, tangible common equity to tangible asset ratio, tangible book value per share, and adjusted earnings per share (basic and diluted) are non-GAAP financial measurements determined by methods other than in accordance with U.S. GAAP. Tangible shareholder's equity is calculated by taking shareholder's equity and subtracting goodwill and intangible assets. Tangible common equity to tangible asset ratio is calculated by taking tangible shareholders' equity and dividing by tangible assets which is total assets excluding the balance of goodwill and intangible assets. Tangible book value per share is calculated by dividing tangible shareholders' equity by basic common shares outstanding, as compared to book value per share, which is calculated by dividing shareholders' equity by basic common shares outstanding. Adjusted earnings per share (basic and diluted) is calculated by dividing adjusted net income attributable to common shareholders by average common shares outstanding (basic and diluted). The reconciliation of GAAP net (loss) income to adjusted net income attributable to common shareholders is presented on slide 40 in "Non-GAAP Return on Average Tangible Common Equity (ROATCE), Adjusted Return on Average Assets and Net Income."

The table below provides a reconciliation of the GAAP measure of shareholders' equity to tangible shareholders' equity. The table below also provides a reconciliation of the GAAP measure of equity to asset ratio to the non-GAAP measure of tangible common equity to tangible assets ratio. The table below also provides a reconciliation of the GAAP measure of book value per share to the non-GAAP measure of tangible book value per share. The table below also provides a reconciliation of the GAAP measure of net (loss) income per share (basic and diluted) to the non-GAAP measure of adjusted earnings per share

<i>(\$ in thousands, except per share amounts)</i>	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	2Q24 YTD
<b>Unaudited</b>							
Shareholders' equity	\$ 559,184	\$ 613,869	\$ 695,711	\$ 1,064,051	\$ 1,134,378	\$ 925,343	\$ 933,244
Less: Goodwill and intangible assets	99,482	97,191	95,296	222,125	221,835	4,948	4,222
<b>Tangible Common Equity</b>	<b>\$ 459,702</b>	<b>\$ 516,678</b>	<b>\$ 600,415</b>	<b>\$ 841,926</b>	<b>\$ 912,543</b>	<b>\$ 920,395</b>	<b>\$ 929,022</b>
Total assets	\$ 5,840,412	\$ 6,314,436	\$ 6,957,160	\$10,196,204	\$13,014,179	\$13,327,248	\$13,714,423
Less: Goodwill and intangible assets	99,482	97,191	95,296	222,125	221,835	4,948	4,222
<b>Tangible assets</b>	<b>\$ 5,740,930</b>	<b>\$ 6,217,245</b>	<b>\$ 6,861,864</b>	<b>\$ 9,974,079</b>	<b>\$ 12,792,344</b>	<b>\$ 13,322,300</b>	<b>\$ 13,710,201</b>
Equity to Asset Ratio	9.57%	9.72%	10.00%	10.44%	8.72%	6.94%	6.80%
<b>Tangible Common Equity Ratio</b>	<b>8.01%</b>	<b>8.31%</b>	<b>8.75%</b>	<b>8.44%</b>	<b>7.13%</b>	<b>6.91%</b>	<b>6.78%</b>
Book value per share	\$12.57	\$13.74	\$15.58	\$18.86	\$20.14	\$16.39	\$16.50
<b>Tangible book value per share</b>	<b>\$10.33</b>	<b>\$11.57</b>	<b>\$13.44</b>	<b>\$14.92</b>	<b>\$16.20</b>	<b>\$16.30</b>	<b>\$16.43</b>
Basic common shares outstanding	44,496,007	44,670,743	44,667,650	56,432,070	56,325,242	56,467,623	56,543,382
Adjusted net income available to common shareholders	\$ 44,408	\$ 57,866	\$ 85,714	\$ 110,632	\$ 114,061	\$ 17,568	\$ 4,401
Average basic common shares outstanding	42,092,361	44,617,361	44,639,430	45,272,183	56,422,450	56,426,093	56,504,147
Average diluted common shares outstanding	42,567,108	44,911,265	44,900,805	45,459,540	56,490,060	56,426,093	56,515,843
Earnings per share (basic)	\$1.02	\$1.26	\$1.89	\$2.42	\$1.96	(\$3.53)	\$0.07
Earnings per share (diluted)	\$1.01	\$1.25	\$1.88	\$2.41	\$1.96	(\$3.53)	\$0.07
Adjusted earnings per share (basic)	\$1.06	\$1.30	\$1.92	\$2.44	\$2.02	\$0.31	\$0.08
Adjusted earnings per share (diluted)	\$1.04	\$1.29	\$1.91	\$2.43	\$2.02	\$0.31	\$0.08







[firstfoundationinc.com](http://firstfoundationinc.com)