Section 1: 10-Q (10-Q)

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, 2018

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

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 and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted 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 and post 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 "accelerated filer, larger accelerated filer, non-accelerated filer, smaller reporting company, or emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☐	Accelerated Filer	☒
Non-Accelerated Filer	☐ (Do not check if a smaller reporting company)	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 7th, 2018, BCB Bancorp, Inc., had 15,687,376 shares of common stock, no par value, outstanding.

BCB BANCORP INC. AND SUBSIDIARIES

INDEX

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, 2018	December 31, 2017
ASSETS		
Cash and amounts due from depository institutions	$ 13,299	$ 16,460
Interest-earning deposits	124,035	107,775
Total cash and cash equivalents	137,334	124,235
Interest-earning time deposits	980	980
Debt securities available for sale	119,158	114,295
Equity investments	8,166	8,294
Loans held for sale	208	1,295
Loans receivable, net of allowance for loan losses of $18,337 and $17,375 respectively	1,764,597	1,643,677
Federal Home Loan Bank of New York stock, at cost	10,886	10,211
Premises and equipment, net	18,295	18,768
Accrued interest receivable	6,052	6,153
Other real estate owned	1,412	532
Deferred income taxes	6,144	5,144
Other assets	9,081	9,253
Total Assets	$ 2,082,313	$ 1,942,837
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Non-interest bearing deposits	$ 211,251	$ 201,043
Interest bearing deposits	1,480,102	1,368,327
Total deposits	1,691,353	1,569,370
Borrowed funds	200,000	185,000
Subordinated debentures	4,124	4,124
Other liabilities and accrued interest payable	9,450	7,889
Total Liabilities	1,904,927	1,766,383
STOCKHOLDERS' EQUITY		
Preferred stock: $0.01 par value, 10,000,000 shares authorized; issued and outstanding 1,342 shares of series C 6% and series D 4.5% noncumulative perpetual preferred stock (liquidation value $10,000 per share) at March 31, 2018 and December 31, 2017	-	-
Additional paid-in capital preferred stock	13,241	13,241
Common stock: no par value; 20,000,000 shares authorized; issued 17,586,243 and 17,572,942 at March 31, 2018 and December 31, 2017, respectively, outstanding 15,055,480 shares and 15,042,179 shares, at March 31, 2018 and December 31, 2017, respectively	-	-
Additional paid-in capital common stock	164,512	164,230
Retained earnings	33,728	31,241
Accumulated other comprehensive (loss)	(4,979)	(3,142)
Treasury stock, at cost, 2,530,763 shares at March 31, 2018 and December 31, 2017	(29,116)	(29,116)
Total Stockholders' Equity	177,386	176,454
Total Liabilities and Stockholders' Equity	$ 2,082,313	$ 1,942,837

See accompanying notes to unaudited consolidated financial statements.

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

	Three Months Ended March 31, 2018	2017
Interest income:		
Loans, including fees	**$ 19,521**	$ 17,542
Mortgage-backed securities	**699**	527
Municipal bonds and other debt	**104**	103
FHLB stock and other interest earning assets	**618**	283
Total interest income	**20,942**	18,455
Interest expense:		
Deposits:		
Demand	**797**	673
Savings and club	**97**	99
Certificates of deposit	**2,730**	2,011
	3,624	2,783
Borrowings	**878**	1,067
Total interest expense	**4,502**	3,850
Net interest income	**16,440**	14,605
Provision for loan losses	**1,342**	498
Net interest income after provision for loan losses	**15,098**	14,107
Non-interest income:		
Fees and service charges	**710**	796
Gain on sales of loans	**583**	338
Loss on bulk sale of impaired loans held in portfolio	**(24)**	-
Gain on sales of other real estate owned	**-**	1,151
Unrealized loss on equity investments	**(127)**	-
Other	**2,244**	28
Total non-interest income	**3,386**	2,313
Non-interest expense:		
Salaries and employee benefits	**6,267**	6,090
Occupancy and equipment	**2,062**	2,158
Data processing and service fees	**729**	653
Professional fees	**505**	363
Director fees	**201**	180
Regulatory assessments	**239**	361
Advertising and promotional	**85**	143
Other real estate owned, net	**31**	42
Merger related costs	**145**	-
Other	**1,747**	1,572
Total non-interest expense	**12,011**	11,562
Income before income tax provision	**6,473**	4,858
Income tax provision	**1,841**	1,945
Net Income	**$ 4,632**	$ 2,913
Preferred stock dividends	**166**	118
Net Income available to common stockholders	**$ 4,466**	$ 2,795
Net Income per common share-basic and diluted		
Basic	**$ 0.30**	$ 0.25
Diluted	**$ 0.29**	$ 0.25
Weighted average number of common shares outstanding		
Basic	**15,048**	11,278
Diluted	**15,181**	11,360

See accompanying notes to unaudited consolidated financial statements.

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

	Three Months Ended March 31,	
	2018	2017
Net Income	**$ 4,632**	$ 2,913
Other comprehensive (loss) income, net of tax:		
Unrealized (losses) gains on available-for-sale debt securities:		
Unrealized holding (losses) gains arising during the period (a)	**(1,711)**	859
Other comprehensive (loss) income	**(1,711)**	859
Comprehensive income	**$ 2,921**	$ 3,772

(a) Represents the net change of the unrealized (loss) gain on available-for-sale debt securities. Including an unrealized (loss) gain of ($2,380,000) and $1,453,000, respectively, less deferred taxes of ($669,000) and $594,000 respectively.

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
Beginning Balance at January 1, 2018	**$ -**	**$ -**	**$ 177,471**	**$ 31,241**	**$ (29,116)**	**$ (3,142)**	**$ 176,454**
Exercise of Stock Options (200 shares)	**-**	**-**	**2**	**-**	**-**	**-**	**2**
Stock-based compensation expense	**-**	**-**	**85**	**-**	**-**	**-**	**85**
Dividends payable on Series C 6% and Series D 4.5% noncumulative perpetual preferred stock	**-**	**-**	**-**	**(166)**	**-**	**-**	**(166)**
Cash dividends on common stock ($0.14 per share declared)	**-**	**-**	**-**	**(2,025)**	**-**	**-**	**(2,025)**
Dividend Reinvestment Plan	**-**	**-**	**80**	**(80)**	**-**	**-**	**-**
Stock Purchase Plan	**-**	**-**	**115**	**-**	**-**	**-**	**115**
Net income	**-**	**-**	**-**	**4,632**	**-**	**-**	**4,632**
Reclassification of unrealized gains on AFS equity securities	**-**	**-**	**-**	**126**	**-**	**(126)**	**-**
Other comprehensive loss	**-**	**-**	**-**	**-**	**-**	**(1,711)**	**(1,711)**
Ending Balance at March 31, 2018	**$ -**	**$ -**	**$ 177,753**	**$ 33,728**	**$ (29,116)**	**$ (4,979)**	**$ 177,386**

	Preferred Stock	Common Stock	Additional Paid-In Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total
Beginning Balance at January 1, 2017	$ -	$ -	$ 135,881	$ 28,159	$ (29,103)	$ (3,856)	$ 131,081
Redemption of Series A and B Preferred Stock	-	-	(11,720)	-	-	-	(11,720)
Issuance of Series D Preferred Stock	-	-	5,237	-	-	-	5,237
Stock-based compensation expense	-	-	30	-	-	-	30
Treasury Stock purchases	-	-	-	-	(8)	-	(8)
Dividends payable on Series C 6% and Series D 4.5% noncumulative perpetual preferred stock	-	-	-	(118)	-	-	(118)
Cash dividends on common stock ($0.14 per share declared)	-	-	-	(1,505)	-	-	(1,505)
Dividend Reinvestment Plan	-	-	72	(72)	-	-	-
Stock Purchase Plan	-	-	242	-	-	-	242
Net income	-	-	-	2,913	-	-	2,913
Other comprehensive income	-	-	-	-	-	859	859
Ending Balance at March 31, 2017	$ -	$ -	$ 129,742	$ 29,377	$ (29,111)	$ (2,997)	$ 127,011

See accompanying notes to unaudited consolidated financial statements.

BCB BANCORP INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

(In Thousands, Unaudited)

	Three Months Ended March 31, 2018	2017
Cash Flows from Operating Activities :		
Net Income	**$ 4,632**	$ 2,913
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation of premises and equipment	**600**	688
Amortization and accretion, net	**(266)**	(347)
Provision for loan losses	**1,342**	498
Deferred income tax (benefit)	**(331)**	710
Loans originated for sale	**(4,747)**	(6,476)
Proceeds from sales of loans	**6,417**	10,197
Gain on sales of loans originated for sale	**(583)**	(338)
Gains on sales of other real estate owned	**-**	(1,151)
Fair value adjustment of OREO	**1**	-
Loss on equity investments	**127**	-
Loss on bulk sale of impaired loans held in portfolio	**24**	-
Stock-based compensation expense	**85**	30
Decrease (increase) in interest receivable	**101**	(141)
Decrease in other assets	**172**	2,347
Increase (decrease) in accrued interest payable	**77**	(40)
Increase (decrease) in other liabilities	**1,484**	(405)
Net Cash Provided by Operating Activities	**9,135**	8,485
Cash flows from investing activities:		
Proceeds from calls on securities available for sale	**7,330**	5,052
Purchases of securities available for sale	**(14,645)**	(15,048)
Proceeds from sales of other real estate owned	**-**	2,091
Proceeds from bulk sale of impaired loans held	**250**	-
Net increase in loans receivable	**(123,078)**	(43,717)
Additions to premises and equipment	**(127)**	(1,561)
(Purchase) Redemption of Federal Home Loan Bank of New York stock	**(675)**	315
Net Cash Used In Investing Activities	**(130,945)**	(52,868)
Cash flows from financing activities:		
Net increase in deposits	**121,983**	121,639
Proceeds from Federal Home Loan Bank of New York advances	**60,000**	-
Repayments of Federal Home Loan Bank of New York advances	**(45,000)**	-
Net change in short-term debt	**-**	(20,000)
Purchases/adjustments of treasury stock	**-**	(8)
Cash dividends paid on common stock	**(2,025)**	(1,505)
Cash dividends paid on preferred stock	**(166)**	(118)
Net proceeds from issuance of common stock	**115**	242
Net proceeds from issuance of preferred stock	**-**	5,237
Net payment on redemption of preferred stock	**-**	(11,720)
Exercise of stock options	**2**	-
Net Cash Provided by Financing Activities	**134,909**	93,767
Net Increase In Cash and Cash Equivalents	**13,099**	49,384
Cash and Cash Equivalents-Beginning	**124,235**	65,038
Cash and Cash Equivalents-Ending	**$ 137,334**	$ 114,422
Supplementary Cash Flow Information:		
Cash paid during the year for:		
Income taxes	**$ 143**	$ 71
Interest	**$ 4,425**	$ 3,890
Non-cash items:		
Transfer of loans to other real estate owned	**$ 881**	$ -

See accompanying notes to unaudited consolidated financial statements

Note 1 – Basis of Presentation

The accompanying unaudited consolidated financial statements include the accounts of BCB Bancorp, Inc. (the "Company") and the Company's wholly owned subsidiaries, BCB Community Bank (the "Bank"), BCB Holding Company Investment Company, BCB New York Asset Management, Inc. and Pamrapo Service Corporation. The Company's business is conducted principally through the Bank. All significant intercompany accounts and transactions have been eliminated in consolidation.

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, 2018 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, 2017, which are included in the Company's Annual Report on Form 10-K as filed with the Securities and Exchange Commission. In preparing these consolidated financial statements, the Company evaluated the events and transactions that occurred between March 31, 2018, and the date these consolidated financial statements were issued.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606), which will supersede the current revenue recognition requirements in Topic 605, Revenue Recognition. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. In August 2015, the FASB issued ASU 2015-14 which deferred the effective date of ASU 2014-09 by one year. The scope of ASC 606 excludes net interest income and other revenues associated with financial assets and liabilities, including loans, leases, securities and derivatives, which would then exclude the majority of the Company's revenues. However, the recognition and measurement of certain non-interest income items such as gain on sale of other real estate owned and deposit-related fees, could be affected by ASC 606. The Company adopted the guidance effective January 1, 2018, using the modified retrospective method. Implementation of the guidance did not have a material impact on the Company's consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), which will supersede the current lease requirements in Topic 840. The ASU requires lessees to recognize a right of use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of income. Currently, leases are classified as either capital or operating, with only capital leases recognized on the balance sheet. The reporting of lease related expenses in the statements of operations and cash flows will be generally consistent with the current guidance. The new guidance will be effective for the Company in 2019. Once effective, the standard will be applied using a modified retrospective transition method to the beginning of the earliest period presented. The Company is currently assessing the impacts this new standard will have on its consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments - Credit Losses. ASU 2016-13 requires entities to report "expected" credit losses on financial instruments and other commitments to extend credit rather than the current "incurred loss" model. These expected credit losses for financial assets held at the reporting date are to be based on historical experience, current conditions, and reasonable and supportable forecasts. This ASU will also require enhanced disclosures to help investors and other financial statement users better understand significant estimates and judgments used in estimating credit losses, as well as the credit quality and underwriting standards of an entity's portfolio. These disclosures include qualitative and quantitative requirements that provide additional information about the amounts recorded in the consolidated financial statements. The amendments are effective for the Company in 2020. The Company has begun evaluating the impact the adoption of ASU 2016-13 will have on its consolidated financial statements and results of operations. The effect of this change cannot be ascertained at this point, and will depend upon factors including asset components, asset quality and market conditions at the adoption date.

In May 2017, the FASB issued ASU 2017-09, "Compensation-Stock Compensation (Topic 718): Scope of Modification Accounting". The amendments in this update requires that an entity account for the effects of a modification unless the fair value of the modified award is the same as the fair value of the original award immediately before the original award is modified, the vesting conditions of the modified award are the same as the vesting conditions of the original award immediately before the original award is modified and the classification of the modified award as an equity instrument or a liability instrument is the same as the classification of the original award immediately before the original award is modified. ASU 2017-09 is effective for the Company on a prospective basis in 2018. Due to prospective application, the new guidance does not expect to have an impact on the Company's consolidated financial statements.

ASU 2017-08, "Receivables - Nonrefundable Fees and Other Costs (Subtopic 310-20): Premium Amortization on Purchased Callable Debt Securities." ASU 2017-08 was issued to enhance the accounting for the amortization of premiums for purchased callable debt securities. This amendment requires that the amortization of the premium be shortened to the earliest call date. For public business entities, ASU 2017-08 is effective for fiscal years after December 15, 2018, and interim periods within those fiscal years. The adoption of ASU 2017-08 had no effect on the Company’s consolidated financial statements.

In January 2016, the FASB issued ASU 2016-01, “Financial Instruments- Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities.” This guidance amends existing guidance to improve accounting standards for financial instruments including clarification and simplification of accounting and disclosure requirements and the requirement for public business entities to use the exit price notion when measuring the fair value of financial instruments for disclosure purposes. These amendments are effective for public business entities for annual periods and interim periods within those annual periods beginning after December 15, 2017. The Company recorded a cumulative effect adjustment to the balance sheet as of January 1, 2018 in the amount of $126,000, representing the unrealized gain of $175,000 at December 31, 2017 net of taxes of $49,000. For the three months ended March 31, 2018, the Company recorded a loss to the income statement in the amount of $127,000. In addition to the change noted above, adoption of this standard will impact the fair value disclosures included in Note 7.

In February 2018, the FASB issued ASU No. 2018-02, “Income Statement – Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income.” The ASU required a reclassification from accumulated other comprehensive income to retained earnings for stranded tax effects resulting from the newly enacted federal corporate income tax rate as a result of the Tax Cuts and Jobs Act. The amount of the reclassification is the difference between the historical corporate income tax rate and the newly enacted twenty-one percent corporate income tax rate. The Company chose to early adopt the new standard for the year ending December 31, 2017, as allowed under the new standard. The amount of the reclassification for the Company was $557,000, as shown in the Consolidated Statement of Changes in Shareholders' Equity in the Company's Form 10-K filing for the year ended December 31, 2017, subject to Staff Accounting Bulletin 118, Income Tax Implications of the Tax Cuts and Jobs Act ("SAB 118"). SAB 118 provides a measurement period not to extend beyond one year of the enactment date to adjust the accounting for certain elements of the tax reform. The Company does not anticipate a material adjustment to tax expense during the measurement period.

Note 2 – Reclassification

Certain amounts as of December 31, 2017 and for the three month period ended March 31, 2017, respectively 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 3 – Pension and Other Postretirement Plans

The Company assumed, through the merger with Pamrapo Bancorp, Inc., a non-contributory defined benefit pension plan covering all eligible employees of Pamrapo Savings Bank. Effective January 1, 2010, the defined benefit pension plan ("Pension Plan"), was frozen by Pamrapo Savings Bank. All benefits for eligible participants accrued in the "Pension Plan" to the freeze date have been retained. Accordingly, no employees are permitted to commence participation in the Pension Plan and future salary increases and future years of service are not considered when computing an employee's benefits under the Pension Plan. The Pension Plan is funded in conformity with the funding requirements of applicable government regulations. The Company also acquired through the merger with Pamrapo Bancorp, Inc. a supplemental executive retirement plan ("SERP") in which certain former employees of Pamrapo Savings Bank are covered. A SERP is an unfunded non-qualified deferred retirement plan. Participants who retire at the age of 65 (the "Normal Retirement Age"), are entitled to an annual retirement benefit equal to 75% of compensation reduced by their retirement plan annual benefits. Participants retiring before the Normal Retirement Age receive the same benefits reduced by a percentage based on years of service to the Company and the number of years prior to the Normal Retirement Age that participants retire.

Net periodic pension benefit for the three months ended March 31, 2018 and March 31, 2017 was $10,000 and $9,000 respectively. Net periodic postretirement cost for the SERP plan for the three months ended March 31, 2018 and March 31, 2017 was $3,000 and $4,000 respectively.

Note 3 – Pension and Other Postretirement Plans (Continued)

The Company, under the plan approved by its stockholders 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 will be 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 September 13, 2017, a grant of 350,000 options was declared for members of the Board of Directors and Executive Officers which vest at a rate of 10% per year and 20% per year, respectively, commencing on the first anniversary of the grant date. On September 16, 2016, a grant of 160,000 options was declared for members of the Board of Directors and the Chief Executive Officer, which vest at a rate of 10% per year and 33% per year, respectively, commencing on the first anniversary of the grant date. On December 2, 2015, a grant of 120,000 options and on March 7, 2014, a grant of 110,000 options was declared for certain members of the Board of Directors which vest at a rate of 10% per year, over ten years commencing on the first anniversary of the grant date.

	Number of Option Shares		**Range of Exercise Prices**		**Weighted Average Exercise Price**
Outstanding at December 31, 2017	**889,300**	**$**	**8.93-13.32**	**$**	**11.42**
Options granted	**-**		**-**		**-**
Options exercised	**(200)**		**10.55**		**10.55**
Options forfeited	**-**		**-**		**-**
Options expired	**-**		**-**		**-**
Outstanding at March 31, 2018	**889,100**	**$**	**8.93-13.32**	**$**	**10.91**

As of March 31, 2018, stock options which were granted and were exercisable totaled 183,867 stock options.

It is Company policy to issue new shares upon share option exercise. Expected future compensation expense relating to the 705,233 shares of unvested options outstanding as of March 31, 2018 was $1,566,000 over a weighted average period of 7.18 years.

	Number of Option Shares		Range of Exercise Prices		Weighted Average Exercise Price
Outstanding at December 31, 2016	**575,000**	**$**	**8.93-13.32**	**$**	**10.78**
Options granted	**-**				
Options exercised	**(500)**		**10.55**		**10.55**
Options forfeited	**(35,000)**		**8.93-13.32**		**8.93-13.32**
Options expired	**-**				
Outstanding at March 31, 2017	**539,500**	**$**	**8.93-13.32**	**$**	**10.79**

As of March 31, 2017, stock options which were granted and were exercisable totaled 107,900 stock options.

It is Company policy to issue new shares upon share option exercise. Expected future compensation expense relating to 431,600 shares of unvested options outstanding as of March 31, 2017 was $1,016,000 over a weighted average period of 6.99 years.

Note 4 – Net Income per Common Share

Basic net 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, 2018 and 2017, the difference in the weighted average number of basic and diluted common shares was due solely to the effects of outstanding stock options. No adjustments to net income were necessary in calculating basic and diluted net income per share. For the three months ended March 31, 2018 and 2017 the weighted average number of outstanding options considered to be anti-dilutive were 1,388 and 8,757 respectively.

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,					
	2018			2017		
	Income (Numerator)	**Shares (Denominator)**	**Per Share Amount**	**Income (Numerator)**	**Shares (Denominator)**	**Per Share Amount**
	(In Thousands, Except per share data)					
Net income available to common stockholders	**$ 4,466**			$ 2,795		
Basic earnings per share-						
Income available to						
Common stockholders	**$ 4,466**	**15,048**	**$ 0.30**	$ 2,795	11,278	$ 0.25
Effect of dilutive securities:						
Stock options	**-**	**133**		-	82	
Diluted earnings per share-						
Income available to						
Common stockholders	**$ 4,466**	**15,181**	**$ 0.29**	$ 2,795	11,360	$ 0.25

Note 5 –Securities

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, 2018 and December 31, 2017:

	March 31, 2018			
	Amortized Cost	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Fair Value**
	(In Thousands)			
Residential mortgage-backed securities:				
Due after one year through five years	**$ 3,256**	**$ -**	**$ 121**	**$ 3,135**
Due after five years through ten years	**2,862**	**8**	**13**	**2,857**
Due after ten years	**117,684**	**20**	**4,538**	**113,166**
	$ 123,802	**$ 28**	**$ 4,672**	**$ 119,158**

	December 31, 2017			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(In Thousands)			
Mortgage-backed securities:				
Due after one year through five years	$ 3,276	$ 3	$ 76	$ 3,203
Due after five years through ten years	622	-	10	612
Due after ten years	110,156	44	2,222	107,978
Municipal obligations:				
Due within one year	2,506	-	4	2,502
	$ 116,560	$ 47	$ 2,312	$ 114,295

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:

	Less than 12 Months		More than 12 Months		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
	(In Thousands)					
March 31, 2018						
Residential mortgage-backed securities	**$ 70,300**	**$ 1,785**	**$ 45,873**	**$ 2,887**	**$ 116,173**	**$ 4,672**
	$ 70,300	**$ 1,785**	**$ 45,873**	**$ 2,887**	**$ 116,173**	**$ 4,672**
December 31, 2017						
Residential mortgage-backed securities	$ 94,909	$ 1,951	$ 12,309	$ 357	$ 107,218	$ 2,308
Municipal obligations	2,502	4	-	-	2,502	4
Preferred stock	3,469	60	-	-	3,469	60
	$ 100,880	$ 2,015	$ 12,309	$ 357	$ 113,189	$ 2,372

Management evaluates securities for other-than-temporary impairment ("OTTI") at least on a quarterly basis, and more frequently when economic or market conditions warrant such evaluation. Consideration is given to (1) the length of time and the extent to which the fair value has been less than cost, (2) the financial condition and near-term prospects of the issuer, and (3) whether the Company intends to sell the security or more likely than not will be required to sell the security before its anticipated recovery. At March 31, 2018 and December 31, 2017, management performed an assessment for possible OTTI of the Company's residential mortgage-backed securities on an issue-by-issue basis, relying on information obtained from various sources, including publicly available financial data, ratings by external agencies, brokers and other sources. The extent of individual analysis applied to each security depended on the size of the Company's investment, as well as management's perception of the credit risk associated with each security. Based on the results of the assessment, management believes impairment of these securities, at March 31, 2018 and December 31, 2017, to be temporary.

Note 6 - Loans Receivable and Allowance for Loan Losses

The following table presents the recorded investment in loans receivable as of March 31, 2018 and December 31, 2017 by segment and class:

	March 31, 2018	December 31, 2017
	(In Thousands)	
Originated loans:		
Residential one-to-four family	**$ 191,274**	$ 182,544
Commercial and multi-family	**1,317,223**	1,213,390
Construction	**48,433**	50,497
Commercial business(1)	**76,884**	66,775
Home equity(2)	**44,484**	38,725
Consumer	**1,023**	1,183
Sub-total	**1,679,321**	1,553,114
Acquired loans initially recorded at fair value:		
Residential one-to-four family	**45,594**	47,808
Commercial and multi-family	**44,737**	46,609
Commercial business(1)	**4,170**	4,057
Home equity(2)	**8,569**	8,955
Consumer	**104**	122
Sub-total	**103,174**	107,551
Acquired loans with deteriorated credit:		
Residential one-to-four family	**1,407**	1,413
Commercial and multi-family	**724**	731
Sub-total	**2,131**	2,144
Total Loans	**1,784,626**	1,662,809
Less:		
Deferred loan fees, net	**(1,692)**	(1,757)
Allowance for loan losses	**(18,337)**	(17,375)
	(20,029)	(19,132)
Total Loans, net	**$ 1,764,597**	$ 1,643,677

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(1) Includes business lines of credit.

(2) Includes home equity lines of credit.

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

Allowance for Loan Losses

The allowance for loan loss is evaluated regularly by management and reflects consideration of all significant factors that affect the collectability of the loan portolio. The Company's methodology for assessing the adequacy of the allowance for loan losses consists of several key elements. These elements include a general allocated reserve for performing loans, a specific reserve for impaired loans and an unallocated portion.

The Company consistently applies the following comprehensive methodology. During the quarterly review of the allowance for loan losses, the Company considers a variety of qualitative factors that include:

- Lending Policies and Procedures
- Personnel responsible for the particular portfolio - relative to experience and ability of staff
- Trend for past due, criticized and classified loans
- Relevant economic factors
- Quality of the loan review system
- Value of collateral for collateral dependent loans
- The effect of any concentrations of credit and the changes in the level of such concentrations
- Other external factors

The methodology includes the segregation of the loan portfolio into two divisions. Loans that are performing and loans that are impaired. Loans which are performing are evaluated homogeneously by loan class or loan type. The allowance for performing loans is evaluated based on historical loan experience with an adjustment for qualitative factors referred to above. Impaired loans are loans which are more than 90 days delinquent, troubled debt restructured, or adversely classified. These loans are individually evaluated for loan loss either by current appraisal, or net present value. Management reviews the overall estimate for feasibility and bases the loan loss provision accordingly.

The loan portfolio is segmented into the following loan classes, where the risk level for each class is analyzed when determining the allowance for loan losses:

Residential single family real estate loans involve certain risks such as interest rate risk and risk of non-repayment. Adjustable-rate residential family real estate loans decreases 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 property 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.

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 and multi-family real estate lending entails significant 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 economic conditions generally.

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 most cases, any repossessed collateral for a defaulted commercial business loans will not provide an adequate source of repayment of the outstanding loan balance.

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 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 effected by job loss, divorce, illness and personal bankruptcy. In most cases, any repossessed collateral for a defaulted consumer loan will not provide an adequate source of repayment of the outstanding loan.

The Company also maintains an unallocated allowance. The unallocated allowance is used to cover any factors or conditions which may cause a potential loan loss but are not specifically identifiable. It is prudent to maintain an unallocated portion of the allowance because no matter how detailed an analysis of potential loan losses is performed, these estimates lack some element of precision. Management must make estimates using assumptions and information that is often subjective and changing rapidly.

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

Criticized and Classified Assets.

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

When we classify problem assets, we may establish general allowances for loan losses in an amount deemed prudent by management. General allowances represent loss allowances which have been established to recognize the inherent risk associated with lending activities, but which, unlike specific allowances, have not been allocated to particular problem assets. A portion of general loss allowances established to cover possible losses related to assets classified as substandard or doubtful may be included in determining our regulatory capital. Specific valuation allowances for loan losses generally do not qualify as regulatory capital. As of March 31, 2018, we had $42,000 in assets classified as losses, of which $42,000 were classified as impaired, and $20.3 million in assets classified as substandard, of which $20.3 million were classified as impaired. The loans classified as substandard represent primarily commercial loans secured either by residential real estate, commercial real estate or heavy equipment. The loans that have been classified substandard were classified as such primarily due to payment status, because updated financial information has not been timely provided, or the collateral underlying the loan is in the process of being revalued.

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 "nonaccrual" 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 6 - Loans Receivable and Allowance for Loan Losses (Continued)

The following table sets forth the activity in the Company's allowance for loan losses for the three months ended March 31, 2018. The table also details the amount of total loans receivable, loans receivable that are evaluated individually and collectively for impairment, and the related portion of the allowance for loan losses that is allocated to each loan class, as of March 31, 2018. (In Thousands):

	Residential	Commercial & Multi-family	Construction	Commercial Business [1]	Home Equity	Consumer	Unallocated	Total
Allowance for loan losses:								
Originated Loans:	$ 2,368	$ 11,656	$ 518	$ 2,018	$ 338	$ 6	$ 177	$ 17,081
Acquired loans initially recorded at fair value:	242	-	-	-	-	-	-	242
Acquired loans with deteriorated credit:	40	12	-	-	-	-	-	52
Beginning Balance, December 31, 2017	2,650	11,668	518	2,018	338	6	177	17,375
Charge-offs:								
Originated Loans:	302	-	-	-	-	-	-	302
Acquired loans initially recorded at fair value:	72	-	-	-	6	-	-	78
Acquired loans with deteriorated credit:	-		-	-	-	-	-	-
Sub-total:	374	-	-	-	6	-	-	380
Recoveries:								
Originated Loans:	-	-	-	-	-	-	-	-
Acquired loans initially recorded at fair value:	-	-	-	-	-	-	-	-
Acquired loans with deteriorated credit:	-	-	-	-	-	-	-	-
Sub-total:	-	-	-	-	-	-	-	-
Provisions:								
Originated Loans:	179	224	(26)	658	46	(2)	21	1,100
Acquired loans initially recorded at fair value:	199	-	-	24	6	-	-	229
Acquired loans with deteriorated credit:	13	-	-	-	-	-	-	13
Sub-total:	391	224	(26)	682	52	(2)	21	1,342
Totals:								
Originated Loans:	2,245	11,880	492	2,676	384	4	198	17,879
Acquired loans initially recorded at fair value:	369	-	-	24	-	-	-	393
Acquired loans with deteriorated credit:	53	12	-	-	-	-	-	65
Ending Balance, March 31, 2018	$ 2,667	$ 11,892	$ 492	$ 2,700	$ 384	$ 4	$ 198	$ 18,337
Loans Receivable:								
Ending Balance Originated Loans:	$ 191,274	$ 1,317,223	$ 48,433	$ 76,884	$44,484	$ 1,023	$ -	$1,679,321
Ending Balance Acquired loans initially recorded at fair value:	45,594	44,737	-	4,170	8,569	104	-	103,174
Ending Balance Acquired loans with deteriorated credit:	1,407	724	-	-	-	-	-	2,131
Total Gross Loans:	$ 238,275	$ 1,362,684	$ 48,433	$ 81,054	$53,053	$ 1,127	$ -	$1,784,626
Ending Balance: Loans individually evaluated for impairment:								
Ending Balance Originated Loans:	$ 7,072	$ 12,067	$ -	$ 1,647	$ 1,064	$ -	$ -	$ 21,850
Ending Balance Acquired loans initially recorded at fair value:	7,363	4,739	-	-	330	-	-	12,432
Ending Balance Acquired loans with deteriorated credit:	1,407	510	-	-	-	-	-	1,917
Ending Balance Loans individually evaluated for impairment:	$ 15,842	$ 17,316	$ -	$ 1,647	$ 1,394	$ -	$ -	$ 36,199
Ending Balance: Loans collectively evaluated for impairment:								
Ending Balance Originated Loans:	$ 184,202	$ 1,305,156	$ 48,433	$ 75,237	$43,420	$ 1,023	$ -	$1,657,471

Ending Balance Acquired loans initially recorded at fair value:	**38,231**	**39,998**	**-**	**4,170**	**8,239**	**104**	**-**	**90,742**
Ending Balance Acquired loans with deteriorated credit:	**-**	**214**	**-**	**-**	**-**	**-**	**-**	**214**
Ending Balance Loans collectively evaluated for impairment:	**$ 222,433**	**$ 1,345,368**	**$ 48,433**	**$ 79,407**	**$51,659**	**$ 1,127**	**$ -**	**$1,748,427**

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(1) Includes business lines of credit.

(2) Includes home equity lines of credit.

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

The following table sets forth the activity in the Company's allowance for loan losses for the year ended December 31, 2017. The table also details the amount of total loans receivable that are evaluated individually and collectively for impairment, and the related portion of the allowance for loan losses that is allocated to each loan class, as of December 31, 2017. (In Thousands):

	Residential	Commercial & Multi-family	Construction	Commercial Business [1]	Home Equity [2]	Consumer	Unallocated	Total
Allowance for credit losses:								
Originated Loans:	$ 2,098	$ 10,621	$ 736	$ 3,079	$ 374	$ 2	$ 69	$ 16,979
Acquired loans recorded at fair value:	170	-	-	-	4	-	-	174
Acquired loans with deteriorated credit:	43	13	-	-	-	-	-	56
Beginning Balance, December 31, 2016	2,311	10,634	736	3,079	378	2	69	17,209
Charge-offs:								
Originated Loans:	-	190	-	1,553 -	-	11	-	1,754
Acquired loans recorded at fair value:	336	-	-	-	54	-	-	390
Acquired loans with deteriorated credit:	-	-	-	-	-	-	-	-
Sub-total:	336	190	-	1,553	54	11	-	2,144
Recoveries:								
Originated Loans:	-	182	-	-	-	-	-	182
Acquired loans recorded at fair value:	-	-	-	-	- -	-	-	-
Acquired loans with deteriorated credit:	-	-	-	18	-	-	-	18
Sub-total:	-	182	-	18	-	-	-	200
Provisions:								
Originated Loans:	270	1,043	(218)	492	(36)	15	108	1,674
Acquired loans recorded at fair value:	408	-	-	-	50	-	-	458
Acquired loans with deteriorated credit:	(3)	(1)	-	(18)	-	-	-	(22)
Sub-total:	675	1,042	(218)	474	14	15	108	2,110
Totals:								
Originated Loans:	2,368	11,656	518	2,018	338	6	177	17,081
Acquired loans recorded at fair value:	242	-	-	-	-	-	-	242
Acquired loans with deteriorated credit:	40	12	-	-	-	-	-	52
Ending Balance, December 31, 2017	$ 2,650	$ 11,668	$ 518	$ 2,018	$ 338	$ 6	$ 177	$ 17,375
Loans Receivables:								
Ending Balance Originated Loans:	$ 182,544	$ 1,213,390	$ 50,497	$ 66,775	$ 38,725	$ 1,183	$ -	$1,553,114
Ending Balance Acquired Loans:	47,808	46,609	-	4,057	8,955	122	-	107,551
Ending Balance Acquired loans with deteriorated credit:	1,413	731	-	-	-	-	-	2,144
Total Gross Loans:	$ 231,765	$ 1,260,730	$ 50,497	$ 70,832	$ 47,680	$ 1,305	$ -	$1,662,809
Ending Balance: Loans individually evaluated for impairment:								
Ending Balance Originated Loans:	$ 7,944	$ 12,212	$ -	$ 1,780	$ 1,042	$ -	$ -	$ 22,978
Ending Balance Acquired Loans:	7,548	5,032	-	-	302	-	-	12,882
Ending Balance Acquired loans with deteriorated credit:	1,413	513	-	-	-	-	-	1,926
Ending Balance Loans individually evaluated for impairment:	$ 16,905	$ 17,757	$ -	$ 1,780	$ 1,344	$ -	$ -	$ 37,786
Ending Balance: Loans								

collectively evaluated for impairment:								
Ending Balance Originated Loans:	$ 174,600	$ 1,201,178	$ 50,497	$ 64,995	$ 37,683	$ 1,183	$ -	$ 1,530,136
Ending Balance Acquired Loans:	40,260	41,577	-	4,057	8,653	122	-	94,669
Ending Balance Acquired loans with deteriorated credit:	-	218	-	-	-	-	-	218
Ending Balance Loans collectively evaluated for impairment:	$ 214,860	$ 1,242,973	$ 50,497	$ 69,052	$ 46,336	$ 1,305	$ -	$ 1,625,023

(1) Includes business lines of credit.
(2) Includes home equity lines of credit.

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

The following table sets forth the activity in the Company's allowance for loan losses for the three months ended March 31, 2017. The table also details the amount of total loans receivable that are evaluated individually and collectively for impairment, and the related portion of the allowance for loan losses that is allocated to each loan class, as of March 31, 2017 (In Thousands):

	Residential	Commercial & Multi-family	Construction	Business	Equity [2]	Consumer	Unallocated	Total
Allowance for credit losses:								
Originated Loans:	$ 2,098	$ 10,621	$ 736	$ 3,079	$ 374	$ 2	$ 69	$ 16,979
Acquired loans recorded at fair value:	170	-	-	-	4	-	-	174
Acquired loans with deteriorated credit:	43	13	-	-	-	-	-	56
Beginning Balance, December, 31, 2016	2,311	10,634	736	3,079	378	2	69	17,209
Charge-offs:								
Originated Loans:	- -	71	-	- -	- -	6 -	- -	77
Acquired loans recorded at fair value:	89 -	-	-	-	34 -	- -	- -	123
Acquired loans with deteriorated credit:	- -	-	-	- -	- -	- -	- -	-
Sub-total:	89	71	-	-	34	6	-	200
Recoveries:								
Originated Loans:	-	-	-	-	-	-	-	-
Acquired loans recorded at fair value:	-	-	-	-	-	-	-	-
Acquired loans with deteriorated credit:	-	-	-	19	-	-	-	19
Sub-total:	-	-	-	19	-	-	-	19
Provisions:								
Originated Loans:	53	300	20	38	(39)	6	80	458
Acquired loans recorded at fair value:	31	-	-	-	30	-		61
Acquired loans with deteriorated credit:	(2)	(1)	-	(18)	-	-	-	(21)
Sub-total:	82	299	20	20	(9)	6	80	498
Totals:								
Originated Loans:	2,151	10,850	756	3,117	335	2	150	17,361
Acquired loans recorded at fair value:	112	-	-	-	-	-	-	112
Acquired loans with deteriorated credit:	41	12	-	-	-	-	-	53
Ending Balance, March 31, 2017	$ 2,304	$ 10,862	$ 756	$ 3,117	$ 335	$ 2	$ 150	$ 17,526
Loans Receivable:								
Ending Balance Originated Loans:	$ 154,047	$ 1,099,166	$ 72,899	$ 61,504	$ 34,336	$ 589	$ -	$ 1,422,541
Ending Balance Acquired loans recorded at fair value:	54,281	53,676	-	2,985	12,434	196	-	123,572
Ending Balance Acquired loans with deteriorated credit:	1,435	748	-	-	-	-	-	2,183
Total Gross Loans:	$ 209,763	$ 1,153,590	$ 72,899	$ 64,489	$ 46,770	$ 785	$ -	$ 1,548,296
Ending Balance: Loans individually evaluated for impairment:								
Ending Balance Originated Loans:	$ 10,293	$ 13,623	$ -	$ 4,097	$ 1,203	$ -	$ -	$ 29,216
Ending Balance Acquired loans recorded at fair value:	8,019	5,858	-	-	782	-	-	14,659
Ending Balance Acquired loans with deteriorated credit:	1,435	520	-	-	-	-	-	1,955
Ending Balance Loans individually evaluated for impairment:	$ 19,747	$ 20,001	$ -	$ 4,097	$ 1,985	$ -	$ -	$ 45,830
Ending Balance: Loans collectively evaluated for impairment:								
Ending Balance Originated Loans:	$ 143,754	$ 1,085,543	$ 72,899	$ 57,407	$ 33,133	$ 589	$ -	$ 1,393,325
Ending Balance Acquired loans recorded at fair value:	46,262	47,818	-	2,985	11,652	196	-	108,913
Ending Balance Acquired loans with deteriorated credit:	-	228	-	-	-	-	-	228
Ending Balance Loans collectively								

evaluated for impairment:	$ 190,016	$ 1,133,589	$ 72,899	$ 60,392	$ 44,785	$ 785	$ -	$ 1,502,466

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(1) Includes business lines of credit.

(2) Includes home equity lines of credit.

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

The table below sets forth the amounts and types of non-accrual loans in the Company's loan portfolio as of March 31, 2018 and December 31, 2017. 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, 2018 and December 31, 2017, total non-accrual loans differed from the amount of total loans past due greater than 90 days due to troubled debt restructuring of loans which are maintained on non-accrual status for a minimum of six months and until the borrower has demonstrated its ability to satisfy the terms of the restructured loan.

	As of March 31, 2018 (In Thousands)	As of December 31, 2017 (In Thousands)
Non-Accruing Loans:		
Originated loans:		
Residential one-to-four family	$ 1,432	$ 2,545
Commercial and multi-family	5,652	6,762
Commercial business[1]	176	299
Home equity[2]	356	201
Sub-total:	$ 7,616	$ 9,807
Acquired loans initially recorded at fair value:		
Residential one-to-four family	$ 2,374	$ 2,372
Commercial and multi-family	590	850
Home equity[2]	39	7
Sub-total:	$ 3,003	$ 3,229
Total	$ 10,619	$ 13,036

(1) Includes business lines of credit.
(2) Includes home equity lines of credit.

Note 6-Loans Receivable and Allowance for Loan Losses (Continued)

The following table summarizes the average recorded investment and interest income recognized on impaired loans with no related allowance recorded by portfolio class for the three months ended March 31, 2018 and 2017 (In Thousands):

	Three Months Ended March 31,			
	2018	**2018**	2017	2017
Originated loans	**Average Recorded Investment**	**Interest Income Recognized**	Average Recorded Investment	Interest Income Recognized
With no related allowance recorded:				
Residential one-to-four family	**$ 1,981**	**$ 7**	$ **4,499**	**$ 23**
Commercial and Multi-family	**11,897**	**77**	**11,576**	**63**
Commercial business[1]	**382**	**4**	**639**	**-**
Home equity[2]	**897**	**7**	**946**	**9**
Sub-total:	**$ 15,157**	**$ 95**	$ **17,663**	**$ 95**
Acquired loans initially recorded at fair value				
With no related allowance recorded:				
Residential one-to-four family	**$ 3,876**	**$ 30**	$ **5,885**	**$ 36**
Commercial and Multi-family	**3,793**	**59**	**4,857**	**56**
Home equity[2]	**231**	**-**	**611**	**-**
Consumer	**-**	**4**	**-**	**6**
Sub-total	**$ 7,900**	**$ 93**	$ **11,353**	**$ 98**
Acquired loans with deteriorated credit				
With no related allowance recorded:				
Residential one-to-four family	**$ 1,225**	**$ 16**	$ **1,439**	**$ 22**
Commercial and Multi-family	**512**	**7**	**522**	**7**
Sub-total:	**$ 1,737**	**$ 23**	$ **1,961**	**$ 29**
Total Impaired Loans				
With no related allowance recorded:	**$ 24,794**	**$ 211**	$ **30,977**	**$ 222**

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(1) Includes business lines of credit.

(2) Includes home equity lines of credit.

Note 6-Loans Receivable and Allowance for Loan Losses (Continued)

The following table summarizes the average recorded investment and interest income recognized on impaired loans with allowance recorded by portfolio class for the three months ended March 31, 2018 and 2017. (In Thousands):

	Three Months Ended March 31,			
	2018	**2018**	2017	2017
Originated loans with an allowance recorded:	**Average Recorded Investment**	**Interest Income Recognized**	Average Recorded Investment	Interest Income Recognized
Residential one-to-four family	**$ 5,527**	**$ 57**	$ 5,973	$ 60
Commercial and Multi-family	**243**	**-**	1,399	10
Commercial business[1]	**1,332**	**16**	3,454	46
Home equity[2]	**157**	**2**	337	4
Sub-total:	**$ 7,259**	**$ 75**	$ 11,163	$ 120
Acquired loans initially recorded at fair value with an allowance recorded:				
Residential one-to-four family	**$ 3,580**	**$ 32**	$ 1,925	$ 19
Commercial and Multi-family	**1,093**	**5**	1,250	16
Home equity[2]	**86**	**1**	313	2
Sub-total	**$ 4,759**	**$ 38**	$ 3,488	$ 37
Acquired loans with deteriorated credit with an allowance recorded:				
Residential one-to-four family	**$ 185**	**$ 5**	$ -	$ -
Sub-total:	**$ 185**	**$ 5**	$ -	$ -
Total Impaired Loans with an allowance recorded:	**$ 12,203**	**$ 118**	$ 14,651	$ 157

(1) Includes business lines of credit.
(2) Includes home equity lines of credit.

Note 6-Loans Receivable and Allowance for Loan Losses (Continued)

The following table summarizes the recorded investment and unpaid principal balances where there is no related allowance on impaired loans by portfolio class at
March 31, 2018 and December 31, 2017. (In Thousands):

	As of March 31, 2018			As of December 31, 2017		
Originated loans with no related allowance recorded:	**Recorded Investment**	**Unpaid Principal Balance**	**Related Allowance**	Recorded Investment	Unpaid Principal Balance	Related Allowance
Residential one-to-four family	**$ 1,889**	**$ 2,056**	**$ -**	$ 2,073	$ 2,236	$ -
Commercial and multi-family	**11,582**	**11,974**	**-**	12,212	12,763	-
Commercial business[1]	**582**	**1,845**	**-**	181	908	-
Home equity[2]	**908**	**960**	**-**	885	932	-
Sub-total:	**$ 14,961**	**$ 16,835**	**$ -**	$ 15,351	$ 16,839	$ -
Acquired loans initially recorded at fair value with no related allowance recorded:						
Residential one-to-four family	**$ 3,632**	**$ 3,816**	**$ -**	$ 4,119	$ 4,285	$ -
Commercial and Multi-family	**3,814**	**3,814**	**-**	3,772	3,773	-
Home equity[2]	**245**	**245**	**-**	216	268	-
Sub-total:	**$ 7,691**	**$ 7,875**	**$ -**	$ 8,107	$ 8,326	$ -
Acquired loans with deteriorated credit with no related allowance recorded:						
Residential one-to-four family	**$ 1,037**	**$ 1,604**	**$ -**	$ 1,413	$ 2,031	$ -
Commercial and Multi-family	**510**	**534**	**-**	513	537	-
Sub-total:	**$ 1,547**	**$ 2,138**	**$ -**	$ 1,926	$ 2,568	$ -
Total Impaired Loans with no related allowance recorded:	**$ 24,199**	**$ 26,848**	**$ -**	$ 25,384	$ 27,733	$ -

(1) Includes business lines of credit.
(2) Includes home equity lines of credit.

Note 6-Loans Receivable and Allowance for Loan Losses (Continued)

The following table summarizes the recorded investment, unpaid principal balance, and the related allowance on impaired loans by portfolio class at March 31, 2018 and December 31, 2017. (In Thousands):

	As of March 31, 2018			As of December 31, 2017		
Originated loans with an allowance recorded:	**Recorded Investment**	**Unpaid Principal Balance**	**Related Allowance**	Recorded Investment	Unpaid Principal Balance	Related Allowance
Residential one-to-four family	**$ 5,183**	**$ 5,183**	**$ 305**	$ 5,871	$ 5,871	$ 508
Commercial and Multi-family	**485**	**526**	**124**	-	-	-
Commercial business(1)	**1,065**	**1,189**	**764**	1,599	2,431	1,033
Home equity(2)	**156**	**156**	**24**	157	157	25
Sub-total:	**$ 6,889**	**$ 7,054**	**$ 1,217**	$ 7,627	$ 8,459	$ 1,566
Acquired loans initially recorded at fair value with an allowance recorded:						
					-	
Residential one-to-four family	**$ 3,731**	**$ 3,945**	**$ 390**	$ 3,429	$ 3,580	$ 281
Commercial and Multi-family	**925**	**978**	**191**	1,260	1,313	179
Home equity(2)	**85**	**85**	**6**	86	86	7
Sub-total	**$ 4,741**	**$ 5,008**	**$ 587**	$ 4,775	$ 4,979	$ 467
Acquired loans with deteriorated credit with an allowance recorded:						
Residential one-to-four family	**$ 370**	**$ 418**	**$ 13**	$ -	$ -	$ -
Sub-total:	**$ 370**	**$ 418**	**$ 13**	$ -	$ -	$ -
Total Impaired Loans with an allowance recorded:	**$ 12,000**	**$ 12,480**	**$ 1,817**	$ 12,402	$ 13,438	$ 2,033
Total Impaired Loans with no related allowance recorded:	**$ 24,199**	**$ 26,848**	**$ -**	$ 25,384	$ 27,733	$ -
Total Impaired Loans:	**$ 36,199**	**$ 39,328**	**$ 1,817**	$ 37,786	$ 41,171	$ 2,033

(1) Includes business lines of credit.
(2) Includes home equity lines of credit.

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

A troubled debt restructured ("TDR") is a loan that has been modified whereby the Company has agreed to make certain concessions to a borrower to meet the needs of both the borrower and the Company to maximize the ultimate recovery of a loan. A TDR occurs when a borrower is experiencing, or is expected to experience, financial difficulties and the loan is modified using a modification that would otherwise not be granted to the borrower. The types of concessions granted generally include, but are not limited to interest rate reductions, limitations on the accrued interest charged, term extensions, and deferment of principal.

The following table presents the total TDR loans at March 31, 2018, excluding the purchase impairment mark on the acquired loans with deteriorated credit. (Dollars In Thousands):

	Accrual		Non-accrual		Total	
March 31, 2018	**# of Loans**	**Amount**	**# of Loans**	**Amount**	**# of Loans**	**Amount**
Originated loans:						
Residential one-to-four family	6	$ 3,107	2	$ 268	8	$ 3,375
Commercial and multi-family	9	5,819	7	4,518	16	10,337
Commercial business[1]	1	406	2	-	3	406
Home equity[2]	4	653	1	44	5	697
Sub-total:	20	$ 9,985	12	$ 4,830	32	$ 14,815
Acquired loans recorded at fair value:						
Residential one-to-four family	21	$ 4,806	4	$ 1,300	25	$ 6,106
Commercial and Multi-family	11	3,814	1	590	12	4,404
Home equity[2]	2	261	-	-	2	261
Sub-total:	34	$ 8,881	5	$ 1,890	39	$ 10,771
Acquired loans with deteriorated credit:						
Residential one-to-four family	5	$ 2,021	-	$ -	5	$ 2,021
Commercial and Multi-family	1	534	-	-	1	534
Sub-total:	6	$ 2,555	-	$ -	6	$ 2,555
Total	60	$ 21,421	17	$ 6,720	77	$ 28,141

(1) Includes business lines of credit.
(2) Includes home equity lines of credit.

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

The following table presents the total troubled debt restructured loans at December 31, 2017, excluding the purchase impairment mark on the acquired loans with deteriorated credit. (Dollars In Thousands):

	Accrual		Non-accrual		Total	
December 31, 2017	# of Loans	Amount	# of Loans	Amount	# of Loans	Amount
Originated loans:						
Residential one-to-four family	5	$ 2,352	2	$ 1,086	7	$ 3,438
Commercial and multi-family	8	4,846	8	5,416	16	10,262
Commercial business[1]	1	411	2	57	3	468
Home equity[2]	5	786	1	44	6	830
Sub-total:	19	$ 8,395	13	$ 6,603	32	$ 14,998
Acquired loans initially recorded at fair value:						
Residential one-to-four family	21	$ 4,992	4	$ 1,215	25	$ 6,207
Commercial and Multi-family	11	3,840	1	590	12	4,430
Home equity[2]	2	262	-	-	2	262
Sub-total:	34	$ 9,094	5	$ 1,805	39	$ 10,899
Acquired loans with deteriorated credit:						
Residential one-to-four family	5	$ 2,031	-	$ -	5	$ 2,031
Commercial and Multi-family	1	538	-	-	1	538
Sub-total:	6	$ 2,569	-	$ -	6	$ 2,569
Total	59	$ 20,058	18	$ 8,408	77	$ 28,466

(1) Includes business lines of credit.
(2) Includes home equity lines of credit.

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

The following table summarizes information with regards to troubled debt restructurings which occurred during the three months ended March 31, 2018. (Dollars in Thousands):

Three Months Ended March 31, 2018	Number of Contracts	Pre-Modification Outstanding Recorded Investments	Post-Modification Outstanding Recorded Investments
Originated loans:			
Residential one-to-four family	**1**	$ **640**	$ **640**
Sub-total:	**1**	$ **640**	$ **640**
Acquired loans initially recorded at fair value:			
Residential one-to-four family	**1**	$ **179**	$ **179**
Sub-total:	**1**	$ **179**	$ **179**
Total	**2**	**$ 819**	$ **819**

The loans included above are considered TDRs as a result of the Company implementing one or more of the following concessions: granting a material extension of time, issuing a forbearance agreement, adjusting the interest rate to a below market rate and/or accepting interest only for a period of time or a change in amortization period. All TDRs were considered impaired and therefore were individually evaluated for impairment in the calculation of the allowance for loan losses. Prior to their classification as TDRs, certain of these loans had been collectively evaluated for impairment in the calculation of the allowance for loan losses.

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

The following table summarizes information in regards to troubled debt restructurings for which there was a payment default within twelve months of restructuring during the three months ended March 31, 2018. (Dollars in Thousands)

Three Months Ended March 31, 2018

	Number of Contracts	Recorded Investment
Originated loans:		
Commercial and multi-family	1	2,851
Sub-total:	1	$ 2,851
Acquired loans initially recorded at fair value:		
Residential one-to-four family	2	$ 525
Sub-total:	2	$ 525
Total	3	$ 3,376

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

The following table summarizes information with regards to troubled debt restructurings which occurred during the three months ended March 31, 2017. (Dollars in Thousands):

Three Months Ended March 31, 2017	Number of Contracts	Pre-Modification Outstanding Recorded Investments	Post-Modification Outstanding Recorded Investments
Originated loans:			
Residential one-to-four family	2	$ 1,445	$ 1,556
Commercial and multi-family	2	1,637	1,756
Sub-total:	4	$ 3,082	$ 3,312
Acquired loans initially recorded at fair value:			
Residential one-to-four family	1	$ 73	$ 104
Sub-total:	1	$ 73	$ 104
Total	5	$ 3,155	$ 3,416

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

The following table summarizes information in regards to troubled debt restructurings for which there was a payment default within twelve months of restructuring during the three months ended March 31, 2017 (Dollars in Thousands):

Three Months Ended March 31, 2017

	Number of Contracts	Recorded Investment
Originated loans:		
Home equity[1]	**1**	**1,137**
Sub-total:	**1**	**$ 1,137**
Acquired loans initially recorded at fair value:		
Residential one-to-four family	**1**	**$ 425**
Sub-total:	**1**	**$ 425**
Total	**2**	**$ 1,562**

(1) Includes home equity lines of credit.

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

The following table sets forth the delinquency status of total loans receivable as of March 31, 2018:

	30-59 Days Past Due	60-90 Days Past Due	Greater Than 90 Days	Total Past Due	Current	Total Loans Receivable	Loans Receivable >90 Days and Accruing
				(In Thousands)			
Originated loans:							
Residential one-to-four family	$ 1,656	$ 1,364	$ 1,164	$ 4,184	$ 187,090	$ 191,274	$ -
Commercial and multi-family	11,726	1,705	-	13,431	1,303,792	1,317,223	-
Construction	-	-	-	-	48,433	48,433	-
Commercial business[(1)]	-	655	103	758	76,126	76,884	-
Home equity[(2)]	38	322	44	404	44,080	44,484	-
Consumer	2	42	-	44	979	1,023	-
Sub-total:	$ 13,422	$ 4,088	$ 1,311	$ 18,821	$ 1,660,500	$ 1,679,321	$ -
Acquired loans initially recorded at fair value:							
Residential one-to-four family	$ 433	$ 661	$ 1,667	$ 2,761	$ 42,833	45,594	$ -
Commercial and multi-family	875	-	590	1,465	43,272	44,737	-
Construction	-	-	-	-	-	-	-
Commercial business[(1)]	-	-	-	-	4,170	4,170	-
Home equity[(2)]	285	130	39	454	8,115	8,569	-
Consumer	-	-	-	-	104	104	-
Sub-total:	$ 1,593	$ 791	$ 2,296	$ 4,680	$ 98,494	$ 103,174	$ -
Acquired loans with deteriorated credit:							
Residential one-to-four family	$ -	$ -	$ -	$ -	$ 1,407	1,407	$ -
Commercial and multi-family	-	-	-	-	724	724	-
Sub-total:	$ -	$ -	$ -	$ -	$ 2,131	$ 2,131	$ -
Total	$ 15,015	$ 4,879	$ 3,607	$ 23,501	$ 1,761,125	$ 1,784,626	$ -

(1) Includes business lines of credit.
(2) Includes home equity lines of credit.

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

The following table sets forth the delinquency status of total loans receivable at December 31, 2017:

	30-59 Days Past Due	60-90 Days Past Due	Greater Than 90 Days	Total Past Due	Current	Total Loans Receivable	Loans Receivable >90 Days and Accruing
				(In Thousands)			
Originated loans:							
Residential one-to-four family	$ 1,358	$ 1,604	$ 2,273	$ 5,235	$ 177,309	$ 182,544	$ -
Commercial and multi-family	20,210	887	-	21,097	1,192,293	1,213,390	-
Construction	5,687	-	-	5,687	44,810	50,497	-
Commercial business[(1)]	161	640	103	904	65,871	66,775	-
Home equity[(2)]	314	215	44	573	38,152	38,725	-
Consumer	8	-	-	8	1,175	1,183	-
Sub-total:	$ 27,738	$ 3,346	$ 2,420	$ 33,504	$ 1,519,610	$ 1,553,114	$ -
Acquired loans initially recorded at fair value:							
Residential one-to-four family	$ 643	$ 379	$ 1,738	$ 2,760	$ 45,048	47,808	$ 315
Commercial and multi-family	1,539	-	850	2,389	44,220	46,609	-
Construction	-	-	-	-	-	-	-
Commercial business[(1)]	92	-	-	92	3,965	4,057	-
Home equity[(2)]	240	324	7	571	8,384	8,955	-
Consumer	-	-	-	-	122	122	-
Sub-total:	$ 2,514	$ 703	$ 2,595	$ 5,812	$ 101,739	$ 107,551	$ 315
Acquired loans with deteriorated credit:							
Residential one-to-four family	$ -	$ -	$ -	$ -	$ 1,413	$ 1,413	$ -
Commercial and multi-family	-	-	-	-	731	731	-
Construction	-	-	-	-	-	-	-
Commercial business[(1)]	-	-	-	-	-	-	-
Home equity[(2)]	-	-	-	-	-	-	-
Consumer	-	-	-	-	-	-	-
Sub-total:	$ -	$ -	$ -	$ -	$ 2,144	$ 2,144	$ -
Total	$ 30,252	$ 4,049	$ 5,015	$ 39,316	$ 1,623,493	$ 1,662,809	$ 315

(1) Includes business lines of credit.
(2) Includes home equity lines of credit.

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

The following table presents the loan portfolio types summarized by the aggregate pass rating and the classified ratings of special mention, substandard, doubtful, and loss within the Company's internal risk rating system as of March 31, 2018. (In Thousands):

	Pass	Special Mention	Substandard	Doubtful	Loss	Total
Originated loans:						
Residential one-to-four family	$ 184,193	$ 5,009	$ 2,072	$ -	$ -	$ 191,274
Commercial and multi-family	1,303,792	3,636	9,795	-	-	1,317,223
Construction	48,199	234	-	-	-	48,433
Commercial business[1]	73,548	1,688	1,606	-	42	76,884
Home equity[2]	43,580	493	411	-	-	44,484
Consumer	1,010	13	-	-	-	1,023
Sub-total:	$ 1,654,322	$ 11,073	$ 13,884	$ -	$ 42	$ 1,679,321
Acquired loans initially recorded at fair value:						
Residential one-to-four family	$ 41,859	$ 477	$ 3,258	$ -	$ -	45,594
Commercial and multi-family	41,975	398	2,364	-	-	44,737
Construction	-	-	-	-	-	-
Commercial business[1]	4,170	-	-	-	-	4,170
Home equity[2]	8,480	20	69	-	-	8,569
Consumer	104	-	-	-	-	104
Sub-total:	$ 96,588	$ 895	$ 5,691	$ -	$ -	$ 103,174
Acquired loans with deteriorated credit:						
Residential one-to-four family	$ 156	$ 569	$ 682	$ -	$ -	1,407
Commercial and multi-family	214	510	-	-	-	724
Sub-total:	$ 370	$ 1,079	$ 682	$ -	$ -	$ 2,131
Total Gross Loans	$ 1,751,280	$ 13,047	$ 20,257	$ -	$ 42	$ 1,784,626

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(1) Includes business lines of credit.

(2) Includes home equity lines of credit.

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

The following table presents the loan portfolio types summarized by the aggregate pass rating and the classified ratings of special mention, substandard, doubtful, and loss within the Company's internal risk rating system as of December 31, 2017. (In Thousands):

	Pass	Special Mention	Substandard	Doubtful	Loss	Total
Originated loans:						
Residential one-to-four family	$ 174,985	$ 5,014	$ 2,545	$ -	$ -	$ 182,544
Commercial and multi-family	1,199,786	2,676	10,928	-	-	1,213,390
Construction	50,262	235	-	-	-	50,497
Commercial business[1]	63,323	1,672	1,738	-	42	66,775
Home equity[2]	38,018	451	256	-	-	38,725
Consumer	1,177	6	-	-	-	1,183
Sub-total:	$ 1,527,551	$ 10,054	$ 15,467	$ -	$ 42	$ 1,553,114
Acquired loans initially recorded at fair value:						
Residential one-to-four family	$ 44,472	$ 481	$ 2,855	$ -	$ -	47,808
Commercial and multi-family	43,569	402	2,638	-	-	46,609
Commercial business[1]	4,057	-	-	-	-	4,057
Home equity[2]	8,896	20	32	-	7	8,955
Consumer	122	-	-	-	-	122
Sub-total:	$ 101,116	$ 903	$ 5,525	$ -	$ 7	$ 107,551
Acquired loans with deteriorated credit:						
Residential one-to-four family	$ 153	$ 571	$ 689	$ -	$ -	1,413
Commercial and multi-family	218	513	-	-	-	731
Sub-total:	$ 371	$ 1,084	$ 689	$ -	$ -	$ 2,144
Total Gross Loans	$ 1,629,038	$ 12,041	$ 21,681	$ -	$ 49	$ 1,662,809

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(1) Includes business lines of credit.

(2) Includes home equity lines of credit.

Note 6 - Loans Receivable and Allowance for Loan Losses (Continued)

The following table presents the unpaid principal balance and the related recorded investment of acquired loans included in our Consolidated Statements of Financial Condition. (In Thousands):

	March 31, 2018	December 31, 2017
Unpaid principal balance	$ **110,078**	$ 114,542
Recorded investment	**105,305**	109,695

The following table presents changes in the accretable discount on loans acquired for the three months ended March 31, 2018 and 2017. (In Thousands):

	Three Months Ended March 31, 2018	2017
Balance, Beginning of Period	$ **28,464**	$ 39,119
Accretion	**(2,046)**	(954)
Net Reclassification from Non-Accretable Difference	**84**	80
Balance, End of Period	$ **26,502**	$ 38,245

The following table presents changes in the non-accretable yield on loans acquired for the three months ended March 31, 2018 and 2017. (In Thousands):

	Three Months Ended March 31, 2018	2017
Balance, Beginning of Period	$ **2,230**	$ 2,558
Net Reclassification to Accretable Difference	**(84)**	(80)
Balance, End of Period	$ **2,146**	$ 2,478

Note 7 – 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.

The only assets or liabilities 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, 2018:				
Securities				
Residential mortgage backed securities	**$ 119,158**	**$ -**	**$ 119,158**	**$ -**
Preferred stock	**8,166**	**8,166**	**-**	**-**
Total Securities	**127,324**	**8,166**	**119,158**	**-**
As of December 31, 2017:				
Securities				
Residential mortgage backed securities	$ 111,793	$ -	$ 111,793	$ -
Municipal obligations	2,502	-	2,502	-
Preferred stock	8,294	8,294	-	-
Total Securities	122,589	8,294	114,295	-

The Company's policy is to recognize transfers between levels as of the actual date of the event or change in circumstances that caused the transfer. 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, 2018 and 2017.

The only assets or liabilities 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, 2018				
Impaired Loans	**$ 10,183**	**$ -**	**$ -**	**$ 10,183**
Other real estate owned	**$ 1,412**	**$ -**	**$ -**	**$ 1,412**
As of December 31, 2017:				
Impaired Loans	$ 10,369	$ -	$ -	$ 10,369
Other real estate owned	$ 532	$ -	$ -	$ 532

Note 7 – Fair Values of Financial Instruments (Continued)

The following tables present additional quantitative information as of March 31, 2018 and December 31, 2017 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, 2018:					
Impaired Loans	**$**	**10,183**	Appraisal of collateral (1)	Appraisal adjustments (2)	0%-10%
Other real estate owned	**$**	**1,412**	Appraisal of collateral (1)	Appraisal adjustments (2)	0%-10%

		Fair Value Estimate	Valuation Techniques	Unobservable Input	Range
December 31, 2017:					
Impaired Loans	$	10,369	Appraisal of collateral (1)	Appraisal adjustments (2)	0%-10%
Other real estate owned	$	532	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, 2018 and December 31, 2017.

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

The fair value of securities available for sale (carried at fair value) are determined 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 (Carried at Lower of Cost or Fair Value)

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 their cost as of March 31, 2018 and December 31, 2017.

Loans Receivable (Carried at Cost)

The fair value of loans are estimated using discounted cash flow analyses, using market rates at the balance sheet date 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.

Impaired Loans (Generally Carried at Fair Value)

A loan is impaired when, based on current information and events, it is probable that a creditor will be unable to collect all amounts due according to the contractual terms of the loan agreement. Impaired loans are measured based on the present value of expected future cash flows discounted at the loan's effective interest rate, or as a practical expedient, at the loans observable market price or the fair value of the collateral if the loan is collateral dependent. 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, 2018 and December 31, 2017 consisted of the loan balances of $12.0 million and $12.402 million, net of a valuation allowance of $1.8 million and $2.033 million, respectively.

Real Estate Owned (Generally Carried at Fair Value)

Real Estate Owned is generally carried at fair value 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.

Interest Receivable and Payable (Carried at Cost)

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

Deposits (Carried at Cost)

The fair values disclosed for demand deposits (e.g., interest and non-interest checking, passbook savings and money market accounts) 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.

Long-Term Debt (Carried at Cost)

Fair values of long-term 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. These 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.

Note 7 – Fair Values of Financial Instruments (Continued)

The carrying values and estimated fair values of financial instruments were as follows as of March 31, 2018 and December 31, 2017:

	As of March 31, 2018				
	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	$ 137,334	$ 137,334	$ 137,334	$ -	$ -
Interest-earning time deposits	980	980	980	-	-
Debt securities available for sale	119,158	119,158	-	119,158	-
Equity investments	8,166	8,166	8,166	-	-
Loans held for sale	208	208	-	208	-
Loans receivable, net	1,764,597	1,724,676	-	-	1,724,676
FHLB of New York stock, at cost	10,886	10,886	-	10,886	-
Accrued interest receivable	6,052	6,052	-	6,052	-
Financial liabilities:					
Deposits	1,691,353	1,696,876	948,374	748,501	-
Borrowings	200,000	196,723	-	196,723	-
Subordinated debentures	4,124	4,056	-	4,056	-
Accrued interest payable	868	868	-	868	-

	As of December 31, 2017				
	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	$ 124,235	$ 124,235	$ 124,235	$ -	$ -
Interest-earning time deposits	980	980	980	-	-
Debt securities available for sale	114,295	114,295	-	114,295	-
Equity investments	8,294	8,294	8,294	-	-
Loans held for sale	1,295	1,295	-	1,295	-
Loans receivable, net	1,643,677	1,643,626	-	-	1,643,626
FHLB of New York stock, at cost	10,211	10,211	-	10,211	-
Accrued interest receivable	6,153	6,153	-	6,153	-
Financial liabilities:					
Deposits	1,569,370	1,578,382	903,155	673,227	-
Borrowings	185,000	182,947	-	182,947	-
Subordinated debentures	4,124	4,078	-	4,078	-
Accrued interest payable	791	791	-	791	-

Note 8 – Subsequent Event

On April 17, 2018, the Company completed its acquisition of IA Bancorp, Inc. ("IAB"), providing for the merger of IAB with and into the Company (the "Merger"), with the Company as the surviving entity. The Company also completed the merger of Indus-American Bank, a New Jersey chartered bank and wholly owned subsidiary of IAB, with and into the Bank, with the Bank as the surviving entity.

At the effective time of the Merger (the "Effective Time"), IAB shareholders had the right to receive an aggregate of $2.55 million in cash and 631,994 shares of the Company's common stock as of the Effective Time. The combined Company had approximately $2.31 billion in assets and 28 branches in New Jersey and New York. The Company is in the process of determining the purchase accounting adjustments.

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, possible materially, from those that we anticipated in our forward-looking statements and future results could differ materially from historical performance.

Factors that could cause future results to vary from current management expectations as reflected in our forward looking statements include, but are not limited to:

- unfavorable economic conditions in the United States generally and particularly in our primary market area;
- the effects of declines in housing markets and 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 increases in Federal Deposit Insurance Corporation, or FDIC, insurance rates;
- monetary and fiscal policies of the federal government;
- changes in tax policies, rates and regulations of federal, state and local tax authorities;
- inflation;
- 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;
- Any potential delay in completing the merger integration;
- 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, regulatory risk;
- expanded regulatory requirements as a result of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which could adversely affect operating results; 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 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, 2018 we had approximately $2.082 billion in consolidated assets, $1.691 billion in deposits and $177.4 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, 2018 the Bank operated through twenty-three branches in Bayonne, Carteret, Colonia, Edison, Jersey City, Hoboken, Fairfield, Holmdel, Lodi, Lyndhurst, Maplewood, Monroe Township, Rutherford, South Orange, Union, and

Woodbridge, New Jersey, as well as two branches in 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.

For a description of the recently completed merger by the Company, see Note 8 to the Company's unaudited financial statements.

Critical Accounting Policies

The preparation of the Consolidated Financial Statements in accordance with U.S. GAAP requires us to make estimates and assumptions affecting the reported amounts of assets, liabilities, revenue and expenses. We regularly evaluate these estimates and assumptions including those used to determine the allowance for loan losses, deferred taxes, fair value measurements, goodwill and other intangible assets. We base our estimates on historical experience and various other factors and assumptions that are believed to be reasonable under the circumstances. These form the basis for making judgments on the carrying value of assets and liabilities that are not readily apparent from other sources. Although our current estimates contemplate current economic conditions and how we expect them to change in the future, for the remainder of 2018, it is reasonably possible that actual conditions may be worse than anticipated in those estimates, which could materially affect our results of operations and financial condition. Actual results may differ from these estimates under different assumptions or conditions.

See further discussion of these critical accounting policies in our Annual Report on Form 10-K for the year ended December 31, 2017 and Note 1, Basis of Presentation, to the unaudited Consolidated Financial Statements. There has been no change in critical accounting policies since the Company's last reported on annual report on Form 10-K.

Financial Condition

Total assets increased by $139.5 million, or 7.2 percent, to $2.082 billion at March 31, 2018 from $1.943 billion at December 31, 2017. The increase in total assets occurred primarily as a result of an increase in loans receivable of $120.9 million, an increase in cash and cash equivalents of $13.1 million, and an increase in total securities available for sale of $4.7 million. Management is concentrating on maintaining adequate liquidity in anticipation of funding loans in the loan pipeline as well as seeking opportunities to purchase securities in the secondary market that provide competitive returns in a risk-mitigated environment. It is our intention to grow our assets at a measured pace consistent with our capital levels and as business opportunities permit.

Loans receivable increased by $120.9 million, or 7.4 percent, to $1.765 billion at March 31, 2018 from $1.644 billion at December 31, 2017, due to a robust loan pipeline in the first quarter. The increase resulted primarily from increases of $101.9 million in commercial real estate and multi-family loans, commercial business loans of $10.2 million, $6.5 million in residential one-to-four family loans, and $5.4 million in home equity loans, partly offset by decreases in construction loans of $2.0 million. The allowance for loan losses was $18.3 million, or 172.7 percent of non-performing loans and 1.03 percent of gross loans, at March 31, 2018 as compared to an allowance for loan losses of $17.4 million, or 133.3 percent of non-performing loans and 1.05 percent of gross loans, at December 31, 2017. As compared to December 31, 2017, past due loans decreased by 40.0 percent, while foreclosures and non-performing loans decreased by 12.0 percent and 18.5 percent, respectively.

Total cash and cash equivalents increased by $13.1 million, or 10.5 percent, to $137.3 million at March 31, 2018 from $124.2 million at December 31, 2017 primarily due to the Company's strategy to increase liquidity and our deposit base.

Total securities available for sale increased by $4.7 million, or 3.9 percent, to $127.3 million at March 31, 2018 from $122.6 million at December 31, 2017, as the Company deployed excess cash to improve returns on interest-earning assets and liquidity.

Deposit liabilities increased by $122.0 million, or 7.8 percent, to $1.691 billion at March 31, 2018 from $1.569 billion at December 31, 2017. The increase resulted primarily from increases of $77.3 million in certificates of deposit, $17.1 million in money market checking accounts, $14.0 million in NOW deposit accounts, $10.2 million in non-interest bearing deposit accounts, and $3.4 million in savings and club accounts. In addition to organic deposit growth being generated from the continued maturation of seven additional branches opened in 2016, the Company has also added listing service certificates of deposit and brokered certificates of deposit to fund loan growth, which totaled $34.5 million and $122.4 million, respectively, at March 31, 2018.

Long-term debt increased by $15.0 million, or 8.1 percent, to $200.0 million at March 31, 2018 from $185.0 million at December 31, 2017, the net result of scheduled maturities of FHLB advances and the issuance of new FHLB advances. The purpose of these borrowings reflected the use of long-term Federal Home Loan Bank advances to augment deposits as the Company's funding source for originating loans and investing in investment securities. The weighted average interest rate of borrowings was 2.03 percent at March 31, 2018.

Stockholders' equity increased by $932,000, or 0.5 percent, to $177.4 million at March 31, 2018 from $176.4 million at December 31, 2017. The increase in stockholders' equity was primarily attributable to an increase in retained earnings of $2.5 million, or 8.0 percent, to $33.7 million at March 31, 2018 from $31.2 million at December 31, 2017, partly offset by an increase in accumulated other comprehensive losses of $1.8 million, or 58.5 percent, to an unrealized loss of $5.0 million at March 31, 2018 from an unrealized loss of $3.2 million at December 31, 2017. The

Company accrued a dividend payable for the first quarter on our outstanding preferred stock of $166,000 which will be paid in the second quarter.

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.

	Three Months Ended March 31,					
	2018			2017		
	Average Balance	Interest Earned/Paid	Average Yield/Rate	Average Balance	Interest Earned/Paid	Average Yield/Rate
	(Dollars in thousands)					
Interest-earning assets:						
Loans Receivable	$ 1,720,865	$ 19,521	4.54%	$ 1,524,589	$ 17,542	4.60%
Investment Securities	123,450	803	2.60%	96,023	630	2.77%
Interest-earning deposits	123,193	618	2.01%	81,844	283	0.71%
Total Interest-earning assets	1,967,508	20,942	4.26%	1,702,456	18,455	4.34%
Non-interest-earning assets	47,254			60,973		
Total assets	$ 2,014,762			$ 1,763,429		
Interest-bearing liabilities:						
Interest-bearing demand accounts	$ 314,074	$ 426	0.54%	$ 304,173	$ 426	0.56%
Money market accounts	157,421	371	0.94%	126,795	247	0.78%
Savings accounts	258,805	97	0.15%	263,405	99	0.15%
Certificates of Deposit	720,696	2,730	1.52%	591,961	2,011	1.36%
Total interest-bearing deposits	1,450,996	3,624	1.00%	1,286,334	2,783	0.87%
Borrowed funds	182,013	878	1.93%	161,868	1,067	2.64%
Total interest-bearing liabilities	1,633,009	4,502	1.10%	1,448,202	3,850	1.06%
Non-interest-bearing liabilities	205,033			192,428		
Total liabilities	1,838,042			1,640,630		
Stockholders' equity	176,720			122,788		
Total liabilities and stockholders' equity	$ 2,014,762			$ 1,763,418		
Net interest income		$ 16,440			$ 14,605	
Net interest rate spread[1]			3.15%			3.27%
Net interest margin[2]			3.34%			3.43%

(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.

Results of Operations comparison for the Three Months Ended March 31, 2018 and 2017

Net income increased $1.7 million, or 59.0 percent, to $4.6 million for the three months ended March 31, 2018, compared with $2.9 million for the three months ended March 31, 2017. The increase in net income was primarily related to an increase in interest income and in total non-interest income, and a lower income tax provision due to a lower consolidated tax rate, partly offset by higher interest expense, total non-interest expense, and a higher provision for loan loss for the three months ended March 31, 2018 as compared to the three months ended March 31, 2017.

Net interest income increased by $1.8 million, or 12.6 percent, to $16.4 million for the three months ended March 31, 2018 from $14.6 million for the three months ended March 31, 2017. The increase in net interest income resulted primarily from an increase in the average balance of interest-earning assets of $265.0 million, or 15.6 percent, to $1.967 billion for the three months ended March 31, 2018 from $1.702 billion for the three months ended March 31, 2017. There was a decrease in the average yield on interest-earning assets of eight basis points to 4.26 percent for the three months ended March 31, 2018 from 4.34 percent for the three months ended March 31, 2017. There was a corresponding increase in the average balance of interest-bearing liabilities of $184.8 million, or 12.8 percent, to $1.633 billion for the three months ended March 31, 2018 from $1.448 billion for the three months ended March 31, 2017, as well as an increase in the average rate on interest-bearing liabilities of four basis points to 1.10 percent for the three months ended March 31, 2018 from 1.06 percent for the three months ended March 31, 2017.

Interest income on loans receivable increased by $2.0 million, or 11.3 percent, to $19.5 million for the three months ended March 31, 2018 from $17.5 million as compared for the three months ended March 31, 2017. The increase was primarily attributable to an increase in the average balance of loans receivable of $196.3 million, or 12.9 percent, to $1.721 billion for the three months ended March 31, 2018 from $1.525 billion for the three months ended March 31, 2017, partly offset by a decrease in the average yield on loans of six basis points to 4.54 percent for the three months ended March 31, 2018 from 4.60 percent for the three months ended March 31, 2017. The increase in the average balance of loans receivable was in accordance with the Company's growth strategy, which included growing the Bank's geographic footprint vis-à-vis our organic branching strategy and the hiring of seasoned loan and business development officers. The decrease in average yield on loans reflected the competitive price environment prevalent in the Company's primary market area.

Interest income on securities increased by $173,000, or 27.5 percent, to $803,000 for the three months ended March 31, 2018 from $630,000 for the three months ended March 31, 2017. This increase was primarily due to an increase in the average balance of securities of $27.4 million, or 28.6 percent, to $123.4 million for the three months ended March 31, 2018 from $96.0 million for the three months ended March 31, 2017, partly offset by a decrease in the average yield on securities of 17 basis points to 2.60 percent for the three months ended March 31, 2018 from 2.77 percent for the three months ended March 31, 2017. The decrease in the average yield on securities related to the mix of investments in the portfolio.

Interest income on other interest-earning assets increased by $335,000, or 118.4 percent to $618,000 for the three months ended March 31, 2018 from $283,000 for the three months ended March 31, 2017. This increase was primarily due to an increase in the average yield on other interest-earning assets of 130 basis points to 2.01 percent for the three months ended March 31, 2018 from 0.71 percent for the three months ended March 31, 2017, as well as an increase in the average balance of other interest earning assets of $41.3 million, or 50.5 percent, to $123.2 million for the three months ended March 31, 2018 from $81.8 million for the three months ended March 31, 2017. The increase in the average balance of other interest-earning assets related to an increase in interest-earning deposits held with the Federal Reserve Bank and the Federal Home Loan Bank ("FHLB") and is consistent with the Company's strategy of maintaining appropriate levels of liquidity. The increase in the average yield on other interest-earning assets correlates to the increases in the fed funds rate that have occurred over the last 12 months.

Total interest expense increased by $652,000, or 16.9 percent, to $4.5 million for the three months ended March 31, 2018 from $3.8 million for the three months ended March 31, 2017. This increase resulted, primarily, from an increase in the average balance of interest-bearing liabilities of $184.8 million, or 12.8 percent, to $1.633 billion for the three months ended March 31, 2018 from $1.448 billion for the three months ended March 31, 2017, as well as an increase in the average rate on interest-bearing liabilities of four basis points to 1.10 percent for the three months ended March 31, 2018 from 1.06 percent for the three months ended March 31, 2017. The increase in total interest expense was lessened by lower borrowing expense due to the scheduled repayment of high-cost long-term borrowings that were repaid in 2017.

Net interest margin was 3.34 percent for the three-month period ended March 31, 2018 and 3.43 percent for the three-month period ended March 31, 2017. The decrease in the net interest margin was the result of the competitive pressures in attracting new loans and deposits, as evidenced by a decline in the average yield on loans and an increase in the average cost of deposits.

The provision for loan losses increased by $844,000, to $1.3 million for the three months ended March 31, 2018 from $498,000 for the three months ended March 31, 2017. The provision for loan losses is established based upon management's review of the Company's loans and consideration of a variety of factors, including but not limited to: (1) the risk characteristics of the loan portfolio; (2) current economic conditions; (3) actual losses previously experienced; (4) the dynamic activity and fluctuating balance of loans receivable; and (5) the existing level of reserves for loan losses that are probable and estimable. During the three months ended March 31, 2018, the Company experienced $380,000 in net charge-offs compared to $181,000 in net charge-offs for the three months ended March 31, 2017. The Bank had non-performing loans totaling $10.6 million, or 0.59 percent, of gross loans at March 31, 2018 as compared to $13.4 million, or 0.80 percent, of gross loans at December 31, 2017. The allowance for loan losses was $18.3 million, or 1.03 percent, of gross loans at March 31, 2018, $17.4 million, or 1.05 percent, of gross loans at December 31, 2017 and $17.5 million, or 1.13 percent, of gross loans at March 31, 2017. The amount of the allowance is based on estimates and the ultimate losses may vary from such estimates. Management assesses the allowance for loan losses on a quarterly basis and makes provisions for loan losses as necessary in order to maintain the adequacy of the allowance. While management uses available information to recognize losses on loans, future loan loss provisions may be necessary based on changes in the aforementioned criteria. In addition various regulatory agencies, as an integral part of their examination process, periodically review the allowance for loan losses and may require the Company to recognize additional provisions based on their judgment of information available to them at the time of their examination. Management believes that the allowance for loan losses was adequate at March 31, 2018 and December 31, 2017.

Total non-interest income increased by $1.1 million, or 46.4 percent, to $3.4 million for the three months ended March 31, 2018 from $2.3 million for the three months ended March 31, 2017. The increase in total non-interest income mainly related to an increase in other non-interest income of $2.2 million for the three months ended March 31, 2018 from $28,000 for the three months ended March 31, 2017 as a result of $2.1 million in proceeds received from a legal settlement, as well as an increase in the gain on sale of loans of $245,000 to $583,000 for the three months ended March 31, 2018 from $338,000 for the three months ended March 31, 2017. These increases were partly offset by a gain on sale of other real estate owned properties that totaled $1.2 million for the three months ended March 31, 2017, with no comparable gains for the three months ended March 31, 2018, as well as a loss on equity securities of $127,000 for the three months ended March 31, 2018 with no comparable losses in the three months ended March 31, 2017. The addition of gains and losses on equity securities to the Company's consolidated financial statements comes as a result of the adoption of ASU 2016-01.

Total non-interest expense increased by $449,000, or 3.9 percent, to $12.0 million for the three months ended March 31, 2018 from $11.6 million for the three months ended March 31, 2017. Salaries and employee benefits expense increased by $177,000, or 2.9 percent, to $6.3 million for the three months ended March 31, 2018 from $6.1 million for the three months ended March 31, 2017. Professional fees increased by $142,000, or 39.1 percent, to $505,000 for the three months ended March 31, 2018 from $363,000 for the three months ended March 31, 2017. The increase in professional fees related mainly to expenses incurred in connection with the Company's acquisition of IA Bancorp. Data processing costs increased by $76,000, or 11.6%, to $729,000 for the three months ended March 31, 2018 from $653,000 for the three months ended March 31, 2017. Other non-interest expense increased by $175,000, or 11.1 percent, to $1.7 million for the three months ended March 31, 2018 from $1.6 million for the three months ended March 31, 2017. Other non-interest expense consisted of loan expense, business development, office supplies, correspondent bank fees, telephone and communication and other fees and expenses. The increase in total-non-interest expense was partly offset by decreases in regulatory assessments of $122,000, or 33.8 percent, to $239,000 for the three months ended March 31, 2018 from $361,000 for the three months ended March 31, 2017, as well as decreases in occupancy and equipment expense of $96,000, or 4.4 percent, to $2.1 million for the three months ended March 31, 2018 from $2.2 million for the three months ended March 31, 2017, and a reduction in advertising expense of $58,000, or 40.6 percent, to $85,000 for the three months ended March 31, 2018 from $143,000 for the three months ended March 31, 2017.

The income tax provision decreased by $104,000, or 5.3 percent, to $1.8 million for the three months ended March 31, 2018 from $1.9 million for the three months ended March 31, 2017. The decrease in the income tax provision comes as a result of the lower tax provision as mandated by enactment of the Tax Cuts and Jobs Act of 2017, which lowered the federal corporate tax rate from 34% to 21% beginning in 2018, partly offset by higher taxable income for the three months ended March 31, 2018 as compared to that same period for 2017. The consolidated effective tax rate for the three months ended March 31, 2018 was 28.4 percent compared to 40.0 percent for the three months ended March 31, 2017.

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 FHLB and other correspondent banks.

At March 31, 2018 and December 31, 2017, 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 borrowings from the FHLB of $204.1 million at March 31, 2018 and $189.1 million at December 31, 2017. The average rate of FHLB borrowings was 2.03 percent at March 31, 2018, as compared with 1.78 percent at December 31, 2017.

The Company had the ability at March 31, 2018 to obtain additional funding from the FHLB of up to $78.0 million, 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 $492.0 million at March 31, 2018. Based upon historical experience data, management estimates that a significant portion of such deposits will remain with the Company.

Capital Resources

At March 31, 2018, and December 31, 2017, BCB Community Bank exceeded all of its regulatory capital requirements to which it was subject. The following table sets forth the regulatory capital ratios for BCB Community Bank as well as regulatory capital requirements for the periods presented.

	Actual		For Capital Adequacy Purposes		For Well Capitalized Under Prompt Corrective Action	
As of March 31, 2018:						
Bank						
Total capital (to risk-weighted assets)	**$ 203,158**	**12.49 %**	**$ 130,106**	**8.00 %**	**$ 162,632**	**10.00 %**
Tier 1 capital (to risk-weighted assets)	**184,821**	**11.36**	**97,579**	**6.00**	**130,106**	**8.00**
Common Equity Tier 1 Capital (to risk-weighted assets)	**184,821**	**11.36**	**73,184**	**4.50**	**105,711**	**6.50**
Tier 1 capital (to average assets)	**184,821**	**9.17**	**80,641**	**4.00**	**100,801**	**5.00**
As of December 31, 2017:						
Bank						
Common Equity Tier 1 Capital (to risk-weighted assets)	$ 199,637	13.24 %	$ 12,605	8.00 %	$ 150,757	10.00 %
Tier 1 capital (to risk-weighted assets)	182,262	12.09	90,454	6.00	120,605	8.00
Common Equity Tier 1 Capital (to risk-weighted assets)	182,262	12.09	67,841	4.50	97,992	6.50
Tier 1 capital (to average assets)	182,262	9.50	76,712	4.00	95,890	5.00

In July 2013, the FDIC and the other federal bank regulatory agencies issued a final rule that revised their leverage and risk-based capital requirements and the method for calculating risk-weighted assets to make them consistent with agreements that were reached by the Basel Committee on Banking Supervision and certain provisions of the Dodd-Frank Act. Among other things, the new rule established a new common equity Tier 1 minimum capital requirement (4.5% of risk-weighted assets), increased the minimum Tier 1 capital to risk-based assets requirement (from 4% to 6% of risk-weighted assets) and assigned a higher risk weight (150%) to exposures that are more than 90 days past due or are on nonaccrual status and to certain commercial real estate facilities that finance the acquisition, development or construction of real property. The final rule also requires unrealized gains and losses on certain available-for-sale securities holdings and defined benefit plan obligations to be included for purposes of calculating regulatory capital requirements unless a one-time opt-in or opt-out is exercised. The Bank exercised the opt-out election. The rule limits a banking organization's capital distributions and certain discretionary bonus payments if the banking organization does not hold a "capital conservation buffer" consisting of 2.5% of common equity Tier 1 capital to risk-weighted assets in addition to the amount necessary to meet its minimum risk-based capital requirements.

The final rule became effective for the Bank and the Company on January 1, 2015. The capital conservation buffer requirement is being phased in beginning January 1, 2016 at 0.625% of risk-weighted assets and will increase each subsequent year by an additional 0.625% until reaching its final level of 2.5% on January 1, 2019. For 2018, it is 1.875% of risk-weighted assets. The Bank and the Company currently comply with the minimum capital and capital conservation buffer requirements set forth in the final rule.

At March 31, 2018 and December 31, 2017, the capital ratios of the Bank and the Company exceeded the quantitative capital ratios required for an institution to be considered “well-capitalized.”

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Management of Market Risk

General. 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 to review our asset/liability policies and interest rate risk position.

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, 2018. 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. Additional assumptions made in the preparation of the NPV table include prepayment rates on loans and mortgage-backed securities, core deposits without stated maturity dates were scheduled with an assumed term of 48 months, and money market and non-interest bearing accounts were scheduled with an assumed term of 24 months. 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 a decrease of 200 to 300 basis points has been excluded since it would not be meaningful, in the interest rate environment as of March 31, 2018. The following sets forth the Company’s NPV as of that date.

				NPV as a % of Assets	
Change in Calculation	Net Portfolio Value	$ Change from PAR	% Change from PAR	NPV Ratio	Change
+300bp	$ 120,782	$ (86,051)	(41.60)%	6.45 %	(365)bps
+200bp	148,362	(58,741)	(28.27)	7.69	(241)bps
+100bp	178,957	(27,877)	(13.48)	9.01	(110)bps
PAR	206,833	-	-	10.10	-bps
-100bp	225,759	18,926	9.15	10.75	64 bps

bp – basis points

The table above indicates that as of March 31, 2018, in the event of a 100 basis point increase in interest rates, we would experience a decrease to 9.01% in NPV.

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 Securities and Exchange Commission’s rules and forms.

There has been no change in the Company’s internal control over financial reporting during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company’s 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. Other than as set forth below, as of March 31, 2018, 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.

The Company, as the successor to Pamrapo Bancorp, Inc., and in its own corporate capacity, was a named defendant in a shareholder class action lawsuit, *Kube v. Pamrapo Bancorp, Inc., et al*., filed in the Superior Court of New Jersey, Hudson County, Chancery Division, General Equity (the "Action").

On September 21, 2015, the court entered an Order and Final Judgment ("Judgment"), whereby the Stipulation of Settlement ("Stipulation") agreed to by the plaintiff class, the Company and the remaining defendants was approved. Pursuant to the Judgment, and in consideration for the full settlement and release of all Released Claims (as that term is defined in the Stipulation) and the dismissal of the Action with prejudice as against the Company and the remaining defendants, the Company, on its own behalf and on behalf of the remaining defendants, would pay $1,950,000 to the Class. This settlement amount was paid in November 2015.

Pursuant to the Stipulation, the plaintiff class's counsel reserved the right to seek an award of counsel fees and litigation expenses ("Fees Motion"). The maximum amount which could have been awarded as a result of the Fees Motion was $1,000,000. The plaintiff class's counsel made a Fees Motion to the court seeking a final award of counsel fees and litigation expenses of approximately $1,000,000. The Company and the remaining defendants vigorously opposed that motion.

By Order, dated July 5, 2017, the court awarded counsel fees and litigation expenses to the plaintiff's class counsel in the amount of $1,000,000. The Company satisfied the Order by July 31, 2017.

The Company and the other defendants in the Action ("Plaintiffs") brought suit (the "Carrier Suit") against Progressive Insurance Company ("Progressive"), the Directors' and Officers' Liability insurance carrier for Pamrapo Bancorp, Inc., at the time of its merger with the Company on July 6, 2010, and Colonial American Insurance Company ("Colonial"), the Directors' and Officers' Liability insurance carrier for the Company at the time of the merger. The Carrier Suit sought, among other claims, indemnification, payment of and/or contribution toward the above settlement, payment of and/or contribution toward the award of attorney's fees to the plaintiff class's counsel, and reimbursement of the attorney's fees and defense costs incurred by the Plaintiffs in defending the Action and pursuing the Carrier Suit.

Progressive made a motion to dismiss the Carrier Suit in 2014. The Plaintiffs opposed that motion. That motion was administratively terminated by Order of the court, dated December 3, 2014. By Order of the court, dated December 3, 2014, the Plaintiffs' motion to file an Amended Complaint was granted.

On or about January 6, 2015, Progressive again made a motion to dismiss the Carrier Suit. The Plaintiffs opposed that motion. That motion was denied by oral decision on October 22, 2015, and by written Order, dated January 20, 2016.

A Mediation session ("Mediation") was held on March 11, 2015, among the parties. Following the Mediation, the Plaintiffs and Colonial agreed to settle the Plaintiffs' claims against Colonial for $1,750,000. A *Settlement Agreement and Release*, dated June 30, 2015, was entered into by the Plaintiffs and Colonial. The Plaintiffs received the settlement amount of $1,750,000 from Colonial on July 9, 2015.

The Plaintiffs and Progressive did not settle their respective claims at the Mediation. The Carrier Suit continued with respect to these parties.

By Order of the court, dated August 10, 2016, the parties were granted permission to serve and file motions for summary judgment by November 9, 2016. Prior to consideration of these motions, a Settlement Conference was held before the court on November 16, 2016. The Plaintiffs and Progressive did not settle their respective claims at that Settlement Conference.

The Plaintiffs filed a motion for partial summary judgment. Progressive filed a motion for summary judgment. These motions were returnable before the court on December 5, 2016.

By Order, dated September 18, 2017, the court granted the Plaintiffs' motion for partial summary judgment, and denied Progressive's motion for summary judgment.

A Status Conference was held before the court on October 26, 2017. As a result thereof, a Settlement Conference was scheduled for December 1, 2017, before the court.

A Settlement Conference in the Carrier Suit was conducted on December 1, 2017, before the court. At the Settlement Conference, the terms of a preliminary settlement were discussed by the Plaintiffs and Progressive. A proposed *Settlement Agreement and Release* ("Release") was circulated among the parties for review.

The last party to the Carrier Suit executed the Release on February 20, 2018. Pursuant to the Release, in consideration for the full settlement and release of all claims (as that term is defined in the Release) and the dismissal of the Carrier Suit with prejudice, Progressive agreed to pay the Company $2,200,000 by on or about March 10, 2018. Progressive timely made that payment to the Company.

The Carrier Suit is concluded.

ITEM 1.A. RISK FACTORS

There have been no changes to the risk factors set forth under Item 1.A Risk Factors as set forth in the Company's Form 10-K for the year ended December 31, 2017.

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
None.

ITEM 6. EXHIBITS

Exhibit 11.0	Computation of Earnings Per Share.
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

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 9th, 2018	By:	/s/ Thomas Coughlin
		Thomas Coughlin
		President and Chief Executive Officer
		(Principal Executive Officer)
Date: May 9th, 2018	By:	/s/ Thomas P. Keating
		Thomas P. Keating
		Senior Vice President and Chief Financial Officer
		(Principal Accounting and Financial Officer)

(Back To Top)

Section 2: EX-11 (EX-11)

Exhibit 11.0

COMPUTATION OF EARNING PER SHARE
(In Thousands, except for per share data)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Income available to common stockholders	$ **4,466**	$ 2,795
Weighted average common shares outstanding	**15,048**	11,278

Basic earnings per share	$ **0.30**	$ 0.25
Income for diluted earnings per share	$ **4,466**	$ 2,795
Total weighted average common shares and equivalents outstanding for diluted computation[1]	**15,181**	11,360
Diluted earnings per share	$ **0.29**	$ 0.25

____
(1) All related to outstanding stock options.

(Back To Top)

Section 3: EX-31.1 (EX-31.1)

Exhibit 31.1

Certification of Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Thomas Coughlin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of BCB Bancorp, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and;
   d) disclosed in this quarterly report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting;
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of registrant’s board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 9th, 2018

/s/ Thomas Coughlin
Thomas Coughlin
President and Chief Executive Officer
(Principal Executive Officer)

(Back To Top)

Section 4: EX-31.2 (EX-31.2)

Exhibit 31.2

Certification of Principal Accounting Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Thomas P. Keating, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of BCB Bancorp, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and;
   d) disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9th, 2018

/s/ Thomas P. Keating
Thomas P. Keating
Senior Vice President and Chief Financial Officer
(Principal Accounting and Financial Officer)

(Back To Top)

Section 5: EX-32 (EX-32)

Exhibit 32

Certification pursuant to

18 U.S.C. Section 1350,
as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

Thomas Coughlin, President and Chief Executive Officer and Thomas P. Keating, Senior Vice President and Chief Financial Officer of BCB Bancorp, Inc. (the “Company”) each certify in his capacity as an officer of the Company that he has reviewed the quarterly report of the Company on Form 10-Q for the quarter ended March 31, 2018 and that to the best of his knowledge:

(1) the report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

The purpose of this statement is solely to comply with Title 18, Chapter 63, Section 1350 of the United States Code, as amended by Section 906 of the Sarbanes-Oxley Act of 2002.

Date: May 9th, 2018

/s/ Thomas Coughlin
President and Chief Executive Officer
(Principal Executive Officer)

Date: May 9th, 2018

/s/ Thomas P. Keating
Senior Vice President and Chief Financial Officer
(Principal Accounting and Financial Officer)

(Back To Top)