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LIGHTHOUSE BANK POSTS 3rd QUARTER PROFIT

SANTA CRUZ, CA: October 14, 2009 - Lighthouse Bank posted a \$53,426 profit during the 3rd quarter ending 9-30-09. Adjusting for non cash charges relating to stock option accounting, earnings for the quarter were \$141,980. Company equity increased by \$165,375 during the period.

Lighthouse Bank has grown consistently since opening in October 2007, and is uncommon in having reached quarterly profitability in less than two years of operations. The Bank's standard of providing enhanced personalized service and greater economic value for clients has been well received in the face of cutbacks, consolidations and fee increases currently taking place throughout the banking industry.

Acknowledging the importance of safety, Lighthouse Bank maintains capital that is substantially in excess of the "well capitalized" designation established by financial regulators. While the Bank has not experienced a loan loss since opening in 2007, it has established a loss reserve of 2.35% of loans that is also significantly above industry standards.

Lighthouse Bank continues to execute on its plan of providing superior banking service and support to the Santa Cruz community. The Bank employs a straightforward business concept of raising deposits from within the community and lending back to the community. The Bank accepted no government TARP (bailout) funding and does not engage in exotic lending or investment activities.

	Selected Financial Data (unaudited)					
	Quarter-Ended		Change	Year-to-Date Ended		Change
	9/30/2009	6/30/2009	%	9/30/09	9/30/08	%
Balance Sheet						
Total assets	\$ 84,598,070	\$ 74,860,863	13%	\$ 84,598,070	\$ 64,998,199	30%
Gross loans	54,256,479	48,213,758	13%	54,256,479	36,996,023	47%
Allowance for loan losses	1,275,000	1,076,000	18%	1,275,000	884,000	44%
Non interest-bearing deposits	10,908,792	9,592,058	14%	10,908,792	10,607,448	3%
Total deposits	63,986,902	54,379,687	18%	63,986,902	48,595,669	32%
Shareholders' equity	16,275,694	16,110,319	1.0%	16,275,694	16,284,997	0%
Income Statement						
Interest income	1,292,158	988,103	31%	3,177,384	\$ 1,911,968	66%
Interest expense	197,247	173,867	13%	565,380	430,074	31%
Net interest income	1,094,911	814,236	34%	2,612,004	1,481,894	76%
Provision for loan losses	199,000	30,000	563%	304,000	804,000	-62%
Non-interest income	42,564	28,836	48%	94,547	37,004	156%
Non-interest expense	885,049	887,090	0%	2,637,672	2,473,599	7%
Net profit (loss)	\$ 53,426	\$ (74,018)	172%	\$ (235,121)	\$ (1,758,701)	87%
Net profit (loss) excluding loan loss provisions	\$ 252,426	\$ (44,018)	673%	\$ 68,879	\$ (954,701)	107%
Ratios						
Net interest margin	5.63%	4.70%				
Equity capital-to-total assets	19.2%	21.5%				

ABOUT LIGHTHOUSE BANK: Lighthouse Bank is a locally owned and operated commercial bank located in Santa Cruz County. The Bank offers a full array of banking products and services to businesses, professionals, individuals, developers, and commercial property owners. Lighthouse Bank's

common stock is listed on the Over-the-Counter (OTC) Bulletin Board under the stock symbol LGHT.OB. The Bank is located at 111 Mission Street in Downtown Santa Cruz, CA. More information on the Bank may be obtained through its website: www.lighthousebank.net or by calling 831-600-4000.

This release may contain forward-looking statements that are subject to risks and uncertainties. Such risks and uncertainties may include but are not necessarily limited to fluctuation in interest rates, inflation, government regulations and general economic conditions, and competition within the business areas in which the Bank is conducting its operations, including the real estate market in California and other factors beyond the Bank's control. Such risks and uncertainties could cause results for subsequent interim periods or for the entire year to differ materially from those indicated. Readers should not place undue reliance on the forward-looking statements, which reflect management's view only as of the date hereof. The Bank undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

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