

CENTRAL VALLEY COMMUNITY BANCORP  
Form S-4/A  
May 08, 2013

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As filed with the Securities and Exchange Commission on May 8, 2013

Registration Statement No. 333-187260

# SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

Amendment No. 2  
to

## FORM S-4

REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

# CENTRAL VALLEY COMMUNITY BANCORP

(Exact Name of Registrant as Specified in its Charter)

**California**  
(State or Other Jurisdiction of  
Incorporation or Organization)

**6022**  
(Primary Standard Industrial  
Classification Code Number)  
**7100 N. Financial Drive, Suite 101**  
**Fresno, California 93720**  
**(559) 298-1775**

**77-0539125**  
(I.R.S. Employer  
Identification Number)

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Daniel J. Doyle**  
**President and Chief Executive Officer**  
**Central Valley Community Bancorp**  
**7100 N. Financial Drive, Suite 101**  
**Fresno, California 93720**  
**(559) 298-1775**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

With a copy to:

**Bruce F. Dravis, Esq.**  
**James K. Dyer, Jr., Esq.**  
Downey Brand LLP  
621 Capitol Mall, 18<sup>th</sup> Floor  
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King, Holmes, Paterno & Berliner  
1900 Avenue of the Stars, Suite 2500  
Los Angeles, CA 90067  
(310) 282-8989 Fax: (310) 282-8903

**Approximate date of commencement of proposed sale of the securities to the public:** As soon as practicable after the effective date of this Registration Statement and the satisfaction or waiver of all other conditions to the Merger described in the Proxy Statement-Prospectus.

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If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer     
  Accelerated filer     
  Non-accelerated filer     
  Smaller reporting company

(Do not check if a smaller reporting company)

If applicable, place an  in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

### Calculation of Registration Fee

Title of Each Class of Securities to Be Registered	Amount to Be Registered(1)	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee(1),(2)
Common Stock, no par value	1,262,858 shares	N/A	\$8,075,405	\$1,101.49

(1) This Registration Statement relates to 1,262,858 shares of common stock of the Registrant issuable to holders of common stock of Visalia Community Bank in the proposed merger of Visalia Community Bank with and into Central Valley Community Bank, a wholly-owned subsidiary of the Registrant. Assuming conversion of 44,687 outstanding shares of Visalia Community Bank Series B Preferred Stock into 44,687 shares of Visalia Community Bank common stock prior to the merger, Visalia Community Bank would have outstanding 425,009 shares of common stock at the time of the merger. Pursuant to SEC Rule 457(f), the registration fee was computed on the basis of the book value of the common stock of Visalia Community Bank as of the latest practicable date prior to the date of filing this registration statement, net of the estimated cash merger consideration of \$11,050,000 to be paid by Registrant to Visalia Community Bank shareholders.

(2) Estimated for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act and computed pursuant to Rule 457, based on a rate of \$136.40 per \$1,000,000 of the proposed maximum aggregate offering price.

**The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement becomes effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

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**Proxy Statement-Prospectus**

**Central Valley Community Bancorp**  
**7100 N. Financial Drive, Suite 101**  
**Fresno, California 93720**  
**(559) 298-1775**

**Visalia Community Bank**  
**120 N. Floral Street**  
**Visalia, California 93291**  
**(559) 625-8733**

Visalia Community Bank, Central Valley Community Bancorp and Central Valley Community Bank ("CVC Bank"), a wholly-owned subsidiary of Central Valley Community Bancorp, entered into a merger agreement on December 19, 2012. The merger will result in Visalia Community Bank being merged with and into CVC Bank, with CVC Bank being the surviving bank in the merger. A copy of that agreement is attached as Appendix A to this proxy statement-prospectus.

In the merger, each share of common stock of Visalia Community Bank will be converted into (i) 2.971 shares of Central Valley Community Bancorp, or an aggregate of 1,262,858 shares of Central Valley Community Bancorp common stock and (ii) \$26.00 in cash, or an aggregate of approximately \$11,050,000 subject to change depending on various factors discussed in the section of this proxy statement-prospectus entitled "The Merger Calculation of Consideration to be Paid to Visalia Community Bank Shareholders." The market value of the merger consideration will fluctuate with the market price of the common stock of Central Valley Community Bancorp and will not be known at the time you vote on the merger. On \_\_\_\_\_, 2013, the last practicable trading date before the date of this proxy statement-prospectus, the closing share price of the common stock of Central Valley Community Bancorp was \$ \_\_\_\_\_ per share as reported on the Nasdaq Capital Market. If the merger had become effective as of \_\_\_\_\_, 2013, the value of the aggregate merger consideration would have been approximately \$ \_\_\_\_\_ or \$ \_\_\_\_\_ per share for each share of common stock of Visalia Community Bank.

We are sending you this proxy statement-prospectus to notify you and invite you to a special shareholders' meeting for the purpose of approving the merger transaction. The special meeting of Visalia Community Bank shareholders will be held on \_\_\_\_\_, 2013 at the main office of Visalia Community Bank at 120 N. Floral Street, Visalia, California 93291 at \_\_\_\_\_. If you are not able to attend, a proxy authorizing someone else to vote for you in the way that you specify is enclosed.

At the special shareholders meeting, in addition to approval of the merger, shareholders also will be asked to approve a certificate of amendment to the Certificate of Determination ("Certificate of Amendment") that created the Series B Preferred Stock of Visalia Community Bank ("Series B Preferred Stock") to provide for the mandatory conversion of the Series B Preferred Stock into the common stock of Visalia Community Bank on a share for share basis immediately prior to the effective time of the merger. Under the merger agreement, it is a condition to the merger that all outstanding shares of Series B Preferred Stock shall have been converted into common stock or redeemed prior to the consummation of the merger.

If the merger described herein is not approved by the holders of the Series B Preferred Stock at the special meeting, Visalia Community Bank is obligated under the merger agreement to notify holders of Series B Preferred Stock that it will redeem all shares of Series B Preferred Stock at a price of \$37.50 per share, the redemption price fixed in the Certificate of Determination for the Series B Preferred Stock, no later than the date preceding the effective date of the merger. The notice will provide holders of Series B Preferred Stock with the option to convert their shares of Series B Preferred Stock to Visalia Community Bank common stock on a share for share basis prior to the mandatory redemption instead of accepting the redemption payment of \$37.50 per share. Following the redemption or conversion of all of the Series B Preferred Stock, approval of the merger will require a majority vote only of the common stock. The directors and executive officers of Visalia Community Bank and certain principal shareholders owning an aggregate of 76.9% of the currently outstanding common shares (70.2% if all Series B Preferred Stock is converted to common shares) have agreed to vote their shares in favor of the merger. Accordingly, approval of the merger is assured.

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The Board of Directors of Visalia Community Bank recommends that you vote "FOR" the merger and "FOR" the Certificate of Amendment.

Central Valley Community Bancorp's common stock is quoted on the Nasdaq Capital Market, under the symbol "CVCY."

Please read the section entitled "Risk Factors" beginning on page 27 for a discussion of certain factors that you should consider when deciding on how to vote on the merger and the Certificate of Amendment.

**None of the Securities and Exchange Commission, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the California Department of Financial Institutions or any state securities regulators or any other banking regulatory agency have approved the Central Valley Community Bancorp common stock to be issued in the merger, nor have they determined if this proxy statement-prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.**

The shares of Central Valley Community Bancorp common stock offered through this proxy statement-prospectus are not savings accounts, deposits or other obligations of any financial institution, and are not insured by the Federal Deposit Insurance Corporation. Central Valley Community Bancorp and Visalia Community Bank do not guarantee the investment value of the transaction described in this proxy statement-prospectus.

*The information contained in this proxy statement-prospectus speaks only as of its date unless the information specifically indicates that another date applies. The information contained in this proxy statement-prospectus regarding Visalia Community Bank has been furnished by Visalia Community Bank, and the information contained in this proxy statement-prospectus regarding Central Valley Community Bancorp has been furnished by Central Valley Community Bancorp.*

*This proxy statement-prospectus is dated*

*, 2013 and is first being mailed to shareholders on or about May 13, 2013.*

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## Visalia Community Bank

120 N. Floral Street  
Visalia, California 93291  
(559) 625-8733

### Notice of Special Meeting of Shareholders , 2013

To:  
The Shareholders of  
Visalia Community Bank

Notice is hereby given that, pursuant to its bylaws and the call of its Board of Directors, the special meeting of shareholders of Visalia Community Bank will be held at Visalia Community Bank's head office located at 120 N. Floral Street, Visalia, California, 93291 on \_\_\_\_\_, 2013 at \_\_\_\_\_ p.m., for the purpose of considering and voting upon the following matters:

1. **Approval of the Merger Agreement and Merger.** To approve the Agreement and Plan of Reorganization and Merger dated December 19, 2012 attached as **Appendix A** to the proxy statement-prospectus, providing for the merger of Visalia Community Bank with and into Central Valley Community Bank, a wholly-owned subsidiary of Central Valley Community Bancorp, and the transactions contemplated by that merger agreement.
2. **Approval of Amendment to Certificate of Determination for the Series B Preferred Stock.** To approve the amendment to the Visalia Community Bank Certificate of Determination creating its Series B Preferred Stock ("Certificate of Amendment") to provide that immediately prior to the effectiveness of any merger, consolidation, or other similar business combination, each share of Series B Preferred Stock will be automatically converted into one share of common stock of Visalia Community Bank. The text of the Certificate of Amendment is set out herein under the heading "Amendment to Certificate of Determination for Series B Preferred Stock to Provide for Mandatory Conversion Prior to Merger."
3. **Transaction of Other Business.** To transact such other business as may properly come before the meeting and any adjournment or adjournments thereof.

The merger and Certificate of Amendment are more fully described in this proxy statement-prospectus and in the merger agreement. So long as two classes of Visalia Community Bank capital stock are outstanding, the affirmative vote of shareholders holding at least a majority of each class of the outstanding shares of Visalia Community Bank is required to approve each of the merger agreement and the Certificate of Amendment.

Under the merger agreement, it is a condition of the merger that all outstanding shares of Visalia Community Bank Series B Preferred Stock shall have been converted to common stock or redeemed prior to the consummation of the merger.

If the merger described herein is not approved by the holders of the Series B Preferred Stock at the special meeting, Visalia Community Bank is obligated under the merger agreement to notify holders of Series B Preferred Stock that it will redeem all shares of Series B Preferred Stock at a price of \$37.50 per share, the redemption price currently fixed in the Certificate of Determination for the Series B Preferred Stock, no later than the date preceding the effective date of the merger. The notice will provide holders of Series B Preferred Stock with the option to convert their shares of Series B Preferred Stock to Visalia Community Bank common stock on a share for share basis prior to the mandatory redemption instead of accepting the redemption payment of \$37.50 per share. Following the redemption or conversion of all of the Series B Preferred Stock, approval of the merger will require a majority vote only of the common stock. The directors and executive officers of Visalia Community Bank and certain principal shareholders owning an aggregate of 76.9% of the currently outstanding common stock (70.2% if all Series B Preferred Stock is converted to common stock) have agreed to vote their shares in favor of the merger. Accordingly, approval of the merger is assured.

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The merger agreement sets forth the terms of the merger of Visalia Community Bank into CVC Bank. All holders of Visalia Community Bank common stock (including those whose Series B Preferred Stock is converted to common stock) will receive cash and newly issued shares of Central Valley Community Bancorp common stock for their common shares of Visalia Community Bank.

The Board of Directors of Visalia Community Bank has fixed the close of business on May 2, 2013 as the record date for determination of shareholders entitled to notice of, and the right to vote at, the special meeting of shareholders.

You are urged to vote in favor of the proposal by signing and returning the enclosed proxy as promptly as possible, whether or not you plan to attend the special meeting of shareholders in person. If you submit a proxy and then decide to attend the meeting in person, you need not vote at the meeting unless you wish to change your proxy voting instructions. The proxy may be revoked at any time prior to its exercise.

By Order of the Board of Directors

Dated: May , 2013

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Nancy Hamill  
Corporate Secretary

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**References to Additional Information**

This document incorporates important business and financial information about Central Valley Community Bancorp ("Central Valley Community Bancorp") and Central Valley Community Bank ("CVC Bank") from documents that are not included in or delivered with this document. You can obtain documents incorporated by reference in this document but not otherwise accompanying this document by requesting them in writing or by telephone from Central Valley Community Bancorp as follows:

Central Valley Community Bancorp  
7100 N. Financial Drive, Suite 101  
Fresno, California 93720  
(559) 298-1775  
Attention: Cathy Ponte

You will not be charged for any of these documents that you request. If you would like to request documents, please do so by \_\_\_\_\_ 2013, in order to receive them before the special meeting. You can also obtain any of these documents at no cost from the SEC's website at <http://www.sec.gov>

The documents incorporated by reference are listed under the caption "Where You Can Find More Information." In addition, Central Valley Community Bancorp hereby incorporates by reference of all its subsequent filed reports with the SEC prior to the date of the consummation of the merger.

Visalia Community Bank does not have a class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended, is not subject to the reporting requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and accordingly does not file documents or reports with the SEC.

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**QUESTIONS AND ANSWERS ABOUT THE MERGER**

**This question and answer summary highlights selected information contained in other sections of this proxy statement-prospectus. To understand the merger more fully, you should carefully read this entire proxy statement-prospectus, including all appendices and financial statements.**

**In this document, references to "you" and "your" refer to holders of capital stock of Visalia Community Bank who are being asked to cast votes on the matters described herein.**

**Q: What am I being asked to vote on?**

A: You are being asked to vote on a merger agreement which, when approved, will result in Visalia Community Bank being merged with and into Central Valley Community Bank, a wholly owned subsidiary of Central Valley Community Bancorp. You are also being asked to vote to approve the amendment to the Visalia Community Bank Certificate of Determination creating its Series B Preferred Stock, so that immediately prior to effectiveness of the merger, the outstanding 44,687 shares of Series B Preferred Stock will be converted into shares of Visalia Community Bank common stock.

You are urged to vote in favor of both proposals by signing and returning the enclosed proxy as promptly as possible, whether or not you plan to attend the special meeting of shareholders in person. If you submit a proxy and then decide to attend the meeting in person, you need not vote at the meeting unless you wish to change your proxy voting instructions. The proxy may be revoked at any time prior to its exercise.

**Q: Who is eligible to vote?**

A: Holders of Visalia Community Bank common stock and Series B Preferred Stock are eligible to vote their shares at the Visalia Community Bank special meeting of shareholders if they were holders of record of those shares at the close of business on May 2, 2013, with regard to both the merger and the Certificate of Amendment.

**Q: What is the vote needed for approval of the merger agreement?**

A: Approval of the merger agreement will require the affirmative vote of shareholders holding at least a majority of each class of the outstanding shares of Visalia Community Bank. With respect to Visalia Community Bank common stock, a majority vote would require 190,162 shares of the 380,322 shares of common stock outstanding at the time of the meeting. With respect to the Series B Preferred Stock, a majority vote would require 22,344 shares of the 44,687 shares of Series B Preferred Stock outstanding at the time of the meeting. If the merger and Certificate of Amendment described herein are not approved by the holders of the Series B Preferred Stock at the special meeting, all of the Series B Preferred Stock will either be converted or redeemed prior to the merger and approval of the merger after such redemption or conversion will require a majority vote only of the common stock. The directors, executive officers and certain principal shareholders of Visalia Community Bank own 76.9% of the currently outstanding common shares (70.2% if all Series B Preferred Stock is converted to common shares). They have agreed to vote their shares in favor of the merger. Accordingly, approval of the merger is assured.

**Q: How many votes are required to approve the Certificate of Amendment?**

A: Approval of the Certificate of Amendment will require the affirmative vote of shareholders holding at least a majority of each class of the outstanding shares of Visalia Community Bank. With respect to Visalia Community Bank common stock, a majority vote would require 190,162 shares of the 380,322 shares of common stock outstanding at the time of the meeting. With respect to the Series B

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Preferred Stock, a majority vote would require 22,344 shares of the 44,687 shares of Series B Preferred Stock outstanding at the time of the meeting.

**Q: What will happen if Visalia Community Bank shareholders approve the merger?**

A: If the Visalia Community Bank shareholders approve both the merger and the Certificate of Amendment, and all regulatory approvals are obtained, and other conditions set forth in the merger agreement are fulfilled, the Series B Preferred Stock shall be converted to Visalia Community Bank common stock, and then Visalia Community Bank will merge with and into CVC Bank. Visalia Community Bank will cease to exist as a separate entity.

**Q: What will happen if holders of the Visalia Community Bank Series B Preferred Stock do not approve the merger at the special meeting?**

A: If the merger described herein is not approved by both classes of shareholders at the special meeting, Visalia Community Bank is obligated under the merger agreement to notify holders of Series B Preferred Stock that it will redeem all shares of Series B Preferred Stock at a price of \$37.50 per share no later than the date preceding the effective date of the merger. Such notice will provide holders of Series B Preferred Stock with the option to convert their shares of Series B Preferred Stock to Visalia Community Bank common stock prior to the merger instead of accepting the redemption payment of \$37.50 per share.

Following the redemption or conversion of all Series B Preferred Stock, approval of the merger will require a majority vote only of the common stock. The directors and executive officers of Visalia Community Bank and certain principal shareholders own 76.9% of the currently outstanding shares of common stock (70.2% if all Series B Preferred Stock is converted to common stock). They have agreed to vote their shares in favor of the merger. Accordingly, approval of the merger is assured.

**Q: What will happen if Visalia Community Bank shareholders approve the Certificate of Amendment?**

A: If the Visalia Community Bank shareholders approve both the merger and the Certificate of Amendment, and all regulatory approvals are obtained, and other conditions set forth in the merger agreement are fulfilled, the Series B Preferred Stock shall be converted to Visalia Community Bank common stock on a share for share basis immediately prior to the merger, and then Visalia Community Bank will merge with and into CVC Bank.

If the Certificate of Amendment is not approved by both classes of shareholders at the special meeting, Visalia Community Bank is obligated under the merger agreement to notify holders of Series B Preferred Stock that it will redeem all shares of Series B Preferred Stock at a price of \$37.50 per share no later than the date preceding the effective date of the merger. Such notice will provide holders of Series B Preferred Stock with the option to convert their shares of Series B Preferred Stock to Visalia Community Bank common stock on a share for share basis prior to the merger instead of accepting the redemption payment of \$37.50 per share. All of these actions may be taken under the existing Certificate of Determination of the Series B Preferred Stock so approval of the Certificate of Amendment will no longer be necessary.

**Q: What will I receive in exchange for my Visalia Community Bank shares in the merger?**

A: Assuming conversion of all Series B Preferred Stock to Visalia Community Bank common stock, the value of the merger consideration would have been approximately \$ \_\_\_\_\_ per share of Visalia Community Bank common stock if the merger had become effective as of \_\_\_\_\_, 2013, with such merger consideration payable in a combination of \$26.00 in cash and 2.971 newly issued shares of Central Valley Community Bancorp common stock in exchange for each share of Visalia

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Community Bank common stock. That value may change depending on various factors discussed in the section of this proxy statement-prospectus entitled "The Merger Calculation of Consideration to be Paid to Visalia Community Bank Shareholders." If any shares of Series B Preferred Stock are redeemed, the cash portion of the merger consideration will be reduced by the redemption amount. If all Series B Preferred Stock is redeemed, the total reduction in the cash consideration payable in the merger would be \$1,675,763; however, since holders of shares of Series B Preferred Stock would not receive any of the merger consideration following the redemption, and since it is anticipated that the value of the per share merger consideration on the effective date of the merger will be greater than the \$37.50 redemption price for the Series B Preferred Stock, the value of the per share merger consideration payable to holders of the common stock at the effective time of the merger should increase in the event any of the shares of the Series B Preferred Stock are redeemed.

**Q: Why is Visalia Community Bank merging?**

A: In reaching its decision to adopt and approve the merger agreement and recommend the merger to its shareholders, Visalia Community Bank's board of directors consulted with Visalia Community Bank's management, as well as its legal and financial advisors, and considered a number of positive factors, including the following material factors:

Its knowledge of Visalia Community Bank's business, operations, financial condition, earnings and prospects and of Central Valley Community Bancorp's business, operations, financial condition, earnings and prospects, taking into account the results of Visalia Community Bank's due diligence review of Central Valley Community Bancorp.

Its knowledge of the current environment in the financial services industry, including national and regional economic conditions, continued consolidation, increased regulatory burdens, evolving trends in technology and increasing nationwide and global competition, the current financial market conditions and the likely effects of these factors on the companies' potential growth, development, productivity, profitability and strategic options, and the historical market prices of Visalia Community Bank common stock.

The careful review undertaken by Visalia Community Bank's board of directors and management, with the assistance of Visalia Community Bank's legal and financial advisors, with respect to the strategic alternatives available to Visalia Community Bank if it remained an independent bank.

The complementary aspects of the Visalia Community Bank and Central Valley Community Bank businesses, including customer focus and geographic coverage.

Central Valley Community Bancorp's commitment to enhancing its strategic position in the Central Valley area of the State of California.

The potential expense-saving and revenue-enhancing opportunities in connection with the merger, the related potential impact on the combined company's earnings and the fact that the nature of the merger consideration would allow former Visalia Community Bank shareholders to participate as Central Valley Community Bancorp shareholders in the benefits of such savings opportunities and the future performance of the combined company generally.

The fact that, subject to certain conditions set forth in the merger agreement, including the payment of a termination fee, the merger agreement allows its board of directors in the exercise of its fiduciary duties, to consider a superior proposal, as defined in the merger agreement, which is presented to it, and to withdraw its recommendation to its shareholders to adopt the merger agreement and to terminate the merger agreement to accept such a superior proposal.

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The respective presentations by Visalia Community Bank management and its financial advisors concerning the operations, financial condition and prospects of Visalia Community Bank and the expected financial impact of the merger on the combined company, including pro forma assets, earnings and deposits.

The terms of the merger agreement, and the presentation by Visalia Community Bank's outside legal advisors regarding the merger and the merger agreement.

The opinion delivered to Visalia Community Bank by FIG Partners LLC ("FIG") on December 19, 2012 to the effect that, as of December 19, 2012, and based upon and subject to the assumptions, procedures, considerations, qualifications and limitations set forth in the opinion, the consideration to be paid under the merger agreement was fair, from a financial point of view, to the shareholders of Visalia Community Bank.

Visalia Community Bank's board of directors' belief that a merger with Central Valley Community Bank would allow Visalia Community Bank shareholders to participate in the future performance of a combined company that would have better future prospects than Visalia Community Bank was likely to achieve on a stand-alone basis or through other strategic alternatives, including a combination with other potential merger partners.

Visalia Community Bank's board of directors' belief that Visalia Community Bank and Central Valley Community Bancorp shared a similar strategic vision.

The regulatory and other approvals required in connection with the merger and the likelihood that the approvals needed to complete the merger would be obtained without unacceptable conditions.

The fact that holders of Visalia Community Bank shares who do not vote in favor of the merger agreement and who comply with all other applicable statutory procedures for asserting dissenters' rights will be entitled to exercise dissenters' rights under California law.

Please read the section entitled "The Merger Background and Reasons for the Merger; Recommendation of the Board of Directors" for additional information.

**Q: Should I send in my certificates now?**

A: No. Please do not send in your Visalia Community Bank stock certificates with your proxy. After the merger, an exchange agent designated by Central Valley Community Bancorp will send you instructions for exchanging your Visalia Community Bank stock certificates for the merger consideration.

**Q: What do I need to do now?**

A: After you have carefully read this proxy statement-prospectus and have decided how you wish to vote your shares, please vote your shares promptly so that your shares are represented and voted at the special meeting. If you hold your shares in your name as a shareholder of record, you must complete, sign, date and mail your proxy card in the enclosed postage-paid return envelope as soon as possible. If you hold both common stock and preferred stock you should have received two separate proxy cards in which case you must complete, sign, date and mail both proxy cards in the enclosed postage-paid return envelope(s) as soon as possible. If you hold your shares in "street name" through a bank or broker, you must direct your bank or broker to vote in accordance with the instructions you have received from your bank or broker. "Street name" shareholders who wish to vote at the special meeting will need to obtain a proxy form from the institution that holds their shares.

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**Q: What happens if I do not return my proxy card?**

A: If you fail to execute and return your proxy card, it will have the same effect as voting against the merger and the Certificate of Amendment.

**Q: What risks should I consider before I vote on the merger?**

A: Certain risks that you should consider in deciding how to vote on the merger are described in the section of this proxy statement-prospectus entitled "Risk Factors." You are urged to read that section, as well as the rest of this proxy statement-prospectus, before deciding how to vote.

**Q: How do I vote?**

A: Just indicate on your proxy card how you want to vote. Sign and mail your proxy card in the enclosed envelope as soon as possible so that your shares will be represented at the Visalia Community Bank special shareholders' meeting. Alternatively, you may attend the meeting and vote in person.

If you sign and send in your proxy card and do not indicate how you want to vote, your proxy will be voted in favor of the merger and the Certificate of Amendment.

If you do not sign and send in your proxy card or you abstain from voting, it will have the effect of voting against the merger and/or the Certificate of Amendment.

You may attend the meeting and vote your shares in person, rather than voting by proxy.

In addition, you may withdraw your proxy at any time up to and including the taking of the vote at the Visalia Community Bank special shareholders' meeting by following the directions on page 36 and either changing your vote by executing another proxy or attending the meeting and voting in person.

**Q: How do Visalia Community Bank's directors plan to vote on the merger and the Certificate of Amendment?**

A: All of Visalia Community Bank's directors and executive officers and certain principal shareholders owning an aggregate of 292,477 shares or 76.9% of the currently outstanding shares of common stock of Visalia Community Bank have agreed to vote their shares in favor of the merger. Accordingly, Visalia Community Bank expects to receive the affirmative vote of a majority of Visalia Community Bank's issued and outstanding common stock eligible to vote that is needed for class approval by the common stock for both the merger and the Certificate of Amendment. The directors and executive officers also collectively own 13.5% of the Series B Preferred Stock, which Visalia Community Bank expects will be voted in favor of both the merger and the Certificate of Amendment.

**Q: What do I do if I do not agree with the merger? Do I have appraisal or dissenter's rights?**

A: If you do not agree with the merger, and if you do not vote in favor of it, and if you take certain other actions required by California law, you will have dissenter's rights under California law. Exercise of these rights will result in Visalia Community Bank purchasing your shares at their "fair market value," as of the date immediately prior to the public announcement of the merger as determined in accordance with California law. Please read the section entitled "The Merger Dissenters' Rights of Visalia Community Bank's Shareholders" and **Appendix B** for additional information.

**Q: Who can help answer my other questions?**

A: If you want to ask any additional questions about the merger, you should contact Nancy Hamill, Corporate Secretary of Visalia Community Bank, 120 N. Floral Street, Visalia, California 93291, telephone (559) 730-2871.

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**SUMMARY**

*This summary only highlights selected information in this proxy statement-prospectus. It does not contain all the information that is important to you in deciding how to vote. You should carefully read this entire proxy statement-prospectus, including the appendices. These will give you a more complete description of the merger, the merger agreement and the transactions proposed. You should also refer to the section entitled "Where You Can Find More Information" on page 115.*

**General**

This proxy statement-prospectus relates to the proposed merger of Visalia Community Bank with and into Central Valley Community Bank, a wholly owned subsidiary of Central Valley Community Bancorp. Unless the context otherwise requires, references to Central Valley Community Bancorp refer to Central Valley Community Bancorp and CVC Bank on a consolidated basis.

After the merger, the combination of Visalia Community Bank and CVC Bank would result in a community banking operation that would extend through the California Central Valley from Tulare County in the south to Sacramento in the north.

**IMPORTANT NOTE IN THE EVENT THE SERIES B PREFERRED STOCK DOES NOT APPROVE THE MERGER AND THE CERTIFICATE OF AMENDMENT**

Visalia Community Bank has two classes of stock outstanding, common stock and Series B Preferred Stock. So long as both classes of stock are outstanding, approval of the merger and the Certificate of Amendment will require a vote by both classes.

If the merger and Certificate of Amendment described herein are not approved by the holders of the Series B Preferred Stock at the special meeting, Visalia Community Bank is obligated under the merger agreement to notify holders of Series B Preferred Stock that it will redeem all shares of Series B Preferred Stock at a price of \$37.50 per share, the redemption price currently fixed in the Certificate of Determination for the Series B Preferred Stock, no later than the date preceding the effective date of the merger. The notice will provide holders of Series B Preferred Stock with the option to convert their shares of Series B Preferred Stock to Visalia Community Bank common stock on a share for share basis prior to the mandatory redemption instead of accepting the redemption payment of \$37.50 per share.

Following the redemption or conversion of all Series B Preferred Stock, approval of the merger will require a majority vote of only the common stock. The directors, executive officers and certain principal shareholders of Visalia Community Bank owning an aggregate of 76.9% of the currently outstanding common shares (70.2% if all Series B Preferred Stock is converted to common shares) have agreed to vote their shares in favor of the merger. Accordingly, approval of the merger is assured.

If any shares of Series B Preferred Stock are redeemed, the cash portion of the consideration payable in the merger will be reduced by the redemption amount. If all 44,687 shares of the Series B Preferred Stock are redeemed, the total reduction in the cash consideration payable in the merger would be \$1,675,763; however, since holders of shares of Series B Preferred Stock would not receive any of the merger consideration following the redemption, and, since it is anticipated that the value of the per share merger consideration on the effective date of the merger will be greater than the \$37.50 redemption price for the Series B Preferred Stock, the value of the per share merger consideration payable to holders of common stock at the effective time of the merger should increase in the event any shares of the Series B Preferred Stock are redeemed.

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**Parties to the Merger (pages 84 and 86)**

***Central Valley Community Bancorp***

7100 N. Financial Drive, Suite 101  
Fresno, California 93720  
(559) 298-1775

Central Valley Community Bancorp is a bank holding company headquartered in Fresno, California.

Central Valley Community Bancorp has one banking subsidiary, CVC Bank. Central Valley Community Bancorp's principal business is to provide, through its banking subsidiary, financial services in its primary market area in California. Central Valley Community Bancorp serves Fresno County, Madera County, Sacramento County, San Joaquin County, Merced County, and Stanislaus County and their surrounding areas through CVC Bank. Central Valley Community Bancorp does not currently conduct any operations other than through CVC Bank. At December 31, 2012, Central Valley Community Bancorp had approximately \$890.2 million in assets, \$395.3 million in total loans and \$751.4 million in total deposits.

Please read the section entitled "Information Regarding Central Valley Community Bancorp" for additional information about Central Valley Community Bancorp.

***Visalia Community Bank***

120 N. Floral Street  
Visalia, California 93291  
(559) 625-8733

Visalia Community Bank is a California state-chartered bank headquartered in Visalia California, in the San Joaquin Valley of Central California. Visalia Community Bank is authorized to engage in the general commercial banking business and its deposits are insured by the Federal Deposit Insurance Corporation up to the applicable limits of the law. At December 31, 2012 Visalia Community Bank had approximately \$199.8 million in assets, \$123.3 million in total loans and \$173.5 million in total deposits.

Visalia Community Bank currently operates five full service banking offices, with its main office in Visalia, three additional branch offices in Visalia, and one branch office in Exeter. Visalia Community Bank has given notice to its banking regulators that it intends to close one of its branch offices located in Visalia. It is anticipated that this office will be closed prior to the effectiveness of the merger.

Visalia Community Bank is a community bank engaged in the general commercial banking business. Its primary market area is Tulare County in the San Joaquin Valley of Central California. It specializes in serving small to mid-sized businesses and individuals in its primary market area. In addition, it provides loans to small businesses under the SBA programs of the United States Government's Small Business Administration.

Visalia Community Bank maintains a website at [www.vcb.com](http://www.vcb.com). Information on Visalia Community Bank's website should not be considered part of this proxy statement-prospectus

The main office of Visalia Community Bank is located at 120 N. Floral Street, Visalia, California. The telephone number of Visalia Community Bank is (559) 625-8733.

Please read the section entitled "Information Regarding Visalia Community Bank" for additional information.



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**Recent Events**

For the three months ended March 31, 2013, Central Valley Community Bancorp reported unaudited net income of \$1,793,000. Unaudited earnings per share, on a fully diluted basis, were \$0.18. As of March 31, 2013, on an unaudited basis, Central Valley Community Bancorp had total assets and net portfolio loans of \$886,369,000 and \$381,476,000 respectively. For more information regarding Central Valley Community Bancorp's financial results, see Central Valley Community Bancorp's Annual Report on Form 10-K for the fiscal year ended December 31, 2012 and its reports on Form 8-K, which are incorporated by reference into this proxy statement-prospectus. See "Where You Can Find More Information" on page 115.

**Special Shareholders' Meeting (Page 35)**

Visalia Community Bank will hold its special shareholders' meeting at 120 N. Floral Street, Visalia, California 93291 on \_\_\_\_\_, 2013, at \_\_\_\_\_ p.m. At this meeting, Visalia Community Bank shareholders will consider and vote upon the approval of the merger and the Certificate of Amendment. You may vote at the Visalia Community Bank special shareholders' meeting if you owned shares of Visalia Community Bank common stock or Series B Preferred Stock at the close of business on May 2, 2013.

Approval of the merger agreement will require the affirmative vote of shareholders holding at least a majority of each class of the outstanding shares of Visalia Community Bank. With respect to Visalia Community Bank common stock, a majority vote would require 190,162 shares of the 380,322 shares of common stock outstanding at the time of the meeting. With respect to the Series B Preferred Stock, a majority vote would require 22,344 shares of the 44,687 shares of Series B Preferred Stock outstanding at the time of the meeting.

The directors, executive officers and certain principal shareholders of Visalia Community Bank are parties to voting agreements under which they have agreed to vote their respective shares in favor of the merger. Their aggregate shareholdings represent 76.9% of the outstanding common shares, so approval of the merger by the common stock of Visalia Community Bank is assured.

Approval of the Certificate of Amendment will require the affirmative vote of shareholders holding at least a majority of each class of the outstanding shares of Visalia Community Bank. With respect to Visalia Community Bank common stock, a majority vote would require 190,162 shares of the 380,322 shares of common stock outstanding at the time of the meeting. With respect to the Series B Preferred Stock, a majority vote would require 22,344 shares of the 44,687 shares of Series B Preferred Stock outstanding at the time of the meeting.

You are urged to vote in favor of both the merger and the Certificate of Amendment by signing and returning the enclosed proxy as promptly as possible, whether or not you plan to attend the special meeting of shareholders in person. If you submit a proxy and then decide to attend the meeting in person, you need not vote at the meeting unless you wish to change your proxy voting instructions. The proxy may be revoked at any time prior to its exercise. Under the provisions of the California Corporations Code, Central Valley Community Bancorp's shareholders are not required to approve the merger. Please read the section entitled "The Visalia Community Bank Meeting" for additional information.

**The Merger (Page 38)**

The merger will result in Visalia Community Bank being merged with and into CVC Bank and is subject to shareholder and regulatory approvals, as well as other closing conditions required in the merger agreement. Please read the sections entitled "The Merger Structure of the Merger" and " Certain Effects of the Merger" for additional information.

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***The Merger Agreement (Page 74)***

The merger agreement is the legal document that embodies the merger's terms and governs Central Valley Community Bancorp's, CVC Bank's, and Visalia Community Bank's merger process, including the issuance of Central Valley Community Bancorp common stock and cash to holders of Visalia Community Bank's common stock in connection with the merger. Please read the entire merger agreement which is attached to this proxy statement-prospectus as **Appendix A**. Also, please read the section entitled "The Merger The Merger Agreement" for additional information.

***Consideration to be Paid to Visalia Community Bank Shareholders (Page 43)***

Assuming conversion of all Series B Preferred Stock into Visalia Community Bank common stock, the value of the merger consideration would have been approximately \$ \_\_\_\_\_ per share of Visalia Community Bank if the merger had become effective as of \_\_\_\_\_, 2013, with such merger consideration consisting of \$26.00 in cash and 2,971 newly issued shares of Central Valley Community Bancorp common stock, which may change depending on various factors. Please read the sections entitled "Risk Factors Risks Regarding the Merger" and "The Merger Calculation of Consideration to be Paid to Visalia Community Bank Shareholders" for additional information.

***Regulatory Approvals (Page 47)***

CVC Bank and Visalia Community Bank must receive approvals from the Federal Deposit Insurance Corporation and the California Department of Financial Institutions in order to consummate the merger. CVC Bank and Visalia Community Bank submitted applications to these agencies. The California Department of Financial Institutions has approved the merger. The application with the Federal Deposit Insurance Corporation is currently pending. CVC Bank and Visalia Community Bank believe the application will be approved. In addition, Central Valley Community Bancorp has filed a notification with the Federal Reserve Bank of San Francisco. In addition, Visalia Community Bank must receive the approval from the California Department of Financial Institutions for the Certificate of Amendment and, in the event the merger is not approved by the holders of the Series B Preferred Stock, for the redemption of the Series B Preferred Stock. The California Department of Financial Institutions has approved the Certificate of Amendment. Please read the section entitled "The Merger Regulatory Approvals" for additional information.

***Opinion of Visalia Community Bank's Financial Advisor and Central Valley Community Bancorp's Financial Advisor. (Pages 54 and 59).***

In deciding to recommend approval of the merger, Visalia Community Bank's Board of Directors considered, among other things, the December 19, 2012 opinion of FIG, Visalia Community Bank's financial advisor, regarding the fairness, from a financial point of view, of the consideration to be received by Visalia Community Bank's shareholders as a result of the merger. A copy of the FIG report is attached as **Appendix C** to this proxy statement-prospectus. You should read it carefully to understand the assumptions made, matters considered and limitations of the review undertaken by the advisor in providing its opinion. Subject to the terms and limitations set forth in their report, FIG concluded that the combination of Central Valley Community Bancorp common stock and cash to be received by holders of Visalia Community Bank common stock in the merger is fair from a financial point of view.

In deciding to recommend approval of the merger, Central Valley Community Bancorp's Board of Directors considered, among other things, the December 19, 2012 opinion of Sandler O'Neill + Partners, L.P. ("Sandler O'Neill"), Central Valley Community Bancorp's financial advisor, regarding the fairness of the merger consideration, from a financial point of view **to Central Valley Community Bancorp**. A copy of the Sandler O'Neill opinion is attached as **Appendix D** to this proxy

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statement-prospectus. You should read it carefully to understand the assumptions made, matters considered and limitations of the review undertaken by the advisor in providing its opinion. Subject to the terms and limitations set forth in their opinion, the Sandler O'Neill confirmed that the merger consideration is fair to Central Valley Community Bancorp from a financial point of view.

***Recommendation of Visalia Community Bank's Board of Directors (Page 41)***

On December 19, 2012, Visalia Community Bank's Board of Directors unanimously approved the merger agreement and the transactions contemplated by it. Moreover, they unanimously believe that the merger's terms are fair to you and in your best interests. Accordingly, they unanimously recommend a vote "FOR" the proposal to approve the merger agreement and the merger. The conclusions of Visalia Community Bank's Board of Directors regarding the merger are based upon a number of factors. Please read the sections entitled "The Merger Background and Reasons for the Merger; Recommendation of the Board of Directors," "Opinion of Visalia Community Bank's Financial Advisor" for additional information.

On February 21, 2013, Visalia Community Bank's Board of Directors approved the Certificate of Amendment and determined to recommend that shareholders approve the Certificate of Amendment.

***Termination of the Merger (Page 81)***

Central Valley Community Bancorp, CVC Bank and Visalia Community Bank can mutually agree to terminate the merger agreement and abandon the merger at any time. In addition, the merger can be terminated as a result of material breaches of any representation, warranty, covenant, or agreement contained in the merger agreement that is not timely cured; if the merger has failed to occur by September 30, 2013; if the approval of any governmental authority required for the consummation of the merger has been denied; by Central Valley Community Bancorp or CVC Bank if Visalia Community Bank's board of directors alters or modifies its favorable recommendation of the merger and the merger agreement in a manner adverse to Central Valley Community Bancorp or CVC Bank or recommends, endorses, accepts or agrees to an acquisition proposal by any other party; by Central Valley Community Bancorp or CVC Bank if Visalia Community Bank's closing shareholder's equity, as defined in the merger agreement, is less than \$18,500,000; by Visalia Community Bank if the trading price of Central Valley Community Bancorp common stock declines below limits agreed in the merger agreement, or by Central Valley Community Bancorp if the trading price of Central Valley Community Bancorp common stock increases above limits agreed in the merger agreement; or by Central Valley Community Bancorp or CVC Bank if Visalia Community Bank enters into a written agreement to effect an acquisition transaction with a third party in connection with a superior proposal.

In the event the merger agreement is terminated by Visalia Community Bank in connection with a superior proposal or if the board of directors of Visalia Community Bank approves, or if Visalia Community Bank authorizes, recommends, publicly proposes or publicly announces its intention to authorize, recommend or approve an acquisition proposal from any third party, Visalia Community Bank will be obligated to pay a \$1,000,000 termination fee to Central Valley Community Bancorp. Please read the section entitled "The Merger The Merger Agreement Termination" for additional information.

***Conditions to Closing the Merger (Page 79)***

In addition to receipt of regulatory and shareholder approvals, closing of the merger will depend on fulfillment of certain conditions, unless waived by the parties.

If all required regulatory and shareholder approvals are received as planned, and if the conditions to the merger have either been met or waived, the parties anticipate that the merger will close during the second quarter of 2013. However, the parties cannot assure you whether or when the merger will

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actually close. Please read the section entitled "The Merger The Merger Agreement The Closing" for additional information.

***Historic Market Value of Securities (Page 33)***

On December 18, 2012, the day before the public announcement of the merger, shares of Central Valley Community Bancorp traded on the Nasdaq Capital Market under the symbol CVCY at prices between \$8.25 and \$8.09 per share. There is currently no established public trading market for the common stock of Visalia Community Bank. While the common stock of Visalia Community Bank is quoted on the OTCQB under the symbol "VSMU," Visalia Community Bank is only aware of six trades in its common stock since January 1, 2011, with the trade nearest to December 18, 2012, occurring on September 2012, when 200 shares were sold at \$31.00 per share. Please read the section entitled "Comparative Market Prices and Dividends" for additional information.

***Federal Income Tax Consequences (Page 45)***

Visalia Community Bank expects that, for United States federal income tax purposes, you generally will not recognize any gain or loss with respect to that portion of your shares of Visalia Community Bank common stock that are converted to shares of Central Valley Community Bancorp common stock in the merger, but you will recognize gain or loss with respect to any cash received in lieu of a fractional share interest in Central Valley Community Bancorp common stock and the \$26.00 cash portion of the merger consideration.

If you hold shares of Series B Preferred Stock, you will not recognize any gain or loss on the value of your shares as a result of the conversion of Series B Preferred Stock to Visalia Community Bank common stock. Any gain or loss you recognize would result from the subsequent conversion of Visalia Community Bank common stock to Central Valley Community Bancorp stock in the merger.

If you perfect dissenter's rights and receive payment for your shares (or if you are notified of a Series B Preferred Stock redemption and do not opt to convert your Series B Preferred Stock to Visalia Community Bank common stock), you will be treated as if the shares were redeemed and, if shares are held by you as a capital asset you will recognize a capital gain or loss measured by the difference between the cash received and your basis in the shares of Visalia Community Bank stock surrendered.

**The tax laws are complex. Therefore, you should consult your individual tax advisor regarding the federal income tax consequences of the merger to you. You should also consult your tax advisor concerning all state, local and foreign tax consequences of the merger.**

***Accounting Treatment of the Merger (Page 73)***

Central Valley Community Bancorp will account for the merger as a purchase. Under this method of accounting, the assets and liabilities of the company acquired are recorded at their respective fair value as of completion of the merger, and are added to those of the acquiring company. Financial statements of the acquiring company issued after the merger takes place reflect these values, but are not restated retroactively to reflect the historical financial position or results of operations of the company that was acquired. Please read the section entitled "The Merger Accounting Treatment" for additional information.

***Central Valley Community Bancorp's and CVC Bank's Management and Operations after the Merger (Page 48)***

Central Valley Community Bancorp has agreed to, contingent upon the closing of the merger, increase the authorized number of directors by one director and appoint F. T. Elliott, IV to fill the

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newly-created vacancy on the board of directors of Central Valley Community Bancorp, to hold office until the next annual meeting of shareholders of Central Valley Community Bancorp, until his successor is elected and qualified or until otherwise removed. Central Valley Community Bancorp has also agreed, timing of the merger permitting, to nominate Mr. Elliott for election to the Central Valley Community Bancorp board at the 2013 annual shareholder meeting, provided that he satisfies the standards of the Central Valley Community Bancorp nominating committee and subject to the fiduciary duties of the Central Valley Community Bancorp board and nominating committee.

Please read the section entitled "The Merger Certain Effects of the Merger" and " Interests of Certain Persons in the Merger" for additional information.

**Interests of Certain Persons in the Merger That Are Different From Yours (Page 48)**

The directors and executive officers of Visalia Community Bank have financial interests in the merger that are in addition to their interests as Visalia Community Bank shareholders. You should consider these interests in deciding how to vote. These interests include:

the agreed upon appointment of F.T. Elliott, IV, the current Chairman of the Board of Visalia Community Bank, as a director of Central Valley Community Bancorp and Central Valley Community Bank following the merger;

rights of Visalia Community Bank's executive officers to certain compensation after the merger as follows:

An aggregate of approximately \$808,725 to Thomas J. Beene, the current President and Chief Executive Officer of Visalia Community Bank, consisting of (i) approximately \$95,000 in base compensation in connection with his continued employment with Central Valley Community Bank for an approximate 6 month period following the merger, (ii) a payment of \$190,000 as a "stay payment" under his employment agreement with Central Valley Community Bank and (iii) payment of an aggregate of \$523,725 under his September 21, 2006 Amended and Restated Salary Continuation Agreement with Visalia Community Bank, payable in 180 equal monthly installments commencing at his monthly retirement age, representing the payment of accruals under this agreement at December 31, 2012. In addition, Mr. Beene may receive 180 monthly installment payments aggregating approximately \$129,113, representing the amount of accruals as of December 31, 2012 under that certain Amended and Restated Salary Continuation Agreement dated March 24, 2011, provided, however, that the payments under this agreement are subject to prior approval of the FDIC.

A payment of \$60,000 as a pay to stay payment to the Bank's Chief Financial Officer, Roger White, and a payment of \$53,040 as a pay to stay payment to the Bank's Chief Credit Officer, Renee Savage.

rights of Visalia Community Bank's directors to certain compensation after the merger, consisting of lump sum payments of accrual balances under their respective director retirement agreements and director deferred fee agreements, and, with respect to directors F.T. Elliott, III, F.T. Elliott, IV, Margaret K. Elliott and Jonathan Graves, payment of termination fees regarding

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these directors' split dollar life insurance agreements. The approximate aggregate amounts due to these directors under these various pre-existing agreements after the merger is as follows:

<b>Director</b>	<b>Aggregate Payments</b>
Dena R. Cochran	\$ 425,867
F.T. Elliott, III	260,537
F.T. Elliott, IV	173,499
Margaret K. Elliott	241,935
Jonathan Graves	466,659
Jonathan Hornburg	239,548
Brian Johnson	109,428
Gordon L. Pendegraft	279,567

rights to Visalia Community Bank executive officers and directors to continued liability insurance coverage after the merger for acts or omissions occurring prior to the merger.

**Differences in Your Rights as a Shareholder (Page 88)**

As a Visalia Community Bank shareholder, your rights are currently governed by Visalia Community Bank's Articles of Incorporation and Bylaws. When you receive Central Valley Community Bancorp common stock in exchange for your Visalia Community Bank common stock, you will become a Central Valley Community Bancorp shareholder. Consequently, your rights as a Central Valley Community Bancorp shareholder will be governed by Central Valley Community Bancorp's Articles of Incorporation and Bylaws. Your rights as a shareholder will also be affected by the vote on the Certificate of Amendment. Please read the section entitled "Comparison of Shareholder Rights" for additional information.

**Dissenters' Rights (Page 52)**

In the event Visalia Community Bank's shareholders approve the merger and you have not voted in favor of the merger and you do not wish to accept the merger consideration offered for your shares, you have the right to dissent from the merger and receive the fair market value of your shares determined as of the date immediately prior to the public announcement of the merger under the provisions of Chapter 13 of the California Corporations Code. Please read the section entitled "The Merger Dissenters' Rights of Visalia Community Bank's Shareholders" and *Appendix B* for additional information.

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**IMPORTANT NOTE IN THE EVENT THE SERIES B PREFERRED STOCK DOES NOT APPROVE THE MERGER AND THE CERTIFICATE OF AMENDMENT**

Visalia Community Bank has two classes of stock outstanding, common stock and Series B Preferred Stock. So long as both classes of stock are outstanding, approval of the merger and the Certificate of Amendment will require a vote by both classes.

If the merger and Certificate of Amendment described herein are not approved by the holders of the Series B Preferred Stock at the special meeting, Visalia Community Bank is obligated under the merger agreement to notify holders of Series B Preferred Stock that it will redeem all shares of Series B Preferred Stock at a price of \$37.50 per share, the redemption price currently fixed in the Certificate of Determination for the Series B Preferred Stock, no later than the date preceding the effective date of the merger. The notice will provide holders of Series B Preferred Stock with the option to convert their shares of Series B Preferred Stock to Visalia Community Bank common stock on a share for share basis prior to the mandatory redemption instead of accepting the redemption payment of \$37.50 per share.

Following the redemption or conversion of all Series B Preferred Stock, approval of the merger will require a majority vote of only the common stock. The directors, executive officers and certain principal shareholders of Visalia Community Bank owning an aggregate of 76.9% of the currently outstanding common shares (70.2% if all Series B Preferred Stock is converted to common shares) have agreed to vote their shares in favor of the merger. Accordingly, approval of the merger is assured.

If any shares of Series B Preferred Stock are redeemed, the cash portion of the consideration payable in the merger will be reduced by the redemption amount. If all 44,687 shares of the Series B Preferred Stock are redeemed, the total reduction in the cash consideration payable in the merger would be \$1,675,763; however, since holders of shares of Series B Preferred Stock would not receive any of the merger consideration following the redemption, and, since it is anticipated that the value of the per share merger consideration on the effective date of the merger will be greater than the \$37.50 redemption price for the Series B Preferred Stock, the value of the per share merger consideration payable to holders of common stock at the effective time of the merger should increase in the event any shares of the Series B Preferred Stock are redeemed.

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**SELECTED CONSOLIDATED FINANCIAL DATA OF  
CENTRAL VALLEY COMMUNITY BANCORP**

The following table sets forth certain consolidated financial and other data of Central Valley Community Bancorp and its wholly owned subsidiary, Central Valley Community Bank at the dates and for the periods indicated. Unless the context otherwise requires, references to Central Valley Community Bancorp refer to Central Valley Community Bancorp and CVC Bank on a consolidated basis. The information set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and notes in Central Valley Community Bancorp's Annual Report on Form 10-K for the fiscal year ended December 31, 2012, filed with the SEC on March 20, 2013, and incorporated by reference herein.

(In thousands, except per share amounts)	Years Ended December 31,					
	2012	2011	2010	2009	2008	2007
<b>Statements of Income</b>						
Total interest income	\$ 31,820	\$ 34,299	\$ 36,013	\$ 40,734	\$ 31,845	\$ 32,566
Total interest expense	1,883	2,942	4,283	6,627	7,278	8,058
Net interest income before provision for credit losses	29,937	31,357	31,730	34,107	24,567	24,508
Provision for credit losses	700	1,050	3,800	10,514	1,290	480
Net interest income after provision for credit losses	29,237	30,307	27,930	23,593	23,277	24,028
Non-interest income	7,242	6,271	3,711	5,850	5,190	4,518
Non-interest expenses	36,479	36,578	31,641	29,443	28,467	28,546
Income before provision for (benefit from) income taxes	9,205	8,338	2,910	1,912	7,491	9,447
Provision for (benefit from) income taxes	1,685	1,861	(369)	(676)	2,352	3,167
Net income	7,520	6,477	3,279	2,588	5,139	6,280
Preferred stock dividends and accretion of discount	350	486	395	365		
Net income available to common shareholders	\$ 7,170	\$ 5,991	\$ 2,884	\$ 2,223	\$ 5,139	\$ 6,280
Basic earnings per share	\$ 0.75	\$ 0.63	\$ 0.31	\$ 0.29	\$ 0.83	\$ 1.05
Diluted earnings per share	\$ 0.75	\$ 0.63	\$ 0.31	\$ 0.28	\$ 0.79	\$ 0.99
Cash dividends declared per common share	\$ 0.05	\$	\$	\$	\$ 0.10	\$ 0.10



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(In thousands)	December 31,					
	2012	2011	2010	2009	2008	2007
<b>Balances at end of year:</b>						
Investment securities, Federal funds sold and deposits in other banks	\$ 424,516	\$ 353,808	\$ 280,967	\$ 232,142	\$ 194,215	\$ 98,909
Net loans	385,185	415,999	420,583	449,007	477,015	337,241
Total deposits	751,432	712,986	650,495	640,167	635,058	402,562
Total assets	890,228	849,023	777,594	765,488	752,713	483,685
Shareholders' equity	117,665	107,482	97,392	91,223	75,375	54,194
Earning assets	810,793	777,088	713,971	696,914	681,280	441,825
<b>Average balances:</b>						
Investment securities, Federal funds sold and deposits in other banks	\$ 368,818	\$ 299,935	\$ 231,761	\$ 199,425	\$ 125,932	\$ 103,253
Net loans	394,675	417,273	444,418	473,850	362,333	327,665
Total deposits	719,601	677,789	636,166	632,263	445,285	417,691
Total assets	853,078	800,178	758,852	752,509	541,789	477,321
Shareholders' equity	114,561	103,386	96,174	83,400	58,251	51,754
Earning assets	766,937	715,862	672,804	671,906	492,414	436,564

Data from 2008 reflects the partial year impact of the acquisition of Service 1st Bancorp and its subsidiary, Service 1st Bank.

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VISALIA COMMUNITY BANK**

The following table presents selected historical financial information, including share and per share information for Visalia Community Bank. The selected financial and other data as of and for the three years ended December 31, 2012, 2011 and 2010 is derived in part from the audited financial statements of Visalia Community Bank. The audited financial statements as of and for the years ended December 31, 2012 and 2011 are presented elsewhere in this proxy statement-prospectus.

(Dollars in Thousands, except per share data)	As of and For the		
	2012	2011	2010
<b>Income Statement:</b>			
Interest income	\$ 7,334	\$ 7,971	\$ 8,103
Interest expense	396	525	811
Net interest income	6,938	7,446	7,292
Provision for loan losses	834	706	1,130
Noninterest income	2,278	2,511	2,852
Noninterest expense	8,294	8,622	8,610
Income before income taxes	88	629	404
Net income	148	466	323
Preferred stock dividends	134	134	
Net income available to common shareholders	14	332	323
<b>Share Data:</b>			
Earnings per share:			
Basic	\$ 0.04	\$ 0.87	\$ 0.85
Diluted	0.04	0.87	0.85
Weighted average common shares outstanding:			
Basic	380,322	380,322	380,322
Diluted	380,322	380,322	380,322
<b>Balance Sheets:</b>			
Total assets	\$ 199,786	\$ 196,983	\$ 193,799
Investment securities	16,212	22,034	2,486
Loans	123,326	125,541	134,139
Allowance for loan losses	3,112	2,803	3,254
Total deposits	173,518	171,231	166,965
Total shareholders' equity	18,723	18,715	18,263

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	As of and For the Years Ended December 31,		
	2012	2011	2010
<b>Performance Ratios:</b>			
Return on average equity(1)	0.79%	2.55%	1.83%
Return on average assets(2)	0.07	0.24	0.16
Net interest spread(3)	3.80	4.11	4.04
Net interest margin(4)	3.90	4.27	4.22
Efficiency ratio(5)	87.32	86.59	84.88
Loans to deposits at year end	71.07	73.32	80.34
<b>Capital Ratios:</b>			
Average shareholders' equity to average assets	9.28%	9.22%	8.97%
Tier 1 capital to average total assets	8.48	9.01	9.12
Tier 1 capital to total risk-weighted assets	12.40	12.45	11.94
Total capital to total risk-weighted assets	13.56	13.71	13.20
<b>Asset Quality Ratios:</b>			
Nonperforming loans to total loans(6)	4.69%	3.37%	3.30%
Nonperforming assets to total loans and other real estate owned(7)	5.03	3.98	4.28
Net charge-offs to average total loans	0.42	0.88	0.52
Allowance for loan losses to total loans at period end	2.52	2.23	2.47
Allowance for loan losses to nonperforming loans	53.79	66.23	74.79

- (1) Net income divided by average shareholders' equity.
- (2) Net income divided by average total assets.
- (3) Weighted average yield on interest-earning assets less the weighted average cost of interest-bearing liabilities.
- (4) Net interest income as a percentage of average interest-earning assets.
- (5) Ratio of noninterest expense excluding merger expenses to the sum of net interest income before provision for loan losses and total noninterest income excluding securities gains and losses.
- (6) Nonperforming loans consist of nonaccrual loans and loans past due 90 days or more.
- (7) Nonperforming assets consist of nonperforming loans (see footnote 6 above) and other real estate owned.

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**CENTRAL VALLEY COMMUNITY BANK / VISALIA COMMUNITY BANK**

**UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION  
(Unaudited)**

**December 31, 2012**

The unaudited pro forma condensed combined balance sheet combines the historical consolidated balance sheets of Central Valley Community Bancorp and Visalia Community Bank, giving effect to the merger as if it had been consummated on December 31, 2012. The unaudited pro forma condensed combined income statements for the year ended December 31, 2012, combine the Central Valley Community Bancorp consolidated statements of income for the year ended December 31, 2012 with the Visalia Community Bank statements of income for the same period. The historical consolidated financial information has been adjusted to give effect to pro forma events that are (i) directly attributable to the merger, (ii) factually supportable, and (iii) with respect to the statements of income, expected to have a continuing impact on the combined results. The unaudited pro forma condensed combined financial information includes the following assumptions: (i) that no shareholder of Visalia Community Bank or Central Valley Community Bancorp perfects dissenters' rights, (ii) that all outstanding Visalia Community Bank Series B Preferred Stock will be converted into Visalia Community Bank common stock prior to the consummation of the merger, (iii) that the exchange ratio used for purposes of the pro forma calculations was 2.971 shares of Central Valley Community Bancorp common stock (based on the value of Central Valley Community Bancorp stock of \$8.75, the assumed value used in the merger agreement) plus \$26.00 in cash to be exchanged for each Visalia Community Bank common share outstanding, and (iv) that Visalia Community Bank conforms its allowance for loan and lease losses methodology and required level of reserves to be consistent with the Central Valley Bancorp methodology prior to the consummation of the Merger.

The unaudited pro forma condensed combined financial information is presented for illustrative purposes only and does not indicate the financial results of the combined company had the companies actually been combined on the dates described above, nor is it necessarily indicative of the results of operations in future periods or the future financial position of the combined entities. The unaudited pro forma condensed combined financial information also does not consider any potential impacts of current market conditions on revenues, expense efficiencies, asset dispositions and share repurchases, among other factors.

These unaudited pro forma condensed combined financial statements should be read in conjunction with the historical audited and unaudited consolidated financial information and accompanying notes of Central Valley Community Bancorp and Visalia Community Bank, which have been incorporated by reference or included in this proxy statement-prospectus.

The unaudited pro forma condensed combined financial statements were prepared using the acquisition method of accounting with Central Valley Community Bancorp treated as the acquiring entity. Accordingly, consideration expected to be paid by Central Valley Community Bancorp to complete the merger with Visalia Community Bank will be allocated to Visalia Community Bank's assets and liabilities based upon their estimated fair values as of the date of completion of the merger. The allocation is dependent upon certain valuations and other studies that have not progressed to a stage where there is sufficient information to make a final allocation. Additionally, a final determination of the fair value of Visalia Community Bank's assets and liabilities, which cannot be made prior to the completion of the transaction, will be based on the actual fair values of the net tangible and intangible assets of Visalia Community Bank that exist as of the date of completion of the merger. Accordingly, the pro forma purchase price adjustments are preliminary, subject to further adjustments as additional information becomes available and as additional analyses are performed and have been made solely for the purpose of providing the unaudited pro forma condensed combined financial information presented below. Central Valley Community Bancorp estimated the fair value of Visalia Community Bank's assets and liabilities based on discussions with Visalia Community Bank's

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management, due diligence and information presented in public filings. Valuations of tangible and intangible assets and liabilities and related pro forma adjustments are based on Central Valley Community Bancorp management's good faith estimates of fair value. Upon completion of the merger, final valuations will be performed. Increases or decreases in the fair value of relevant balance sheet amounts will result in adjustments to the unaudited pro forma condensed combined balance sheet and/or income statement. There can be no assurance that the final determination will not result in material changes.

The value of Central Valley Community Bancorp shares of common stock issued in connection with the Visalia Community Bank acquisition will be based on the closing price of Central Valley Community Bancorp common stock on the date the merger is completed. For purposes of the unaudited pro forma condensed combined financial information, the fair value of Central Valley Community Bancorp common stock was assumed to be \$8.75 per share. The actual value of the Central Valley Community Bancorp common stock at the completion of the merger could be different.

Central Valley Community Bancorp anticipates that the completed acquisitions of Visalia Community Bank will provide the combined company with financial benefits that include reduced operating expenses. The unaudited pro forma condensed combined financial information, although helpful in illustrating the financial characteristics of the combined company under one set of assumptions, does not necessarily reflect the exact benefits of expected cost savings or opportunities to earn additional revenue and, accordingly, does not attempt to predict or suggest future results. It also does not necessarily reflect what the historical results of the combined company would have been had the companies been combined during these periods. Actual results may be materially different than the pro forma information presented.

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**UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET**  
**December 31, 2012**  
(In thousands)

	Central Valley Community Bancorp	Visalia Community Bank	Pro Forma Adjustments		Pro Forma Combined
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 52,956	\$ 48,247	\$ (11,050)	(A)	\$ 90,153
Investment securities	393,965	16,462			410,427
Loans and leases, net of allowance for loan and lease losses	385,185	120,214	(3,851)	(B)	501,548
Premises and equipment, net	6,252	2,996			9,248
Other real estate owned		442			442
Goodwill	23,577		4,730	(C)	28,307
Core deposit intangibles, net	583		1,557	(D)	2,140
Other assets	27,710	11,425	941	(E)	40,076
<b>TOTAL ASSETS</b>	<b>\$ 890,228</b>	<b>\$ 199,786</b>	<b>\$ (7,673)</b>		<b>\$ 1,082,341</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>					
<b>LIABILITIES:</b>					
<b>Deposits:</b>					
Noninterest-bearing demand deposits	\$ 240,169	\$ 52,491			\$ 292,660
Interest-bearing	511,263	121,027			632,290
Total deposits	751,432	173,518			924,950
Short-term borrowings	4,000	2,000			6,000
Junior subordinated debt securities	5,155				5,155
Accrued interest payable and other liabilities	11,976	5,545			17,521
Total liabilities	772,563	181,063			953,626
<b>STOCKHOLDERS' EQUITY:</b>					
Preferred stock	7,000	1,613	(1,613)	(F)	7,000
Common stock	40,583	3,341	(3,341)	(F)	51,633
Retained earnings	62,496	13,658	11,050	(G)	
Accumulated other comprehensive income (loss), net of tax	7,586	111	(13,658)	(F)	62,496
Total stockholders' equity	117,665	18,723	(111)	(F)	7,586
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 890,228</b>	<b>\$ 199,786</b>	<b>\$ (7,035)</b>		<b>\$ 1,082,979</b>

The accompanying notes are an integral part of these pro forma financial statements.

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**UNAUDITED PRO FORMA CONDENSED COMBINED INCOME STATEMENTS**  
**For the year ended December 31, 2012**  
(In thousands, except share and per share amounts)

	Central Valley Community Bancorp	Visalia Community Bank	Pro Forma Adjustments		Pro Forma Combined
Net interest income before provision for credit losses	\$ 29,937	\$ 6,938	\$ 115	(H)	\$ 36,990
Provision for credit losses	700	834			1,534
Interest income after provision for loan losses	29,237	6,104	115		35,456
Non-interest income	7,242	2,278			9,520
Non-interest expenses	27,274	8,294	156	(I)	35,724
Income before provision for income taxes	9,205	88	(41)		9,252
Provision for income taxes	1,685	(60)	(17)	(J)	1,608
Net income	\$ 7,520	\$ 148	\$ (24)		\$ 7,644
Preferred stock dividends and accretion	350	134	(134)	(K)	350
Net income available to common shareholders	\$ 7,170	\$ 14	\$ 110		\$ 7,294
Basic earnings per share	\$ 0.75	\$ 0.04			\$ 0.67
Diluted earnings per share	\$ 0.75	\$ 0.04			\$ 0.67
Weighted average common shares outstanding basic	9,587,784	380,322	882,536	(L)	10,850,642
Weighted average common shares outstanding diluted	9,616,413	380,322	882,536	(L)	10,879,271
Cash dividends per common share	\$ 0.05	\$	\$		\$ 0.04

**The accompanying notes are an integral part of these pro forma financial statements.**

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**Note 1 Basis of Presentation**

The unaudited pro forma condensed combined financial information and explanatory notes show the impact on the historical financial condition and results of operations of Central Valley Community Bancorp resulting from the Visalia Community Bank acquisition under the acquisition method of accounting. Under the acquisition method of accounting, the assets and liabilities of Visalia Community Bank will be recorded by Central Valley Community Bancorp at their respective fair values as of the merger date. The unaudited pro forma condensed combined balance sheet combines the historical financial information of Central Valley Community Bancorp and Visalia Community Bank as of December 31, 2012, and assumes that the Visalia Community Bank merger was completed on that date. The unaudited pro forma condensed combined income statements for the year ended December 31, 2012 give effect to the pending Visalia Community Bank merger as if it had been completed on January 1, 2012.

Since the transaction is recorded using the acquisition method of accounting, all loans are recorded at fair value, including adjustments for credit quality, and no allowance for credit losses is carried over to Central Valley Community Bancorp's balance sheet. In addition, certain nonrecurring costs associated with the Visalia Community Bank merger such as potential severance, professional fees, legal fees and conversion-related expenditures are expensed as incurred and not reflected in the unaudited pro forma condensed combined income statement.

While the recording of the acquired loans at their fair value will impact the prospective determination of the provision for loan and lease losses and the allowance for loan and lease losses, for purposes of the unaudited pro forma condensed combined income statement for the year ended December 31, 2012, Central Valley Community Bancorp assumed no adjustments to the historical amount of Visalia Community Bank's provision for loan losses. If such adjustments were estimated, there could be a reduction, which could be significant, to the historical amounts of Visalia Community Bank's provision for loan losses presented.

**Note 2 Accounting Policies and Financial Statement Classifications**

The accounting policies of Visalia Community Bank are in the process of being reviewed in detail by Central Valley Community Bancorp. Upon completion of such review, conforming adjustments or financial statement reclassifications may be determined.

**Note 3 Merger and Acquisition Integration Costs**

In connection with the Visalia Community Bank merger the plan to integrate the operations of Visalia Community Bank is still being developed and the specific details of the plan will continue to be refined over the next several months, and will include assessing personnel, benefit plans, premises, equipment and service contracts to determine where Central Valley Community Bancorp may take advantage of redundancies. Certain decisions arising from these assessments may involve involuntary termination of employees, vacating leased premises, changing information systems, canceling contracts with certain service providers, and selling or otherwise disposing of certain premises, furniture and equipment. Central Valley Community Bancorp also expects to incur merger-related costs including professional fees, legal fees, system conversion costs and costs related to communications with customers and others. To the extent there are costs associated with these actions, the costs will be recorded based on the nature of the cost and the timing of these integration actions. No such costs were considered in the accompanying unaudited pro forma condensed combined balance sheet or income statement.



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**Note 4 Estimated Annual Cost Savings**

Central Valley Community Bancorp expects to realize cost savings from the Visalia Community Bank merger. These cost savings are not reflected in the unaudited pro forma condensed combined financial information and there can be no assurance they will be achieved in the amount, manner or timing currently contemplated.

**Note 5 Pro Forma Adjustments**

The following pro forma adjustments have been reflected in the unaudited pro forma condensed combined financial information. All adjustments are based on current assumptions and valuations, which are subject to change.

- (A) Payment for cash consideration of \$11.05 million to Visalia Community Bank shareholders is funded by the liquidation of interest bearing deposits in other banks.
- (B) \$3.851 million adjustment made to reflect the preliminary estimated market value of Visalia Community Bank's loans, which includes an estimate of lifetime credit losses, net of \$3.112 million purchase accounting reversal of Visalia Community Bank's allowance for loan and lease losses, which cannot be carried over.
- (C) Represents the recognition of goodwill resulting from the difference between the net fair value of the acquired assets and assumed liabilities and the value of the consideration paid to Visalia Community Bank shareholders. The excess of the value of the consideration paid over the fair value of net assets acquired is summarized as follows:

<b>Calculation of Pro Forma Goodwill</b> <b>(Dollars in thousands, except per share amounts)</b>	<b>December 31,</b> <b>2012</b>
Central Valley Community Bancorp shares of common stock to be issued to Visalia Community Bank Shareholders	1,262,858
Value of stock consideration to be paid to Visalia Community Bank shareholders, based on Central Valley Community Bancorp price at \$8.75 per share	\$ 11,050
Cash consideration to be paid	11,050
Total pro forma consideration paid	22,100
Carrying value of Visalia Community Bank net assets	18,723
Fair value adjustments (debit / (credit)):	
Loans, net	(3,851)
Core deposit intangible	1,557
Net deferred tax effect of adjustments (41%)	941
Total fair value adjustments	(1,353)
Fair value of net assets acquired	17,370
Excess of consideration paid over fair value of net assets acquired (Goodwill)	\$ (4,730)

- (D) Includes \$1.557 million acquisition accounting adjustment in recognition of the fair value of core deposit intangibles asset, which is 1.00% of core deposits liabilities, excluding certificates of deposits.
- (E) Includes a \$1.579 million deferred tax asset based on 41% of the fair value adjustment related to the acquired loan portfolio, net of \$0.638 million deferred tax liability based on 41% of the fair value adjustment in recognition of the fair value of the core deposit intangibles asset.



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**Note 5 Pro Forma Adjustments (Continued)**

- (F) Purchase accounting reversal of Visalia Community Bank's equity accounts.
- (G) Adjustment made to include the value of the shares issued to Visalia Community Bank shareholders totaling \$11.05 million.
- (H) The accretion of the fair value adjustment related to loans over the average estimated 10 year lives of the loans in the loan portfolio on a straight-line basis.
- (I) Amortization of core deposit intangibles over ten years on a straight line basis.
- (J) Reflects the tax impact of the pro forma merger adjustments at Central Valley Community Bancorp's marginal income tax rate of 41%.
- (K) Reflects the elimination of Visalia Community Bank's preferred stock dividend.
- (L) Adjustment reflects the elimination of Visalia Community Bank's weighted average shares outstanding and to reflect the issuance of 1,262,858 shares in the acquisition of Visalia Community Bank.

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**COMPARATIVE PER SHARE DATA**  
(Unaudited)

The table below summarizes selected per share information about Central Valley Community Bancorp and Visalia Community Bank. Central Valley Community Bancorp share information is presented on a pro forma basis to reflect the proposed merger with Visalia Community Bank. The data in the table should be read together with the financial information and the financial statements of Central Valley Community Bancorp and Visalia Community Bank included in, or incorporated by reference in, this proxy statement-prospectus. See "Where You Can Find More Information." The pro forma per share data or combined results of operations per share data is presented as an illustration only. The data does not necessarily indicate the combined financial position per share or combined results of operations per share that would have been reported if the merger had occurred when indicated, nor is the data a forecast of the combined financial position or combined results of operations for any future period. No pro forma adjustments have been included herein which reflect potential effects of merger integration expenses, cost savings or operational synergies which may be obtained by combining the operations of Central Valley Community Bancorp and Visalia Community Bank, or the costs of combining the companies and their operations. Per share data for Visalia Community Bank is presented based on the 380,322 presently outstanding shares of common stock and without giving effect to the conversion of Series B Preferred Stock that would occur immediately prior to the merger if the Certificate of Amendment is approved. Pro forma per share data gives effect to the issuance of 1,262,858 shares of Central Valley Community Bancorp common stock in connection with the merger.

As of and for the year ended December 31, 2012	Central Valley Community Bancorp	Visalia Community Bank	Combined Entity Pro Forma
Book value per common share	\$ 12.31	\$ 44.99	\$ 11.89
Basic common shares outstanding	9,587,784	380,322	10,850,642
Diluted common shares outstanding	9,616,413	380,322	10,879,271
Cash dividends declared per common share	\$ 0.05	\$	\$ 0.04
Basic earnings per common share	\$ 0.75	\$ 0.04	\$ 0.67
Diluted earnings per common share	\$ 0.75	\$ 0.04	\$ 0.67

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**RISK FACTORS**

In addition to general investment risks and the other information contained in or incorporated by reference into this proxy statement-prospectus, including the matters addressed under the section "Cautionary Statement Regarding Forward-Looking Statements," you should carefully consider the following risk factors in deciding how to vote for the proposals presented in this proxy statement-prospectus. In addition, you should read and consider the risks associated with each of the businesses of Visalia Community Bank and Central Valley Community Bancorp because these risks will relate to the combined company. Descriptions of some of these risks can be found in the Annual Report on Form 10-K filed by Central Valley Community Bancorp for the year ended December 31, 2012, as updated by other reports filed with the SEC, which is filed with the SEC and incorporated by reference into this proxy statement-prospectus. You should also consider the other information in this proxy statement-prospectus and the other documents incorporated by reference into this proxy statement-prospectus. See "Where You Can Find More Information."

**IMPORTANT NOTE IN THE EVENT THE SERIES B PREFERRED STOCK DOES NOT APPROVE THE MERGER AND THE CERTIFICATE OF AMENDMENT**

Visalia Community Bank has two classes of stock outstanding, common stock and Series B Preferred Stock. So long as both classes of stock are outstanding, approval of the merger and the Certificate of Amendment will require a vote by both classes.

If the merger and Certificate of Amendment described herein are not approved by the holders of the Series B Preferred Stock at the special meeting, Visalia Community Bank is obligated under the merger agreement to notify holders of Series B Preferred Stock that it will redeem all shares of Series B Preferred Stock at a price of \$37.50 per share, the redemption price currently fixed in the Certificate of Determination for the Series B Preferred Stock, no later than the date preceding the effective date of the merger. The notice will provide holders of Series B Preferred Stock with the option to convert their shares of Series B Preferred Stock to Visalia Community Bank common stock on a share for share basis prior to the mandatory redemption instead of accepting the redemption payment of \$37.50 per share.

Following the redemption or conversion of all Series B Preferred Stock, approval of the merger will require a majority vote of only the common stock. The directors, executive officers and certain principal shareholders of Visalia Community Bank owning an aggregate of 76.9% of the currently outstanding common shares (70.2% if all Series B Preferred Stock is converted to common shares) have agreed to vote their shares in favor of the merger. Accordingly, approval of the merger is assured.

If any shares of Series B Preferred Stock are redeemed, the cash portion of the consideration payable in the merger will be reduced by the redemption amount. If all 44,687 shares of the Series B Preferred Stock are redeemed, the total reduction in the cash consideration payable in the merger would be \$1,675,763; however, since holders of shares of Series B Preferred Stock would not receive any of the merger consideration following the redemption, and, since it is anticipated that the value of the per share merger consideration on the effective date of the merger will be greater than the \$37.50 redemption price for the Series B Preferred Stock, the value of the per share merger consideration payable to holders of common stock at the effective time of the merger should increase in the event any shares of the Series B Preferred Stock are redeemed.

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***Because the market price of Central Valley Community Bancorp common stock will fluctuate, Visalia Community Bank shareholders cannot be certain of the market value of the merger consideration they will receive.***

The merger agreement assumes that the 1,262,858 shares of Central Valley Community Bancorp common stock which will constitute the equity portion of the merger consideration have a market value equal to approximately \$11,050,000, or \$8.75 per share. Since the market value of Central Valley Community Bancorp common stock fluctuates, the value of the equity portion of the merger consideration may be more or less than approximately \$11,050,000. Assuming conversion of all Series B Preferred Stock to Visalia Community Bank common stock, the value of the equity portion of the consideration would have been an aggregate of approximately \_\_\_\_\_ or \$ \_\_\_\_\_ per share of Visalia Community Bank common stock if the merger had become effective as of \_\_\_\_\_, 2013, on which date the closing price of one share of common stock of Central Valley Community Bancorp on Nasdaq was \$ \_\_\_\_\_. The value of the merger consideration may change depending on various factors discussed in the section of the attached proxy statement-prospectus entitled "The Merger Calculation of Consideration to be Paid to Visalia Community Bank Shareholders." Assuming conversion of all Series B Preferred Stock to Visalia Community Bank common stock, you will receive a combination of \$26.00 in cash and 2.971 newly issued shares of Central Valley Community Bancorp common stock in exchange for each share of Visalia Community Bank common stock. As a result, each increase, or decrease, of \$1.00 in the market price of Central Valley Community Bancorp stock would result in a corresponding change of approximately \$2.971 for each share of Visalia Community Bank stock surrendered in the merger. Stock price changes may result from a variety of factors that are beyond the control of Central Valley Community Bancorp and Visalia Community Bank, including but not limited to general market and economic conditions, changes in their respective businesses, operations and prospects and regulatory considerations. Therefore, at the time of the Visalia Community Bank special meeting you will not know the precise market value of the consideration you will receive at the effective time of the merger.

As a result of these factors, the value of the merger consideration may change prior to the time payments to Visalia Community Bank shareholders are made.

Please read the sections entitled "The Merger Calculation of Consideration to be Paid to Visalia Community Bank Shareholders."

***The market price of Central Valley Community Bancorp common stock after the merger may be affected by factors different from those affecting the shares of Visalia Community Bank or Central Valley Community Bancorp currently.***

Upon completion of the merger, holders of Visalia Community Bank common stock will become holders of Central Valley Community Bancorp common stock. Central Valley Community Bancorp's business differs from that of Visalia Community Bank, and, accordingly, the results of operations of the combined company and the market price of Central Valley Community Bancorp common stock after the completion of the merger may be affected by factors different from those currently affecting the independent results of operations of each of Central Valley Community Bancorp and Visalia Community Bank.

***If shares of Series B Preferred Stock are redeemed rather than converted to Visalia Community Bank common stock, it will decrease the cash component of merger consideration available to holders of Visalia Community Bank common stock.***

Under the merger agreement, it is a condition of the merger that all outstanding shares of Visalia Community Bank Series B Stock shall have been converted to common stock or redeemed prior to the consummation of the merger. If the merger and Certificate of Amendment described herein are not

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approved by the holders of the Series B Preferred Stock at the special meeting, Visalia Community Bank is obligated under the merger agreement to notify holders of Series B Preferred Stock that it will redeem all shares of Series B Preferred Stock at a price of \$37.50 per share no later than the date preceding the effective date of the merger. Such notice will provide holders of Series B Preferred Stock with the option to convert their shares of Series B Preferred Stock to Visalia Community Bank common stock prior to the merger instead of accepting the redemption payment of \$37.50 per share.

Pursuant to the merger agreement, cash used to redeem Series B Preferred Stock would be deducted from the cash portion of the merger consideration. Redemption of all Series B Preferred Stock would result in a reduction of the cash portion of the merger consideration by approximately \$1,675,763; however, since holders of shares of Series B Preferred Stock would not receive any of the merger consideration following the redemption, and since it is anticipated that the value of the per share merger consideration on the effective date of the merger will be greater than the \$37.50 redemption price for the Series B Preferred Stock, the value of the per share merger consideration payable to holders of the common stock at the effective time of the merger should increase in the event any of the shares of the Series B Preferred Stock are redeemed; however, the holders of the common stock of Visalia Community Bank would receive a larger portion of the merger consideration in shares of the common stock of Central Valley Community Bancorp, so the merger consideration received would be subject to greater fluctuation after the merger. See "The Merger Calculation of Consideration to be Paid to Visalia Community Bank Shareholders."

***Regulatory approvals may not be received, may take longer than expected or may impose conditions that are not presently anticipated.***

Before the merger may be completed, Central Valley Community Bancorp and Visalia Community Bank must obtain various approvals or consents, including from the FDIC and the DFI. The DFI has approved the merger. In deciding whether to grant these approvals, the relevant governmental authorities will make a determination of whether, among other things, the merger is in the public interest. These regulatory entities may impose conditions on the completion of the merger or require changes to the terms of the merger. Although the parties do not currently expect that any material conditions or changes would be imposed, there can be no assurance that they will not be. Such conditions or changes could have the effect of delaying completion of the merger or imposing additional costs on or limiting the revenues of the combined company following the merger, any of which might have a material adverse effect on the combined company following the merger. In addition, Central Valley Community Bancorp or Visalia Community Bank may elect not to consummate the merger if any required regulatory approval has been denied by the relevant regulatory authority and such denial has become final and nonappealable, or if a regulatory authority has issued a final, nonappealable injunction permanently enjoining or otherwise prohibiting the completion of the merger. See "The Merger Regulatory Approvals Required for the Merger."

***Combining the two companies may be more difficult, costly or time consuming than expected.***

Central Valley Community Bancorp and Visalia Community Bank have operated and, until the completion of the merger will continue to operate, independently. The success of the merger, including any anticipated cost savings, will depend, in part, on whether the parties to the merger agreement successfully combine the businesses of Central Valley Community Bancorp and Visalia Community Bank. To realize these anticipated benefits, after the completion of the merger, Central Valley Community Bancorp expects to integrate Visalia Community Bank's business into its own. It is possible that the integration process could result in the loss of key employees, the disruption of each company's ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect the combined company's ability to maintain relationships with clients, customers, depositors and employees or to achieve the anticipated benefits of the merger. The loss of key employees could

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adversely affect Central Valley Community Bancorp's ability to successfully conduct its business in the markets in which Visalia Community Bank now operates, which could have an adverse effect on Central Valley Community Bancorp's financial results and the value of its common stock. If Central Valley Community Bancorp experiences difficulties with the integration process, the anticipated benefits of the merger may not be realized fully or at all, or may take longer to realize than expected. As with any merger of financial institutions, there also may be business disruptions that cause Visalia Community Bank to lose customers or cause customers to remove their accounts from Visalia Community Bank and move their business to competing financial institutions. Integration efforts between the two companies will also divert management attention and resources. These integration matters could have an adverse effect on each of Visalia Community Bank and Central Valley Community Bancorp during this transition period and for an undetermined period after completion of the merger.

***The fairness opinion obtained by Visalia Community Bank from its financial advisor will not reflect changes in circumstances between signing the merger agreement and the completion of the merger.***

Visalia Community Bank has not obtained an updated fairness opinion as of the date of this proxy statement-prospectus from FIG, Visalia Community Bank's financial advisor. Changes in the operations and prospects of Visalia Community Bank or Central Valley Community Bancorp, general market and economic conditions and other factors that may be beyond the control of Visalia Community Bank and Central Valley Community Bancorp, and on which the fairness opinion was based, may alter the value of Visalia Community Bank or Central Valley Community Bancorp or the prices of shares of Visalia Community Bank common stock or Central Valley Community Bancorp common stock by the time the merger is completed. The opinion does not speak as of the time the merger will be completed or as of any date other than the date of such opinion. Because Visalia Community Bank does not anticipate asking its financial advisor to update its opinion, the December 19, 2012 opinion does not address the fairness of the merger consideration, from a financial point of view, at the time the merger is completed. The opinion is attached as Appendix C to this proxy statement-prospectus. For a description of the opinion that Visalia Community Bank received from its financial advisor, see "The Merger Opinion of FIG Partners LLC." For a description of the other factors considered by Visalia Community Bank's board of directors in determining to approve the merger, see "The Merger Visalia Community Bank's Reasons for the Merger; Recommendation of Visalia Community Bank's Board of Directors."

***Some of the directors and executive officers of Visalia Community Bank may have interests and arrangements that may have influenced their decisions to support or recommend that you approve the merger agreement.***

The interests of some of the directors and executive officers of Visalia Community Bank may be different from those of Visalia Community Bank shareholders, and directors and officers of Visalia Community Bank may be participants in arrangements that are different from, or in addition to, those of Visalia Community Bank shareholders. These interests are described in more detail in the section entitled "The Merger Interests of Visalia Community Bank's Directors and Executive Officers in the Merger."

***Termination of the merger agreement could negatively impact Visalia Community Bank.***

If the merger agreement is terminated, there may be various consequences. For example, Visalia Community Bank's businesses may have been impacted adversely by the failure to pursue other beneficial opportunities due to the focus of management on the merger, without realizing any of the anticipated benefits of completing the merger. If the merger agreement is terminated and Visalia Community Bank's board of directors seeks another merger or business combination, Visalia Community Bank shareholders cannot be certain that Visalia Community Bank will be able to find a party willing to pay the equivalent or greater consideration than that which Central Valley Community



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Bancorp has agreed to pay in the merger. In addition, if the merger agreement is terminated under certain circumstances, including circumstances involving a change in recommendation by Visalia Community Bank's board of directors, Visalia Community Bank may be required to pay Central Valley Community Bancorp a termination fee of \$1 million.

***Visalia Community Bank will be subject to business uncertainties and contractual restrictions while the merger is pending.***

Uncertainty about the effect of the merger on employees and customers may have an adverse effect on Visalia Community Bank. These uncertainties may impair Visalia Community Bank's ability to attract, retain and motivate key personnel until the merger is completed, and could cause customers and others that deal with Visalia Community Bank to seek to change existing business relationships with Visalia Community Bank.

Retention of certain employees by Visalia Community Bank may be challenging while the merger is pending, as certain employees may experience uncertainty about their future roles with Visalia Community Bank. If key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with Visalia Community Bank, the combined bank's business following the merger could be harmed. To mitigate this risk, Visalia Community Bank has entered into retention agreements with certain key employees, but these agreements do not guarantee continued employment by these individuals continuing through and for a period after the merger. In addition, subject to certain exceptions, Visalia Community Bank has agreed to operate its business in the ordinary course prior to closing. See "The Merger Agreement - Covenants and Agreements" for a description of the restrictive covenants applicable to Visalia Community Bank.

***The unaudited pro forma financial data for Central Valley Community Bancorp and Visalia Community Bank included in this proxy statement-prospectus are preliminary, and Central Valley Community Bancorp's actual financial position and operations after the completion of the merger may differ materially from the unaudited pro forma financial data included in this proxy statement-prospectus.***

The unaudited pro forma financial data for both Central Valley Community Bancorp and Visalia Community Bank in this proxy statement-prospectus are presented for illustrative purposes only and are not necessarily indicative of what Central Valley Community Bancorp's actual financial position or operations would have been had the merger been completed on the dates indicated. For more information, see "Unaudited Pro Forma Combined Condensed Consolidated Financial Information."

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**A WARNING ABOUT FORWARD LOOKING STATEMENTS**

Central Valley Community Bancorp, CVC Bank, and Visalia Community Bank make forward-looking statements in this proxy statement-prospectus that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results after the merger. These forward-looking statements are based on the beliefs and assumptions of the management of each of Central Valley Community Bancorp, CVC Bank, and Visalia Community Bank, as well as on information currently available to them. While Visalia Community Bank, CVC Bank, and Central Valley Community Bancorp believe that the expectations reflected in these forward-looking statements are reasonable, and have based these expectations on their beliefs as well as assumptions they have made, those expectations may ultimately prove to be incorrect.

When words such as "anticipates," "believes," "estimates," "seeks," "expects," "plans," "intends," "forecasts," "predicts," "assumes" or similar expressions are used, forward-looking statements are being made.

Many possible events or factors could affect Central Valley Community Bancorp's future results and performance after the merger. The events or factors that could cause results or performance to materially differ from those expressed in the forward-looking statements include:

lower than expected consolidated revenues for Central Valley Community Bancorp;

higher than expected merger related costs;

losses of deposit and loan customers resulting from the merger;

greater than expected operating costs and/or loan losses;

significant increases in competition;

unexpected difficulties or delays in obtaining regulatory approvals for the merger;

the inability to achieve expected cost savings from the merger, or the inability to achieve those savings as soon as expected;

adverse changes in interest rates and economic or business conditions;

adverse legislative or regulatory changes affecting Central Valley Community Bancorp's and Visalia Community Bank's businesses;

unexpected costs and difficulties in adapting to technological changes and integrating systems;

adverse changes in the securities markets; and

the effects of terrorist attacks in the U.S. or abroad or other events affecting world peace or international commerce.

Due to the uncertainties surrounding these events or factors, you should not unduly rely on the forward-looking statements made in this proxy statement-prospectus. Actual results may materially differ from those currently expected or anticipated.

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Forward-looking statements are not guarantees of performance. Instead, they involve risks, uncertainties and assumptions. Many of the factors described under the section of this proxy statement-prospectus entitled "Risk Factors" will determine the results and stock prices for Central Valley Community Bancorp, and are beyond Central Valley Community Bancorp's or Visalia Community Bank's ability to control or predict. As a result, Central Valley Community Bancorp, CVC Bank and Visalia Community Bank claim the protection of the safe harbor provisions contained in the Private Securities Litigation Reform Act of 1995 for the forward-looking statements contained and incorporated by reference in this proxy statement-prospectus.

Table of Contents**COMPARATIVE MARKET PRICES AND DIVIDENDS****Central Valley Community Bancorp**

Central Valley Community Bancorp common stock is listed for trading on the Nasdaq Capital Market under the symbol CVCY. As of March 31, 2013, there were 9,559,466 shares of Central Valley Community Bancorp common stock outstanding, which were held by approximately 796 holders of record.

The following table shows the high and low sales prices for the common stock for the periods indicated as reported by NASDAQ.

**Central Valley Community Bancorp Common Stock Prices**

	Qtr 1 2011	Qtr 2 2011	Qtr 3 2011	Qtr 4 2011	Qtr 1 2012	Qtr 2 2012	Qtr 3 2012	Qtr 4 2012	Qtr 1 2013
High	\$ 6.19	\$ 6.95	\$ 6.90	\$ 6.25	\$ 7.25	\$ 7.75	\$ 8.50	\$ 9.25	\$ 8.92
Low	\$ 5.61	\$ 6.19	\$ 5.20	\$ 5.25	\$ 5.25	\$ 6.77	\$ 6.90	\$ 7.74	\$ 7.76

During 2012, CVC Bank declared and paid cash dividends to Central Valley Community Bancorp of \$3,000,000, in connection with stock repurchase agreements and cash dividends approved by Central Valley Community Bancorp's Board of Directors. No dividends were paid by CVC Bank during the three months ended March 31, 2013. CVC Bank would not pay any dividend that would cause it to be deemed not "well capitalized" under applicable banking laws and regulations. On October 17, 2012, the Central Valley Community Bancorp Board of Directors declared a \$0.05 per common share cash dividend to shareholders of record at the close of business on November 15, 2012 which was paid on November 30, 2012, and on January 16, 2013 declared a \$0.05 per common share cash dividend to shareholders of record at the close of business on February 15, 2013 which was paid on February 28, 2013. No dividends on Central Valley Community Bancorp common shares were declared in 2011 or 2010.

Central Valley Community Bancorp is obligated to pay dividends of not more than 5% on its Series C Preferred Stock. During 2011, 2012 and the three month ended March 31, 2013, Central Valley paid \$307,000, \$350,000, and \$87,000, respectively, in dividends with respect to Series A and Series C Preferred Stock.

**Visalia Community Bank**

There is currently no established public trading market for the common stock of Visalia Community Bank. The common stock of Visalia Community Bank is not listed on any exchange or market nor is it reported on the OTC Bulletin Board. Although it is quoted on the OTCQB under the symbol "VSMU," Visalia Community Bank is only aware of six trades in its common stock since January 1, 2011 as follows: In March 2011, 790 shares of the common stock were sold at a price of \$30.00 per share; in July 2011, 64 shares of common stock were sold at a price of \$30.00 per share; in April 2012, 150 shares were sold at a price of \$30.50 per share; in June 2012, 2,200 shares were sold at a price of \$30.55 per share; in August 2012, 1,950 shares were sold at \$31.00 per share; and in September 2012, 200 shares were sold at \$31.00 per share.

**Holders**

As of March 1, 2013, there were 143 holders of record of the common stock of Visalia Community Bank and 30 holders of record of the Series B Preferred Stock of Visalia Community Bank.

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**Equity Compensation Plan Information**

Visalia Community Bank has no compensation plans under which its equity securities are authorized for issuance.

**Dividend Policy of Visalia Community Bank**

Shareholders are entitled to receive dividends when and if declared by the board of directors of Visalia Community Bank. Visalia Community Bank has not declared or issued any cash dividends on its common stock since January 1, 2011. Accordingly, Visalia Community Bank does not anticipate paying any cash dividends for the foreseeable future on its common stock, and no assurance can be given that its earnings will permit the payment of dividends of any kind in the future.

Under the California Financial Code, Visalia Community Bank is permitted to pay a dividend in the following circumstances: (i) without the consent of either the California Department of Financial Institutions (the "DFI") or the bank's shareholders, in an amount not exceeding the lesser of (a) the retained earnings of the bank; or (b) the net income of the bank for its last three fiscal years; (ii) with the prior approval of the DFI, in an amount not exceeding the greatest of: (a) the retained earnings of the bank; (b) the net income of the bank for its last fiscal year; or (c) the net income for the bank for its current fiscal year; and (iii) with the prior approval of the DFI and the bank's shareholders in connection with a reduction of its contributed capital.

Under federal law, Visalia Community Bank is prohibited from paying any dividends if after making such payment it would fail to meet any of its minimum regulatory capital requirements. Furthermore, bank regulators also have the authority to prohibit the payment of dividends by a bank when it determines such payments to be an unsafe or unsound banking practice. The terms of the memorandum of understanding to which Visalia Community Bank is currently a party with each of the DFI and FDIC requires that Visalia Community Bank obtain the approval of each of these regulators prior to the payment of any cash dividends even though the bank remains well capitalized. See "Information Regarding Visalia Community Bank Regulatory Matters."

Further, pursuant to the terms of the merger agreement, Visalia Community Bank has agreed, that prior to the effective time of the merger, without the prior written consent of Central Valley Community Bancorp, that it will not make, declare, pay or set aside for payment any dividend in respect of any shares of its capital stock.

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**THE VISALIA COMMUNITY BANK MEETING**

**General**

Visalia Community Bank will hold its special shareholders' meeting at 120 N. Floral Street, Visalia, California 93291 on \_\_\_\_\_, 2013, at \_\_\_\_\_ p.m. At this meeting, Visalia Community Bank shareholders will consider and vote upon the approval of the merger, the Certificate of Amendment, and related matters. You may vote at the Visalia Community Bank special shareholders' meeting if you owned shares of Visalia Community Bank common stock or Series B Preferred Stock at the close of business on May 2, 2013.

**Record Date; Stock Entitled to Vote; Quorum**

Only holders of record of Visalia Community Bank common stock or Series B Preferred Stock at the close of business on May 2, 2013, the record date for Visalia Community Bank's special shareholders' meeting, are entitled to receive notice of and to vote at the special shareholders' meeting. On the record date, Visalia Community Bank had 380,322 shares of its common stock issued, outstanding and eligible to vote at the special shareholders' meeting, and 44,687 shares of its Series B Preferred Stock issued, outstanding and eligible to vote at the special shareholders' meeting. A majority of the shares of each class of Visalia Community Bank stock issued and outstanding and entitled to vote on the record date must be represented in person or by proxy at the special shareholders' meeting in order for a quorum to be present for purposes of transacting business. In the event that a quorum is not present, it is expected that the special shareholders' meeting will be adjourned or postponed to solicit additional proxies.

**Number of Votes**

Each holder of Visalia Community Bank common stock will be entitled to one vote, in person or by proxy, for each share of Visalia Community Bank common stock held on the record date with regard to the vote to be taken by the common stock. Each holder of Series B Preferred Stock will be entitled to one vote, in person or by proxy, for each share of Series B Preferred Stock held on the record date with regard to the vote to be taken by the Series B Preferred Stock.

**Votes Required**

To approve the merger agreement and the merger, Visalia Community Bank must obtain both a majority vote of the common stock and a majority vote of the Series B Preferred Stock. To approve the Certificate of Amendment, Visalia Community Bank must obtain both a majority vote of the common stock and a majority vote of the Series B Preferred Stock. The common stock and Series B Preferred Stock are the only classes of Visalia Community Bank stock that are issued and outstanding.

**If the merger described herein is not approved by the holders of the Series B Preferred Stock at the special meeting, Visalia Community Bank is obligated under the merger agreement to notify holders of Series B Preferred Stock that it will redeem all shares of Series B Preferred Stock at a price of \$37.50 per share no later than the date preceding the effective date of the merger. Such notice will provide holders of Series B Preferred Stock with the option to convert their shares of Series B Preferred Stock to Visalia Community Bank common stock prior to the merger instead of accepting the redemption payment of \$37.50 per share.**

**Following the redemption or conversion of all Series B Preferred Stock, approval of the merger will require a majority vote of only the common stock. The directors, executive officers and certain principal shareholders of Visalia Community Bank owning an aggregate of 76.9% of the currently outstanding common shares (70.2% if all Series B Preferred Stock is converted to common shares) have agreed to vote their shares in favor of the merger. Accordingly, approval of the merger is assured.**

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**Voting of Proxies**

*Submitting Proxies*

Visalia Community Bank shareholders may vote their shares in person by attending the special shareholders' meeting or they may vote their shares by proxy. In order to vote by proxy, Visalia Community Bank shareholders must complete the enclosed proxy card, sign and date it and mail it in the enclosed postage pre-paid envelope. If a shareholder holds both common stock and preferred stock, the shareholder will receive two proxy cards and the shareholder must complete, sign and date both proxy cards in order to vote with respect to both the common stock and preferred stock held by the shareholder.

If a written proxy card is signed by a shareholder and returned without instructions, the shares represented by the proxy will be voted "FOR" approval of the merger and "FOR" approval of the Certificate of Amendment. Visalia Community Bank shareholders whose shares are held in "street name" (i.e., in the name of a broker, bank or other record holder) must either direct the record holder of their shares as to how to vote their shares or obtain a proxy from the record holder to vote at the Visalia Community Bank special shareholders' meeting. It is important that you follow the directions provided by your broker or other record holder. Your failure to do so will have the same effect as voting against both the merger and the Certificate of Amendment.

*Revoking Proxies*

Visalia Community Bank shareholders of record may revoke their proxies at any time before the time their proxies are voted at the Visalia Community Bank special shareholders' meeting. Proxies may be revoked by written notice, including by telegram or telecopy, to the Corporate Secretary of Visalia Community Bank, by a later-dated proxy signed and returned by mail or by attending the special shareholders' meeting and voting in person. Attendance at the special shareholders' meeting will not, in and of itself, constitute a revocation of a proxy. Instead, Visalia Community Bank shareholders who wish to revoke their proxies must inform Visalia Community Bank's Corporate Secretary at the special shareholders' meeting, prior to the vote, that he or she wants to revoke his or her proxy and vote in person. Written notices of proxy revocations must be sent so that they will be received before the taking of the vote at Visalia Community Bank's special shareholders' meeting as follows:

Visalia Community Bank  
120 N. Floral Street  
Visalia, California 93291  
Attention: Nancy Hamill  
Corporate Secretary

**Abstentions and Broker Nonvotes**

The presence, in person or by properly executed proxy, of the holders of a majority of each class of Visalia Community Bank's outstanding shares entitled to vote is necessary to constitute a quorum at the special shareholders' meeting. Abstentions and broker nonvotes will be counted in determining whether a quorum is present. Under the applicable rules of the National Association of Securities Dealers, Inc., brokers who hold shares in street name for customers who are the beneficial owners of Visalia Community Bank common stock or Series B Preferred Stock are prohibited from giving a proxy to vote those shares in the absence of specific instructions from beneficial owners. Visalia Community Bank refers to the shares for which brokers fail to receive voting instructions as "broker nonvotes." Abstentions and broker nonvotes will not be counted as a vote "FOR" or "AGAINST" either the merger agreement or the Certificate of Amendment at the Visalia Community Bank special shareholders' meeting. However, abstentions and broker nonvotes will have the same effect as a vote

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"AGAINST" both the merger and the Certificate of Amendment because approval is based on the affirmative vote of a majority of the shares outstanding.

**Other Matters**

In addition to voting for approval of the merger and the Certificate of Amendment, any other matters that are properly presented at the special shareholders' meeting will be acted upon. Visalia Community Bank's management does not presently know of any other matters to be presented at the Visalia Community Bank special shareholders' meeting other than those set forth in this proxy statement-prospectus. If other matters come before the special shareholders' meeting, the persons named in the accompanying proxy intend to vote according to the recommendations of Visalia Community Bank's Board of Directors.

**Solicitation of Proxies**

Visalia Community Bank's Board of Directors is soliciting the proxies for the Visalia Community Bank special shareholders' meeting. Visalia Community Bank will pay for the cost of solicitation of proxies. In addition to solicitation by mail, Visalia Community Bank's directors, officers and employees may also solicit proxies from shareholders by telephone, email, facsimile, and telegram or in person. If Visalia Community Bank's management deems it advisable, the services of individuals or companies that are not regularly employed by Visalia Community Bank may be used in connection with the solicitation of proxies. Arrangements will also be made with brokerage houses and other custodians, nominees and fiduciaries to send the proxy materials to beneficial owners. Visalia Community Bank will, upon request, reimburse those brokerage houses and custodians for their reasonable expenses in so doing.



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**THE MERGER**

This section of the proxy statement-prospectus describes certain aspects of the proposed merger. Because this is a summary, it does not contain all the information that may be important to you. You should read this entire proxy statement-prospectus, including the appendices. A copy of the merger agreement is attached as Appendix A to this proxy statement-prospectus. The following discussion, and the discussion under the subsection entitled "The Merger Agreement," describes important aspects of the merger and the material terms of the merger agreement. These descriptions are qualified by reference to Appendix A.

**Background and Reasons for the Merger**

The terms of the merger agreement were the result of arm's length negotiations between representatives of Central Valley Community Bancorp and Visalia Community Bank. The following is a brief description of the events that led to the execution of the merger agreement.

Each of Central Valley Community Bancorp's and Visalia Community Bank's board of directors has from time to time separately engaged with senior management of their respective companies in reviews and discussions of potential strategic alternatives, and has considered ways to enhance their respective companies' performance and prospects in light of competitive and other relevant developments. For each company, these reviews have included periodic discussions with respect to potential transactions that would further its strategic objectives, and the potential benefits and risks of those transactions.

During mid-2010, Dan Doyle, CEO of CVC Bank and Central Valley Community Bancorp (with the knowledge of, and at the direction of, the Central Valley Community Bancorp Board of Directors), met with F.T. Elliott III, F.T. Elliott IV, and Jonathan Graves of the Visalia Community Bank Board of Directors to discuss a potential merger of the two banks. The parties did not agree on management and governance structure and determined not to take the discussions further at that time.

On March 1, 2012, Tom Beene, CEO of Visalia Community Bank, met with Mr. Doyle to discuss Visalia Community Bank's strategic planning process. Mr. Beene indicated that Visalia Community Bank was willing to consider merging with a larger institution, but he also discussed with Mr. Doyle Central Valley Community Bancorp's experience with acquisitions, and issues Visalia Community Bank might encounter in raising additional capital in the future. Mr. Doyle provided Mr. Beene with recommendations for consultants and investment bankers who might help Visalia Community Bank's Board of Directors and management in its strategic planning. No arrangements to promote a possible merger of CVC Bank and Visalia Community Bank were made at that time.

On April 26, 2012, a representative of FIG Partners LLC ("FIG") met with Mr. Beene. At that meeting, FIG and Visalia Community Bank management explored the current operating environment for community banks generally and in the Central Valley of California in particular, as well as the process that would be involved in offering Visalia Community Bank for sale, the valuation of Visalia Community Bank and the steps involved in concluding a transaction.

On May 24, 2012, FIG met with the executive committee of the Visalia Community Bank board, consisting of F.T. Elliott, IV, Jonathan Graves and Brian Johnson, and was formally engaged and entered into an agreement with Visalia Community Bank to market the bank for sale following a review of all strategic options. On June 4, 2012, Visalia Community Bank retained the firm of King, Holmes, Paterno & Berliner, LLP ("King Holmes") to advise the bank on legal matters respecting the transaction.

On June 12, 2012 Mr. Doyle was informed by a representative of FIG that FIG had been retained to represent a bank in the southern part of the Central Valley that might be available for acquisition. Doyle indicated potential interest by Central Valley Community Bancorp based upon the preliminary

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information FIG provided. On June 14, 2012 Central Valley Community Bancorp signed a Non Disclosure Agreement with FIG on behalf of Visalia Community Bank, and Central Valley Community Bancorp received a preliminary presentation prepared by FIG regarding Visalia Community Bank.

During the week of June 18, 2012, Visalia Community Bank entered into confidentiality and non-disclosure agreements with six potential acquirors that had been contacted by FIG. The potential acquirors were provided with confidential information memorandums and limited preliminary due diligence materials. Based on their initial review, four of the potential acquirors, including Central Valley Community Bancorp, elected to continue evaluating the transaction and meetings were held with each of these institutions in Visalia Community Bank on June 26 and June 27.

On June 20, 2012, the Central Valley Community Bancorp's Board of Directors reviewed the FIG profile and preliminary merger model prepared by Central Valley Community Bancorp CFO Dave Kinross, and management determined to proceed with additional discussions with Visalia Community Bank.

On June 21, 2012 additional information was provided to Central Valley Community Bancorp by FIG. After reviewing this information, Central Valley Community Bancorp management asked FIG for additional information in order to determine whether to present the question of a transaction with Visalia Community Bank to the Central Valley Community Bancorp Board of Directors.

On July 11, 2012 Central Valley Community Bancorp's Board of Directors and Strategic Planning Committee met to discuss the analysis performed by CVC Bank management regarding estimates on credit losses, human resources, facilities, contracts, deposit base, potential revenue and growth opportunities in the new market for CVC Bank. Following discussion and review, the Central Valley Community Bancorp Board of Directors instructed management to submit a non-binding proposal to Visalia Community Bank. In its bid, Central Valley Community Bancorp offered to extend a board position to a current member of the Visalia Community Bank board of directors.

On July 12, 2012 Central Valley Community Bancorp submitted its non-binding proposal through FIG, and one other bidder presented a proposal through FIG. The other parties who had indicated initial interest declined to submit formal offers, indicating that their pricing of the transaction would likely not be received by Visalia Community Bank as satisfactory or competitive. On July 18, 2012, King Holmes reviewed the two offers with FIG. On July 19, 2012, the executive committee reviewed the proposals with FIG and on July 20, Visalia Community Bank entered into a non-binding letter of intent to negotiate exclusively with the institution ("Bank A") other than Central Valley Community Bancorp. The Bank A proposal, consisting of 50% cash and 50% common stock was valued by Visalia Community Bank at approximately \$24.5 million. Central Valley Community Bancorp's offer was valued at approximately \$18.9 million, and also consisted of 50% cash and 50% common stock. On July 20, 2012 Central Valley Community Bancorp was informed by FIG that it was not the winning bidder for Visalia Community Bank.

During August and September 2012, Bank A continued its due diligence review of Visalia Community Bank and its business, management and operations, and submitted a final offer valued at \$21.5 million on September 19, 2012. On September 13, 2012 FIG notified Mr. Doyle that Bank A had reduced its original bid offered to Visalia Community Bank following the due diligence, and asked if Central Valley Community Bancorp would be willing to review and adjust its original bid. On September 17, 2012 the Central Valley Community Bancorp Board of Directors approved a revised bid containing the same terms and conditions of the original but with a merger consideration price of \$52 per Visalia Community Bank share payable in 50% cash and 50% Central Valley Community Bancorp stock and subject to on-site due diligence. In considering the revised bid the Board considered that Central Valley Community Bancorp's stock price had improved to a price near tangible book value since the time of the original bid.

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On September 20, 2012, Visalia Community Bank elected to move forward and negotiate a definitive binding agreement with Bank A on these revised terms. On September 21, 2012 FIG notified Central Valley Community Bancorp that Visalia Community Bank had declined the revised offer of Central Valley Community Bancorp.

On October 12, 2012, Bank A's legal counsel delivered an initial draft of a proposed definitive agreement for the transaction to King Holmes. Multiple drafts were subsequently exchanged in October and November 2012 reflecting subsequent negotiations. On November 1, 2012, King Holmes met with the executive committee of Visalia Community Bank to review the terms of the proposed definitive agreement. A second meeting was held between King Holmes and the Visalia Community Bank board on November 8, 2012 to review and obtain approval of the Bank A definitive agreement. On November 15, 2012, the chief executive officer of Bank A advised FIG it was electing not to acquire Visalia Community Bank and terminating the negotiations.

On November 16, 2012, FIG informed Mr. Doyle that Visalia Community Bank's merger with Bank A had developed problems and asked if Central Valley Community Bancorp would be willing to re-submit the September 17, 2012 bid and if Central Valley Community Bancorp was able to work towards arriving at a definitive agreement before the end of 2012.

Central Valley Community Bancorp conducted an updated analysis of the transaction and the board reviewed and considered the transaction. On November 19, 2012, Central Valley Community Bancorp re-submitted a non-binding expression of interest with a value of \$22.1 million, consisting of 50% cash and 50% Central Valley Community Bancorp common stock. The Visalia Community Bank board was interested in proceeding with Central Valley Community Bancorp.

On November 24 and 26, 2012 FIG delivered by electronic media certain of the due diligence material requested by Central Valley Community Bancorp. On December 1 and 2, 2012 Central Valley Community Bancorp conducted on-site diligence activities at the Visalia Community Bank headquarters, primarily with regard to Visalia Community Bank's loans and credit portfolio. In addition to Central Valley Community Bancorp's Chief Credit Officer and three other senior officers, Central Valley Community Bancorp engaged third party credit review personnel for the diligence session. In attendance for Visalia Community Bank were Mr. Beene, and Renee Savage, Chief Credit Officer. Central Valley Community Bancorp was able to review the files and reports that Visalia Community Bank made available and also was able to ask questions of Ms. Savage on credit related matters.

On December 4 and 5, 2012 CVC Bank Board of Directors met with management, company counsel and the company's auditors to discuss CVC Bank's Strategic Plan for 2013 and beyond as well as the status of the potential merger with Visalia Community Bank. After discussion of the findings of due diligence, Mr. Doyle was instructed to proceed with the additional due diligence and to continue to negotiate a definitive agreement.

On December 6, 2012 Doyle contacted Sandler O'Neill + Partners L.P. ("Sandler O'Neill") regarding preparation of a review and fairness opinion for the potential transaction. On December 11, 2012 Central Valley Community Bancorp and Sandler O'Neill signed an engagement letter.

On December 10, 2012 Central Valley Community Bancorp contracted with Navigant Capital Advisors as a third party to provide a fair market valuation on the loan portfolio of Visalia Community Bank.

In connection with the negotiation of merger agreement, F.T. Elliott IV was identified as the Visalia Community Bank board member who would be named to the Central Valley Community Bancorp board. Mr. Elliott was selected in light of his business background, knowledge of the market in which Visalia Community Bank operates, and the expected share ownership percentage he and his family members would own in the combined entity.

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On December 19, 2012 the Central Valley Community Bancorp Board of Directors in addition to its attorney Jim Dyer reviewed the presentation of Sandler O'Neill on the fairness of the merger consideration and asked questions and had full discussion. The Board of Directors then unanimously adopted a joint resolution of the Boards of Directors of Central Valley Community Bancorp and Central Valley Community Bank approving the merger and directing Mr. Doyle to execute the merger agreement.

On December 19, 2012 King Holmes discussed the terms of the agreement at the Visalia Community Bank board meeting and FIG delivered its opinion that the consideration payable under the agreement was fair from a financial point of view to the Visalia Community Bank shareholders. Thereafter, the merger agreement was unanimously approved by the Board of Directors of Visalia Community Bank and executed.

**Recommendation of Visalia Community Bank Board of Directors Regarding the Merger**

After careful consideration, at its meeting on December 19, 2012, Visalia Community Bank's board of directors determined that the plan of merger contained in the merger agreement is in the best interests of Visalia Community Bank and its shareholders and that the consideration to be received in the merger is fair to the common shareholders of Visalia Community Bank. Accordingly, Visalia Community Bank's board of directors, by a unanimous vote, adopted and approved the merger agreement and unanimously recommends that Visalia Community Bank shareholders vote "FOR" approval of the merger agreement.

In reaching its decision to adopt and approve the merger agreement and recommend the merger to its shareholders, Visalia Community Bank's board of directors consulted with Visalia Community Bank's management, as well as its legal and financial advisors, and considered a number of positive factors, including the following material factors:

Its knowledge of Visalia Community Bank's business, operations, financial condition, earnings and prospects and of Central Valley Community Bancorp's business, operations, financial condition, earnings and prospects, taking into account the results of Visalia Community Bank's due diligence review of Central Valley Community Bancorp.

Its knowledge of the current environment in the financial services industry, including national and regional economic conditions, continued consolidation, increased regulatory burdens, evolving trends in technology and increasing nationwide and global competition, the current financial market conditions and the likely effects of these factors on the companies' potential growth, development, productivity, profitability and strategic options, and the historical market prices of Visalia Community Bank common stock.

The careful review undertaken by Visalia Community Bank's board of directors and management, with the assistance of Visalia Community Bank's legal and financial advisors, with respect to the strategic alternatives available to Visalia Community Bank if it remained an independent bank.

The complementary aspects of the Visalia Community Bank and Central Valley Community Bancorp businesses, including customer focus and geographic coverage.

Central Valley Community Bancorp's commitment to enhancing its strategic position in the Central Valley area of the State of California.

The potential expense-saving and revenue-enhancing opportunities in connection with the merger, the related potential impact on the combined company's earnings and the fact that the nature of the merger consideration would allow former Visalia Community Bank shareholders to

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participate as Central Valley Community Bancorp shareholders in the benefits of such savings opportunities and the future performance of the combined company generally.

The fact that, subject to certain conditions set forth in the merger agreement, including the payment of a termination fee, the merger agreement allows our board of directors in the exercise of its fiduciary duties, to consider a superior proposal, as defined in the merger agreement, which is presented to it, and to withdraw its recommendation to our shareholders to adopt the merger agreement and to terminate the merger agreement to accept such a superior proposal.

The respective presentations by Visalia Community Bank management and its financial advisors concerning the operations, financial condition and prospects of Visalia Community Bank and the expected financial impact of the merger on the combined company, including pro forma assets, earnings and deposits.

The terms of the merger agreement, and the presentation by Visalia Community Bank's outside legal advisors regarding the merger and the merger agreement.

The opinion delivered to Visalia Community Bank by FIG on December 19, 2012 to the effect that, as of December 19, 2012, and based upon and subject to the assumptions, procedures, considerations, qualifications and limitations set forth in the opinion, the consideration to be paid to Visalia Community Bank under the merger agreement was fair, from a financial point of view, to the holders of shares of Visalia Community Bank common stock.

Visalia Community Bank's board of directors' belief that a merger with Central Valley Community Bancorp would allow Visalia Community Bank shareholders to participate in the future performance of a combined company that would have better future prospects than Visalia Community Bank was likely to achieve on a stand-alone basis or through other strategic alternatives, including a combination with other potential merger partners.

Visalia Community Bank's board of directors' belief that Visalia Community Bank and Central Valley Community Bancorp shared a similar strategic vision.

The regulatory and other approvals required in connection with the merger and the likelihood that the approvals needed to complete the merger would be obtained without unacceptable conditions.

The fact that holders of Visalia Community Bank shares who do not vote in favor of the merger agreement and who comply with all other applicable statutory procedures for asserting dissenters' rights will be entitled to exercise dissenters' rights under California law.

Visalia Community Bank's board of directors also considered potential risks and potentially negative factors concerning the merger in connection with its deliberations on the proposed transaction, including the following material factors:

The potential risk that a further downturn in California, national or regional economic conditions could negatively impact Central Valley Community Bancorp's loan portfolio, and thereby affect the value of the Central Valley Community Bancorp common stock.

The potential risk of diverting management focus and resources from other strategic opportunities and from operational matters while working to implement the merger.

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The provisions of the merger agreement restricting Visalia Community Bank's solicitation of third-party acquisition proposals, and providing for the payment of a termination fee and reimbursement of Central Valley Community Bancorp's expenses related to the merger in certain circumstances, which Visalia Community Bank's board of directors understood, thereby potentially limiting the willingness of a third party to propose a competing business combination

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transaction with Visalia Community Bank, were a condition to Central Valley Community Bancorp's willingness to enter into the merger agreement.

The fact that some of Visalia Community Bank's directors and executive officers have other interests in the merger that are different from, or in addition to, their interests as Visalia Community Bank shareholders. See "The Merger Interests of Visalia Community Bank's Directors and Executive Officers in the Merger."

The foregoing discussion of factors considered by Visalia Community Bank's board of directors is not intended to be exhaustive, but is believed to include all material factors considered by Visalia Community Bank's board of directors. In view of the wide variety of the factors considered in connection with its evaluation of the merger and the complexity of these matters, Visalia Community Bank's board of directors did not find it useful, and did not attempt, to quantify, rank or otherwise assign relative weights to these factors. In considering the factors described above, the individual members of Visalia Community Bank's board of directors may have given different weight to different factors. Visalia Community Bank's board of directors conducted an overall analysis of the factors described above including thorough discussions with, and questioning of, Visalia Community Bank management and Visalia Community Bank's legal and financial advisors, and considered the factors overall to be favorable to, and to support, its determination.

The foregoing explanation of Visalia Community Bank's board of directors' reasoning and all other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed in the section entitled "Cautionary Statement Concerning Forward-Looking Statements."

**Structure of the Merger**

The merger agreement provides that Visalia Community Bank will merge with and into CVC Bank. After the merger, the offices operated by Visalia Community Bank will become banking offices of CVC Bank (with the exception of one small branch in Visalia which is in the process of being closed). Each share of Visalia Community Bank common stock issued and outstanding (other than shares with respect to which dissenters' rights have been perfected, but including shares of Series B Preferred Stock converted to common stock) will be converted into the right to receive shares of Central Valley Community Bancorp common stock and cash. Each share of Central Valley Community Bancorp common stock outstanding will remain outstanding after the merger. Please read the sections entitled "The Merger Calculation of Consideration to be Paid to Visalia Community Bank Shareholders" and "The Merger Dissenters' Rights of Visalia Community Bank's Shareholders" for additional information.

**Calculation of Consideration to be Paid to Visalia Community Bank Shareholders**

Each share of Visalia Community Bank common stock will be entitled to receive the per share consideration described below. For purposes of this discussion, it is assumed that the Certificate of Amendment will be approved and that the 44,687 outstanding shares of Series B Preferred Stock will be converted to Visalia Community Bank common stock immediately prior to the merger and that accordingly, at the time of the merger, Visalia Community Bank will have 425,009 shares of common stock outstanding.

Under the terms of the merger agreement, and subject to adjustment as discussed below, shareholders of Visalia Community Bank will receive aggregate merger consideration of approximately \$11,050,000 in cash and 1,262,858 shares of Central Valley Community Bancorp common stock. The aggregate merger consideration will be reduced by the amount, if any, by which the closing shareholders equity of Visalia Community Bank, as defined in the merger agreement, is less than \$18,500,000. If Visalia Community Bank's closing shareholder's equity, as defined in the merger

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agreement, is less than \$18,500,000, Central Valley Community Bancorp and CVC Bank may terminate the merger agreement rather than adjust the merger consideration. Assuming the closing shareholders equity of Visalia Community Bank is at least \$18,500,000, the aggregate cash portion of the merger consideration will be \$11,050,000 less any amount paid by Visalia Community Bank in the redemption of the Series B Preferred Stock. The aggregate stock portion of the merger consideration will be equal to the quotient obtained by dividing one-half of the aggregate merger consideration by \$8.75, which is the assigned per share value of the Central Valley Bancorp common stock solely for the purpose of calculating the stock portion of the merger consideration. Accordingly, assuming Visalia's closing shareholder's equity is at least \$18,500,000, and assuming all shares of outstanding Series B Preferred Stock are converted into shares of common stock rather than redeemed, the total cash merger consideration will be \$11,050,000 and the total stock portion of the merger consideration will be 1,262,858 shares of Central Valley Community Bancorp common stock, or per share merger consideration for each of the 425,009 shares of Visalia common stock exchanged of \$26.00 in cash and 2.971 shares of Central Valley Community Bancorp common stock. As of \_\_\_\_\_, 2013 the closing stock price on Nasdaq for a share of Central Valley Community Bancorp common stock was \$ \_\_\_\_\_, so the per share merger consideration would have been \$ \_\_\_\_\_ per share had the merger become effective on \_\_\_\_\_, 2013 and the value of the aggregate merger consideration would have been \$ \_\_\_\_\_.

Pursuant to the merger agreement, cash used to redeem Series B Preferred Stock would be deducted from the cash portion of the merger consideration. Redemption of all Series B Preferred Stock would result in a reduction of the cash portion of the merger consideration by approximately \$1,675,763; however, since holders of shares of Series B Preferred Stock would not receive any of the merger consideration following the redemption, and since it is anticipated that the value of the per share merger consideration on the effective date of the merger will be greater than the \$37.50 redemption price for the Series B Preferred Stock, the value of the per share merger consideration payable to holders of the common stock at the effective time of the merger should increase in the event any of the shares of the Series B Preferred Stock are redeemed. If all of the shares of the Series B Preferred Stock were redeemed prior to the merger, each of the 380,322 shares of the common stock of Visalia Community Bank issued and outstanding immediately prior to the merger would be exchanged for approximately \$24.65 in cash and 3.32 shares of Central Valley Community Bancorp common stock which, if the merger had become effective on \_\_\_\_\_, 2013, on which date the closing stock price on Nasdaq for a share of Central Valley Community Bancorp common stock was \$ \_\_\_\_\_, the per share value of the merger consideration would have been approximately \$ \_\_\_\_\_ per share.

The merger agreement provides that Visalia Community Bank can terminate the agreement in the event that the 20-day volume weighted average price of the common stock of Central Valley Community Bancorp drops below \$7.44 per share and underperforms the market by more than 15%. In the event that Visalia Community Bank notifies Central Valley Community Bancorp that it intends to terminate the merger agreement under this provision, Central Valley Community Bancorp can prevent the termination by agreeing to increase the consideration as set forth in the merger agreement. Similarly, the merger agreement provides that Central Valley Community Bancorp can terminate the merger agreement in the event that the 20-day volume weighted average price of Central Valley Community Bancorp common stock increases above \$10.06 per share and outperforms the market by more than 15%. In the event that Central Valley Community Bancorp notifies Visalia Community Bank that it intends to terminate the merger agreement under this provision, Visalia Community Bank can prevent the termination by agreeing to reduce the consideration as set forth in the merger agreement. See "The Merger Agreement Termination" for additional information on this possible adjustment to the merger consideration.



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**Fractional Shares**

It is very likely that most of Visalia Community Bank's shareholders will be entitled to receive a fractional interest of a share of Central Valley Community Bancorp common stock in addition to a whole number of shares of Central Valley Community Bancorp common stock. The merger agreement provides that, in lieu of receiving a fractional share, Visalia Community Bank's shareholders entitled to a fractional share will receive cash equal to the value of the fractional interest, calculated by reference to the merger agreement price.

**Certain Federal Income Tax Consequences**

The following discussion is intended to be a description of material United States federal income tax consequences of the merger. However, the discussion does not address tax consequences which may vary with, or are contingent on, your individual circumstances. Moreover, the discussion does not address any non-income tax or any foreign, state or local tax consequences of the merger. Accordingly, you are strongly urged to consult with your tax advisor to determine the particular United States federal, state, local or foreign income or other tax consequences to you of the merger. Visalia Community Bank and Central Valley Community Bancorp will not bear any expenses incurred by any shareholder arising from disputes with the Internal Revenue Service, or the IRS, or any state or foreign tax agency over the tax consequences of the merger.

The following are the expected material United States federal income tax considerations of the merger generally applicable to Visalia Community Bank shareholders. The following discussion is based on and subject to the Internal Revenue Code of 1986, as amended, which is referred to in this proxy statement-prospectus as the Code, the regulations promulgated under the Code, existing interpretations and court decisions, all of which are subject to change, possibly with retroactive effect. Any such change could affect the continuing validity of the discussion. This discussion does not address all aspects of United States federal income taxation that may be important to you in light of your particular circumstances or if you are subject to special rules, such as rules relating to:

stockholders who are not United States persons;

financial institutions;

tax exempt organizations;

insurance companies;

dealers in securities;

traders in securities that elect to use a mark-to-market method of accounting;

stockholders who acquired their shares of Visalia Community Bank pursuant to the exercise of employee stock options or otherwise acquired shares as compensation; and

stockholders who hold their shares of Visalia Community Bank as part of a hedge, straddle or other risk reduction, constructive sale or conversion transaction.

This discussion assumes you hold your shares of Visalia Community Bank stock as capital assets within the meaning of Section 1221 of the Code.

***Material U.S. Federal Income Tax Consequences of the Merger to U.S. Holders***

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The parties intend for the merger to qualify as a reorganization for U.S. federal income tax purposes. Downey Brand LLP has provided Central Valley Community Bancorp and Central Valley Community Bank with an opinion substantially to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code. This opinion will be based on

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assumptions, representations, warranties and covenants, including those contained in the merger agreement and in tax representation letters provided by Visalia Community Bank. The accuracy of such assumptions, representations and warranties, and compliance with such covenants, could affect the conclusions set forth in such opinions. Neither Visalia Community Bank nor Central Valley Community Bancorp has requested a ruling from the IRS in connection with the merger. The opinion described above will not be binding on the Internal Revenue Service, and there can be no assurance that the IRS will not assert, or that a court would not sustain, a position contrary to any of the conclusions set forth below.

Upon the exchange of your shares of Visalia Community Bank common stock for a combination of Central Valley Community Bancorp common stock and cash (other than cash received in lieu of a fractional share of Central Valley Community Bancorp common stock), a U.S. holder generally will recognize gain (but not loss) in an amount equal to the lesser of (1) the sum of the amount of cash and the fair market value of the Central Valley Community Bancorp common stock received, minus the adjusted tax basis of the Visalia Community Bank common stock surrendered in exchange therefor and (2) the amount of cash received by the holder. If a U.S. holder of Visalia Community Bank common stock acquired different blocks of Visalia Community Bank common stock at different times or different prices, the holder should consult its tax advisor regarding the manner in which gain or loss should be recognized. Any recognized gain generally will be long-term capital gain if, as of the date the merger is completed, the U.S. holder's holding period with respect to the Visalia Community Bank common stock surrendered exceeds one year. Long-term capital gains of certain non-corporate U.S. holders, including individuals, are generally subject to U.S. federal income tax at preferential rates. The aggregate tax basis of the Central Valley Community Bancorp common stock received (including any fractional shares deemed received and exchanged for cash) by a U.S. holder that exchanges its shares of Visalia Community Bank common stock for a combination of Central Valley Community Bancorp common stock and cash will be equal to the aggregate adjusted tax basis of the shares of Visalia Community Bank common stock surrendered, reduced by the amount of cash received by the holder (excluding any cash received in lieu of a fractional share of Central Valley Community Bancorp common stock) and increased by the amount of gain, if any, recognized by the holder (excluding any gain recognized with respect to cash received in lieu of a fractional share of Central Valley Community Bancorp common stock). The holding period of the Central Valley Community Bancorp common stock received (including any fractional share deemed received and exchanged for cash) will include the holding period of the Visalia Community Bank common stock surrendered.

If you hold shares of Series B Preferred Stock, you will not recognize any gain or loss on the value of your shares as a result of the conversion of Series B Preferred Stock to Visalia Community Bank common stock that is then exchanged for Central Valley Community Bancorp stock received in the merger. Subject to possible further exceptions, any gain or loss you recognize would result from the subsequent disposition of Central Valley Community Bancorp stock received in the merger.

If you perfect dissenter's rights and receive payment for your shares (or if you are notified of a Series B Preferred Stock redemption and do not opt to convert your Series B Preferred Stock to Visalia Community Bank common stock and you do not otherwise receive Central Valley Community Bancorp stock in the merger), you will be treated as if the shares were redeemed and, if shares are held as a capital asset you will recognize a capital gain or loss measured by the difference between the cash received and your basis in the shares of Visalia Community Bank common stock surrendered.

***Backup Withholding and Information Reporting.***

If you receive cash in exchange for surrendering your shares of Visalia Community Bank common stock, you may be subject to information reporting and backup withholding at a rate currently equal to 28% if you are a non-corporate U.S. person and you (i) fail to provide an accurate taxpayer identification number; (ii) are notified by the United States Internal Revenue Service that you have

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failed to report all interest or dividends required to be shown on your federal income tax returns; or (iii) in certain circumstances, fail to comply with applicable certification requirements.

**Regulatory Approvals**

The merger of CVC Bank and Visalia Community Bank is subject to receipt of certain regulatory approvals and the filing of certain related notices, including the following:

The merger requires the approval of the Federal Deposit Insurance Corporation under the Bank Merger Act pursuant to 12 U.S.C. Section 1828(c).

The merger requires the approval of the California Commissioner of Financial Institutions pursuant to Section 4880 et seq. of the California Financial Code.

The required applications and notices were initially mailed on February 7, 2013 and the California Department of Financial Institutions has now approved the merger. The approval of the Federal Deposit Insurance Corporation is pending.

No assurance can be provided that the Federal Deposit Insurance Corporation will approve the merger, that the Department of Justice will not challenge the merger, or that any approval by the Federal Deposit Insurance Corporation will not contain conditions which are materially burdensome to Central Valley Community Bancorp. To the extent that any materially burdensome conditions are imposed on Central Valley Community Bancorp, Central Valley Community Bancorp has the right not to close the merger and to terminate the merger agreement.

In addition, the approval of the California Department of Financial Institutions is required with respect to the Certificate of Amendment and, if necessary, the redemption of the Series B Preferred Stock. The California Department of Financial Institutions has approved the Certificate Amendment. In the event the holder of the Series B Preferred Stock do not approve the merger and Certificate of Amendment, Visalia Community Bank will file an application for approval of the redemption of the Series B Preferred Stock.

See "The Merger Agreement Conditions to Completion of the Merger"

**Statutory Waiting Period**

Under federal banking laws, a 30-day waiting period must expire following the Federal Deposit Insurance Corporation's approval of the merger. Within that 30-day waiting period the Department of Justice may file objections to the merger under federal antitrust laws. The Federal Deposit Insurance Corporation may reduce the waiting period to 15 days with the concurrence of the Department of Justice. The Department of Justice could take such action under antitrust laws as it deems necessary or desirable in the public interest, including seeking to enjoin the merger unless divestiture of an acceptable number of branches to a competitively suitable purchaser can be made. If the Department of Justice commences an action challenging the merger on antitrust grounds during either the 30-day or 15-day waiting periods, commencement of that action would stay the effectiveness of the regulatory approvals, unless a court of competent jurisdiction specifically orders otherwise.

The merger cannot proceed in the absence of the regulatory approvals and the expiration of the statutory waiting period. Central Valley Community Bancorp, CVC Bank and Visalia Community Bank are not aware of any reasons why regulatory approvals will not be received. Central Valley Community Bancorp, CVC Bank, and Visalia Community Bank have agreed to use their reasonable best efforts to obtain all necessary regulatory approvals. However, there can be no assurance that approvals will be obtained, nor can there be assurance as to the date of any approval. There also can be no assurance that any approvals will not contain unacceptable conditions or requirements.

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**Resale of Central Valley Community Bancorp Common Stock**

The shares of Central Valley Community Bancorp common stock that you receive as a result of the merger will be registered under the Securities Act of 1933 as amended, or the Securities Act. You may freely trade these shares of Central Valley Community Bancorp common stock if you are not considered an "affiliate" of Central Valley Community Bancorp, as that term is defined in the federal securities laws. Generally, an "affiliate" of Central Valley Community Bancorp is any person or entity directly or indirectly controlling or who is controlled by Central Valley Community Bancorp. Central Valley Community Bancorp's affiliates generally include directors, certain executive officers and holders of 10% or more of Central Valley Community Bancorp's common stock.

**Certain Effects of the Merger**

The merger agreement requires Visalia Community Bank to merge into CVC Bank, with CVC Bank as the surviving entity. After the merger, the offices operated by Visalia Community Bank will become banking offices of CVC Bank.

Central Valley Community Bancorp has agreed to, contingent upon the closing of the merger, increase the authorized number of directors by one director and appoint F. T. Elliott, IV, the current Chairman of Visalia Community Bank, to fill the newly-created vacancy on the board of directors of Central Valley Community Bancorp, to hold office until the next annual meeting of shareholders of Central Valley Community Bancorp, until his successor is elected and qualified or until otherwise removed. Central Valley Community Bancorp has also agreed, timing of the merger permitting, to nominate Mr. Elliott for election to the Central Valley Community Bancorp board at the 2013 annual shareholder meeting, provided that he satisfies the standards of the Central Valley Community Bancorp nominating committee and subject to the fiduciary duties of the Central Valley Community Bancorp board and nominating committee.

After the merger, each Visalia Community Bank shareholder will receive instructions from Central Valley Community Bancorp's exchange agent regarding the exchange of Visalia Community Bank stock certificates for the merger consideration.

**Interests of Certain Persons in the Merger**

In considering the recommendation of the Board of Directors of Visalia Community Bank that you vote to approve the merger agreement, you should be aware that some of Visalia Community Bank's executive officers and directors have financial interests in the merger that are different from, or in addition to, those of Visalia Community Bank's shareholders generally. The members of Visalia's board of directors were aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the merger, and in recommending to the shareholders that the merger agreement be approved. Although no new compensation agreements were entered into with Visalia Community Bank's directors in connection with the negotiation of the merger, other than the payments with respect to the termination of certain split dollar life insurance policies as set forth below, the directors were aware that the amount accrued in their respective director retirement agreements and director deferred fee agreements would be paid out as a lump sum payment following a change in control rather than paid out over time. Further, Mr. Beene, the President and Chief Executive Officer of Visalia Community Bank, was aware of the change in control payment in his existing employment agreement.

*Stock Ownership*

The directors and executive officers of Visalia Community Bank beneficially owned as of March 31, 2013, a total of 162,029 shares of Visalia common stock and 6,044 shares of Series B Preferred Stock, representing approximately 42.6% of the outstanding shares of Visalia Community

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Bank's common stock and 13.5% of its Series B Preferred Stock. In addition, F.T. Elliott, III, a principal shareholder of Visalia Community Bank, beneficially owns 130,448 shares of the common stock of Visalia Community Bank, or approximately 34.3% of the issued and outstanding shares of common stock. The executive officers, directors and principal shareholder of Visalia Community Bank will receive the same merger consideration as other shareholders of Visalia Community Bank.

*Employment Agreements, Change in Control and other Compensation Arrangements*

Executive Officers of Visalia Community Bank

*Thomas J. Beene.* Visalia Community Bank is a party to an employment agreement dated February 7, 2011 with Thomas J. Beene, its President and Chief Executive Officer. The employment agreement provides for severance benefits in the event of certain qualifying terminations of employment, including a termination due to a change in control. Specifically, Mr. Beene's employment agreement provides for a lump sum payment equal to 12 months of his base salary upon his termination of employment within 30 days following a change in control, or a payment of approximately \$190,000. As described below, Mr. Beene and Central Valley Community Bank have agreed that this employment agreement will be terminated upon the effectiveness of the merger so that the \$190,000 lump sum payment that would otherwise be due to Mr. Beene upon a change of control will not be paid to Mr. Beene as a result of the merger under his current employment agreement.

On March 28, 2013 Central Valley Community Bank and Thomas J. Beene entered into an employment agreement, which employment agreement will become effective on the date of the merger and will continue through December 15, 2013 or such earlier date upon which Mr. Beene's employment is terminated by Central Valley Community Bank. Mr. Beene has been retained to assist in the integration of the operations of Visalia Community Bank into Central Valley Community Bank following the merger and will report to the President and Chief Executive Officer of Central Valley Community Bank. Mr. Beene's base salary under this new employment agreement is \$190,000 per annum, provided that this amount is based on full time employment, and the base salary may be proportionately reduced during such time as Mr. Beene is working less than 35 hours in any one week period. The new employment agreement also provides that Mr. Beene shall receive a "stay bonus" of \$190,000 payable in one lump sum payment upon the expiration of the term of Mr. Beene's employment under this employment agreement subject to certain conditions as provided in the employment agreement. This new employment agreement further provides that the February 7, 2011 employment agreement between Mr. Beene and Visalia Community Bank will be terminated upon the effectiveness of the merger, and further provides for the termination of Mr. Beene's Amended and Restated Visalia Community Bank Salary Continuation Agreement dated March 24, 2011 unless the FDIC shall have approved the making of payments under the March 24, 2011 salary continuation agreement on or before the 60<sup>th</sup> day following the consummation of the merger.

Additionally, Mr. Beene is a party to two Salary Continuation Agreements with Visalia Community Bank. Pursuant to an Amended and Restated Salary Continuation Agreement dated September 21, 2006, upon a change in control followed by a separation from service, Mr. Beene will receive 100% of the account value determined as of the end of the plan year preceding the separation from service, which benefits are payable in 180 consecutive equal monthly installments commencing at Mr. Beene's normal retirement age. At December 31, 2012, total accruals under this agreement were \$523,725. The second agreement between Mr. Beene and Visalia Community Bank is an Amended and Restated Salary Continuation Agreement dated March 24, 2011. This second agreement provides that if there is a change in control followed within 12 months by a separation of service prior to normal retirement age, then commencing at normal retirement age, Mr. Beene will receive 180 monthly installments of his accrued benefit under the second agreement calculated as of the end of the plan year prior to his separation of service as a result of the change in control. In addition, during the time period between the separation from service and normal retirement age and during the installment period, interest shall

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be credited on the accrued benefit, at the discount rate (which is the discount rate used by the plan administrator for determining the accrued benefit). Total accruals under this agreement as of December 31, 2012 were \$129,113.

Finally, Mr. Beene is a party to an Endorsement Method Split Dollar Plan Agreement with Visalia Community Bank dated July 1, 2000. Since Mr. Beene is already 100% vested in the benefits payable under this agreement, the change in control that will occur as a result of the merger should have no effect on payments which may be due to Mr. Beene's beneficiaries under this agreement.

The severance benefits that would have been payable to Mr. Beene under his existing employment agreement as well as the benefits under the Amended and Restated Salary Continuation Agreement dated March 24, 2011, are subject to the prior approval of the FDIC due to the fact that Visalia Community Bank is deemed to be in troubled condition. See "Information Regarding Visalia Community Bank Regulatory Matters."

*Other Executive Officers.* Each of the Chief Credit Officer, Renee Savage, and Chief Financial Officer, Roger White, of Visalia Community Bank have entered into pay to stay agreements in connection with the merger. Pursuant to their respective agreements, Ms. Savage and Mr. White will receive lump sum payments of \$53,040 and \$60,000, respectively, no later than 120 days following the effective date of the merger.

### Directors of Visalia Community Bank

*Director Retirement Agreements.* Each of the current directors of Visalia Community Bank, other than Matthew D. Graham, is a party to a Director Retirement Agreement, which agreements were entered into with the various directors of Visalia Community Bank between 2003 and 2006. In addition, F.T. Elliott, III, the former Chairman of Visalia Community Bank, and a principal shareholder of Visalia Community Bank, is a party to a director retirement agreement. Each of these agreements, except the agreement with Mr. F.T. Elliott, III, who was already receiving monthly retirement benefits as of December 31, 2012, and which monthly benefits will continue to be paid by Central Valley Community Bancorp following the merger, provide that upon a change in control, followed by a separation from service, Visalia Community Bank will distribute to the director 100% of the accrual balance as of the plan year preceding the separation from service in one lump sum payment within 30 days following separation from service. The accrual balance for each director's account as of December 31, 2012 is as follows:

<b>Director</b>	<b>Accrual Balance At 12/31/12</b>
Dena R. Cochran	\$ 207,479
F.T. Elliott, IV	\$ 12,537
Margaret K. Elliott	\$ 86,903
Jonathan Graves	\$ 297,493
Jonathan Hornburg	\$ 34,184
Brian Johnson	\$ 16,055
Gordon L. Pendegraft	\$ 150,591

*Director Deferred Fee Agreements.* Each of the current directors of Visalia Community Bank, other than Matthew D. Graham, is a party to an Amended and Restated Director Deferred Fee Agreement, which agreements were entered into with the various directors of Visalia in 2006. In addition, F.T. Elliott, III, the former Chairman of Visalia Community Bank, and a principal shareholder of Visalia Community Bank, is a party to a director deferred fee agreement. Pursuant to these agreements, the directors of Visalia have voluntarily agreed to defer receipt of their fees earned as directors of Visalia Community Bank. Each of these agreements provide that upon a change in control, followed by a

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separation from service, the respective directors will receive their deferral account balance as of the date of separation from service payable in a lump sum within 60 days following a separation from service.

The anticipated accrual balance for each director's account as of March 31, 2013 is anticipated to be as follows:

<b>Director</b>	<b>Anticipated Accrual Balance At 3/31/2013</b>	
Dena R. Cochran	\$	218,388
F.T. Elliott, III	\$	225,947
F.T. Elliott, IV	\$	134,633
Margaret K. Elliott	\$	128,976
Jonathan Graves	\$	128,976
Jonathan Hornburg	\$	205,364
Brian Johnson	\$	93,373
Gordon L. Pendegraft	\$	128,976

*Payments on Termination of Certain Split Dollar Life Insurance Agreements.* Visalia Community Bank is a party to certain Life Insurance Endorsement Method Split Dollar Plan Agreement with each of directors Frank T. Elliott, IV, Margaret K. Elliott and Jonathan Graves, as well as with its former Chairman, Frank T. Elliott, III, entered into between August 2000 and September 2002. In connection with the merger, these directors have agreed to terminate their respective agreements in consideration of cash termination payments, payable immediately prior to the effectiveness of the merger, as follows:

<b>Director</b>	<b>Termination Payment(8)</b>	
Frank T. Elliott, IV	\$	26,329
Frank T. Elliott, III	\$	34,590
Margaret K. Elliott	\$	26,056
Jonathan Graves	\$	40,190

(8)

Amount represents the maximum amount payable under the respective termination agreement. The amount shown may be reduced by the minimum amount necessary to ensure that no amount payable to the director would constitute a "parachute payment" within the meaning of Section 280G of the Internal Revenue Code that would be subject to the excite tax imposed under Section 4999 of the Code.

The termination payments due under these termination agreements may be deemed "golden parachute payments" under applicable regulations, and accordingly, are subject to the prior approval of the FDIC due to the fact that Visalia Community Bank is deemed to be in troubled condition. See "Information Regarding Visalia Community Bank Regulatory Matters."

In addition, the directors are parties to similar Life Insurance Endorsement Method Split Dollar plans which will continue in effect following the merger, which plans, upon a change in control, require



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the maintenance of life insurance benefits for the remaining lives of such individuals. Such benefits to be paid to directors' beneficiaries as of March 31, 2013 are as follows:

	<b>Benefit to be Paid to Beneficiary</b>	
Frank T. Elliott, III	\$	100,000
Frank T. Elliott, IV	\$	100,000
Margaret K. Elliott	\$	100,000
Jonathan Graves	\$	100,000
Brian Johnson	\$	1,040,699
Dena R. Cochran	\$	347,381
Gordon L. Pendegraft	\$	75,000
Jonathan Hornburg	\$	2,043,045

Mr. Beene is also a party to a similar Life Insurance Endorsement Method Split Dollar Plan. Such benefits to be paid to his beneficiaries at March 31, 2013 are as follows:

	<b>Benefit to be Paid to Beneficiaries</b>	
Thomas J. Beene	\$	700,000

Benefits payable to these directors and Mr. Beene under these Life Insurance Endorsement Method Split Dollar Plans will change based upon the date of death of the directors and Mr. Beene.

Board Positions

Central Valley Community Bancorp has agreed to, contingent upon the closing of the merger, increase the authorized number of directors by one director and appoint F. T. Elliott, IV to fill the newly-created vacancy on the board of directors of Central Valley Community Bancorp, to hold office until the first annual meeting of shareholders of Central Valley Community Bancorp, until his successor is elected and qualified or until otherwise removed.

Insurance

Pursuant to the merger agreement, Central Valley Community Bancorp is required to use commercially reasonable efforts to maintain in effect for a period of six (6) years from the effective date of the merger insurance with respect to the possible claims against directors and/or executive officers of Visalia Community Bank arising from facts or events which occurred prior to the effective time of the merger.

**Dissenters' Rights of Visalia Community Bank's Shareholders**

Dissenters' rights will be available to the Visalia Community Bank shareholders in accordance with Chapter 13 of the California Corporations Code. The required procedure set forth in Chapter 13 of the California Corporations Code must be followed exactly or any dissenters' rights may be lost.

The information set forth below is a general summary of dissenters' rights as they apply to Visalia Community Bank shareholders and is qualified in its entirety by reference to Chapter 13 of the California Corporations Code which is attached to this proxy statement-prospectus as Appendix B.

Fair Market Value of Shares

If the merger is approved, Visalia Community Bank shareholders who dissent from the merger by complying with the procedures set forth in Chapter 13 of the California Corporations Code will be entitled to receive an amount equal to the fair market value of their shares as of December 19, 2012, the last business day before the public announcement of the merger.

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Voting Procedure

In order to be entitled to exercise dissenters' rights, the shares of Visalia Community Bank capital stock which are outstanding on the record date and entitled to vote at the special shareholders' meeting must not have been voted "FOR" the merger by the holder of such shares. Thus, any Visalia Community Bank shareholder who wishes to dissent and executes and returns a proxy in the accompanying form or votes at the special shareholders' meeting must not vote "FOR" the merger. If the shareholder returns a proxy without voting instructions or with instructions to vote "FOR" the merger, or votes in person at the special shareholders' meeting "FOR" the merger, his or her shares will be counted as votes in favor of the merger and the shareholder will lose any dissenters' rights.

Written Demand

Furthermore, in order to preserve his or her dissenters' rights, a Visalia Community Bank shareholder must make a written demand upon Visalia Community Bank for the purchase of dissenting shares and payment to the shareholder of their fair market value, specifying the number of shares held of record by the shareholder and a statement of what the shareholder claims to be the fair market value of those shares as of December 19, 2012. The demand must be addressed to Visalia Community Bank, 120 N. Floral Street, Visalia, California, 93291; Attention: Nancy Hamill, Corporate Secretary, and the demand must be received by Visalia Community Bank not later than 30 days after the date on which the written notice of approval, described below, is sent to shareholders who have not voted "FOR" approval of the merger. A vote "AGAINST" the merger does not constitute the written demand.

Notice of Approval

If the merger is approved by the Visalia Community Bank shareholders, Visalia Community Bank will have 10 days after the approval to send to those shareholders who have not voted "FOR" approval of the merger a written notice of the approval accompanied by a copy of sections 1300 through 1312 of the California Corporations Code, a statement of the price determined by Visalia Community Bank to represent the fair market value of the dissenting shares as of December 19, 2012, and a brief description of the procedure to be followed if a shareholder desires to exercise dissenters' rights. The statement of price determined by Visalia Community Bank to represent the fair market value of dissenting shares, as set forth in the notice of approval, will constitute an offer by Visalia Community Bank to purchase the dissenting shares at the stated price if the merger becomes effective and the dissenting shares do not otherwise lose their status as such.

Surrender of Certificates

Within 30 days after the date on which the notice of the approval of the merger is mailed, the dissenting shareholder must surrender to Visalia Community Bank, at the office designated in the notice of approval, both the written demand and the certificates representing the dissenting shares to be stamped or endorsed with a statement that they are dissenting shares or to be exchanged for certificates of appropriate denomination so stamped or endorsed. Any shares of Visalia Community Bank capital stock that are transferred prior to their submission for endorsement lose their status as dissenting shares.

Agreement on Price and Payment

If Visalia Community Bank and the dissenting shareholder agree that the surrendered shares are dissenting shares and agree upon the price of the shares, the dissenting shareholder will be entitled to the agreed price with interest thereon at the legal rate on judgments from the date of the agreement between Visalia Community Bank and the dissenting shareholder. Payment of the fair market value of

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the dissenting shares will be made within 30 days after the amount thereof has been agreed upon or 30 days after any statutory or contractual conditions to the merger have been satisfied, whichever is later, subject to the surrender of the certificates therefor, unless provided otherwise by agreement.

Disagreement on Price and Court Determination

If Visalia Community Bank denies that the shares surrendered are dissenting shares, or Visalia Community Bank and the dissenting shareholder fail to agree upon a fair market value of the shares of Visalia Community Bank capital stock, then the dissenting shareholder of Visalia Community Bank must, within six months after the notice of approval is mailed, file a complaint at the Superior Court of the proper county requesting the court to make the determination or intervene in any pending action brought by any other dissenting shareholder. If the complaint is not filed or intervention in a pending action is not made within the specified six-month period, the dissenters' rights are lost. If the fair market value of the dissenting shares is at issue, the court will determine, or will appoint one or more impartial appraisers to determine, the fair market value.

Withdrawal of Demand

A dissenting shareholder may not withdraw his or her dissent or demand for payment unless Visalia Community Bank consents to the withdrawal.

**Opinion of Visalia Community Bank's Financial Advisor**

FIG Partners LLC ("FIG") has delivered to the Board of Directors of Visalia Community Bank its opinion that, based upon and subject to the various considerations set forth in its written opinion dated December 19, 2012, the total merger consideration to be paid to the shareholders of Central Valley Community Bancorp is fair to the shareholders of Visalia Community Bank from a financial point of view as of such date. In requesting FIG's advice and opinion, no limitations were imposed by Visalia Community Bank upon FIG with respect to the investigations made or procedures followed by it in rendering its opinion. **The full text of the opinion of FIG, dated December 19, 2012, which describes the procedures followed, assumptions made, matters considered and limitations on the review undertaken, is attached hereto as Appendix C. Visalia Community Bank shareholders should read this opinion in its entirety.**

FIG is a nationally recognized investment banking firm and, as part of its investment banking business, is continually engaged in the valuation of financial institutions in connection with mergers and acquisitions, private placements and valuations for other purposes. As a specialist in securities of financial institutions, FIG has experience in, and knowledge of, banks, thrifts and bank and thrift holding companies. Visalia Community Bank's board of directors selected FIG to act as its financial advisor in connection with the merger on the basis of the firm's reputation and expertise in transactions such as the merger.

FIG will receive a fee from Visalia Community Bank for performing its financial advisory services in connection with the merger and rendering a written opinion to the Board of Directors of Visalia Community Bank as to the fairness, from a financial point of view, of the merger to Visalia Community Bank's shareholders; which is not at all contingent upon the consummation of the merger. Further, Visalia Community Bank has agreed to indemnify FIG against any claims or liabilities arising out of FIG's engagement by Visalia Community Bank.

**FIG's opinion is directed only to the fairness, from a financial point of view, of the total merger consideration, and, as such, does not constitute a recommendation to any Visalia Community Bank shareholder as to how the shareholder should vote at the Visalia Community Bank shareholder meeting. The summary of the opinion of FIG set forth in this proxy statement-prospectus is qualified in its entirety by reference to the full text of the opinion.**

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The following is a summary of the analyses performed by FIG in connection with its fairness opinion. Certain analyses were confirmed in a presentation to the Board of Directors of Visalia Community Bank by FIG. The summary set forth below does not purport to be a complete description of either the analyses performed by FIG in rendering its opinion or the presentation delivered by FIG to the Board of Directors of Visalia Community Bank, but it does summarize all of the material analyses performed and presented by FIG.

The preparation of a fairness opinion involves various determinations as to the most appropriate and relevant methods of financial analyses and the application of those methods to the particular circumstances. In arriving at its opinion, FIG did not attribute any particular weight to any analysis and factor considered by it, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. FIG may have given various analyses more or less weight than other analyses. Accordingly, FIG believes that its analyses and the following summary must be considered as a whole and that selecting portions of its analyses, without considering all factors could create an incomplete view of the process underlying the analyses set forth in its report to the Board of Directors of Visalia Community Bank and its fairness opinion.

In performing its analyses, FIG made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of Visalia Community Bank. The analyses performed by FIG are not necessarily indicative of actual value or actual future results, which may be significantly more or less favorable than suggested by such analyses. Such analyses were prepared solely as part of FIG's analysis of the fairness of the transaction consideration, from a financial point of view, to Visalia Community Bank shareholders. The analyses do not purport to be an appraisal or to reflect the prices at which a company might actually be sold or the prices at which any securities may trade at the present time or at any time in the future. FIG's opinion does not address the relative merits of the merger as compared to any other business combination in which Visalia Community Bank might engage. In addition, as described above, FIG's opinion to the Board of Directors of Visalia Community Bank was one of many factors taken into consideration by the Board of Directors of Visalia Community Bank in making its determination to approve the merger agreement.

During the course of its engagement, and as a basis for arriving at its opinion, FIG reviewed and analyzed material bearing upon the financial and operating conditions of Visalia Community Bank and Central Valley Community Bancorp and material prepared in connection with the merger, including, among other things, the following:

reviewed the merger agreement;

reviewed certain historical publicly available business and financial information concerning Visalia Community Bank and Central Valley Community Bancorp including among other things, quarterly and annual reports filed by the parties with the FDIC and Federal Reserve;

reviewed certain financial projections prepared by the management of Visalia Community Bank and Central Valley Community Bancorp;

reviewed filings with the Securities and Exchange Commission by Central Valley Community Bancorp and with its banking regulators by Visalia Community Bank;

certain financial projections prepared by the managements of Visalia Community Bank and Central Valley Community Bancorp;

held discussions with members of the senior management of Visalia Community Bank and Central Valley Community Bancorp for the purpose of reviewing future prospects of Visalia Community Bank and Central Valley Community Bancorp, including financial forecasts related

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to the respective businesses, earnings, assets, liabilities and the amount of and timing of cost savings (the "Synergies") expected to be achieved as a result of the merger;

reviewed the terms of recent merger and acquisition transactions, to the extent publicly available, involving banks, thrifts and bank and thrift holding companies that FIG considered relevant; and

performed such other analyses and considered such other factors as FIG deemed appropriate.

FIG conducted meetings and had discussions with members of senior management of Visalia Community Bank and Central Valley Community Bancorp for purposes of reviewing the future prospects of Visalia Community Bank and Central Valley Community Bancorp, including the financial forecasts related to the respective businesses, earnings, assets, liabilities and the amount and timing of cost savings and revenue enhancements expected to be achieved as a result of the merger. FIG also took into account its experience in other transactions, as well as its knowledge of the commercial banking industry and its general experience in securities valuations.

In rendering its opinion, FIG assumed, without independent verification, the accuracy and completeness of the publicly and non-publicly available financial and other information furnished to FIG by Visalia Community Bank and Central Valley Community Bancorp and relied upon the accuracy of the representations and warranties of the parties contained in the merger agreement. FIG also assumed that the financial forecasts furnished to or discussed with FIG by Visalia Community Bank and Central Valley Community Bancorp were reasonably prepared and reflected the best currently available estimates and judgments of senior management of Visalia Community Bank and Central Valley Community Bancorp as to the future financial performance of Visalia Community Bank. FIG has not made any independent evaluation or appraisal of any properties, assets or liabilities of Visalia Community Bank or Central Valley Community Bancorp.

**Contribution Analysis**

FIG prepared a contribution analysis showing percentages of total assets, total loans, total deposits, and tangible common equity, and net income at September 30, 2012 for Visalia Community Bank and for Central Valley Community Bancorp to be contributed to the combined company on a pro forma basis. Visalia Community Bank shareholders will receive a merger consideration of 50% stock (a total issuance of 1,262,858 shares of Central Valley Community Bancorp) and 50% cash.

	<b>Contribution To Central Valley Community Bancorp</b>
Total assets	18.4%
Total loans	23.9%
Total deposits	19.1%
Total tangible common equity	17.9%
LTM net income	2.0%
Pro forma ownership	11.6%

**Comparable Transaction Analysis**

As part of its analysis, FIG reviewed two groups of comparable merger transactions. The first peer group included transactions, which have occurred since January 1, 2011, that involved target banks located in the Western U.S. Region (AK, AZ, CA, HI, ID, MT, NV, OR, WA, WY) that had total assets from \$100 million to \$500 million (the "Comparable Transactions Western"). All consideration

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types were included. The group was also limited to bank holding companies and commercial banks and transactions where pricing was disclosed. This group consisted of the following 13 transactions:

<b>Buyer</b>	<b>St.</b>	<b>Seller</b>	<b>St.</b>
Coronado First Bank	CA	San Diego Private Bank	CA
Heartland Financial USA Inc.	IA	Heritage Bank NA	AZ
Umpqua Holdings Corp.	OR	Circle Bancorp	CA
Mission Bancorp	CA	Mojave Desert Bank NA	CA
PacWest Bancorp	CA	American Perspective Bank	CA
FNB Bancorp	CA	Oceanic Bank Holding Inc.	CA
SKBHC Holdings LLC	WA	Security Business Bancorp	CA
Bank of Commerce	ID	State Bank & Trust Co	MT
Grandpoint Capital Inc.	CA	California Community Bank	CA
California United Bank	CA	Premier Commercial Bancorp	CA
First PacTrust Bancorp Inc.	CA	Beach Bus. Bank	CA
First PacTrust Bancorp Inc.	CA	Gateway Bancorp	CA
Grandpoint Capital Inc.	CA	Orange Community Bancorp	CA

In addition, FIG also reviewed comparable transactions which have occurred since January 1, 2012, that involved target banks located throughout the United States that had total assets of \$100 million to \$300 million (the "Comparable Transactions National"). All consideration types were included. The group was also limited to bank holding companies and commercial banks and transactions where pricing was disclosed. This group consisted of the following 27 transactions:

<b>Buyer</b>	<b>St.</b>	<b>Seller</b>	<b>St.</b>
Coronado First Bank	CA	San Diego Private Bank	CA
Heartland Financial USA Inc.	IA	Heritage Bank NA	AZ
LCNB Corp.	OH	First Capital Bancshares Inc.	OH
Bank of the Ozarks Inc.	AR	Genala Banc Inc.	AL
CapStone Bank	NC	Patriot State Bk	NC
Customers Bancorp Inc	PA	CMS Bancorp Inc.	NY
Morrill Bancshares Inc.	KS	JTB Bancshares Inc.	KS
Overton Financial Corporation	TX	First National Bank of Canton	TX
New Hampshire Thrift Bncshrs	NH	Nashua Bank	NH
Heartland Financial USA Inc.	IA	First Shares Inc.	WI
American Bancorp. Inc.	OK	Osage Bancshares Inc.	OK
Mission Bancorp	CA	Mojave Desert Bank NA	CA
Educational Svcs of Am Inc.	TN	SouthEast Bancshares Inc.	TN
Ohio Farmers Insurance Co.	OH	Western Reserve Bancorp	OH
PacWest Bancorp	CA	American Perspective Bank	CA
Prosperity Bancshares Inc.	TX	Community National Bank	TX
FVNB Corp.	TX	First State Bank	TX
S&T Bancorp Inc.	PA	Gateway Bank of Pennsylvania	PA
FNB Bancorp	CA	Oceanic Bank Holding Inc.	CA
SKBHC Holdings LLC	WA	Security Business Bancorp	CA
Commerce Bancshares Corp.	MA	Mercantile Capital Corp	MA
PSB Holdings Inc.	WI	Marathon State Bank	WI
Bank of Commerce	ID	State Bank & Trust Co	MT
First Community Bancshares Inc	VA	Peoples Bank of Virginia	VA
Horizon Bancorp	IN	Heartland Bancshares	IN
Center Bancorp Inc.	NJ	Saddle River Valley Bank	NJ
Grandpoint Capital Inc.	CA	California Community Bank	CA

FIG calculated the medians and averages of the following relevant transaction ratios in the Comparable Transactions U.S. Western Region and the Comparable Transactions National: the

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percentage of the offer value to the acquired company's total assets, the multiple of the offer value to the acquired company's stated book value; the multiple of the offer value to the acquired company's tangible book value; and the tangible book value premium to core deposits. FIG compared these multiples with the corresponding multiples for the merger, valuing the total consideration that would be received pursuant to the merger agreement at approximately \$22.1 million, or \$52.20 per Visalia Community Bank diluted share. In calculating the multiples for the merger, FIG used Visalia Community Bank stated book value, tangible book value per share, total assets, and total core deposits as of September 30, 2012. The results of this analysis are as follows:

	Stated Book Value (%)	Offer Value to Tangible Book Value (%)	LTM Earnings (x)	Core Deposit Premium (%)
Visalia Community Bank	117.4	117.4	NM	2.1
Transaction Western Median	118.3	118.7	27.1	2.44
Transactions Western Average	118.7	112.2	25.1	1.36
Transactions National Median	118.3	122.0	19.5	2.70
Transaction National Average	118.9	118.7	22.1	2.87

**Discounted Cash Flow Analysis**

FIG estimated the present value of all shares of Visalia Community Bank common stock by estimating the value of Visalia Community Bank's estimated future earnings stream beginning in 2012. Reflecting internal projections and FIG estimates based upon discussion with both Visalia Community Bank and Central Valley Community Bank, FIG assumed net income in 2012, 2013, 2014, 2015, and 2016 of \$271 million, \$616 million, \$894 million, \$1,383 million, and \$1,907 million, respectively. The present value of these earnings was calculated based on a range of discount rates of 13.0%, 14.0%, and 15.0%, respectively. In order to derive the terminal value of Visalia Community Bank's earnings stream beyond 2016, FIG performed two separate analyses: 1) an acquisition in 2016 at 16.0 times estimated earnings in the terminal year; and 2) an acquisition in 2016 at 1.35 times estimated tangible book value in the terminal year. The present value of these terminal amounts was then calculated based on the range of discount rates mentioned above. These rates and values were chosen to reflect different assumptions regarding the required rates of return of holders or prospective buyers of Visalia Community Bank's common stock. The two analyses and the underlying assumptions yielded a range of value for all the shares of Visalia Community Bank's stock of approximately 1) \$34.82 per share to \$48.23 per share; and 2) \$35.46 per share to \$51.50 per share compared to the merger consideration of approximately \$52.00 per share.

**Franchise Valuation**

FIG estimated the value of Visalia Community Bank's franchise through a build up methodology based on a deposit premium, credit mark and capital mark based analysis. The methodology begins with Visalia Community Bank's tier 1 tangible common capital of \$16.3 million. From the tier 1 common capital number, a credit mark is subtracted which is based on a loan credit mark of 3.0% and an OREO credit mark of 25%, totaling \$541 million (net of taxes and reserves). A capital mark is also subtracted from the tier 1 common capital figure if tier 1 common capital is less than 8%. This was not the case for Visalia Community Bank and therefore, no subtraction was made for the capital mark. After a credit mark and capital mark has been applied to tier 1 common capital, a deposit premium is applied based on deposit premiums for noninterest bearing deposits of 6.0%, NOW accounts of 3.0% and MMDA and savings accounts of 2.0%. The total deposit premium calculated was \$5.2 million. Therefore, the total indicated franchise valuation was \$20.9 million, which indicated a value of \$49.46 per share.

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**Based upon the foregoing analyses and other investigations and assumptions set forth in its opinion, without giving specific weightings to any one factor or comparison, FIG determined that the merger consideration was fair, from a financial point of view, to Visalia Community Bank shareholders.**

FIG acted as Visalia Community Bank's financial advisor in connection with the merger and has received, or will receive, fees from Visalia Community Bank as follows: (i) a non-refundable \$25,000 retainer fee at the time that FIG was engaged as its financial advisor; (ii) a non-refundable fee of \$50,000 in connection with rendering its fairness opinion in connection with the merger payable at the time the merger agreement was executed and (iii) a fee payable in the event the merger is consummated equal to 1.25% of the aggregate merger consideration if the transaction is completed at a price of up to \$51.99 per share for each share of Visalia Community Bank common stock or a fee equal to 1.50% of the aggregate merger consideration if the transaction is completed at a price greater than \$52.00 per share for each share of Visalia Community Bank common stock. Visalia Community Bank has also agreed to reimburse FIG for reasonable out-of-pocket expenses incurred in connection with its engagement and to indemnify FIG and its affiliates and their respective partners, directors, officers, employees and agents against certain expenses and liabilities, including liabilities under the securities laws.

Other than as noted above, Visalia Community Bank has had no material relationship with FIG or Sandler O'Neill in the last two years. Other than the fees associated with the contemplated transaction as noted above, Visalia Community Bank has not paid any fees or other compensation to FIG or Sandler O'Neill in the last two years.

**Opinion of Central Valley Community Bancorp Financial Advisor**

By letter dated December 11, 2012, Central Valley Community Bancorp retained Sandler O'Neill & Partners, L.P., or Sandler O'Neill, to issue a fairness opinion to Central Valley Community Bancorp's board of directors in connection with the board's consideration of a possible business combination with Visalia Community Bank. Sandler O'Neill is a nationally recognized investment banking firm whose principal business specialty is financial institutions. In the ordinary course of its investment banking business, Sandler O'Neill is regularly engaged in the valuation of financial institutions and their securities in connection with mergers and acquisitions and other corporate transactions. Sandler O'Neill was paid \$100,000 for its services. Central Valley Community Bancorp also agreed to indemnify Sandler O'Neill and its affiliates and their respective partners, directors, officers, employees and agents against certain expenses and liabilities, including liabilities under the securities laws. Central Valley Community Bancorp has had no other material relationship with, or paid fees to, FIG or Sandler O'Neill in the two years prior to the negotiation of the merger agreement, other than the payment of a \$15,000 by Central Valley Community Bancorp to Sandler O'Neil in September 2011 for services in connection with the repurchase by Central Valley Community Bancorp of common stock warrants issued to the U.S. Treasury in connection with the TARP program.

Sandler O'Neill provided a fairness opinion to the Central Valley Community Bancorp board of directors in connection with the proposed transaction. At the December 19, 2012 meeting at which Central Valley Community Bancorp's board of directors considered and approved the merger agreement, Sandler O'Neill delivered to the board its oral opinion, which was subsequently confirmed in writing, that, as of such date, the merger consideration was fair to Central Valley Community Bancorp from a financial point of view.

**The full text of Sandler O'Neill's opinion is attached as Appendix D to this proxy statement/prospectus. The opinion outlines the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by Sandler O'Neill in rendering its opinion. The description of the opinion set forth below is qualified in its entirety by reference to the full text of**



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**the opinion. Holders of Central Valley Community Bancorp common stock are urged to read the entire opinion carefully in connection with their consideration of the proposed merger.**

**Sandler O'Neill's opinion speaks only as of the date of the opinion. The opinion was directed to Central Valley Community Bancorp's board and is directed only to the fairness of the merger consideration to Central Valley Community Bancorp from a financial point of view. It does not address the underlying business decision of Central Valley Community Bancorp to engage in the merger or any other aspect of the merger and is not a recommendation to any holder of Central Valley Community Bancorp common stock as to how such holder of Central Valley Community Bancorp common stock should vote at the special meeting with respect to the merger or any other matter.**

In connection with rendering its opinion dated December 19, 2012, Sandler O'Neill reviewed, among other things:

the Agreement;

certain publicly available financial statements and other historical financial information of Central Valley Community Bancorp that Sandler O'Neill deemed relevant;

certain publicly available financial statements and other historical financial information of Visalia Community Bank that Sandler O'Neill deemed relevant;

publicly available consensus earnings estimates for Central Valley Community Bancorp for the quarter ending December 31, 2012, the year ended December 31, 2013 and financial projections for the years thereafter through 2017 determined based on discussions with senior management of Central Valley Community Bancorp;

financial projections for Visalia Community Bank for the years ending December 31, 2012 through 2017 based on discussions with senior management of Visalia Community Bank and as adjusted based on discussions with senior management of Central Valley Community Bancorp;

the pro forma financial impact of the Merger on Central Valley Community Bancorp based on assumptions relating to transaction expenses, purchase accounting adjustments, cost savings and other synergies as determined by the senior management of Central Valley Community Bancorp;

a comparison of certain financial information for Central Valley Community Bancorp and Visalia Community Bank with similar institutions for which publicly available information is available;

the financial terms of certain recent business combinations in the commercial banking industry, to the extent publicly available;

the current market environment generally and the banking environment in particular; and

such other information, financial studies, analyses and investigations and financial, economic and market criteria as Sandler O'Neill considered relevant.

Sandler O'Neill also discussed with certain members of senior management of Central Valley Community Bancorp the business, financial condition, results of operations and prospects of Central Valley Community Bancorp and held similar discussions with certain members of senior management of Visalia Community Bank regarding the business, financial condition, results of operations and prospects of Visalia Community Bank.

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In performing its reviews and analyses and in rendering its opinion, Sandler O'Neill relied upon the accuracy and completeness of all of the financial and other information that was available to Sandler O'Neill from public sources, that was provided to Sandler O'Neill by Central Valley Community Bancorp or Visalia Community Bank or their respective representatives or that was otherwise reviewed by Sandler O'Neill. Sandler O'Neill further relied on the assurances of the respective managements of Central Valley Community Bancorp and Visalia Community Bank that they

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are not aware of any facts or circumstances that would make any of such information inaccurate or misleading. Sandler O'Neill was not asked to and has not undertaken an independent verification of any of such information and Sandler O'Neill does not assume any responsibility or liability for the accuracy or completeness thereof. Sandler O'Neill did not make an independent evaluation or appraisal of the specific assets, the collateral securing assets or the liabilities (contingent or otherwise) of Central Valley Community Bancorp and Visalia Community Bank or any of their respective subsidiaries. Sandler O'Neill did not render an opinion or evaluation on the collectability of any assets or the future performance of any loans of Central Valley Community Bancorp and Visalia Community Bank. Sandler O'Neill did not make an independent evaluation of the adequacy of the allowance for loan losses of Central Valley Community Bancorp and Visalia Community Bank, or the combined entity after the Merger and Sandler O'Neill did not review any individual credit files relating to Central Valley Community Bancorp and Visalia Community Bank. Sandler O'Neill assumed that the respective allowances for loan losses for both Central Valley Community Bancorp and Visalia Community Bank are adequate to cover such losses and will be adequate on a pro forma basis for the combined entity.

With respect to the publicly available consensus earnings estimates and long-term growth rates for Central Valley Community Bancorp as discussed with senior management of Central Valley Community Bancorp and projections for Visalia Community Bank as discussed with senior management of Visalia Community Bank and as adjusted based on discussions with senior management of Central Valley Community Bancorp, the respective managements of Central Valley Community Bancorp and Visalia Community Bank confirmed to Sandler O'Neill that those projections, estimates and judgments reflected the best currently available estimates and judgments of those respective managements of the future financial performance of Central Valley Community Bancorp and Visalia Community Bank, respectively, and Sandler O'Neill assumed that such performance would be achieved. With respect to the projections of transaction costs, purchase accounting adjustments, expected cost savings and other synergies which were prepared by and/or reviewed with the senior management of Central Valley Community Bancorp, such management confirmed that they reflected the best currently available estimates. Sandler O'Neill expressed no opinion as to such estimates or the assumptions on which they are based. Sandler O'Neill also assumed that there has been no material change in Central Valley Community Bancorp' and Visalia Community Bank's assets, financial condition, results of operations, business or prospects since the date of the most recent financial statements made available to Sandler O'Neill.

Sandler O'Neill assumed in all respects material to its analysis that Central Valley Community Bancorp and Visalia Community Bank will remain as going concerns for all periods relevant to Sandler O'Neill's analyses, that all of the representations and warranties contained in the Agreement and all related agreements are true and correct, that each party to the agreements will perform all of the covenants required to be performed by such party under the agreements, that the conditions precedent in the Agreement are not waived and that the Merger will qualify as a tax-free reorganization for federal income tax purposes. Finally, Sandler O'Neill relied upon the advice Central Valley Community Bancorp has received from its legal, accounting and tax advisors as to all legal, accounting and tax matters relating to the Merger and the other transactions contemplated by the Agreement.

Sandler O'Neill's opinion is necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to Sandler O'Neill as of, the date of its opinion. Events occurring after the date thereof could materially affect its opinion. Sandler O'Neill has not undertaken to update, revise, reaffirm or withdraw its opinion or otherwise comment upon events occurring after the date of its opinion.

In rendering its fairness opinion, Sandler O'Neill performed a variety of financial analyses. The following is a summary of the material analyses performed by Sandler O'Neill, but is not a complete description of all the analyses underlying Sandler O'Neill's opinion. The summary includes information presented in tabular format. **In order to fully understand the financial analyses, these tables must be**

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**read together with the accompanying text. The tables alone do not constitute a complete description of the financial analyses.** The preparation of a fairness opinion is a complex process involving subjective judgments as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. The process, therefore, is not necessarily susceptible to a partial analysis or summary description. Sandler O'Neill believes that its analyses must be considered as a whole and that selecting portions of the factors and analyses to be considered without considering all factors and analyses, or attempting to ascribe relative weights to some or all such factors and analyses, could create an incomplete view of the evaluation process underlying its opinion. Also, no company included in Sandler O'Neill's comparative analyses described below is identical to Central Valley Community Bancorp or Visalia Community Bank and no transaction is identical to the merger. Accordingly, an analysis of comparable companies or transactions involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies and other factors that could affect the public trading values or merger transaction values, as the case may be, of Central Valley Community Bancorp and Visalia Community Bank and the companies to which they are being compared.

In performing its analyses, Sandler O'Neill also made numerous assumptions with respect to industry performance, business and economic conditions and various other matters, many of which cannot be predicted and are beyond the control of Central Valley Community Bancorp, Visalia Community Bank and Sandler O'Neill. The analyses performed by Sandler O'Neill are not necessarily indicative of actual values or future results, both of which may be significantly more or less favorable than suggested by such analyses. Sandler O'Neill prepared its analyses solely for purposes of rendering its opinion and provided such analyses to the Central Valley Community Bancorp board of directors at the board of directors' December 19, 2012 meeting. Estimates on the values of companies do not purport to be appraisals or necessarily reflect the prices at which companies or their securities may actually be sold. Such estimates are inherently subject to uncertainty and actual values may be materially different. Accordingly, Sandler O'Neill's analyses do not necessarily reflect the value of Central Valley Community Bancorp's or Visalia Community Bank's common stock or the prices at which Central Valley Community Bancorp's or Visalia Community Bank's common stock may be sold at any time. The analyses of Sandler O'Neill and its opinion were among a number of factors taken into consideration by Central Valley Community Bancorp's board of directors in making its determination to approve of Central Valley Community Bancorp's entry into the merger agreement and the analyses described below should not be viewed as determinative of the decision of Central Valley Community Bancorp's board of directors or management with respect to the fairness of the merger.

In arriving at its opinion Sandler O'Neill did not attribute any particular weight to any analysis or factor that it considered. Rather, it made qualitative judgments as to the significance and relevance of each analysis and factor. Sandler O'Neill did not form an opinion as to whether any individual analysis or factor (positive or negative) considered in isolation supported or failed to support its opinions; rather, Sandler O'Neill made its determination as to the fairness of the merger consideration on the basis of its experience and professional judgment after considering the results of all its analyses taken as a whole.

**Summary of Proposal**

Sandler O'Neill reviewed the financial terms of the proposed transaction. As described in the merger agreement, Visalia Community Bank stockholders will have the right to receive consideration consisting of a fixed cash consideration equal to \$11.05 million plus a fixed number of shares of Central Valley Community Bancorp common stock equal to 1,262,858. Based upon the \$8.09 closing price for Central Valley Community Bancorp common stock as of December 18, 2012, Sandler O'Neill calculated an implied aggregate transaction value of \$21.27 million(1). Based upon financial information as or for

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the twelve month period ended September 30, 2012 and Central Valley Community Bancorp closing stock price as of December 18, 2012, Sandler O'Neill calculated the following transaction ratios:

Transaction Value / Stated Book Value:	111%
Transaction Value / Stated Tangible Book Value:	111%
Transaction Value / Book Value with Conversion(2):	113%
Transaction Value / Tangible Book Value with Conversion(2):	113%
Transaction Value / Last Twelve Months' Earnings Per Share:	NM
Tangible Book Premium to Core Deposits(3):	1.6%
Transaction Value / Visalia Community Bank Stock Price (Dec. 18, 2012):	161.4%

- (1) Based on total common shares of 425,009 upon full conversion of Visalia Community Bank Series B Preferred Stock
- (2) Pro forma for full conversion of Visalia Community Bank Series B Preferred Stock
- (3) Tangible book premium to core deposits = (Deal Value-Tangible Common Equity) / (Core Deposits)

### **Central Valley Community Bancorp Comparable Company Analysis**

Sandler O'Neill used publicly available information to compare selected financial information for Central Valley Community Bancorp and a group of financial institutions as selected by Sandler O'Neill. The Central Valley Community Bancorp peer group consisted of publicly-traded banks headquartered in Amador, Calaveras, Fresno, Kern, Kings, Madera, Mariposa, Merced, Sacramento, San Joaquin, Stanislaus, Tulare, or Tuolumne counties with assets as of the most recently reported period greater than \$300 million. The group excluded thrifts, merger targets and industrial loan companies.

Farmers & Merchants Bancorp	American River Bankshares
Sierra Bancorp	Premier Valley Bank
River City Bank	Greater Sacramento Bancorp
United Security Bancshares	Valley Commerce Bancorp
Oak Valley Bancorp	

The analysis compared publicly available financial information for Central Valley Community Bancorp and the mean and median financial and market trading data for the Central Valley Community Bancorp peer group as of or for the most recently reported period with pricing data as of December 18, 2012. The table below sets forth the data for Central Valley Community Bancorp and the mean and median data for the Central Valley Community Bancorp peer group.

Table of Contents**Comparable Company Analysis**

	<b>Central Valley Community Bancorp</b>	<b>Comparable Group Mean</b>	<b>Comparable Group Median</b>
Total Assets (in millions)	\$888	\$843	\$628
Last Twelve Months' Cost of Deposits	0.27%	0.30%	0.32%
Last Twelve Months' Net Interest Margin	4.35%	4.16%	4.23%
Last Twelve Months' Noninterest Expense divided by Average Assets	3.22%	2.89%	2.81%
Last Twelve Months' Return on Average Assets	0.90%	0.81%	0.97%
Last Twelve Months' Return on Average Tangible Equity	8.87%	7.74%	8.33%
Non-Performing Assets / Total Assets	2.00%	3.12%	2.23%
Texas Ratio	18.43%	25.51%	17.89%
Tangible Equity / Tangible Assets	9.99%	10.74%	10.88%
Tier 1 Leverage Ratio	10.78%	11.12%	10.87%
Market Capitalization (in millions)	\$78	\$94	\$61
Price / Tangible Book Value	90%	95%	88%
Price / Last Twelve Months' Earnings Per Share	10.6x	15.1x	13.5x
Price / Estimated 2013 Earnings Per Share	11.1x	16.1x	16.1x
Price / Estimated 2014 Earnings Per Share	NA	11.4x	11.4x
Dividend Yield	0.6%	1.6%	0.6%
Three-Month Total Stock Return	0.2%	1.2%	0.2%
One-Year Total Stock Return	47.9%	24.7%	15.9%

**Visalia Community Bank Comparable Company Analysis**

Sandler O'Neill used publicly available information to compare selected financial information for Visalia Community Bank and a group of financial institutions as selected by Sandler O'Neill. The Visalia Community Bank peer group consisted of publicly-traded banks headquartered in Kern, Tulare, Kings, and Fresno counties with assets as of the most recently reported period greater than \$100 million. The group excluded thrifts, merger targets and industrial loan companies.

Sierra Bancorp	Valley Republic Bank
Central Valley Community Bancorp	Mission Bancorp
United Security Bancshares	Fresno First Bank
Premier Valley Bank	Suncrest Bank
Valley Commerce Bancorp	

The analysis compared publicly available financial information for Visalia Community Bank and the mean and median financial and market trading data for the Visalia Community Bank peer group as of or for the most recently reported period with pricing data as of December 18, 2012. The table below sets forth the data for Visalia Community Bank and the mean and median data for the Visalia Community Bank peer group.

Table of Contents**Comparable Company Analysis**

	<b>Visalia Community Bank</b>	<b>Comparable Group Mean</b>	<b>Comparable Group Median</b>
Total Assets (in millions)	\$200	\$525	\$340
Last Twelve Months' Cost of Deposits	0.20%	0.31%	0.32%
Last Twelve Months' Net Interest Margin	3.94%	4.09%	4.28%
Last Twelve Months' Noninterest Expense divided by Average Assets	4.11%	3.11%	3.20%
Last Twelve Months' Return on Average Assets	0.08%	0.69%	0.77%
Last Twelve Months' Return on Average Tangible Equity	0.84%	6.43%	7.01%
Non-Performing Assets / Total Assets	3.00%	2.65%	2.21%
Texas Ratio	29.70%	22.73%	18.43%
Tangible Equity / Tangible Assets	8.59%	10.68%	10.88%
Tier 1 Leverage Ratio	9.03%	11.57%	11.20%
Market Capitalization (in millions)	\$12	\$53	\$35
Price / Tangible Book Value	68%	100%	94%
Price / Last Twelve Months' Earnings Per Share	NM	21.3x	15.8x
Price / Estimated 2013 Earnings Per Share	NA	12.7x	12.7x
Price / Estimated 2014 Earnings Per Share	NA	11.4x	11.4x
Dividend Yield	0.0%	1.2%	0.0%
Three-Month Total Return	0.0%	1.9%	0.2%
One-Year Total Return	1.6%	27.1%	18.9%

**Central Valley Community Bancorp Stock Price Performance**

Sandler O'Neill reviewed the history of the publicly reported trading prices of Central Valley Community Bancorp's common stock for the one-year and three-year periods ended December 18, 2012. Sandler O'Neill then compared the relationship between the movements in the price of Central Valley Community Bancorp's common stock against the movements in the prices of Central Valley Community Bancorp's peer group (as described on page 60), S&P 500 Index and NASDAQ Bank Index.

**Central Valley Community Bancorp's One-Year Stock Performance**

	<b>Beginning Index Value December 16, 2011</b>	<b>Ending Index Value December 18, 2012</b>
Central Valley Community Bancorp	100%	147%
Central Valley Community Bancorp Peer Group	100%	116%
S&P 500 Index	100%	119%
NASDAQ Bank Index	100%	120%

**Central Valley Community Bancorp's Three-Year Stock Performance**

	<b>Beginning Index Value December 18, 2009</b>	<b>Ending Index Value December 18, 2012</b>
Central Valley Community Bancorp	100%	147%
Central Valley Community Bancorp Peer Group	100%	124%
S&P 500 Index	100%	131%
NASDAQ Bank Index	100%	115%

Table of Contents**Visalia Community Bank Stock Price Performance**

Sandler O'Neill reviewed the history of the publicly reported trading prices of Visalia Community Bank's common stock for the one-year period ended December 18, 2012. Sandler O'Neill then compared the relationship between the movements in the price of Visalia Community Bank's common stock against the movements in the prices of Visalia Community Bank's peer group (as described on page 60), S&P 500 Index and NASDAQ Bank Index.

**Visalia Community Bank's One Year Stock Performance**

	Beginning Index Value December 16, 2011	Ending Index Value December 18, 2012
Visalia Community Bank	100%	102%
Visalia Community Bank Peer Group	100%	121%
S&P 500 Index	100%	119%
NASDAQ Bank Index	100%	120%

**Central Valley Community Bancorp Net Present Value Analysis**

Sandler O'Neill performed an analysis that estimated the net present value per share of Central Valley Community Bancorp common stock under various circumstances. The analysis assumed that Central Valley Community Bancorp performed in accordance with the publicly available consensus earnings estimates for Central Valley Community Bancorp for the quarter ending December 31, 2012, the year ended December 31, 2013 and financial projections for the years thereafter through 2017 based on discussions with senior management of Central Valley Community Bancorp.

To approximate the terminal value of Central Valley Community Bancorp common stock at December 31, 2016, Sandler O'Neill applied price to earnings multiples ranging from 8.0x to 18.0x and multiples of tangible book value ranging from 50% to 175%. The terminal values were then discounted to present values using different discount rates ranging from 9.0% to 15.0% chosen to reflect different assumptions regarding required rates of return of holders for prospective buyers of Central Valley Community Bancorp's common stock.

During the Central Valley Community Bancorp board of directors' meeting on December 19, 2012, Sandler O'Neill noted that the terminal value analysis is a widely used valuation methodology, but the results of such methodology are highly dependent upon the numerous assumptions that must be made, and the results thereof are not necessarily indicative of actual values or future results.

As illustrated in the following tables, the analysis indicates an imputed range of values per share of Central Valley Community Bancorp common stock of \$4.50 to \$11.71 when applying multiples of earnings to the applicable amounts indicated in the Central Valley Community Bancorp projections and \$3.82 to \$14.84 when applying multiples of tangible book value to the applicable amounts indicated in the Central Valley Community Bancorp projections.



Table of Contents**Earnings Per Share Multiples**

<b>Discount Rate</b>	<b>8.0x</b>	<b>10.0x</b>	<b>12.0x</b>	<b>14.0x</b>	<b>16.0x</b>	<b>18.0x</b>
9.0%	\$ 5.58	\$ 6.81	\$ 8.03	\$ 9.26	\$ 10.49	\$ 11.71
10.0%	\$ 5.38	\$ 6.56	\$ 7.74	\$ 8.92	\$ 10.10	\$ 11.28
11.0%	\$ 5.19	\$ 6.32	\$ 7.46	\$ 8.59	\$ 9.73	\$ 10.86
12.0%	\$ 5.00	\$ 6.10	\$ 7.19	\$ 8.28	\$ 9.37	\$ 10.47
13.0%	\$ 4.83	\$ 5.88	\$ 6.93	\$ 7.98	\$ 9.04	\$ 10.09
14.0%	\$ 4.66	\$ 5.67	\$ 6.69	\$ 7.70	\$ 8.71	\$ 9.73
15.0%	\$ 4.50	\$ 5.48	\$ 6.45	\$ 7.43	\$ 8.41	\$ 9.38

**Tangible Book Value Multiples**

<b>Discount Rate</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>	<b>125%</b>	<b>150%</b>	<b>175%</b>
9.0%	\$ 4.73	\$ 6.75	\$ 8.77	\$ 10.80	\$ 12.82	\$ 14.84
10.0%	\$ 4.56	\$ 6.50	\$ 8.45	\$ 10.40	\$ 12.34	\$ 14.29
11.0%	\$ 4.40	\$ 6.27	\$ 8.14	\$ 10.01	\$ 11.89	\$ 13.76
12.0%	\$ 4.24	\$ 6.05	\$ 7.85	\$ 9.65	\$ 11.45	\$ 13.25
13.0%	\$ 4.10	\$ 5.83	\$ 7.57	\$ 9.30	\$ 11.04	\$ 12.77
14.0%	\$ 3.96	\$ 5.63	\$ 7.30	\$ 8.97	\$ 10.64	\$ 12.31
15.0%	\$ 3.82	\$ 5.43	\$ 7.04	\$ 8.65	\$ 10.26	\$ 11.87

Sandler O'Neill also considered and discussed with the Central Valley Community Bancorp board of directors how this analysis would be affected by changes in the underlying assumptions, including variations with respect to net income. To illustrate this impact, Sandler O'Neill performed a similar analysis assuming Central Valley Community Bancorp net income varied from 25% above projections to 25% below projections. This analysis resulted in the following range of per share values for Central Valley Community Bancorp common stock, using the same price to earnings multiples of 8.0x to 18.0x and a discount rate of 13.63%.

**Earnings Per Share Multiples**

<b>Annual Budget Variance</b>	<b>8.0x</b>	<b>10.0x</b>	<b>12.0x</b>	<b>14.0x</b>	<b>16.0x</b>	<b>18.0x</b>
(25.0%)	\$ 3.69	\$ 4.46	\$ 5.23	\$ 6.01	\$ 6.78	\$ 7.55
(20.0%)	\$ 3.90	\$ 4.72	\$ 5.54	\$ 6.37	\$ 7.19	\$ 8.01
(15.0%)	\$ 4.10	\$ 4.98	\$ 5.85	\$ 6.73	\$ 7.60	\$ 8.47
(10.0%)	\$ 4.31	\$ 5.23	\$ 6.16	\$ 7.09	\$ 8.01	\$ 8.94
(5.0%)	\$ 4.52	\$ 5.49	\$ 6.47	\$ 7.44	\$ 8.42	\$ 9.40
0.0%	\$ 4.72	\$ 5.75	\$ 6.78	\$ 7.80	\$ 8.83	\$ 9.86
5.0%	\$ 4.93	\$ 6.01	\$ 7.09	\$ 8.16	\$ 9.24	\$ 10.32
10.0%	\$ 5.13	\$ 6.26	\$ 7.39	\$ 8.52	\$ 9.65	\$ 10.79
15.0%	\$ 5.34	\$ 6.52	\$ 7.70	\$ 8.88	\$ 10.07	\$ 11.25
20.0%	\$ 5.54	\$ 6.78	\$ 8.01	\$ 9.24	\$ 10.48	\$ 11.71
25.0%	\$ 5.75	\$ 7.03	\$ 8.32	\$ 9.60	\$ 10.89	\$ 12.17

Table of Contents**Visalia Community Bank Net Present Value Analysis**

Sandler O'Neill also performed an analysis that estimated the net present value per share of Visalia Community Bank common stock under various circumstances. The analysis assumed that Visalia Community Bank performed in accordance with financial projections for Visalia Community Bank for the years ending December 31, 2012 through 2017 based on discussions with senior management of Visalia Community Bank and as adjusted based on discussions with senior management of Central Valley Community Bancorp.

To approximate the terminal value of Visalia Community Bank common stock at December 31, 2016, Sandler O'Neill applied price to earnings multiples ranging from 8.0x to 18.0x and multiples of tangible book value ranging from 50% to 175%. The terminal values were then discounted to present values using different discount rates ranging from 9.0% to 15.0% chosen to reflect different assumptions regarding required rates of return of holders for prospective buyers of Visalia Community Bank's common stock.

At the December 19, 2012 Central Valley Community Bancorp board of directors meeting, Sandler O'Neill noted that the net present value analysis is a widely used valuation methodology, but the results of such methodology are highly dependent upon the numerous assumptions that must be made, and the results thereof are not necessarily indicative of actual values or future results.

As illustrated in the following tables, the analysis indicates an imputed range of values per share of Visalia Community Bank common stock of \$4.57 to \$12.92 when applying earnings multiples to the applicable amounts indicated in the Visalia Community Bank projections and \$13.66 to \$60.05 when applying multiples of tangible book value to the applicable amounts indicated in the Visalia Community Bank projections.

**Earnings Per Share Multiples**

Discount Rate	8.0x	10.0x	12.0x	14.0x	16.0x	18.0x
9.0%	\$ 5.74	\$ 7.18	\$ 8.61	\$ 10.05	\$ 11.49	\$ 12.92
10.0%	\$ 5.52	\$ 6.91	\$ 8.29	\$ 9.67	\$ 11.05	\$ 12.43
11.0%	\$ 5.32	\$ 6.64	\$ 7.97	\$ 9.30	\$ 10.63	\$ 11.96
12.0%	\$ 5.12	\$ 6.40	\$ 7.68	\$ 8.96	\$ 10.23	\$ 11.51
13.0%	\$ 4.93	\$ 6.16	\$ 7.39	\$ 8.62	\$ 9.85	\$ 11.09
14.0%	\$ 4.75	\$ 5.93	\$ 7.12	\$ 8.31	\$ 9.49	\$ 10.68
15.0%	\$ 4.57	\$ 5.72	\$ 6.86	\$ 8.00	\$ 9.15	\$ 10.29

**Tangible Book Value Multiples**

Discount Rate	50%	75%	100%	125%	150%	175%
9.0%	\$ 17.16	\$ 25.74	\$ 34.32	\$ 42.89	\$ 51.47	\$ 60.05
10.0%	\$ 16.50	\$ 24.76	\$ 33.01	\$ 41.26	\$ 49.51	\$ 57.77
11.0%	\$ 15.88	\$ 23.82	\$ 31.76	\$ 39.70	\$ 47.65	\$ 55.59
12.0%	\$ 15.29	\$ 22.93	\$ 30.58	\$ 38.22	\$ 45.86	\$ 53.51
13.0%	\$ 14.72	\$ 22.08	\$ 29.44	\$ 36.80	\$ 44.16	\$ 51.52
14.0%	\$ 14.18	\$ 21.27	\$ 28.36	\$ 35.45	\$ 42.54	\$ 49.63
15.0%	\$ 13.66	\$ 20.49	\$ 27.33	\$ 34.16	\$ 40.99	\$ 47.82

Sandler O'Neill also considered and discussed with the Central Valley Community Bancorp board of directors how this analysis would be affected by changes in the underlying assumptions, including variations with respect to net income and the incorporation of the deal-related cost savings anticipated by the senior management of Central Valley Community Bancorp. To illustrate the impact of variations

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with respect to net income, Sandler O'Neill performed a similar analysis assuming Visalia Community Bank net income varied from 25% above projections to 25% below projections. This analysis resulted in the following range of per share values for Visalia Community Bank common stock, using the same price to earnings multiples of 8.0x to 18.0x and a discount rate of 13.63%:

#### Earnings Per Share Multiples

Annual Budget Variance	8.0x	10.0x	12.0x	14.0x	16.0x	18.0x
(25.0%)	\$ 3.61	\$ 4.51	\$ 5.41	\$ 6.32	\$ 7.22	\$ 8.12
(20.0%)	\$ 3.85	\$ 4.81	\$ 5.77	\$ 6.74	\$ 7.70	\$ 8.66
(15.0%)	\$ 4.09	\$ 5.11	\$ 6.14	\$ 7.16	\$ 8.18	\$ 9.20
(10.0%)	\$ 4.33	\$ 5.41	\$ 6.50	\$ 7.58	\$ 8.66	\$ 9.75
(5.0%)	\$ 4.57	\$ 5.71	\$ 6.86	\$ 8.00	\$ 9.14	\$ 10.29
0.0%	\$ 4.81	\$ 6.02	\$ 7.22	\$ 8.42	\$ 9.62	\$ 10.83
5.0%	\$ 5.05	\$ 6.32	\$ 7.58	\$ 8.84	\$ 10.11	\$ 11.37
10.0%	\$ 5.29	\$ 6.62	\$ 7.94	\$ 9.26	\$ 10.59	\$ 11.91
15.0%	\$ 5.53	\$ 6.92	\$ 8.30	\$ 9.68	\$ 11.07	\$ 12.45
20.0%	\$ 5.77	\$ 7.22	\$ 8.66	\$ 10.11	\$ 11.55	\$ 12.99
25.0%	\$ 6.02	\$ 7.52	\$ 9.02	\$ 10.53	\$ 12.03	\$ 13.53

To illustrate the impact of incorporating the deal-related cost savings anticipated by the senior management of Central Valley Community Bancorp, Sandler O'Neill performed the same analyses described above with the incorporation of the deal-related cost savings anticipated by the senior management of Central Valley Community Bancorp. As illustrated in the following tables, the analysis indicates an imputed range of values per share of Visalia Community Bank common stock of \$24.48 to \$69.17 when applying earnings multiples to the applicable amounts indicated in the Visalia Community Bank projections and \$17.87 to \$78.54 when applying multiples of tangible book value to the applicable amounts indicated in the Visalia Community Bank projections.

#### Earnings Per Share Multiples

Discount Rate	8.0x	10.0x	12.0x	14.0x	16.0x	18.0x
9.0%	\$ 30.74	\$ 38.43	\$ 46.12	\$ 53.80	\$ 61.49	\$ 69.17
10.0%	\$ 29.57	\$ 36.97	\$ 44.36	\$ 51.75	\$ 59.15	\$ 66.54
11.0%	\$ 28.46	\$ 35.57	\$ 42.69	\$ 49.80	\$ 56.91	\$ 64.03
12.0%	\$ 27.39	\$ 34.24	\$ 41.09	\$ 47.94	\$ 54.79	\$ 61.63
13.0%	\$ 26.38	\$ 32.97	\$ 39.57	\$ 46.16	\$ 52.75	\$ 59.35
14.0%	\$ 25.41	\$ 31.76	\$ 38.11	\$ 44.46	\$ 50.82	\$ 57.17
15.0%	\$ 24.48	\$ 30.60	\$ 36.72	\$ 42.84	\$ 48.96	\$ 55.08

#### Tangible Book Value Multiples

Discount Rate	50%	75%	100%	125%	150%	175%
9.0%	\$ 22.44	\$ 33.66	\$ 44.88	\$ 56.10	\$ 67.32	\$ 78.54
10.0%	\$ 21.59	\$ 32.38	\$ 43.17	\$ 53.96	\$ 64.76	\$ 75.55
11.0%	\$ 20.77	\$ 31.16	\$ 41.54	\$ 51.93	\$ 62.31	\$ 72.70
12.0%	\$ 19.99	\$ 29.99	\$ 39.99	\$ 49.98	\$ 59.98	\$ 69.98
13.0%	\$ 19.25	\$ 28.88	\$ 38.51	\$ 48.13	\$ 57.76	\$ 67.38
14.0%	\$ 18.55	\$ 27.82	\$ 37.09	\$ 46.36	\$ 55.64	\$ 64.91
15.0%	\$ 17.87	\$ 26.80	\$ 35.74	\$ 44.67	\$ 53.61	\$ 62.54

Table of Contents**Earnings Per Share Multiples**

<b>Annual Budget Variance</b>	<b>8.0x</b>	<b>10.0x</b>	<b>12.0x</b>	<b>14.0x</b>	<b>16.0x</b>	<b>18.0x</b>
(25.0%)	\$ 19.32	\$ 24.15	\$ 28.98	\$ 33.81	\$ 38.64	\$ 43.47
(20.0%)	\$ 20.61	\$ 25.76	\$ 30.91	\$ 36.07	\$ 41.22	\$ 46.37
(15.0%)	\$ 21.90	\$ 27.37	\$ 32.85	\$ 38.32	\$ 43.79	\$ 49.27
(10.0%)	\$ 23.19	\$ 28.98	\$ 34.78	\$ 40.57	\$ 46.37	\$ 52.17
(5.0%)	\$ 24.47	\$ 30.59	\$ 36.71	\$ 42.83	\$ 48.95	\$ 55.07
0.0%	\$ 25.76	\$ 32.20	\$ 38.64	\$ 45.08	\$ 51.52	\$ 57.96
5.0%	\$ 27.05	\$ 33.81	\$ 40.57	\$ 47.34	\$ 54.10	\$ 60.86
10.0%	\$ 28.34	\$ 35.42	\$ 42.51	\$ 49.59	\$ 56.68	\$ 63.76
15.0%	\$ 29.63	\$ 37.03	\$ 44.44	\$ 51.84	\$ 59.25	\$ 66.66
20.0%	\$ 30.91	\$ 38.64	\$ 46.37	\$ 54.10	\$ 61.83	\$ 69.56
25.0%	\$ 32.20	\$ 40.25	\$ 48.30	\$ 56.35	\$ 64.40	\$ 72.45

**Analysis of Selected Merger Transactions**

Sandler O'Neill reviewed two groups of comparable mergers and acquisitions. The first group, hereafter referred to as the Western Region Group, included six transactions announced between January 1, 2012 and December 18, 2012 involving nationwide banks and thrifts with targets headquartered in California, Arizona, Idaho, Montana, Nevada, Oregon, Washington, or Wyoming, deal value between \$10 million and \$40 million, and target non-performing assets to total assets ratio at announcement of less than 4%. The transaction group was composed of the following transactions:

Coronado First Bank / San Diego Private Bank  
Heartland Financial USA Inc. / Heritage Bank NA  
Umpqua Holdings Corp. / Circle Bancorp  
FNB Bancorp / Oceanic Bank Holding Inc.  
SKBHC Holdings LLC / Security Business Bancorp  
Grandpoint Capital Inc. / California Community Bank

The second group, hereafter referred to as the Nationwide Group, included 31 transactions announced between January 1, 2012 and December 18, 2012 involving nationwide banks and thrifts with targets headquartered in the United States, deal value between \$10 million and \$40 million, and target non-performing assets to total assets ratio at announcement of less than 4%. The transaction group was composed of the following transactions:

Coronado First Bank / San Diego Private Bank  
Heartland Financial USA Inc. / Heritage Bank NA  
LCNB Corp. / First Capital Bancshares Inc.  
Bank of the Ozarks Inc. / Genala Banc Inc.  
Pontiac Bancorp / Bluestem Financial Corp.  
CapStone Bank / Patriot State Bk  
Wintrust Financial Corp. / HPK Financial Corp.  
Vision Bancshares Inc. / Sulphur Community Beshs Inc.  
Henderson Citizens Beshs Inc. / First White Oak Beshs Inc.  
Umpqua Holdings Corp. / Circle Bancorp  
Customers Bancorp Inc / CMS Bancorp Inc.  
Morrill Bancshares Inc. / JTB Bancshares Inc.  
MidSouth Bancorp Inc. / PSB Financial Corporation  
Overton Financial Corporation / First National Bank of Canton  
New Hampshire Thrift Bncshrs / Nashua Bank  
Heartland Financial USA Inc. / First Shares Inc.

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American Bancorp. Inc. / Osage Bancshares Inc.  
 Frandsen Financial Corporation / Clinton Bancshares Inc.  
 HaleCo Bancshares Inc. / LubCo Bancshares Inc.  
 Ohio Farmers Insurance Co. / Western Reserve Bancorp  
 First Priority Financial Corp. / Affinity Bancorp Inc.  
 WashingtonFirst Bankshares Inc / Alliance Bankshares Corp.  
 Community Bancshares of MS / Community Holding Co. of FL  
 Prosperity Bancshares Inc. / Community National Bank  
 S&T Bancorp Inc. / Gateway Bank of Pennsylvania  
 Green Bancorp Inc. / Opportunity Bancshares Inc.  
 FNB Bancorp / Oceanic Bank Holding Inc.  
 SKBHC Holdings LLC / Security Business Bancorp  
 Commerce Bancshares Corp. / Mercantile Capital Corp  
 Center Bancorp Inc. / Saddle River Valley Bank  
 Grandpoint Capital Inc. / California Community Bank

Sandler O'Neill reviewed the following multiples: transaction price to book value, transaction price to tangible book value, transaction price to last twelve months' earnings per share, tangible book premium to core deposits and transaction price to seller's stock price two days before transaction announcement. As illustrated in the following table, Sandler O'Neill compared the proposed merger multiples to the median multiples of comparable transaction groups.

	<b>Central Valley Community Bancorp / Visalia Community Bank</b>	<b>Median Western Region Transactions</b>	<b>Mean Western Region Transactions</b>	<b>Median Nationwide Transactions</b>	<b>Mean Nationwide Transactions</b>
Transaction Value / Book Value Per Share:	111%	121%	121%	118%	127%
Tangible Book Value Per Share:	111%	121%	122%	120%	131%
Last Twelve Months' Earnings Per Share: Tangible Book Premium to Core	NM	27.4x	24.6x	21.6x	23.8x
Deposits(1):	1.6%	3.1%	1.5%	3.1%	3.3%
Visalia Community Bank Stock Price (Dec. 18, 2012):	161.4%	NA	NA	148.0%	155.5%

(1) 
$$\text{Core Deposit Premium} = (\text{Deal Value} - \text{Tangible Common Equity}) / (\text{Core Deposits})$$

### **Pro Forma Results and Capital Ratios**

Sandler O'Neill analyzed certain potential pro forma effects of the merger, assuming the following: (i) the merger closes on June 30, 2013; (ii) aggregate consideration value of \$21.27 million, based on Central Valley Community Bancorp's closing stock price on December 18, 2012 of \$8.09; (iii) Central Valley Community Bancorp would be able to achieve cost savings of approximately \$1.2 million in the first full year following the merger based on Visalia Community Bank's annualized YTD 9/30/12 core noninterest expense base; (iv) pretax transaction costs and expenses would total approximately \$2.8 million; (v) a core deposit intangible of approximately \$1.6 million (amortized straight-line for ten years); (vi) pretax opportunity cost of cash of approximately 1.5%; (vii) Central Valley Community Bancorp's future performance was calculated in accordance with publicly available consensus earnings estimates for Central Valley Community Bancorp for the quarter ending December 31, 2012, the year ended December 31, 2013 and financial projections for the years thereafter through 2017 based on

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discussions with senior management of Central Valley Community Bancorp; (viii) Visalia Community Bank's future performance was calculated in accordance with financial projections for Visalia Community Bank for the years ending December 31, 2012 through 2017 based on discussions with senior management of Visalia Community Bank and as adjusted based on discussions with senior management of Central Valley Community Bancorp; (ix) various purchase accounting adjustments, including a mark-to-market adjustment on Visalia Community Bank's loan portfolio and other real estate owned as provided by Central Valley Community Bancorp senior management; and (x) an adjustment to Visalia Community Bank's provision for loan losses for the years ending December 31, 2012 through 2017 to reflect the impact of the mark-to-market adjustment on Visalia Community Bank's loan portfolio. The analyses indicated that for the year ending December 31, 2013, the merger (excluding transaction expenses) would be accretive to Central Valley Community Bancorp's projected earnings per share and, at closing at June 30, 2013 the merger would be dilutive to Central Valley Community Bancorp's tangible book value per share. The analyses also indicated that as of closing at June 30, 2013, the merger would maintain Central Valley Community Bancorp's regulatory capital ratios in excess of the regulatory guidelines for "well capitalized" status. The actual results achieved by the combined company, however, may vary from projected results and the variations may be material.

**Sandler O'Neill's Relationship**

Sandler O'Neill issued a fairness opinion to Central Valley Community Bancorp's board of directors in connection with the merger and received a fee associated with the delivery of its fairness opinion which became payable at the time Sandler O'Neill rendered its fairness opinion. Central Valley Community Bancorp has agreed to indemnify Sandler O'Neill against certain liabilities arising out of Sandler O'Neill's engagement. In the ordinary course of Sandler O'Neill's business as a broker-dealer, Sandler O'Neill may purchase securities from and sell securities to Central Valley Community Bancorp and Visalia Community Bank and their affiliates.

**Visalia Community Bank Unaudited Prospective Financial Information**

Visalia Community Bank does not, as a matter of course, publicly disclose forecasts as to future performance, earnings or other results due to the unpredictability of the underlying assumptions and estimates. However, in connection with the financial analysis conducted by Visalia Community Bank's financial advisor, FIG, Visalia Community Bank provided to FIG, and indirectly provided to Central Valley Community Bancorp's financial advisor, Sandler O'Neil, certain non-public unaudited prospective financial information based on estimates by management of Visalia Community Bank. These estimates were prepared with respect to prospective financial information in connection with such financial analysis, and were not prepared with a view toward public disclosure or with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information, published guidelines of the SEC regarding forward-looking statements, or GAAP.

The estimates and assumptions underlying the financial forecasts involve judgments with respect to, among other things, future economic, competitive, regulatory and financial market conditions and future business decisions that may not be realized and that are inherently subject to significant business, economic, competitive and regulatory uncertainties and contingencies, including, among other things, the inherent uncertainty of the business and economic conditions affecting the industries in which Visalia Community Bank operates, and the risks and uncertainties described under "Risk Factors" and "A Warning About Forward Looking Statements," all of which are difficult to predict and many of which are outside the control of Visalia Community Bank and will be beyond the control of the surviving bank. There can be no assurance that the underlying assumptions will prove to be accurate or that the projected results will be realized, and actual results likely will differ, and may differ materially, from those reflected in the financial forecasts, whether or not the merger is completed. The

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inclusion in this proxy statement/prospectus of the unaudited prospective financial information summarized below should not be regarded as an indication that Visalia Community Bank or Visalia Community Bank's board of directors considered, or now considers, these forecasts to be a reliable predictor of future results. Readers of this proxy statement/prospectus are cautioned not to place undue reliance on this information. None of the financial forecasts reflect any impact of the merger.

The financial forecasts summarized in this section were prepared by Visalia Community Bank's management. Visalia Community Bank's independent auditor has not examined, compiled or otherwise performed any procedures with respect to the prospective financial information contained in these financial forecasts and, accordingly, has not expressed any opinion or given any other form of assurance with respect thereto, and they assume no responsibility for the prospective financial information. The reports of Visalia Community Bank's independent auditor included in this proxy statement/prospectus relate to the historical financial information of Visalia Community Bank. Such reports do not extend to the financial forecasts and should not be read to do so.

By including in this proxy statement/prospectus a summary of certain financial forecasts, neither Visalia Community Bank nor any of its representatives has made or makes any representation to any person regarding the ultimate performance of Visalia Community Bank or the surviving bank compared to the information contained in the financial forecasts. The financial forecasts summarized in this section have not been updated to reflect any changes since the date they were prepared or the actual results of operations of Visalia Community Bank. Other than as required by law, Visalia Community Bank does not undertake any obligation to update or otherwise revise the financial forecasts or financial information to reflect circumstances existing since their preparation or to reflect the occurrence of unanticipated events, even in the event that any or all of the underlying assumptions are shown to be in error, or to reflect changes in general economic or industry conditions.

Visalia Community Bank's management's forecasts made available to Sandler O'Neil and FIG in connection with their respective financial analysis reflected projected gross income of \$9.3 million, \$9.9 million and \$10.8 million, net income of \$405,000, \$750,000 and \$1.0 million, and net income per share of \$1.06, \$1.97, and \$2.70, for the years ended December 31, 2012, 2013 and 2014, respectively.

**Accounting Treatment**

Central Valley Community Bancorp must account for the merger under the acquisition method of accounting for financial reporting purposes under accounting principles generally accepted in the United States of America. Under this method, Central Valley Community Bancorp's purchase price will be allocated to Visalia Community Bank's assets acquired and liabilities assumed based upon their estimated fair values as of the date of the completion of the merger. Deferred tax assets and liabilities will be adjusted for the difference between the tax basis of the assets and liabilities and their estimated values. The excess, if any, of the total acquisition cost over the sum of the assigned fair values of the tangible and identifiable intangible assets acquired, less liabilities assumed, will be recorded as goodwill and periodically evaluated for impairment. Central Valley Community Bancorp's financial statements issued after completion of the merger will reflect these values, but historical data are not restated retroactively to reflect the combined historical financial position or results of operations of Central Valley Community Bancorp and Visalia Community Bank.

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**THE MERGER AGREEMENT**

**Summary of the Merger**

Central Valley Community Bancorp, CVC Bank, and Visalia Community Bank entered into the merger agreement on December 19, 2012, which is incorporated into this proxy statement-prospectus by reference to Appendix A hereto. Under the merger agreement's terms, Visalia Community Bank will merge with and into Central Valley Community Bancorp's sole subsidiary, CVC Bank. The separate corporate existence of Visalia Community Bank will cease, and CVC Bank will be the survivor. Each share of Visalia Community Bank common stock issued and outstanding (other than shares with respect to which dissenters' rights have been perfected, but including shares of Series B Preferred Stock converted to common stock) will be converted into the right to receive Central Valley Community Bancorp common stock and cash. Please read the sections entitled "The Merger Calculation of Consideration to be Paid to Visalia Community Bank Shareholders" and "Dissenters' Rights" for additional information.

Each share of Central Valley Community Bancorp common stock outstanding immediately before the effectiveness of the merger closes will remain outstanding after the effectiveness of the merger.

Central Valley Community Bancorp and Visalia Community Bank have structured the merger with the intent to qualify it as a tax-free reorganization under Section 368 of the Internal Revenue Code. However, under Section 368, the tax-free designation would apply only to the stock consideration that Visalia Community Bank shareholders would receive in connection with the merger and, accordingly, they are expected to have taxable income depending on the actual amount of cash consideration they receive in the merger and their individual tax situations. For more information, you are urged to read the section entitled "The Merger Certain Federal Income Tax Consequences" for additional information.

**The Closing**

The merger will be effective at the date and time an agreement of merger (substantially in the form attached to the merger agreement as Annex B) is filed with the California Department of Financial Institutions following its prior certification by the California Secretary of State. At the closing the parties will exchange various documents, including officers' certificates, as required by the merger agreement. The merger agreement provides that the merger shall be effective within ten calendar days after each of the closing conditions in the merger agreement (described in greater detail below) have been satisfied or waived, including the receipt of all regulatory approvals and the expiration of all applicable waiting periods in connection with the regulatory approvals, or such other date as the parties shall mutually agree.

Based upon the timing for Visalia Community Bank's special shareholders' meeting and the present and anticipated timing of the regulatory approvals, it is presently anticipated that the merger will be closed in the second quarter of 2013. Neither Central Valley Community Bancorp, CVC Bank, nor Visalia Community Bank can assure you that the merger will close when anticipated.

**Letter of Transmittal; Exchange Agent; and Exchange Procedure**

Following the effectiveness of the merger, a letter of transmittal form will be sent by an exchange agent containing instructions for endorsing and surrendering the Visalia Community Bank stock certificates. Under the merger agreement, Central Valley Community Bancorp has appointed Computershare Shareholder Services, Inc. as exchange agent for the purpose of exchanging the merger consideration for Visalia Community Bank stock certificates. Visalia Community Bank shareholders must follow the instructions on the letter of transmittal to send in the Visalia Community Bank stock certificates for exchange. For more information on the amount and nature of the consideration Visalia Community Bank shareholders would be entitled to receive in exchange for his, her or its shares of



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Visalia Community Bank stock, please see "The Merger Calculation of Consideration to be Paid to Visalia Community Bank Shareholders."

Visalia Community Bank Shareholders will not receive any dividends or other distributions of any kind which are declared payable to shareholders of record of Central Valley Community Bancorp common stock after the effective time of the merger until such shareholder properly surrenders his, her or its Visalia Community Bank stock certificates. Upon proper surrender, such shareholder will be paid, without interest, any dividends or other distributions with respect to the shares of Central Valley Community Bancorp common stock as to which the record date and payment date occurred on or after the effective time of the merger and on or before the date on which the shareholder surrendered his, her or its Visalia Community Bank stock certificates.

Neither Visalia Community Bank nor Central Valley Community Bancorp will be liable to Visalia Community Bank shareholders for such shares (or dividends or distributions thereon) or cash delivered to a public official pursuant to any applicable abandoned property, escheat or similar law.

In order for Visalia Community Bank shareholder stock certificate surrender to be accepted by the exchange agent, the letter of transmittal must be properly completed and signed and accompanied by the applicable Visalia Community Bank stock certificates or guarantee of delivery as described in the letter of transmittal. If a shareholder is unable to locate his or her stock certificate, the shareholder must follow instructions in the letter of transmittal regarding lost stock certificates.

Following the completion of the merger and upon surrender of all of the certificates representing former shares of Visalia Community Bank common stock registered in the shareholder's name, or a satisfactory indemnity if any of such certificates are lost, stolen or destroyed, together with a properly completed letter of transmittal form, the exchange agent will mail to the shareholder the cash and Central Valley Community Bancorp common stock to which such shareholder is entitled, less the amount of any required withholding taxes. Visalia Community Bank shareholders will not receive interest on any cash.

### **Representations and Warranties**

The merger agreement contains various customary representations and warranties that Central Valley Community Bancorp, CVC Bank, and Visalia Community Bank make for each other's benefit. The representations and warranties relate to, among other things:

corporate organization, standing and authority;

capital structure;

authorization, execution, delivery, performance and enforceability of the merger agreement and related matters;

regulatory approvals, consents and compliance;

financial statements and condition;

absence of certain material adverse events, changes, effects or undisclosed liabilities;

litigation and claims;

conflicts under charter documents, required consents or approvals;

material contracts and obligations, including compliance and enforceability;

retirement and other employee plans and matters relating to the Employee Retirement Income Security Act of 1974, as amended;

labor matters;

compliance with laws, including environmental laws;

tax payments, tax liabilities, tax returns and audits;

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loans and non-performing assets;

ownership of real, personal and intellectual property;

transactions with affiliates; and

the accuracy of documents supplied under the merger agreement or filed with the Securities and Exchange Commission and bank regulatory agencies, including financial statements.

**Conduct of Business Before the Merger**

The merger agreement places significant restrictions on Visalia Community Bank regarding the conduct of its businesses between the date of the merger agreement and the closing. Visalia Community Bank has agreed to make its books and records available to Central Valley Community Bancorp for ongoing review. Additionally, subject to certain exceptions, Visalia Community Bank has agreed to allow a representative from Central Valley Community Bancorp to attend the meetings of its board of directors. Both Central Valley Community Bancorp and Visalia Community Bank have agreed to use their best efforts to prepare and file the necessary regulatory applications and to obtain the requisite permits, consents and approvals from the various regulatory agencies, as well as to work together for the purpose of preparing this proxy statement-prospectus. Also, both Central Valley Community Bancorp and Visalia Community Bank have agreed to use their commercially reasonable efforts to take, or cause to be taken, all actions and do all things necessary and proper or desirable to permit and enable the consummation of the merger and the satisfaction of the closing conditions.

In addition, Visalia Community Bank has agreed that until the closing and subject to certain exceptions, including Central Valley Community Bancorp's prior approval, Visalia Community Bank will not, other than in the ordinary and usual course of business:

declare or pay any dividend, or issue, repurchase or split its stock;

take any action that would cause a representation or warranty to become untrue in any material respect;

issue any capital stock, or options or convertible securities (except for the issuance of common stock upon conversion of the Visalia Community Bank Series B Preferred Stock outstanding as of the date of the merger agreement, in accordance with its terms);

amend its Articles of Incorporation or Bylaws;

buy or sell, or contract to buy or sell, any material business or assets other than in the ordinary course of business consistent with prior practice;

incur or guarantee any debt other than in the ordinary course of business consistent with prior practice;

enter into, amend or terminate, any material contract or any transaction with an affiliate;

enter into or amend any employment, consulting, severance, change in control, bonus, salary continuation or similar compensation agreement;

raise employee salaries, except as required by law or an existing contract;

make capital expenditures in excess of \$50,000 individually, or \$100,000 in the aggregate;

implement or adopt any change in its accounting principles, practices or methods, other than as may be required by law or generally accepted accounting principles;

settle claims or actions which would exceed \$65,000 more than applicable insurance coverage or would impose any material restriction on the business;

change its banking operations, by introducing new products or services or change its lending, investment, underwriting, pricing, servicing, risk and assessment liability management and other

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material banking and operating policies, except as required by law, including increasing the rate of interest paid on interest-bearing deposits;

enter into any derivatives contracts or acquire or dispose of any debt security, mortgage-backed security, or equity investment;

make, renew or otherwise modify any loan, loan commitment, letter of credit or other extension of credit, in a manner inconsistent with past practices, and, in the case of any new credit in excess of \$500,000 (or a modification of existing credit in excess of \$250,000) consult with Central Valley Community Bancorp prior to committing to the new or modified credit;

make or change any applicable tax election, settlement or compromise;

take any action that would cause the merger to be subject to the provisions of any state antitakeover law; or

solicit, initiate or knowingly encourage or take actions designed to facilitate another acquisition proposal to acquire Visalia Community Bank, or participate in any discussions or negotiations regarding such an acquisition proposal, or approve or recommend or enter into any letter of intent or similar definitive agreement with respect to such an acquisition proposal, unless the board of directors of Visalia Community Bank has determined that the proposal is more favorable to Visalia Community Bank's shareholders and that the action is necessary for Visalia Community Bank to comply with its fiduciary duties to shareholders under applicable law.

Until the closing, Visalia Community Bank has agreed to:

provide Central Valley Community Bancorp with notice of all meetings of the board of directors of Visalia Community Bank as well as copies of board reports and agendas;

cooperate, and cause its independent auditor to cooperate, with Central Valley Community Bancorp and its independent auditor to prepare financial statements, including pro forma financial statements, that may be required in connection with applicable regulatory filings;

promptly notify Central Valley Community Bancorp and CVC Bank if it receives any inquiries, proposals or offers with respect to another acquisition proposal, or if any related discussions or negotiations are initiated or sought;

use its commercially reasonable efforts, and cooperate with others, to expeditiously bring about the satisfaction of the closing conditions;

advise Central Valley Community Bancorp promptly in writing of any change that would have a Material Adverse Effect, as defined in the merger agreement, on its financial condition, results of operations, business or prospects;

use its commercially reasonable efforts to obtain and deliver to Central Valley Community Bancorp at the closing of the merger, the waivers, approvals and consents to assignment for all material contracts identified as requiring such waivers, approvals and consents;

after receipt of all regulatory approvals required to consummate the merger, permit Central Valley Community Bancorp to provide notice to the customers of Visalia Community Bank to describe the merger, the effect on customers and planned

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transition procedures;

deliver to Central Valley Community Bancorp certain periodic financial statements of Visalia Community Bank, including all Reports of Condition and Income required to be submitted to the FDIC, as well as statements of income, changes in shareholders' equity and statements of cash flow and balance sheets for all quarters and years ending on or after March 31, 2013, including financial statements audited by Crowe Horwath, LLP for the years ended December 31, 2011 and 2012; and

deliver to Central Valley Community Bancorp copies of all annual management letters and corresponding opinions.

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Central Valley Community Bancorp has agreed to deliver or make available to Visalia Community Bank, all financial statements provided to Central Valley Community Bancorp's shareholders and/or its directors after the date of the merger agreement, as well copies of all annual management letters and corresponding opinions prepared by Central Valley Community Bancorp's independent accountant.

**Director Appointment and Indemnification After the Merger**

Central Valley Community Bancorp has agreed to, contingent upon the closing of the merger, increase the authorized number of directors by one director and appoint F. T. Elliott, IV to fill the newly-created vacancy on the board of directors of Central Valley Community Bancorp, to hold office until the first annual meeting of shareholders of Central Valley Community Bancorp, until his successor is elected and qualified or until otherwise removed. Central Valley Community Bancorp has also agreed, timing of the merger permitting, to nominate Mr. Elliott for election to the Central Valley Community Bancorp board at the 2013 annual shareholder meeting, provided that he satisfies the standards of the Central Valley Community Bancorp nominating committee and subject to the fiduciary duties of the Central Valley Community Bancorp board and nominating committee.

F.T. Elliott, IV, 36 years old, has served as a principal of, and as Chairman of the Elliott Group, Lindsay, California, a vertically integrated farming operation, since 2010. Previously, from 2000 to 2010 he served as a principal of and the President of California Citrus Producers, Inc., Lindsay, California, a processor and marketer of fruit juices, concentrates and citrus byproducts. He is a lifelong resident of Tulare County with numerous ties to the community where Visalia Community Bank's main office and branch offices are located. He also serves as a director for the Boys & Girls Club as well as an alternate director and board member of the Citrus Research Board. He has served as a Board member of Visalia Community Bank since 2002. Mr. Elliott holds a B.S. degree in finance and accounting from Dominican College.

The table below table sets forth information with regard to compensation earned by Mr. Elliott, IV in 2012 from Visalia Community Bank.:

<b>Fees Earned or Paid in Cash</b>	<b>Stock or Option Awards</b>	<b>Non-Equity Incentive Plan Compensation</b>	<b>Nonqualified Deferred Compensation Earnings</b>	<b>All Other Compensation</b>	<b>Total</b>
\$ 18,850	\$ 0	\$ 0	\$ 0	\$ 11,853(1)	\$ 30,703

(1) Includes amounts accrued to Mr. Elliott IV's account by Visalia Community Bank for 2012 under his existing director retirement agreement, director deferred fee plan and split dollar insurance plans.

CVC Bank has agreed to indemnify and hold harmless (and to advance expenses as incurred), to the fullest extent permitted by law, each present and former director and officer of Visalia Community Bank (when acting in such capacity) from and against any costs, expenses, judgments, fines, losses, and similar damages arising out of matters existing or occurring prior to the merger. Central Valley Community Bancorp has agreed to use its commercially reasonable efforts to maintain in effect a directors' and officers' liability insurance policy for a period of six years after the merger, for claims arising from facts or events which occurred prior to the merger.

The foregoing is a summary of some of the negative and affirmative covenants of the merger agreement. You are encouraged to carefully read the terms of the merger agreement attached as Appendix A, including the specific covenants contained in Article III and Article V.

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**Discussions with Third Parties**

The merger agreement provides that Visalia Community Bank shall immediately cease any written or oral discussions, negotiations or communication with any other parties that may be ongoing with respect to the possibility or consideration of an acquisition proposal (any inquiry, proposal or offer related to the acquisition or purchase of the material assets or deposits of Visalia Community Bank, or more than five percent of any class of equity securities of Visalia Community Bank, or merger, consolidation, business combination, recapitalization, tender offer, stock purchase, liquidation, dissolution or similar transaction involving Visalia Community Bank). Visalia Community Bank has also agreed not to solicit, encourage or facilitate third party acquisition proposals which would reasonably be expected to lead to an acquisition proposal, and requires that if such a proposal is received, notification must be given to Central Valley Community Bancorp. Notwithstanding the prohibition on soliciting or encouraging such proposals, the merger agreement recognizes that an unsolicited third party proposal might be received. Moreover, the merger agreement permits Visalia Community Bank engaging in discussions or negotiations with the third party to the extent necessary to prevent a violation of the fiduciary duties of the board of directors of Visalia Community Bank, if the proposal is determined, after consultation with counsel and a financial advisor, to be superior, from the shareholders' perspective, to the merger. Provided, that Visalia Community Bank will keep Central Valley Community Bancorp apprised of any developments, discussions and negotiations related to such superior proposal.

In the event the merger agreement is terminated by Visalia Community Bank in connection with a superior proposal or if the board of directors of Visalia Community Bank approves, or if Visalia Community Bank authorizes, recommends, publicly proposes or publicly announces its intention to authorize, recommend or approve an acquisition proposal from any third party, Visalia Community Bank will be obligated to pay a termination fee to Central Valley Community Bancorp in the amount of \$1,000,000.

The foregoing is a summary of the provisions of the merger agreement regarding discussions with third parties. You are encouraged to read the terms of the merger agreement attached as Appendix A, including the specific provisions contained in Sections 5.7 and 7.2 of the merger agreement.

**Employee Benefits**

Visalia Community Bank has agreed to take all necessary actions to terminate the Visalia Community Bank 401(k) Profit Sharing Plan immediately prior to the closing of the merger, including a resolution by the board of directors of Visalia Community Bank providing that the plan be terminated effective immediately prior to the closing, that no person will be permitted to become a participant in the plan after the closing, that no contributions are to be made with respect to service or compensation after the plan termination date, that all participants in the plan shall be fully vested in their plan accounts, and that on termination, the assets of the plan will be distributed to the participants in accordance with applicable laws.

**Conditions to the Parties' Obligations**

The obligations of Central Valley Community Bancorp, CVC Bank and Visalia Community Bank to complete the merger are subject to certain mutual conditions, including, but not limited to the following:

receipt of the regulatory approvals (without the imposition of burdensome conditions, including the continuation of the memorandum of understanding to which Visalia Community Bank is subject) required in connection with the merger;



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absence of any statute, rule, regulation or order, being in effect and prohibiting completion of the merger;

approval of the merger agreement and the merger by a majority of the issued and outstanding shares of Visalia Community Bank common stock entitled to vote; and

the registration statement having become effective regarding the shares of Central Valley Community Bancorp common stock to be issued upon completion of the merger.

The obligations of Central Valley Community Bancorp and CVC Bank to complete the merger is also subject to the fulfillment or waiver by Central Valley Community Bancorp and CVC Bank of certain conditions, including but not limited to the following:

Visalia Community Bank's representations and warranties being and remaining true and correct;

Visalia Community Bank performing, in all material respects, all of its required obligations contained in the merger agreement which are required to be performed before the closing;

delivery of all required third party estoppel letters and consents;

delivery of employee benefits summary acknowledgements for certain key employees of Visalia Community Bank;

delivery of a key employee nonsolicitation agreement by Thomas J. Beene, President and Chief Executive Officer of Visalia Community Bank, and delivery of noncompete agreements from certain key shareholders and directors of Visalia Community Bank;

delivery of a tax certification by the Chief Financial Officer of Visalia Community Bank;

delivery of an executed statement that Visalia Community Bank meets the requirements of Treasury Regulations Sections 1.1445-2(c)(3) and 1.1897-2(h)(1), relating to the Foreign Investment in Real Property Tax Act of 1980;

approval of the merger agreement and the merger by a majority of the issued and outstanding shares of Visalia Community Bank common stock entitled to vote, and shareholders holding not more than five percent of the outstanding shares of Visalia Community Bank common stock shall have exercised or shall have continuing right to exercise dissenters' rights under the California General Corporation Law;

all outstanding shares of Visalia Community Bank Series B Preferred Stock shall have been converted to common stock or redeemed prior to the closing;

Visalia Community Bank's closing shareholders' equity, as defined in the merger agreement, shall not be less than \$18,500,000;

Transaction Expenses, as defined in the merger agreement, shall not exceed \$2,750,000;

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delivery of properly executed agreements terminating certain of Visalia Community Bank's life insurance endorsement method split dollar plan agreements;

delivery of properly executed lease amendments, in form and substance reasonably acceptable to CVC Bank, extending Visalia Community Bank's Caldwell Avenue and Mission Oaks Plaza locations;

receipt of CLTA/ALTA title insurance policies insuring Central Valley Community Bancorp and CVC Bank with respect to each real property interest owned or leased by Visalia Community Bank;

receipt of director resignations from all of the directors of Visalia Community Bank; and

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non-occurrence of an event or circumstance that would have a material adverse effect on Visalia Community Bank;

In addition, Visalia Community Bank's obligation to complete the merger is also subject to the fulfillment or waiver by Visalia Community Bank of certain conditions, including but not limited to the following:

Central Valley Community Bancorp's and CVC Bank's representations and warranties being and remaining true and correct;

Central Valley Community Bancorp and CVC Bank performing, in all material respects, all of their respective required obligations contained in the merger agreement which are required to be performed before the closing;

non-occurrence of an event or circumstance that would have a material adverse effect on Central Valley Community Bancorp;

the shares of Central Valley Community Bancorp common stock to be issued to Visalia Community Bank shareholders in the merger shall have been authorized for listing on the NASDAQ; and

delivery of a tax certification by an executive officer of Central Valley Community Bancorp.

The foregoing is a summary of the conditions of the merger agreement. You are encouraged to read the terms of the merger agreement attached as Appendix A, including the specific provisions contained in Article VI of the merger agreement.

### **Termination**

Central Valley Community Bancorp, CVC Bank and Visalia Community Bank can mutually agree to terminate the merger agreement and abandon the merger at any time.

Under certain circumstances, either Central Valley Community Bancorp or CVC Bank on the one hand or Visalia Community Bank on the other, can terminate the merger agreement, including:

by mutual consent of the boards of both parties;

by a non-breaching party, if the other party materially breaches any representation, warranty, covenant, or agreement contained in the merger agreement that is not timely cured;

by either party if the merger has failed to occur by September 30, 2013, except to the extent such failure shall be due to the failure of the party seeking to terminate the merger agreement to perform or observe the covenants and agreements of such party;

by either party if the approval of any governmental authority required for the consummation of the merger has been denied by final nonappealable action or withdrawal, except to the extent such denial or withdrawal shall be due to the failure of the party seeking to terminate the merger agreement to perform or observe the covenants and agreements of such party;

by Central Valley Community Bancorp or CVC Bank if Visalia Community Bank breaches its covenants and obligations related to the non-solicitation of third-party acquisition proposals, set forth in Section 5.7 of the merger agreement;

by Central Valley Community Bancorp or CVC Bank if Visalia Community Bank's board of directors alters or modifies its favorable recommendation of the merger and the merger agreement in a manner adverse to Central Valley Community Bancorp or CVC Bank or recommends, endorses, accepts or agrees to an acquisition proposal by any other party;

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by Central Valley Community Bancorp or CVC Bank if Visalia Community Bank's closing shareholder's equity, as defined in the merger agreement, is less than \$18,500,000;

by Visalia Community Bank if (i) the 20-day volume-weighted average sales price per share of Central Valley Community Bancorp common stock on the NASDAQ Capital Market is less than \$7.4375 *and* (ii) the proportionate reduction in the 20-day volume-weighted average of the daily sales price of such common stock is fifteen percent greater than the proportionate reduction in the NASDAQ Bank Index over the specified period (the "Lower Collar"); *provided, however*, that Visalia Community Bank may not terminate the merger agreement if Central Valley Community Bancorp elects to exercise an option to increase the aggregate merger consideration (in cash and/or stock as determined by Central Valley Community Bancorp) such that the aggregate per share consideration to be received by Visalia Community Bank shareholders for the stock component of their aggregate merger consideration, would equal the anticipated per share value as if such common stock were trading at the Lower Collar;

by Central Valley Community Bancorp if (i) the 20-day volume-weighted average sales price per share of Central Valley Community Bancorp common stock on the NASDAQ Capital Market is greater than \$10.0625 *and* (ii) the proportionate increase in the 20-day volume-weighted average of the daily sales price of such common stock is fifteen percent greater than the proportionate increase in the NASDAQ Bank Index over the specified period (the "Upper Collar"); *provided, however*, that Central Valley Community Bancorp may not terminate the merger agreement if Visalia Community Bank elects to exercise an option to accept less aggregate merger consideration (in cash and/or stock as determined by Central Valley Community Bancorp) such that the aggregate per share consideration to be received by Visalia Community Bank shareholders for the stock component of their aggregate merger consideration, would equal the anticipated per share value as if such common stock were trading at Upper Collar; and

by Central Valley Community Bancorp or CVC Bank if Visalia Community Bank enters into a written agreement to effect an acquisition transaction with a third party in connection with a superior proposal.

In the event the merger agreement is terminated by Visalia Community Bank in connection with a superior proposal or if the board of directors of Visalia Community Bank approves, or if Visalia Community Bank authorizes, recommends, publicly proposes or publicly announces its intention to authorize, recommend or approve an acquisition proposal from any third party, Visalia Community Bank will be obligated to pay a termination fee to Central Valley Community Bancorp in the amount of \$1,000,000.

The foregoing is a summary of the termination provisions of the merger agreement. You are encouraged to read the terms of the merger agreement attached as Appendix A, including the specific provisions contained in Article VII of the merger agreement.

**Expenses**

The merger agreement provides that Central Valley Community Bancorp, CVC Bank, and Visalia Community Bank shall bear their own costs and expenses incurred in connection with the merger agreement and the merger.

**Director Voting Agreements**

Central Valley Community Bancorp, and CVC Bank have entered into voting agreements with each of Visalia Community Bank's directors, executive officers and certain principal shareholders who hold shares of Visalia Community Bank's common stock. The voting agreements require each of those

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shareholders to vote in favor of the merger at Visalia Community Bank's shareholders' meeting or consent to the merger with CVC Bank in any applicable action by written consent of the shareholders.

It is also expected that the directors and executive officers will vote in favor of the Certificate of Amendment, in which case there would be an affirmative vote of a majority of Visalia Community Bank's issued and outstanding common stock eligible to vote that is needed for class approval by the common stock of the Certificate of Amendment.

If the merger and Certificate of Amendment described herein are not approved by the holders of the Series B Preferred Stock at the special meeting, Visalia Community Bank is obligated under the merger agreement to notify holders of Series B Preferred Stock that it will redeem all shares of Series B Preferred Stock at a price of \$37.50 per share no later than the date preceding the effective date of the merger. Such notice to holders of Series B Preferred Stock will provide holders of Series B Preferred Stock with the option to convert their shares of Series B Preferred Stock to Visalia Community Bank common stock prior to the merger instead of accepting the redemption payment of \$37.50 per share.

If the merger and Certificate of Amendment described herein are not approved by the holders of the Series B Preferred Stock at the special meeting, all of the Series B Preferred Stock will either be converted or redeemed prior to the merger and approval of the merger after such redemption or conversion will require a majority vote only of the common stock. The directors, executive officers and certain principal shareholders of Visalia Community Bank own 76.9% of the currently outstanding common shares (70.2% if all Series B Preferred Stock is converted to common shares). They have agreed to vote their shares in favor of the merger. Accordingly, approval of the merger is assured.

The voting agreements also require each of those shareholders to vote against any merger agreement, share exchange, or merger (other than the proposed merger with CVC Bank), consolidation, combination, sale of substantial assets, merger, recapitalization, dissolution, liquidation, or winding-up of or by Visalia Community Bank or any amendment of Visalia Community Bank's Articles of Incorporation or Bylaws or other proposal or transaction involving Visalia Community Bank, which would impede or prevent the merger with CVC Bank.

Each voting agreement also provides that the shareholder will not take any action that will alter or affect in any way the shareholder's right to vote his or her shares of Visalia Community Bank common stock.

The voting agreements bind the actions of the directors only in their capacities as Visalia Community Bank shareholders. The directors are not and could not be contractually bound to abrogate their fiduciary duties as directors of Visalia Community Bank. Accordingly, while the directors are contractually bound to vote as a Visalia Community Bank shareholder in favor of the merger, their fiduciary duties as directors nevertheless require them to act in their capacities as directors in the best interests of Visalia Community Bank when they consider the merger. In addition, the directors will continue to be bound by their fiduciary duties as Visalia Community Bank's directors with respect to any further decisions they make in connection with the merger.

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**INFORMATION REGARDING CENTRAL VALLEY COMMUNITY BANCORP**

**General**

Central Valley Community Bancorp was incorporated on February 7, 2000 as a California corporation, for the purpose of becoming the holding company for CVC Bank, formerly known as Clovis Community Bank, a California state chartered bank, through a corporate reorganization. In the reorganization, CVC Bank became the wholly-owned subsidiary of Central Valley Community Bancorp, and the shareholders of CVC Bank became the shareholders of Central Valley Community Bancorp. Central Valley Community Bancorp is registered as a bank holding company under the Bank Holding Company Act of 1956, as amended, and is subject to supervision and regulation by the Board of Governors of the Federal Reserve System.

At December 31, 2012, Central Valley Community Bancorp had one banking subsidiary, CVC Bank. Central Valley Community Bancorp's principal business is to provide, through its banking subsidiary, financial services in its primary market area in California. Central Valley Community Bancorp serves Fresno County, Madera County, Sacramento County, San Joaquin County, Merced County, and Stanislaus County and their surrounding areas through CVC Bank. Central Valley Community Bancorp does not currently conduct any operations other than through CVC Bank. At December 31, 2012, based on unaudited financial statements, Central Valley Community Bancorp had consolidated total assets of approximately \$890,228,000.

After the close of business on November 12, 2008, Service 1st Bancorp (Service 1st) was merged with and into Central Valley Community Bancorp, and Service 1st Bank ("S1 Bank") was merged with and into CVC Bank. S1 Bank had three branches in Stockton, Tracy, and Lodi which continue to be operated by CVC Bank.

On August 18, 2011, Central Valley Community Bancorp entered into a Securities Purchase Agreement with the Small Business Lending Fund of the United States Department of the Treasury (the "Treasury"), under which Central Valley Community Bancorp issued 7,000 shares of Senior Non-Cumulative Perpetual Preferred Stock, Series C (the "Preferred Shares") to the Treasury for an aggregate purchase price of \$7,000,000. Simultaneously, Central Valley Community Bancorp agreed with Treasury under a Letter Agreement to redeem, for an aggregate price of \$7,000,000, the 7,000 shares of Central Valley Community Bancorp's Series A Fixed Rate Cumulative Preferred Stock ("Series A Stock") originally issued pursuant to the Treasury's Capital Purchase Program ("CPP") in 2009. The redemption of the Series A Stock resulted in an acceleration of the remaining discount booked at the time of the CPP transaction.

In connection with the repurchase of the Series A Stock, Central Valley Community Bancorp also notified the Treasury of Central Valley Community Bancorp's intent to repurchase the warrant (the "Warrant") to purchase 79,037 shares of Central Valley Community Bancorp's common stock that was originally issued to Treasury in connection with the CPP transaction. On September 28, 2011, Central Valley Community Bancorp completed the repurchase of the Warrant for total consideration of \$185,000.

The Preferred Shares qualify as Tier 1 capital and pay non-cumulative dividends at an initial rate of 5% per annum. The dividend rate may vary, but not exceed 5%, with any reductions in interest rate to be calculated by reference to increases over a baseline amount in Central Valley Community Bancorp's small business lending activities. The Preferred Shares may be redeemed by Central Valley Community Bancorp, or by Treasury in the event that it is statutorily prevented from continuing to hold the Preferred Shares..

On December 23, 2009, Central Valley Community Bancorp entered into Stock Purchase Agreements with a limited number of accredited investors (collectively, the "Purchasers") to sell to the Purchasers a total of 1,264,952 shares of Central Valley Community Bancorp common stock at \$5.25

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per share and 1,359 shares of non-voting Series B Convertible Adjustable Rate Non-Cumulative Perpetual Preferred Stock ("CVCY Series B") at \$1,000 per share, for an aggregate gross purchase price of \$8,000,000 (the "Offering"). In May 2010, the shareholders of Central Valley Community Bancorp approved an amendment to Central Valley Community Bancorp's governing instruments to create a series of non-voting common stock. In June 2010, Central Valley Community Bancorp exercised its option to require the Purchasers to exchange 1,359 shares of CVCY Series B for 258,862 shares of non-voting common stock. In August, 2011, Central Valley Community Bancorp agreed to exchange 258,862 shares of Central Valley Community Bancorp's non-voting common stock for 258,862 shares of Central Valley Community Bancorp's voting common stock.

On August 15, 2012, the Board of Directors of Central Valley Community Bancorp adopted a stock repurchase program under which Central Valley Community Bancorp was permitted to repurchase up to five percent of its outstanding shares of common stock (approximately 479,850 shares based on the shares outstanding as of August 15, 2012), for the period beginning on August 15, 2012, and ending February 15, 2013. The stock repurchase program was suspended when Central Valley Community Bancorp entered into the merger agreement with Visalia Community Bank. Prior to suspension of the stock repurchase program, Central Valley Community Bancorp repurchased and retired a total of 58,100 shares of common stock at an average price of \$8.41, for a total cost of \$488,000.

As of April 10, 2013, Central Valley Community Bancorp had a total of 236 employees and 209 full time equivalent employees, including the employees of CVC Bank.

**Management and Additional Information**

Certain information relating to executive compensation, benefit plans, voting securities and the principal holders thereof, certain relationships and related transactions and other related matters as to Central Valley Community Bancorp is set forth in Central Valley Community Bancorp's Annual Report on Form 10-K for the fiscal year ended December 31, 2012, which is incorporated in this proxy statement-prospectus by reference. See also "Where You Can Find More Information."



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**INFORMATION REGARDING VISALIA COMMUNITY BANK**

**General**

Visalia Community Bank is a California state-chartered bank headquartered in Visalia California, in the San Joaquin Valley of Central California. Visalia Community Bank is authorized to engage in the general commercial banking business and its deposits are insured by the Federal Deposit Insurance Corporation up to the applicable limits of the law. At December 31, 2012 Visalia Community Bank had approximately \$199.8 million in assets, \$123.3 million in total loans and \$173.5 million in total deposits.

Visalia Community Bank was incorporated on July 30, 1976 and commenced operations on August 1, 1977. Visalia Community Bank currently operates its headquarters and main banking office at 120 N. Floral Street, Visalia, CA, as well as three additional branch offices in Visalia and one additional branch office in Exeter. Visalia Community Bank has given notice to its banking regulators that it intends to close one of its branch offices in Visalia. It is anticipated that this office will be closed prior to the effectiveness of the merger. Visalia Community Bank also maintains a remote ATM and drive-up ATM at Mary's Vineyard Shopping Center in Visalia.

Visalia Community Bank is a community bank engaged in the general commercial banking business. Its primary market area is Tulare County in the San Joaquin Valley of Central California. It offers a variety of deposit and loan products to individuals and small- to mid-sized businesses. Visalia Community Bank offers commercial loan products such as commercial lines of credit, corporate credit cards, term loans, commercial real estate loans, commercial equity lines of credit and Small Business Administration (SBA) loans. Visalia Community Bank has maintained an SBA Preferred Lender designation since 2004. Visalia Community Bank's consumer loan offerings include open-end personal lines of credit, overdraft protection lines of credit, home equity lines of credit, consumer credit cards, and consumer installment loans. Visalia Community Bank offers a conventional menu of business and consumer deposit accounts, including demand deposit checking accounts, interest bearing checking accounts (NOW accounts), money market accounts, savings accounts, and certificates of deposit. Other products and services include 24-hour telephone banking, online banking, direct deposit, night deposit, ATM and debit cards, merchant services, wire transfer, payroll and federal Tax Depository services, and remote deposit.

As of December 31, 2012, Visalia Community Bank's loan portfolio totaled \$123.3 million, of which approximately \$23.3 million, or 18.9% represented commercial and agriculture loans, \$71.7 million, or 58.1% represented commercial real estate loans, \$23.7 million, or 19.2% represented real estate mortgage and real estate construction loans, and \$4.7 million, or 3.8% represented consumer loans. Commercial loans consist chiefly of loans to local businesses for both short term seasonal needs and financing requirements and the retained and unsold portions of SBA loans. Consumer loans are made primarily to business people and consumers for household, family and personal purposes, and are payable in monthly installments.

**Regulatory Matters**

On March 26, 2012 Visalia Community Bank entered into a memorandum of understanding, an informal administrative action, with the DFI and the FDIC. The memorandum of understanding replaced a previous memorandum of understanding which had been in effect since November 2009. The memorandum currently in effect requires that Visalia Community Bank: (i) maintain management acceptable to the DFI and the FDIC; (ii) notify the DFI and FDIC in writing and obtain their non-disapproval before adding or replacing any individual on the Board of Directors or employing any individual or changing the responsibilities of any individual to act as a senior executive officer; (iii) maintain a Tier 1 capital level in such amount as to equal or exceed 9.0% of the bank's adjusted total assets ("tier 1 leverage ratio"), and maintain the bank's capital ratios above "Well Capitalized" thresholds; (iv) not pay cash dividends without the written consent of the DFI and FDIC; (v) within

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30 days of the effective date of the memorandum of understanding, develop a written plan to reduce the volume of adversely classified items and to restore asset quality to a fully satisfactory condition and develop written action plans for each adversely classified asset greater than \$500,000 detailing plans for reducing loss exposure; (vi) within 60 days from the effective date of the memorandum of understanding, develop, adopt and implement a plan to improve the bank's profitability; and (vii) within 30 days after the end of the first quarter following the effective date of the memorandum of understanding, and within 30 days after the end of each quarter thereafter, furnish written progress reports to the DFI and FDIC detailing the form and manner of any actions taken to secure compliance with the memorandum of understanding and the results thereof. Visalia Community Bank is currently in compliance with the terms of the memorandum of understanding other than as noted below, and management believes that the memorandum of understanding will have no material impact on the bank's operating results or financial condition and that continued compliance with the memorandum of understanding will not constrain the bank's business. Visalia Community Bank's tier 1 leverage ratio at December 31, 2012, was 8.5% (below the required 9.0%) due to a substantial increase in one-time merger related expenses recorded in the fourth quarter of 2012 and changes in the calculation of "disallowed deferred tax assets" for the year ended December 31, 2012. It is a condition of closing under the merger agreement that Central Valley Community Bank and Central Valley Community Bancorp will not be subject to the memorandum of understanding.

Visalia Community Bank is also considered to be in "troubled" condition for purposes of Section 32 of the Federal Deposit Insurance Act, and, accordingly, is required to notify the FDIC in writing at least 30 days prior to certain management changes. In addition, Visalia Community Bank is also considered "troubled" for the purposes of Part 359 of the FDIC Rules and Regulations, and accordingly, Visalia Community Bank needs the consent of the FDIC prior to entering into any agreements to make any "golden parachute payments" or "excess nondiscriminatory severance payments" as defined in the rules and regulations of the FDIC. Due to its troubled condition status, Visalia Community Bank will need to receive the prior approval of the FDIC with respect to certain payments to be made to Thomas Beene, its President and Chief Executive Officer and to certain of its directors in the merger. See "The Merger Interest of Certain Persons in the Merger."

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**COMPARISON OF SHAREHOLDERS' RIGHTS**

**General**

Visalia Community Bank is incorporated under the laws of the State of California and the rights of Central Visalia Community Bank shareholders are governed by the laws of the State of California, Visalia Community Bank's articles of incorporation, including applicable certificates of determination, and Visalia Community Bank's bylaws. As a result of the merger, Visalia Community Bank shareholders will receive shares of Central Valley Community Bancorp common stock and will become Central Valley Community Bancorp shareholders. Central Valley Community Bancorp is incorporated under the laws of the State of California and the rights of Central Valley Community Bancorp shareholders are governed by the laws of the State of California, articles of incorporation, including applicable certificates of determination, and Central Valley Community Bancorp's bylaws. Thus, following the merger, the rights of Visalia Community Bank shareholders who become Central Valley Community Bancorp shareholders in the merger will continue to be governed by the laws of the State of California, but will no longer be governed by Visalia Community Bank's articles of incorporation and bylaws and instead will be governed by the Central Valley Community Bancorp articles of incorporation and bylaws.

**Comparison of Shareholders' Rights**

Set forth below is a summary comparison of material differences between the rights of Central Valley Community Bancorp shareholders under the Central Valley Community Bancorp articles of incorporation and the Central Valley Community Bancorp bylaws (right column), and the rights of Visalia Community Bank shareholders under the Visalia Community Bank articles of incorporation and Visalia Community Bank bylaws (left column). The summary set forth below is not intended to provide a comprehensive discussion of each company's governing documents. This summary is qualified in its entirety by reference to the full text of the Central Valley Community Bancorp articles of incorporation, including certificates of determination thereto, and Central Valley Community Bancorp bylaws currently in effect, and the Visalia Community Bank articles of incorporation, including certificates of determination thereto, and Visalia Community Bank bylaws currently in effect, copies of which are available, without charge, by following the instructions in the section entitled "Where You Can Find More Information" beginning on page 115.

**Visalia Community Bank**

**Central Valley Community Bancorp**

**Authorized Capital Stock**

The authorized capital stock of Visalia Community Bank consists of 1,000,000 shares of Common Stock, par value \$4.00 per share, and 2,000,000 shares of preferred stock, of which 200,000 shares have been designated Series A Preferred Stock and 200,000 shares have been designated Series B Preferred Stock. The remaining 1,600,000 undesignated shares of Visalia Community Bank preferred stock may be divided into series from time to time by the board of directors of Visalia Community Bank, and the board of directors may determine the rights, preferences, privileges and restrictions granted to and imposed upon such shares of preferred stock.

The authorized capital stock of Central Valley Community Bancorp consists of 80,000,000 shares of common stock, no par value, and 10,000,000 shares of preferred stock, of which 7,000 shares are designated Series A Fixed Rate Cumulative Perpetual Preferred Stock, 1,359 shares are designated Series B Adjustable Rate Non-Cumulative Perpetual Preferred Stock, and 7,000 shares are designated Senior Non-Cumulative Perpetual Preferred Stock, Series C.

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**Visalia Community Bank**

**Central Valley Community Bancorp**

**Number of Directors**

Visalia Community Bank's amended articles of incorporation state that number of directors comprising the board of directors will be from seven (7) to ten (10), with exact number to be determined from time to time by the board of directors. There are currently eight (8) members of the Visalia Community Bank board of directors.

Central Valley Community Bancorp's bylaws state that the number of directors comprising the board of directors will be from seven (7) to thirteen (13), with the exact number to be determined from time to time by the Central Valley Community Bancorp board of directors. There are currently eight (8) members of the Central Valley Community Bancorp board of directors.

**Election of Directors Cumulative Voting**

The California General Corporation Law generally requires that cumulative voting be available to shareholders in the election of directors, with certain exceptions. Visalia Community Bank's shareholders are permitted to cumulate their votes in the election of directors. The certificates of determination for Visalia Community Bank's Series A Preferred Stock and Series B Preferred Stock provide that the holders of such preferred stock shall have no right to vote upon any matter, except as otherwise required by law. Accordingly, holders of Series A Preferred Stock and Series B Preferred Stock do not have the right to vote to elect directors.

Central Valley Community Bancorp's bylaws do not provide cumulative voting rights and shareholders are not permitted to cumulate their votes in the election of directors.

Except as otherwise provided by law and except in certain matters enumerated in the respective certificates of determination for the preferred shares, the preferred shares have no voting rights.

**Classification of Board of Directors**

Visalia Community Bank's charter documents do not provide for a classified board of directors; each director serves until their respective successors are elected.

Central Valley Community Bancorp's charter documents do not provide for a classified board of directors; each director serves until their respective successors are elected.

**Removal of Directors**

Under Visalia Community Bank's bylaws, any director may be removed, with or without cause, at any meeting of shareholders called expressly for such purpose by a vote of the holders of a majority of shares entitled to vote for the election of directors. However, if less than the entire board of directors is to be removed, no director may be removed without cause if the votes cast against his or her removal would be sufficient to elect him or her if then cumulatively voted at an election of the entire board of directors.

Under Central Valley Community Bancorp's bylaws, any director may be removed, with or without cause, at any meeting of shareholders called expressly for such purpose by a vote of the holders of a majority of shares entitled to vote for the election of directors. However, if less than the entire board of directors is to be removed, no director may be removed without cause if the votes cast against his or her removal would be sufficient to elect him or her if then voted at an election of the entire board of directors.

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**Visalia Community Bank**

**Central Valley Community Bancorp**

**Nomination of Director Candidates by Shareholders**

Visalia Community Bank's bylaws permit shareholders who are entitled to vote in the meeting of shareholders to nominate a director for election if notice is delivered to the president of the corporation not less than 21 nor more than 60 days prior to any meeting of shareholders called for the election of directors, with the notice period varying for certain instances as set forth in the bylaws.

Central Valley Community Bancorp's bylaws permit shareholders who are entitled to vote in the meeting of shareholders to nominate a director for election if notice is delivered to the president of the corporation not less than 21 nor more than 60 days prior to any meeting of shareholders called for the election of directors, with the notice period varying for certain instances as set forth in the bylaws.

**Shareholder Action Without a Meeting**

According to Visalia Community Bank's bylaws, any action required or permitted to be taken at any annual or special shareholders' meeting may be taken without a meeting, without prior notice and without a vote, if a consent in writing is signed by the number of shareholders whose affirmative vote would be required to take such action at a meeting at which all shares entitled to vote thereon were present and voted, except that unanimous written consent is required for election of directors to non-vacant positions.

According to Central Valley Community Bancorp's bylaws, any action required or permitted to be taken at any annual or special shareholders' meeting may be taken without a meeting, without prior notice and without a vote, if a consent in writing is signed by the number of shareholders whose affirmative vote would be required to take such action at a meeting at which all shares entitled to vote thereon were present and voted, except that unanimous written consent is required for election of directors to non-vacant positions.

**Special Meetings of Shareholders**

Visalia Community Bank may call a special shareholders meeting upon the request of a majority of the board of directors, the chairman of the board of directors, the president, or of the Visalia Community Bank shareholders who together hold not less than ten percent of the outstanding shares of Visalia Community Bank stock that would be entitled to vote at such a meeting.

Central Valley Community Bancorp may call a special shareholders meeting upon the request of a majority of the board of directors, the chairman of the board of directors, the president, or of the Central Valley Community Bancorp shareholders who together hold not less than ten percent of the outstanding shares of Central Valley Community Bancorp stock that would be entitled to vote at such a meeting.

**Indemnification of Directors and Officers**

Visalia Community Bank's amended articles of incorporation provide that the liability of the directors of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law and that Visalia Community Bank is authorized to provide indemnification to the fullest extent permitted by applicable law of agents of Visalia Community Bank through by-law provisions, agreements with such agents or other persons, or otherwise, with respect to actions for breach of duty to Visalia Community Bank, its shareholders, and others. In

The amended articles of incorporation of Central Valley Community Bancorp authorize indemnification of directors, officers and agents to the fullest extent permissible under California law, and authorize the purchase of liability insurance. In addition, Central Valley Community Bancorp's amended articles of incorporation eliminate directors' liability for monetary damages to the fullest extent permissible under California law. Central Valley Community Bancorp has directors' and officers' liability insurance, and Central Valley Community Bancorp has also entered into

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**Visalia Community Bank**

In addition, Visalia Community Bank maintains directors' and officers' liability insurance.

**Central Valley Community Bancorp**

Indemnification agreements with its directors and executive officers. Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers or persons controlling Central Valley Community Bancorp, Central Valley Community Bancorp has been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

**Amendments to Articles of Incorporation and Bylaws**

Visalia Community Bank's articles of incorporation may be amended in any manner allowed under California law.

Central Valley Community Bancorp's articles of incorporation may be amended in any manner allowed under California law.

Visalia Community Bank's bylaws may be amended by the board of directors, but the shareholders entitled to vote may adopt additional bylaws and may amend or repeal any bylaw whether or not adopted by them and only the shareholders may adopt, amend or repeal any bylaw which specifies or changes the fixed number of directors or the minimum or maximum number of directors on a variable-number board of directors.

Central Valley Community Bancorp's bylaws may be amended by the board of directors, but the shareholders entitled to vote may adopt additional bylaws and may amend or repeal any bylaw whether or not adopted by them and only the shareholders may adopt, amend or repeal any bylaw which specifies or changes the fixed number of directors or the minimum or maximum number of directors on a variable-number board of directors.

**Tax Treatment**

Visalia Community Bank is a Subchapter C corporation, which means that Visalia Community Bank is taxed as a separate entity from its shareholders, and its earnings are not taxed on an individual shareholder basis.

Central Valley Community Bancorp is a Subchapter C corporation, which means that Central Valley Community Bancorp is taxed as a separate entity from its shareholders, and its earnings are not taxed on an individual shareholder basis.

**Dividends**

Visalia Community Bank's amended articles of incorporation and applicable certificates of determination do not provide for any cumulative or other dividend on shares of common stock, but do state that the board of directors may, in regards to undesignated preferred shares, determine the dividend rate and whether dividends on the shares will be cumulative.

Central Valley Community Bancorp's amended articles of incorporation and applicable certificates of determination do not provide for any cumulative or other dividend on shares of common stock, but do state that the board of directors may, in regards to undesignated preferred shares, determine the dividend rate and whether dividends on the shares will be cumulative.

Visalia Community Bank's Series A Preferred Stock are entitled to receive dividends at the rate of eight percent (8%), only if and as declared by the board of directors. No dividend with respect

Central Valley Community Bancorp's Series A Fixed Rate Cumulative Perpetual Preferred Stock accrue a dividend at the rate of five percent (5%)

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**Visalia Community Bank**

to Visalia Community Bank's common stock may be made unless such eight percent (8%) dividend on the Series A Preferred Stock has been declared and paid on any outstanding Series A Preferred Stock during that fiscal year. There are currently no shares of Series A Preferred Stock outstanding.

Visalia Community Bank's Series B Preferred Stock are entitled to receive dividends at the rate of eight percent (8%), only if and as declared by the board of directors. No dividend with respect to Visalia Community Bank's Series A Preferred Stock or common stock may be made unless such eight percent (8%) dividend on the Series B Preferred Stock has been declared and paid on any outstanding Series B Preferred Stock during that fiscal year.

The California General Corporation Law permits the payment of dividends to shareholders if Visalia Community Bank's retained earnings equal at least the amount of the proposed dividend. If Visalia Community Bank does not have sufficient retained earnings available for the proposed dividend, it may pay a dividend to its shareholders if immediately after giving effect to the dividend, the value of its assets equals or exceeds the sum of (a) its total liabilities plus (b) the liquidation preference of any shares which have a preference upon dissolution over the rights of shareholders receiving the distribution. Furthermore, under the California Financial Code, Visalia Community Bank is permitted to pay a dividend in the following circumstances: (i) without the consent of either the Department of Financial Institutions or Visalia Community Bank's shareholders, in an amount not exceeding the lesser of (a) the retained earnings of Visalia Community Bank; or (b) the net income of Visalia Community Bank for its last three fiscal years; (ii) with the prior approval of the Department of Financial Institutions, in an amount not exceeding the greatest of: (a) the retained earnings of Visalia Community Bank; (b) the net income of Visalia Community Bank for its last fiscal year; or (c) the net income for Visalia Community Bank for its current fiscal year; and (iii) with the prior approval of the Department of Financial Institutions and Visalia Community Bank's shareholders in connection with a reduction of its

**Central Valley Community Bancorp**

during the first five (5) years of issuance, and at a rate of nine percent (9%) thereafter. There are no shares Series A Fixed Rate Cumulative Perpetual Preferred Stock currently outstanding.

Central Valley Community Bancorp's Series B Adjustable Rate Non-Cumulative Perpetual Preferred Stock would be entitled to receive a non-cumulative dividend at the rate of ten percent (10%) during the first six (6) from the issuance date, fifteen percent (15%) during the subsequent first six (6) months and twenty percent (20%) after twelve (12) months from the issuance date, only if, as and when declared by the board of directors. There are no shares Series B Adjustable Rate Non-Cumulative Perpetual Preferred Stock currently outstanding.

Central Valley Community Bancorp's Senior Non-Cumulative Perpetual Preferred Stock, Series C is entitled to receive a non-cumulative dividend at a variable rate determined in accordance with the Senior Non-Cumulative Perpetual Preferred Stock, Series C, Certificate of Determination, only if, as and when declared by the board of directors.

Under California law, Central Valley Community Bank is prohibited from paying dividends in excess of the lesser of (1) its retained earnings or (2) its net income for its last three fiscal years, less any distributions made during that period.

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**Visalia Community Bank**

contributed capital. Finally, under federal law, Visalia Community Bank is prohibited from paying any dividends if after making such payment it would fail to meet any of its minimum regulatory capital requirements.

Further, the Memorandum of Understanding to which Visalia Community Bank is a party currently prohibits the payment of dividends by Visalia Community Bank without prior regulatory approval.

**Central Valley Community Bancorp**

**Liquidation Preferences**

Visalia Community Bank's amended articles of incorporation and applicable certificates of determination do not provide for any liquidation preferences on shares of common stock, but do provide that the board of directors may, in regards to undesignated preferred shares, determine preferences and privileges, including liquidation preferences, for such preferred shares.

Visalia Community Bank's Series A Preferred Stock are entitled to receive a liquidation preference of \$20.00 per outstanding share, plus declared but unpaid dividends, in preference to payment on any common stock. There are no shares Series A Preferred Stock currently outstanding.

Visalia Community Bank's Series B Preferred Stock are entitled to receive a liquidation preference of \$37.50 per outstanding share, plus declared but unpaid dividends, in preference to payment on any Series A Preferred Stock or common stock.

Central Valley Community Bancorp's amended articles of incorporation and applicable certificates of determination do not provide for any liquidation preferences on shares of common stock, but do provide that the board of directors may, in regards to undesignated preferred shares, determine preferences and privileges, including liquidation preferences, for such preferred shares.

Central Valley Community Bancorp's Series A Fixed Rate Cumulative Perpetual Preferred Stock would be entitled to receive a liquidation preference of \$1,000.00 per outstanding share, plus accrued but unpaid dividends, in preference to payment on any common stock. There are no shares Series A Fixed Rate Cumulative Perpetual Preferred Stock currently outstanding.

Central Valley Community Bancorp's Series B Adjustable Rate Non-Cumulative Perpetual Preferred Stock would be entitled to receive a liquidation preference of \$1,000.00 per outstanding share, plus accrued but unpaid dividends, in preference to payment on any common stock. There are no shares Series B Adjustable Rate Non-Cumulative Perpetual Preferred Stock currently outstanding.

Central Valley Community Bancorp's Senior Non-Cumulative Perpetual Preferred Stock, Series C, would be entitled to receive a liquidation preference of \$1,000.00 per outstanding share, plus accrued but unpaid dividends, in preference to payment on any common stock.



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**Visalia Community Bank**

**Central Valley Community Bancorp**

**Redemption**

Visalia Community Bank's amended articles of incorporation and applicable certificates of determination do not provide for any redemption on shares of common stock, but do provide that the board of directors may, in regards to undesignated preferred shares, determine preferences and privileges, including redemption preferences, for such preferred shares.

Visalia Community Bank's Series A Preferred Stock are subject to redemption by Visalia Community Bank after three (3) years from the date of issuance, at a redemption price equal to \$20.00 per outstanding share, plus declared but unpaid dividends. There are no shares Series A Preferred Stock currently outstanding.

Visalia Community Bank's Series B Preferred Stock are subject to redemption by Visalia Community Bank after three (3) years from the date of issuance, at a redemption price equal to \$37.50 per outstanding share, plus declared but unpaid dividends.

Central Valley Community Bancorp's amended articles of incorporation and applicable certificates of determination do not provide for any redemption on shares of common stock, but do provide that the board of directors may, in regards to undesignated preferred shares, determine preferences and privileges, including redemption preferences, for such preferred shares.

Central Valley Community Bancorp's Series A Fixed Rate Cumulative Perpetual Preferred Stock are subject to optional redemption on or after the third (3<sup>rd</sup>) anniversary of the original issue date. There are no shares Series A Fixed Rate Cumulative Perpetual Preferred Stock currently outstanding.

Central Valley Community Bancorp's Series B Adjustable Rate Non-Cumulative Perpetual Preferred Stock are not redeemable.

Central Valley Community Bancorp's Senior Non-Cumulative Perpetual Preferred Stock, Series C, are subject to optional redemption on or after the third (3<sup>rd</sup>) anniversary of the original issue date. The redemption price would be equal to \$1,000.00 per outstanding share, plus accrued but unpaid dividends, and the pro rata amount of certain CPP lending incentive fee.

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**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS OF  
VISALIA COMMUNITY BANK**

The following table sets forth as of March 31, 2013 information with respect to the beneficial ownership of the common stock of Visalia Community Bank by (i) each person who is known to Visalia Community Bank to be the beneficial owner of more than five percent of the common stock of Visalia Community Bank, (ii) each director of Visalia Community Bank, (iii) each executive officer of Visalia Community Bank and (iv) all directors and executive officers of Visalia Community Bank as a group. Applicable percentage ownership in the table is based on 380,322 shares of common stock of Visalia Community Bank outstanding as of March 31, 2013. There are no options or warrants outstanding to purchase the common stock of Visalia Community Bank, however, 44,687 shares of Series B Preferred Stock are anticipated to be converted into shares of common stock on a share for share basis immediately prior to the effectiveness of the merger.

Name of Executive Officers and Directors(1)	Amount of Beneficial Ownership (# of Shares)	% of Common Stock Beneficially Owned
Thomas Beene	500	0.13%
Dena R. Cochran	944(2)	0.25%
F. T. Elliott, IV	18,808(3)	4.95%
Margaret K. Elliott	108,458	28.52%
Matthew D. Graham	-0-	-0-
Jonathan Graves	6,071(4)	1.60%
Jonathan T. Hornburg	1,527(5)	.40%
Brian M. Johnson	721(6)	.19%
Gordon L. Pendgraft	25,000(7)	6.57%
Renee Savage	-0-	-0-
Roger White	-0-	-0-
<i>All directors and executive officers of the Bank as a group (11 persons)</i>	162,029	42.60%
<b>Name and Address of Beneficial Owners of More than 5% of Common Stock</b>		
F. T. Elliott, III(8) 15607 Avenue 320 Ivanhoe, CA 93235	130,448	34.30%

- (1) Unless otherwise indicated, the address for each of the shareholders below is Visalia Community Bank, 120 Floral Street, Visalia, California 93291.
- (2) Includes 610 shares held as an IRA custodian and 250 shares owned by her spouse Richard, held in a SEP IRA as custodian, as to which Dena R. Cochran disclaims beneficial ownership. Does not include 540 shares of Series B Preferred Stock beneficially owned by this director.
- (3) Includes 3,100 shares held in trust for his minor daughter, Shelby Jean Elliott and 1,824 shares held through McAdams, Wright, Ragen, Inc., J. Warmenhoven.
- (4) Includes 5,023 shares held in a self-directed IRA under the name of Entrust Administration, Inc., for the benefit of Jonathan Graves. Does not include 4,000 shares of Series B Preferred Stock beneficially owned by this director.
- (5) Includes 100 shares owned by his wife Michelle, as to which Jonathan T. Hornburg disclaims beneficial ownership.

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- (6) Includes 175 shares held in trust for his minor daughter, Alexandra R. Johnson, 63 shares held in trust for his minor daughter Jacie Mae Johnson, and 62 shares held in trust for his minor daughter Riley Jane Johnson.
- (7) Includes 10,000 shares owned beneficially in the name of Pendegraft Family Partnership, a California Limited Partnership, of which Gordon L. Pendegraft, Trustee of the Gordon L. Pendegraft Living Trust dated October 9, 1990, is the General Partner. Does not include 1,500 shares of Series B Preferred Stock beneficially owned by this director.
- (8) Includes 8,527 shares owned by his spouse, Jacqueline C. Elliott, of which shares Mr. Elliott disclaims beneficial ownership and 10,237 shares owned by the Aaron A. Elliott 2006 Irrevocable Trust of which Mr. Elliott is a trustee, but of which shares Mr. Elliott disclaims beneficial ownership. Mr. Elliott retired as Chairman of the Board of Directors of Visalia Community Bank, effective December 31, 2010.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND  
RESULTS OF OPERATIONS OF VISALIA COMMUNITY BANK**

This discussion presents management's analysis of Visalia Community Bank's financial condition and results of operations as of and for each of the years in the two-year period ended December 31, 2012 and 2011. This discussion is designed to provide a more comprehensive review of the operating results and financial position of Visalia Community Bank than could be obtained from an examination of the financial statements alone and should be read in conjunction with the financial statements of Visalia Community Bank and the notes related thereto which appear elsewhere in this proxy statement-prospectus.

**General**

Visalia Community Bank commenced operations in 1977 as a California-chartered commercial bank. Visalia Community Bank is subject to the regulations of and periodic examinations by the California Department of Financial Institutions and the FDIC, its primary regulators. Visalia Community Bank is not a member of the Federal Reserve System.

Visalia Community Bank serves both businesses and individuals, providing a wide range of financial services, including credit and deposit products as well as cash management services, from its five full-service banking offices in Visalia and Exeter in California's San Joaquin Valley.

Visalia Community Bank's primary source of income is from the interest earned on loans and securities investments and its primary expenses are interest paid on deposits and salaries and employee benefits.

At December 31, 2012, Visalia Community Bank had \$199.8 million in total assets, \$123.3 million in gross loans, \$173.5 million in total deposits and \$18.7 million in total shareholders' equity.

For the year ended December 31, 2012, net income was \$148,000 or \$0.04 per diluted share, compared to \$466,000 or \$0.87 per diluted share in 2011. The \$318,000 decrease in net income is primarily due to a \$128,000 increase in the provision for loan losses, a \$508,000 decrease in net interest income and a \$233,000 decrease in noninterest income, partially offset by net decreases in noninterest expense of \$328,000 and income tax expense of 223,000. Each of these changes is more fully discussed elsewhere in this Management's Discussion and Analysis.

The return on average total assets was 0.07% for the year ended December 31, 2012, compared to 0.24% in 2011. The return on average total shareholders' equity was 0.79% for the year ended December 31, 2012, compared to 2.55% in 2011.

**Critical Accounting Policy**

Visalia Community Bank's financial statements are prepared in accordance with accounting principles generally accepted in the United States. The financial information contained within these statements is, to a significant extent, financial information that is based on approximate measures of the financial effects of transactions and events that have already occurred.

Based on its consideration of accounting policies that involve the most complex and subjective decisions and assessments, management has identified its most critical accounting policy to be that related to the allowance for loan losses. Visalia Community Bank's methodology to determine its allowance for loan losses incorporates a variety of risk considerations, both quantitative and qualitative, in establishing an allowance for loan losses that management believes is appropriate at each reporting date taking into account the characteristics of the loan portfolio, current economic conditions and historical credit loss experience. Although management believes that the level of the allowance as of December 31, 2012 is adequate to absorb losses inherent in Visalia Community Bank's loan portfolio, a

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decline in the local economy or other adverse factors may result in increasing losses that cannot be reasonably predicted at this time. See " Financial Condition" below.

**Results of Operations**

*Net Interest Income*

Visalia Community Bank's earnings depend largely upon its net interest income, which is the difference between the income received from its loan portfolio and other interest-earning assets and the interest paid on deposits and other interest-bearing liabilities. Net interest income, when expressed as a percentage of average total interest-earning assets, is referred to as the net interest margin. Visalia Community Bank's net interest income is affected by changes in the level and mix of interest-earning assets and interest-bearing liabilities ("volume changes"). Visalia Community Bank's net interest income is also affected by changes in the yields earned on assets and rates paid on liabilities ("rate changes"). Interest rates charged on Visalia Community Bank's loans are affected principally by the demand for such loans, the supply of money available for lending purposes and competitive factors. Those factors are, in turn, affected by general economic conditions and other factors beyond Visalia Community Bank's control, such as federal economic policies, the general supply of money in the economy, legislative tax policies, governmental budgetary matters and the actions of the Federal Reserve Board. Interest rates on deposits are affected primarily by rates charged by competitors.

Net interest income totaled \$6,938,000 for the year ended December 31, 2012, representing a decrease of \$508,000 or 6.8% from \$7,446,000 in 2011. This decrease in net interest income reflects a \$637,000 decrease in total interest income partially offset by a \$129,000 decrease in total interest expense.

Total interest income decreased \$637,000 or 8.0% for the year ended December 31, 2012 compared with 2011, primarily due to lower yields on average interest-earning assets, which decreased to 4.12% for the year ended December 31, 2012 from 4.57% for the same period in 2011, reflecting a declining interest-rate environment as well as increasing competition for loans. Interest income in 2012 was also affected by a decrease in average net loans outstanding to \$122.0 million in 2012 from \$128.3 million in 2011, also reflecting the greater competitive environment in Visalia Community Bank's market.

Total interest expense decreased \$129,000 or 24.6% in 2012 compared with 2011, primarily because of lower rates paid on interest-bearing deposits, particularly time certificates, as well as a reduction in average FHLB advances.

*Net Interest Margin and Net Interest Spread*

Net interest income, when expressed as a percentage of average total interest-earning assets, is referred to as the net interest margin. Visalia Community Bank's net interest margin was 3.90% for the year ended December 31, 2012, compared to 4.27% in 2011. The decrease primarily reflects declines in average yields on interest-earning assets from 4.57% in 2011 to 4.12% in 2012.

The difference between the yield on average interest-earning assets and the cost of average interest-bearing liabilities is the net interest spread. The net interest spread is an indication of Visalia Community Bank's ability to manage yields earned on loans and securities and rates paid on deposits and borrowings. The net interest spread was 3.80% and 4.11% for the years ended December 31, 2012 and 2011, respectively. The decline from 2011 to 2012 is attributable to a decrease of 45 basis points in the yield on average interest-earning assets that was partially offset by a decrease of 14 basis points in the cost of average interest-bearing liabilities.

The decline in the yield on average interest-earning assets from 2011 to 2012 was due to a decline in interest-rates in general coupled with increased competition for loans as well as a change in the mix

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of earning assets from higher-yielding loans to lower-yielding investments and overnight funds. Average net loans decreased from 74% of average earning assets in 2011 to 69% in 2012.

The cost of average total interest-bearing liabilities decreased to 0.32% for the year ended December 31, 2012 from 0.46% in 2011. The decrease is primarily due to declines in rates paid on deposits and the reduction in higher-cost FHLB advances.

The following tables shows Visalia Community Bank's average balances of assets, liabilities and shareholders' equity; the amount of interest income and interest expense; the average yield or rate for categories of interest-earning assets and interest-bearing liabilities; and the net interest margin and net interest spread for the years ended December 31, 2012 and 2011 (dollars in thousands):

	Average Balance	2012 Interest Income or Expense	Average Yield or Rate	Average Balance	2011 Interest Income or Expense	Average Yield or Rate
<b>Assets:</b>						
Interest-earning assets:						
Net loans(1)	\$ 121,991	\$ 6,922	5.67%	\$ 128,285	\$ 7,552	5.89%
Securities available for sale	17,212	314	1.82	14,046	306	2.18
Other interest-earning assets	38,680	98	0.25	32,093	113	0.35
 Total interest-earning assets	 177,883	 7,334	 4.12%	 174,424	 7,971	 4.57%
 Noninterest-earning assets	 22,610			 23,460		
 Total assets	 \$ 200,493			 \$ 197,884		
<b>Liabilities and Shareholders' Equity:</b>						
Interest-bearing liabilities:						
Interest-bearing demand deposits	\$ 40,703	\$ 45	0.11%	\$ 28,175	\$ 40	0.14%
Money market and savings deposits	47,161	68	0.14	47,528	91	0.19
Time certificates of deposit	33,562	204	0.61	35,278	277	0.79
 Total interest-bearing deposits	 121,426	 317	 0.26	 110,981	 408	 0.37
FHLB Advances	2,000	79	3.95	2,931	117	4.00
 Total interest-bearing liabilities	 123,426	 396	 0.32%	 113,912	 525	 0.46%
 Demand deposits	 52,938			 60,600		
Other liabilities	5,507			5,130		
Shareholders' equity	18,622			18,242		
 Total liabilities and shareholders' equity	 \$ 200,493			 \$ 197,884		
 Net interest income		 \$ 6,938			 \$ 7,446	
 Net interest spread(2)			 3.80%			 4.11%
Net interest margin(3)			3.90%			4.27%
Ratio of average interest-earning assets to average interest-bearing liabilities			144.12%			153.12%

Notes:

- (1) Loans are net of the allowance for loan losses and net deferred loan fees/costs. Unamortized net deferred loan fees were \$221,000 and \$179,000 at December 31, 2012 and 2011, respectively.



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- (2) Weighted average yield on interest-earning assets less the weighted average cost of interest-bearing liabilities for the indicated period.
- (3) Net interest income as an annualized percentage of average interest-earning assets.

The following table sets forth the dollar amount of changes in interest earned and paid for interest-earning assets and interest-bearing liabilities, respectively, and the amount of change attributable to changes in average daily balances ("volume" changes) and changes in interest rates ("rate" changes) (dollars in thousands):

	Year Ended December 31, 2012 vs. 2011		
	Increase (Decrease) Due to:		
	Volume	Rate	Total
<b>Increase (decrease) in interest income:</b>			
Loans, net(1)	\$ (357)	\$ (273)	\$ (630)
Securities available for sale	58	(50)	8
Other interest-earning assets	16	(31)	(15)
<b>Total</b>	<b>(283)</b>	<b>(354)</b>	<b>(637)</b>
<b>(Increase) decrease in interest expense:</b>			
Interest-bearing demand deposits	14	(9)	5
Savings and money market deposits	(1)	(22)	(23)
Time certificates of deposit	(10)	(63)	(73)
Other borrowings	(37)	(1)	(38)
<b>Total</b>	<b>(34)</b>	<b>(95)</b>	<b>(129)</b>
<b>Total change in net interest income</b>	<b>\$ (249)</b>	<b>\$ (259)</b>	<b>\$ (508)</b>

Note:

- (1) Loans are net of unamortized net deferred fees/costs. Amortized loan fees and costs have been included in the calculation of net interest income. Net loan (costs) fees totaled \$(7,000) and \$3,000 for the years ended December 31, 2012 and 2011, respectively. Nonaccrual loans are included in the table for computation purposes, but foregone interest related to such loans has been excluded.

*Provision for Loan Losses*

Visalia Community Bank accounts for credit risk associated with lending activities through its allowance for loan losses and provision for loan losses. The provision for loan losses is the expense recognized in the statement of income to adjust the allowance for loan losses to the level deemed appropriate by management based upon application of Visalia Community Bank's allowance methodology procedures. Specifically identifiable and quantifiable losses are immediately charged-off against the allowance for loan losses. The procedures for monitoring the adequacy of the allowance for loan losses, as well as detailed information about the allowance itself, are included below. See " Allowance for Loan Losses" below.

Visalia Community Bank recorded a provision for loan losses of \$834,000 for the year ended December 31, 2012, compared to \$706,000 in 2011. The provision for loan losses reflects the impact of management's continuing assessment of the credit quality of Visalia Community Bank's loan portfolio, which is affected by a variety of factors including the size and composition of the loan portfolio,



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information about specific borrower situations, estimated collateral values and general economic factors.

*Noninterest Income*

Total noninterest income was \$2,278,000 for the year ended December 31, 2012, a decrease of \$233,000 from \$2,511,000 in 2011. The decrease primarily reflects a decrease in service charges on deposit accounts of \$256,000, entirely attributable to lower overdraft and related fees, which decreased \$259,000 to \$725,000 in 2012, compared to \$984,000 in 2011. Overdraft fees declined due to changes in fee structure brought about by recent changes in regulation.

*Noninterest Expense*

Total noninterest expense, which is comprised of salaries and employee benefits, occupancy and other operating expenses, was \$8,294,000 for the year ended December 31, 2012. This represents a decrease of \$328,000 or 3.8% from \$8,622,000 in 2011.

Total noninterest expense for the year ended December 31, 2012 included \$247,000 of nonrecurring expenses directly related to the anticipated merger, primarily for professional fees. Without this expense, total noninterest expense in 2012 would have been \$8,047,000, a decrease of \$575,000 or 6.7% from 2011. For purposes of analysis, the following discussion and data excludes merger-related expense from total noninterest expense in 2012.

Salaries and employee benefits increased \$253,000 or 6.8% to \$3,976,000 for the year ended December 31, 2012 from \$3,723,000 in 2011.

Professional fees decreased \$373,000 or 65% to \$203,000 in the year ended December 31, 2012 from \$576,000 in 2011. Professional fees were particularly high in 2011 due to legal fees related to an earlier employee lawsuit finally settled in 2011 as well as greater use of consulting professionals to fill temporary vacancies in management.

Noninterest expense as a percentage of average interest-earning assets improved to 4.52% for the year ended December 31, 2012 from 4.94% in 2011. The efficiency ratio, defined as total noninterest expense as a percentage of the sum of net interest income and total noninterest income excluding net gains on security sales ("total revenues"), was approximately 87% for both 2012 and 2011.

**Noninterest Expense**  
(excluding merger-related expense)

(Dollars in thousands)	2012		2011	
	Amount	Percent of Total	Amount	Percent of Total
Salaries and employee benefits	\$ 3,976	49%	\$ 3,723	43%
Premises and equipment	1,261	16	1,274	15
Data processing	612	8	647	8
Professional fees	203	2	576	7
Directors fees and expense	305	4	206	2
FDIC assessments	213	3	250	3
Marketing	90	1	123	1
Losses and net operations of other real estate owned	59	1	311	4
Other	1,328	16	1,512	17
Total noninterest expense	\$ 8,047	100%	\$ 8,622	100%
As a percentage of average earning assets		4.52%		4.94%
Efficiency ratio		87.32%		86.59%

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*Provision for Income Taxes*

For the years ended December 31, 2011 and 2010, the effective tax rates (benefit) were (68.2%) and 26.0%, respectively. These effective tax rates were lower than the combined statutory rate of 41.15% primarily due to state and municipal bond interest income, increases in cash surrender value of bank-owned life insurance, and other items that are exempt from Federal and/or state income taxes.

**Market Risk/Interest Rate Risk Management**

Market risk is the risk of loss from adverse changes in market prices or rates. Visalia Community Bank's market risk arises primarily from interest rate risk inherent in its lending, investment and deposit-taking activities. Visalia Community Bank's profitability is affected by fluctuations in interest rates. A sudden and substantial change in interest rates may adversely impact Visalia Community Bank's earnings to the extent that the interest rates borne by assets and liabilities do not change at the same speed, to the same extent or on the same basis. To that end, management actively monitors and manages its interest rate exposure.

Asset and liability management is concerned with the timing and magnitude of the repricing of assets and liabilities. It is Visalia Community Bank's objective to control risks associated with interest rate movements within tolerances approved by its Board of Directors. In general, management's strategy is to match asset and liability balances within maturity and repricing categories to limit Visalia Community Bank's exposure to earnings variations and variations in the value of assets and liabilities as interest rates change over time.

*Interest Rate Risk*

Interest rate risk is inherent in financial institutions and financial services companies. Interest rate risk results from assets and liabilities maturing or repricing at different times, from assets and liabilities repricing at the same time but in different amounts or from short-term and long-term interest rates changing by different amounts. Generally speaking, the rates of interest that Visalia Community Bank earns on its assets and pays on its liabilities are established contractually for specified periods of time. Market interest rates change over time, and if a financial institution cannot quickly adapt to interest rate changes, it may be exposed to volatility in earnings. For instance, if Visalia Community Bank were to fund long-term fixed rate assets with short-term variable rate deposits and interest rates were to rise over the term of the assets, the short-term variable rate deposits would rise in cost and adversely affect net interest income. Similar risks exist when rate sensitive assets (for example, prime rate-based loans) are funded by longer-term fixed rate liabilities in a falling interest rate environment.

To manage its interest-rate risk, Visalia Community Bank uses two primary measurement processes on a quarterly basis to quantify and manage exposure to interest rate risk: net interest income simulations and economic value of equity analyses. Net interest income simulations are used to identify the direction and severity of interest rate risk exposure over a 12- and 24-month forecast horizon. Economic value of equity analyses are used to estimate the price sensitivity of shareholders' equity to changes in interest rates.

Visalia Community Bank also uses gap analysis to provide insight into mismatches of asset and liability cash flows. The interest rate sensitivity gap is determined by subtracting the amount of liabilities from the amount of assets that reprice during a particular time interval. A liability-sensitive position results when more liabilities than assets reprice within a given period. Conversely, an asset-sensitive position results when more assets than liabilities reprice within a given period.

As of December 31, 2012, Visalia Community Bank was slightly liability sensitive at the one-year time horizon, with a cumulative gap of \$(5 million) or (2.5%) of total assets, but was asset sensitive at a five-year time horizon with a cumulative gap of \$25 million or 12% of total assets. Since more of its

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assets than liabilities will reprice over a five-year horizon, Visalia Community Bank will tend to realize higher net interest income in a rising rate environment and lower net interest income in a falling interest rate environment with all other conditions remaining constant.

The following table sets forth the interest rate sensitivity of Visalia Community Bank's interest-earning assets and interest-bearing liabilities using interest rate sensitivity gap analysis as of December 31, 2012 (dollars in thousands). For the purposes of the following table, an asset or liability is considered rate-sensitive within a specified period when it can be repriced or matures (including estimated principal reductions prior to final contractual maturity). Actual repricing patterns may differ from the assumptions used.

	Amounts Subject to Repricing:					Total
	Within Three Months	After Three Months But Within One Year	After One Year But Within Five Years	After Five Years	Non-Rate Sensitive	
<b>Assets:</b>						
Cash and overnight funds	\$ 40,818	\$	\$	\$	\$ 7,429	\$ 48,247
Interest-bearing time deposits in other banks		250				250
Securities available for sale	4,506	3,014	5,723	2,969		16,212
Loans, net	35,315	32,043	26,107	29,861	(3,112)	120,214
Other assets					14,863	14,863
<b>Total assets</b>	<b>\$ 80,639</b>	<b>\$ 35,307</b>	<b>\$ 31,830</b>	<b>\$ 32,830</b>	<b>\$ 19,180</b>	<b>\$ 199,786</b>
<b>Liabilities and shareholders' equity:</b>						
Demand deposits	\$	\$	\$	\$	\$ 52,491	\$ 52,491
Interest-bearing demand deposits	42,678					42,678
Savings and money market deposits	47,439					47,439
Time deposits	11,862	16,916	2,132			30,910
FHLB advances		2,000				2,000
Noninterest-bearing liabilities and shareholders' equity					24,268	24,268
<b>Total liabilities and shareholders' equity</b>	<b>\$ 101,979</b>	<b>\$ 18,916</b>	<b>\$ 2,132</b>	<b>\$</b>	<b>\$ 76,759</b>	<b>\$ 199,786</b>
<b>Interest rate sensitivity gap</b>	<b>\$ (21,340)</b>	<b>\$ 16,391</b>	<b>\$ 29,698</b>	<b>\$ 32,830</b>		
<b>Cumulative interest rate sensitivity gap</b>	<b>(21,340)</b>	<b>(4,949)</b>	<b>24,749</b>	<b>56,579</b>		
As a percentage of total assets:						
Interest rate sensitivity gap	(10.68)%	8.20%	14.86%	16.43%		
Cumulative interest rate sensitivity gap	(10.68)%	(2.48)%	12.39%	28.82%		

### **Liquidity and Capital Resources**

#### *Liquidity*

Liquidity is Visalia Community Bank's ability to maintain sufficient cash flow to meet obligations as they come due, fund loan demand, and take advantage of investment opportunities as they arise. Changes in either can be anticipated or unanticipated. Visalia Community Bank actively manages its liquidity on a daily basis because adequate liquidity is essential to address balance sheet fluctuations, without causing undue rise in cost, risk, or disruption to normal operating conditions. In addition, the Asset-Liability Management Committee and the Board of Directors periodically review Visalia Community Bank's liquidity position.

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Visalia Community Bank's principal sources of liquidity have been deposits and principal and interest payments on loans and securities. To supplement these primary sources of liquidity, Visalia Community Bank maintains contingent funding sources, which include an unsecured overnight borrowing line of credit for \$500,000 with a correspondent bank and secured borrowing facilities at the Federal Home Loan Bank of San Francisco ("FHLB"). At December 31, 2012, Visalia Community Bank had an unused borrowing capacity of \$28.1 million at the FHLB.

At December 31, 2012, Visalia Community Bank had one outstanding FHLB advance for \$2 million, maturing in May 2013 at an interest rate of 3.93%. There were no borrowings outstanding under the correspondent bank line of credit at December 31, 2012.

### *Capital Resources*

Total shareholders' equity was \$18.7 million at December 31, 2012, approximately unchanged from December 31, 2011. The primary activity in shareholders' equity has been net income, change in unrealized gains on securities available for sale, and dividends on preferred stock.

In 2010, Visalia Community Bank issued 44,687 shares of non-cumulative convertible and redeemable Series B Preferred Stock in a private offering, raising \$1,613,000 net of issuance costs. The shares of Series B Preferred Stock qualify as Tier 1 capital and pay semiannual dividends at an annual rate of 8%. Visalia Community Bank paid \$134,000 in preferred dividends for both of years ended December 31, 2012 and 2011.

Management is committed to maintaining capital at a level to assure shareholders, customers and regulators that Visalia Community Bank is financially sound and able to support its growth from its retained earnings. Visalia Community Bank is subject to risk-based capital regulations adopted by the federal banking regulators. These guidelines are used to evaluate capital adequacy and are based on an institution's asset risk profile and off-balance-sheet exposures. The risk-based capital guidelines assign risk weightings to assets and off-balance-sheet exposures. According to the regulations, institutions whose Tier 1 risk-based capital ratio, total risk-based capital ratio and leverage ratio meet or exceed 6%, 10% and 5%, respectively, are generally deemed to be "well-capitalized". At December 31, 2012, all of Visalia Community Bank's capital ratios were well above the minimum regulatory requirements for a "well capitalized" institution.

The memorandum of understanding pursuant to which Visalia Community Bank is a party with the California Department of Financial Institutions and the FDIC requires that the Bank maintain a leverage ratio of at least 9.0% and shall maintain all capital ratios above "well capitalized". While all of its capital ratios were well above the requirements for a "well-capitalized" institution, its leverage ratio of 8.5% at December 31, 2012 was below the required 9.0%. This decline in Visalia Community Bank's leverage ratio was directly affected by merger related expenses and changes in the calculation of the amount of deferred tax assets includable in Tier I capital at year end. See "Information Regarding Visalia Community Bank Regulatory Matters."

### **Contractual Obligations**

As of December 31, 2012, Visalia Community Bank had contractual obligations for the following payments, by type and period due (dollars in thousands):

	Contractual Obligations		Payments Due by Period		
	Total	One Year or Less	Over One Through Three Years	Over Three Years Through Five Years	Over Five Years
FHLB advances	\$ 2,000	\$ 2,000	\$	\$	\$
Operating lease obligations	1,226	225	450	378	105
		104			

Table of Contents*Impact of Inflation*

The impact of inflation on a financial institution differs significantly from such impact on other companies. Banks, as financial intermediaries, have assets and liabilities that tend to move in concert with inflation both as to interest rates, yields and value. A bank can reduce the impact of inflation if it can manage its interest rate sensitivity gap. Visalia Community Bank attempts to structure its mix of financial instruments and manage its interest rate risk sensitivity gap in order to minimize the potential adverse effects of inflation or other market forces on its net interest income and therefore its earnings and capital. See " Interest Rate Risk". Inflation has been moderate in recent years and has had little or no effect on the financial condition and results of operations of Visalia Community Bank during the periods covered in this proxy statement-prospectus.

**Financial Condition***Summary*

Total assets were \$199.8 million at December 31, 2012, compared to \$197.0 million at December 31, 2011, an increase of 1.4%.

Total net loans were \$120.2 million at December 31, 2012, compared to \$122.7 million at December 31, 2011, a decrease of 2.1%.

Total securities available for sale were \$16.2 million at December 31, 2012, compared to \$22.0 million at December 31, 2011, a decrease of 2.6%.

Total deposits were \$173.5 million at December 31, 2012, compared to \$171.2 million at December 31, 2011, an increase of 1.3%.

*Loans*

The loan portfolio represents the largest single portion of Visalia Community Bank's total assets, greater than any other asset category on the balance sheet as of December 31, 2012 and 2011. The quality and diversification of its loan portfolio are important considerations when reviewing Visalia Community Bank's results of operations.

At December 31, 2012, total loans outstanding were \$123.3 million, compared to \$125.5 million at December 31, 2011, a decline of 1.8%. The decline reflects lower loan demand during the continuing economic downturn as well as increased price competition.

The following table sets forth the composition of Visalia Community Bank's loan portfolio as of December 31, 2012 and 2011 (dollars in thousands):

	2012		2011	
	Amount	Percent of Total	Amount	Percent of Total
Commercial and agriculture	\$ 23,291	18.89%	\$ 23,365	18.61%
Real estate commercial	71,698	58.13	71,308	56.80
Real estate residential	15,197	12.32	16,870	13.44
Real estate construction	8,454	6.86	8,427	6.71
Consumer	4,686	3.80	5,571	4.44
Total loans	123,326	100.00%	125,541	100.00%
Less allowance for loan losses	(3,112)		(2,803)	
Loans, net	\$ 120,214		\$ 122,738	

Table of Contents*Commitments*

During the ordinary course of business, Visalia Community Bank will provide various forms of credit lines to meet the financing needs of its customers. These commitments to provide credit represent an obligation of Visalia Community Bank to its customers which is not represented in any form in the balance sheets. These commitments include, to varying degrees, elements of credit and interest rate risk not recognized in Visalia Community Bank's financial statements.

The effect on Visalia Community Bank's revenues, expenses, cash flows and liquidity from the unused portion of the commitments to provide credit cannot be reasonably predicted because there is no guarantee that the lines of credit will ever be used.

At December 31, 2012 and 2011, Visalia Community Bank has undisbursed loan commitments outstanding of \$22.6 million and \$25.1 million, respectively, whose contractual amounts represent credit risk.

*Loan Maturities and Sensitivity to Changes in Interest Rates*

The following table shows the maturity distribution of Visalia Community Bank's outstanding loans as of December 31, 2012 (dollars in thousands). The loan amounts are based on contractual maturities although borrowers may have the ability to prepay. The table includes nonaccrual loans of \$5.8 million and net deferred loan fees totaling \$221,000.

	Within One Year	After One But Within Five Years	After Five Years	Total
<b>Maturities:</b>				
Commercial and agriculture	\$ 12,542	\$ 7,642	\$ 3,107	\$ 23,291
Real estate commercial	17,369	21,854	32,475	71,698
Real estate residential	8,287	4,176	2,734	15,197
Real estate construction	7,813	641		8,454
Consumer	2,003	2,081	602	4,686
<b>Total loans</b>	<b>\$ 48,014</b>	<b>\$ 36,394</b>	<b>\$ 38,918</b>	<b>\$ 123,326</b>
<b>Repricing:</b>				
Loans with variable (floating) interest rates	\$ 28,619	\$ 13,925	\$ 6,055	\$ 48,599
Loans with predetermined (fixed) interest rates	19,395	22,469	32,863	74,727
	<b>\$ 48,014</b>	<b>\$ 36,394</b>	<b>\$ 38,918</b>	<b>\$ 123,326</b>

*Nonperforming Assets*

Nonperforming assets are comprised of loans on nonaccrual status, loans 90 days or more past due but not on nonaccrual status, and other real estate ("ORE"). Management generally places loans on nonaccrual status when they become 90 days past due, unless they are both fully secured and in the process of collection. Loans may be restructured by management when a borrower has experienced some change in financial status causing an inability to meet the original repayment terms, where Visalia Community Bank believes the borrower will eventually overcome these circumstances and repay the loan in full. ORE consists of real property acquired through foreclosure or similar means that management intends to offer for sale.

Management's classification of a loan as nonaccrual or restructured is an indication that there is reasonable doubt as to the full collectability of principal or interest on the loan. At this point, Visalia Community Bank stops recognizing income from the interest on the loan and reverses any uncollected

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interest that has been accrued but unpaid. If the loan deteriorates further due to a borrower's bankruptcy or similar financial problems, unsuccessful collection efforts or a loss classification by examiners, the remaining balance of the loan is then charged-off. These loans may or may not be collateralized, but collection efforts are continued.

Nonperforming loans, comprised of nonaccrual loans and loans past due 90 days or more as a percentage of total loans were 4.69% and 3.37% at December 31, 2012 and 2011, respectively.

Nonperforming loans at December 31, 2012 totaled \$5.8 million, an increase of \$1.6 million from the end of 2011. The total comprises loans to 18 borrowers, the four largest of which amount to \$4.9 million as follows:

A commercial loan to a fuel distribution company for \$1.2 million. The borrower is paying as agreed but continues to have financial difficulties.

Two loans financing lots for future development for a hotel operator totaling \$1.3 million. The loans are paying as agreed, but were placed on nonaccrual status due to borrower financial difficulties.

A mixed-use lot development loan with a current balance of \$1.0 million. The loan, which has been restructured but is not performing in accordance with restructured terms, is dependent on sales of collateral. The balance decreased \$1.0 million during the year ended December 31, 2012 as a result of four sales totaling \$400,000 and write-downs of \$540,000.

A loan for \$1.4 million to a recreational vehicle dealership on its business property. The borrower is paying as agreed but is experiencing financial difficulties and is attempting to sell the property.

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The following table provides information with respect to the components of Visalia Community Bank's nonperforming assets as of December 31, 2012 and 2011 (dollars in thousands):

	2012	2011
<b>Nonaccrual loans (excluding restructured):</b>		
Commercial and agriculture	\$ 1,350	\$ 303
Real estate commercial	1,633	97
Real estate residential	25	85
Real estate construction		307
Consumer	16	8
<b>Total</b>	<b>3,024</b>	<b>800</b>
<b>Restructured loans on nonaccrual status(1):</b>		
Commercial and agriculture	21	22
Real estate commercial	287	469
Real estate residential	135	
Real estate construction	2,318	2,920
Consumer		21
<b>Total</b>	<b>2,761</b>	<b>3,432</b>
<b>Loans past due 90 days or more and still accruing</b>		
<b>Total nonperforming loans</b>	<b>5,785</b>	<b>4,232</b>
<b>Other real estate</b>	<b>442</b>	<b>793</b>
<b>Total nonperforming assets</b>	<b>\$ 6,227</b>	<b>\$ 5,025</b>
<b>Nonperforming loans as a percentage of total loans(2)</b>	<b>4.69%</b>	<b>3.37%</b>
<b>Allowance for loan losses as a percentage of nonperforming loans</b>	<b>53.79%</b>	<b>66.23%</b>

(1) A "restructured loan" is a loan whose terms were renegotiated to provide for a reduction or deferral of interest or principal because of deterioration in the financial position of the borrower.

(2) Total loans are gross of the allowance for loan losses and net of deferred fees.

### *Allowance for Loan Losses*

The allowance for loan losses reflects management's judgment of the level of allowance adequate to provide for probable losses inherent in the loan portfolio. On a quarterly basis, management assesses the overall adequacy of the allowance for loan losses, utilizing a methodology which includes an individual analysis of specific categories of loans, specific categories of classified loans and individual classified loans. The adequacy of the allowance for loan losses is determinable only on an approximate basis since estimates as to the magnitude and timing of loan losses are by their nature imprecise.

Evaluation of the adequacy of the allowance for loan losses is based upon relevant information about the ability of borrowers to service their debt such as current financial information, historical payment experience, collateral adequacy and credit documentation as well as an amount for other factors that, in management's judgment, deserve recognition in estimating possible loan losses. These factors include, but are not limited to, historical charge-offs, estimated future losses on all significant loans, credit concentrations, certain classes or composition of loans, trends in the portfolio, delinquencies and nonaccruals, economic factors, and the experience of management.



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The allowance for loan losses is established through a provision for loan losses charged to expense. Loan losses are charged against the allowance when management believes that the collectability of principal is unlikely. Subsequent recoveries of charged-off amounts are credited to the allowance for loan losses.

The table below summarizes the activity in Visalia Community Bank's allowance for loan losses for the years ended December 31, 2012 and 2011 (dollars in thousands):

	2012	2011
<b>Balances:</b>		
Average total loans outstanding during period	\$ 125,000	\$ 131,477
Total loans outstanding at the end of period	123,326	125,541
<b>Allowance for loan losses:</b>		
Beginning of the year	\$ 2,803	\$ 3,254
Charge-offs:		
Commercial and agriculture	52	454
Real estate commercial		45
Real estate residential		58
Real estate construction	510	501
Consumer	39	198
Total charge-offs	601	1,256
Recoveries:		
Commercial and agriculture	65	49
Real estate residential		4
Consumer	11	46
Total recoveries	76	99
Net charge-offs	525	1,157
Provision for loan losses	834	706
Balance at the end of period	\$ 3,112	\$ 2,803

**Selected Ratios:**

Net loan charge-offs as a percentage of:

Average total loans	0.42%	0.88%
Total loans at end of period	0.43	0.92
Provision for loan losses	62.95	163.88

Allowance for loan losses as a percentage of:

Average total loans	2.49	2.13
Total loans at end of period	2.52	2.23
Total nonperforming loans at end of period	53.79	66.23

Visalia Community Bank recorded a \$834,000 provision for loan losses for the year ended December 31, 2012, compared to \$706,000 in 2011. Visalia Community Bank had net charge-offs of \$525,000 and \$1,157,000 for the years ended December 31, 2012 and 2011, respectively.

Management is committed to maintaining the allowance for loan losses at a level that is considered to be commensurate with estimated and known risks in the loan portfolio. As of December 31, 2012, management believed that the allowance for loan losses of \$3.1 million was adequate based on its assessment of such factors. However, no assurance can be given that economic conditions or other circumstances will not result in increased loan losses or provisions for loan losses in the future.

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The following table provides a breakdown of the allowance for loan losses allocated by category as of December 31, 2012 and 2011 (dollars in thousands):

	2012		2011	
	Amount	% of Loans in Category to Total Loans	Amount	% of Loans in Category to Total Loans
Commercial and agriculture	\$ 951	18.9%	735	18.6%
Real estate commercial	1,608	58.1	1,493	56.8
Real estate residential	161	12.3	277	13.5
Real estate construction	288	6.9	110	6.7
Consumer	104	3.8	188	4.4
Total allowance for loan losses	\$ 3,112	100.0%	\$ 2,803	100.0%

*Securities Available for sale*

The primary objectives of Visalia Community Bank's securities portfolio, all of which is categorized as available for sale, are to support a sufficient level of liquidity, manage interest rate risk and generate an adequate total return comprised of interest income and gains on sale without taking undue risks.

The following tables summarize the amortized cost, fair value and distribution of Visalia Community Bank's securities portfolio as of December 31, 2012 and 2011 (dollars in thousands):

	2012		2011	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
U.S. government agency:				
Callable bonds	\$ 3,499	\$ 3,534	\$ 19,007	\$ 19,109
Mortgage-backed securities	10,135	10,189		
State and municipal bonds	2,400	2,489	2,839	2,925
Total	\$ 16,034	\$ 16,212	\$ 21,846	\$ 22,034

Securities were \$16.2 million at December 31, 2012, compared with \$22.0 million at December 31, 2011. The \$5.8 million reduction from 2011 to 2012 was due to securities called, which were partially replaced with agency mortgage-backed securities.

At December 31, 2012 the securities portfolio had net unrealized gains of \$178,000, compared to net unrealized gains of \$188,000 at December 31, 2011. Unrealized gains (losses) on available-for-sale securities are excluded from net income and reported net of income taxes as a component of accumulated other comprehensive income in the shareholders' equity section of the balance sheet.

No securities were sold during the years ended December 31, 2012 or 2011.

At December 31, 2012, U.S. agency mortgage-backed securities, including collateralized mortgage obligations, comprised 63% of the portfolio.

The following table summarizes the contractual maturity characteristics and weighted average yield of the securities portfolio by investment category as of December 31, 2012 (dollars in thousands).

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Expected remaining maturities will differ from remaining contractual maturities as certain bonds can be prepaid, refunded or called without penalty.

	Within One Year		After One But Within Five Years		After Five But Within Ten Years		After Ten Years		Total		
	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	
Available for sale:											
U.S. government agency:											
Callable bonds	\$		\$ 3,534	1.47%	\$		\$		\$ 3,534	1.47%	
Mortgage-backed securities					3,618	1.01%	6,571	1.60%	10,189	1.39%	
State and municipal bonds(1)		118	5.85%	901	4.19%	1,470	4.39%		2,489	4.53%	
<b>Total</b>	<b>\$</b>	<b>118</b>	<b>5.85%</b>	<b>\$ 4,435</b>	<b>2.10%</b>	<b>\$ 5,088</b>	<b>1.99%</b>	<b>\$ 6,571</b>	<b>1.60%</b>	<b>\$ 16,212</b>	<b>1.89%</b>

(1) Adjusted to a tax equivalent basis using the statutory 34% Federal tax rate.

### *Deposits*

Deposits are Visalia Community Bank's primary source of funds. Total deposits as of December 31, 2012 were \$173.5 million, compared to \$171.2 million at December 31, 2011. Total average deposits increased \$2.8 million or 1.6% to \$174.4 million for the year ended December 31, 2012 compared with \$171.6 million for the year ended December 31, 2011.

The following table summarizes the distribution of daily average deposits and the daily average rates paid by deposit categories for the years ended December 31, 2012 and 2011 (dollars in thousands):

	2012		2011	
	Average Balance	Average Rate	Average Balance	Average Rate
Noninterest-bearing demand	\$ 52,938	0.00%	\$ 60,600	0.00%
Interest-bearing demand	40,703	0.11%	28,175	0.14%
Savings and money market	47,161	0.14%	47,528	0.19%
Time deposits	33,562	0.61%	35,278	0.79%
<b>Total deposits</b>	<b>\$ 174,364</b>	<b>0.18%</b>	<b>\$ 171,581</b>	<b>0.24%</b>

The changes in average balances of both noninterest-bearing and interest-bearing demand deposits during the year ended December 31, 2012 compared with the year ended December 31, 2011 were in large part the result of several structural changes in deposit accounts that shifted a large number of noninterest-bearing accounts into the interest-bearing category. In particular, individual noninterest demand accounts were changed to allow higher-balance accounts to earn interest, while lower-balance accounts continued to earn no interest.

The following table sets forth the scheduled maturities of Visalia Community Bank's time deposits in denominations of \$100,000 or more as of December 31, 2012 and 2011 (dollars in thousands):

	2012	2011
Three months or less	\$ 7,685	\$ 7,293
Over three months through six months	4,781	4,618
Over six months through twelve months	3,181	6,396
Over twelve months	644	647
<b>Total</b>	<b>\$ 16,291</b>	<b>\$ 18,954</b>

Visalia Community Bank had no brokered time deposits at December 31, 2012 or 2011.

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**AMENDMENT TO CERTIFICATE OF DETERMINATION FOR SERIES B PREFERRED STOCK TO PROVIDE FOR MANDATORY CONVERSION PRIOR TO MERGER**

**IMPORTANT NOTE IN THE EVENT THE SERIES B PREFERRED STOCK DOES NOT APPROVE THE MERGER AND THE CERTIFICATE OF AMENDMENT**

Visalia Community Bank has two classes of stock outstanding, common stock and Series B Preferred Stock. So long as both classes of stock are outstanding, approval of the merger and the Certificate of Amendment will require a vote by both classes.

If the merger and Certificate of Amendment described herein are not approved by the holders of the Series B Preferred Stock at the special meeting, Visalia Community Bank is obligated under the merger agreement to notify holders of Series B Preferred Stock that it will redeem all shares of Series B Preferred Stock at a price of \$37.50 per share, the redemption price currently fixed in the Certificate of Determination for the Series B Preferred Stock, no later than the date preceding the effective date of the merger. The notice will provide holders of Series B Preferred Stock with the option to convert their shares of Series B Preferred Stock to Visalia Community Bank common stock on a share for share basis prior to the mandatory redemption instead of accepting the redemption payment of \$37.50 per share.

Following the redemption or conversion of all Series B Preferred Stock, approval of the merger will require a majority vote of only the common stock. The directors, executive officers and certain principal shareholders of Visalia Community Bank owning an aggregate of 76.9% of the currently outstanding common shares (70.2% if all Series B Preferred Stock is converted to common shares) have agreed to vote their shares in favor of the merger. Accordingly, approval of the merger is assured.

If any shares of Series B Preferred Stock are redeemed, the cash portion of the consideration payable in the merger will be reduced by the redemption amount. If all 44,687 shares of the Series B Preferred Stock are redeemed, the total reduction in the cash consideration payable in the merger would be \$1,675,763; however, since holders of shares of Series B Preferred Stock would not receive any of the merger consideration following the redemption, and, since it is anticipated that the value of the per share merger consideration on the effective date of the merger will be greater than the \$37.50 redemption price for the Series B Preferred Stock, the value of the per share merger consideration payable to holders of common stock at the effective time of the merger should increase in the event any shares of the Series B Preferred Stock are redeemed.

Visalia Community Bank's Board of Directors has unanimously approved a resolution, subject to the approval of the holders of Visalia Community Bank's issued and outstanding shares of Series B Preferred Stock and the holders of Visalia Community Bank's common stock, to amend section 3 of the Certificate of Determination for the Series B Preferred Stock by adding a new section 3(h) to the Certificate of Determination to provide that immediately prior to the effectiveness of a consolidation, merger or other similar business combination of Visalia Community Bank with and into another entity pursuant to which Visalia Community Bank will not be the surviving entity, and pursuant to which transaction the common stock of Visalia Community Bank will be converted into cash, securities or other property, that each share of Series B Preferred Stock will be automatically converted into one share of common stock of Visalia Community Bank on a share for share basis.

The Certificate of Determination for the Series B Stock currently provides for the conversion of the Series B Preferred Stock at the option of the holder on a share for share basis into shares of the common stock of Visalia Community Bank commencing on March 31, 2013 (three (3) years after the date of issuance of the Series B Preferred Stock). The Certificate of Determination further currently

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provides for the redemption of the Series B Preferred Stock, at the option of Visalia Community Bank, at a price of \$37.50 per share of Series B Preferred Stock, commencing on March 31, 2013 (three years after the issuance of the shares of Series B Preferred Stock).

The purpose of the Certificate of Amendment is to make the conversion into common stock automatic, without the requirement of any action being taken by all of the holders of the Series B Preferred Stock to convert their respective shares, and would ensure that each holder of Series B Preferred Stock would receive the same merger consideration as the holders of the common stock of Visalia Community Bank upon the effectiveness of the merger.

**If the merger described herein has not been approved by the holders of the Series B Preferred Stock at the special meeting, all of the Series B Preferred Stock will either be converted into common stock by the individual holders or, if not converted, redeemed, and Visalia Community Bank is obligated under the merger agreement to notify holders of Series B Preferred Stock that it will redeem all shares of Series B Preferred Stock at a price of \$37.50 per share no later than the date preceding the effective date of the merger. Such notice to holders of Series B Preferred Stock will provide holders of Series B Preferred Stock with the option to convert their shares of Series B Preferred Stock to Visalia Community Bank common stock prior to the merger instead of accepting the redemption payment of \$37.50 per share.**

**If the merger is not approved by the holders of the Series B Preferred Stock at the special meeting, all of the Series B Preferred Stock will either be converted into common stock by the individual holders or, if not converted, redeemed, and approval of the merger after such redemption or conversion will require a majority vote only of the common stock. The directors, executive officers and certain principal shareholders of Visalia Community Bank own 76.9% of the currently outstanding common shares (70.2% if all Series B Preferred Stock is converted to common shares). They have agreed to vote their shares in favor of the merger. Accordingly, approval of the merger is assured.**

**Therefore, regardless of whether the Certificate of Amendment is approved, Series B Preferred Stock will be redeemed or converted in connection with the merger.**

Proposed section 3(h) to be added to the Certificate of Determination for the Series B Preferred Stock shall read substantially in full as follows; subject to any changes that may be required by the California Secretary of State or California Department of Financial Institutions prior to filing.

"h. (1) Effective immediately prior to the effectiveness of a Reorganization Event (as defined below) (the "Mandatory Conversion Date"), each share of Series B Preferred Stock will automatically be converted into one (1) fully paid and nonassessable share of the Common Stock of Visalia Community Bank. For purposes of this Section (h), a "Reorganization Event" shall mean any consolidation, merger or other similar business combination of Visalia Community Bank with and into another entity in which Visalia Community Bank is not the surviving entity, and in each case pursuant to which the Common Stock of Visalia Community Bank will be converted into cash, securities or other property.

(2) From and after the Mandatory Conversion Date, the shares of Series B Preferred Stock will no longer be deemed to be outstanding, subject to the right of the holders of the Series B Preferred Stock to receive (i) shares of Common Stock issuable upon such mandatory conversion and (ii) any declared and unpaid dividends with respect to such Series B Preferred Stock. All share certificates previously representing shares of the Series B Preferred Stock shall from and after the Mandatory Conversion Date, represent shares of the Common Stock of Visalia Community Bank. The person or persons entitled to receive the Common Stock upon the mandatory conversion of the

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Series B Preferred Stock shall be treated for all purposes as the record holder(s) of such shares of Common Stock as of the Mandatory Conversion Date.

(3) No fractional shares of Common Stock shall be issued in connection with the mandatory conversion; alternatively, the holders of the Series B Preferred Stock will receive cash in lieu of their fractional shares equal to the fair value of such fractional shares as of the time when those entitled to receive their fractional shares shall be determined.

(4) In the event of a stock split, reverse stock split or stock dividend affecting the number of shares of Common Stock outstanding prior to the Mandatory Conversion Date, the conversion ratio set forth in paragraph (h)(1) shall be proportionately revised so as to fairly and equitably preserve the purposes and intent of the mandatory conversion provision of the Series B Preferred Stock."

**Required Vote for Approval**

The Board of Directors of Visalia Community Bank directed that the Certificate of Amendment be submitted for approval by Visalia Community Bank's shareholders as required by California law. Under California law, approval of the Certificate of Amendment requires the affirmative vote of a majority of the outstanding shares of Series B Preferred Stock voting as a class and a vote of a majority of the outstanding shares of common stock.

If you are a holder of Series B Preferred Stock and vote against the merger, you can perfect dissenters' rights. Voting against the Certificate of Amendment, by itself, will not permit you to perfect dissenters' rights.

**Recommendation of Board of Directors**

**The Board of Directors of Visalia Community Bank Unanimously Recommends a vote "FOR" the amendment to the Certificate of Determination for the Series B Preferred Stock to provide for the mandatory conversion of the Series B Preferred Stock in the event of a merger.**

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**VALIDITY OF CENTRAL VALLEY COMMUNITY BANCORP'S COMMON STOCK**

The validity of the shares of Central Valley Community Bancorp common stock to be issued in the merger has been reviewed by the firm of Downey Brand LLP. Downey Brand LLP is located at 621 Capitol Mall, Sacramento, California, 95814. Such review should not be construed as constituting an opinion as to the merits of the offering made hereby, the accuracy or adequacy of the disclosures contained herein, or the suitability of Central Valley Community Bancorp common stock for any of Visalia Community Bank's shareholders.

**EXPERTS**

The audited consolidated financial statements of Central Valley Community Bancorp as of December 31, 2012 and 2011, and for each of the years in the three-year period ended December 31, 2012, have been incorporated by reference in this proxy statement-prospectus from Central Valley Community Bancorp's Annual Report on Form 10-K for the year ended December 31, 2012, in reliance on the reports from Crowe Horwath, LLP, independent registered public accounting firm, and Perry-Smith LLP, independent registered public accounting firm, incorporated by reference herein and upon the authority of said firms as experts in accounting and auditing. The report from Crowe Horwath, LLP related to the 2012 and 2011 consolidated financial statements, and the report from Perry-Smith LLP related to the 2010 consolidated financial statements.

The audited financial statements of Visalia Community Bank as of December 31, 2012 and 2011 and for each of the years then ended included in this proxy statement-prospectus have been so included in reliance on the report of Crowe Horwath, LLP, independent registered public accounting firm, given on the authority of said firms as experts in auditing and accounting.

**WHERE YOU CAN FIND MORE INFORMATION**

Central Valley Community Bancorp is subject to the informational requirements of the Securities Exchange Act of 1934, as amended. In accordance with the Exchange Act, Central Valley Community Bancorp files reports, proxy statements and other information with the Securities and Exchange Commission. You may read and copy these documents and other information at the SEC's Public Reference Room located at 100 F St. NE, N.W., Washington, D.C. 20549 at prescribed rates. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. You may also retrieve these materials at the SEC's Internet website at <http://www.sec.gov>. In addition, Central Valley Community Bancorp has a website containing additional information about Central Valley Community Bancorp at <http://www.cvcb.com>. The information on Central Valley Community Bancorp's website is not a part of this proxy statement-prospectus.

Central Valley Community Bancorp has filed a registration statement on Form S-4, including exhibits, with the SEC pursuant to the Securities Act of 1933, as amended, covering the shares of Central Valley Community Bancorp common stock issuable in the merger. This proxy statement-prospectus does not contain all the information contained in the registration statement. Any additional information may be obtained from the SEC's principal office in Washington, D.C. or through the SEC's Internet website. Statements contained in this proxy statement-prospectus as to the contents of any contract or other document referred to herein are not necessarily complete, and in each instance reference is made to the copy of that contract or other document filed as an exhibit to the registration statement, each such statement being qualified in all respects by such reference.

The SEC allows Central Valley Community Bancorp to "incorporate by reference" into this document, which means that Central Valley Community Bancorp can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be part of this document, except for any information superseded by information contained in later filed documents incorporated by reference in this document. Central



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Valley Community Bancorp incorporates by reference the respective documents filed by it with the SEC listed below and any future filings made by it with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act prior to the termination of this offering.

Central Valley Community Bancorp  
SEC Filings under CIK#: 0001127371

<b>Title of SEC Report</b>	<b>Filing Dates</b>
Annual Report on Form 10-K for Year ended December 31, 2012	March 20, 2013
Current Reports on Form 8-K	April 18, 2013; April 17, 2013; January 31, 2103; and January 22, 2013

You may request a copy of documents incorporated by reference in this document but not otherwise accompanying this document, at no cost, by writing or telephoning Central Valley Community Bancorp at the following address and telephone number:

Central Valley Community Bancorp  
7100 N. Financial Drive, Suite 101  
Fresno, California 93720  
(559) 298-1775  
Attention: Cathy Ponte

You should rely only on the information contained or incorporated by reference in this document. Central Valley Community Bancorp has not authorized anyone else to provide you with information that is different from that which is contained in this document. Moreover, Central Valley Community Bancorp is not making an offer to sell or soliciting an offer to buy any securities other than the Central Valley Community Bancorp common stock to be issued by Central Valley Community Bancorp in the merger, and neither Central Valley Community Bancorp nor Visalia Community Bank is making an offer of such securities in any state where the offer is not permitted. Information contained herein respect Visalia Community Bank was provided by Visalia Community Bank for inclusion in this document. The information contained in this document speaks only as of its date unless the information specifically indicates that another date applies.

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INDEPENDENT AUDITOR'S REPORT

The Shareholders and  
Board of Directors  
Visalia Community Bank  
Visalia, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of Visalia Community Bank, which comprise the balance sheets as of December 31, 2012 and 2011, and the related statements of income and comprehensive income, changes in shareholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Visalia Community Bank as of December 31, 2012 and 2011, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

/s/ Crowe Horwath LLP

Sacramento, California  
April 22, 2013

Table of Contents**VISALIA COMMUNITY BANK****BALANCE SHEETS****December 31, 2012 and 2011****(dollars in thousands)**

	<b>2012</b>	<b>2011</b>
<b>ASSETS</b>		
Cash and due from banks	\$ 7,429	\$ 7,402
Overnight funds in Federal Reserve and other banks	40,818	27,956
Total cash and cash equivalents	48,247	35,358
Time deposits in other banks	250	1,746
Available-for-sale investment securities (Notes 2 and 14)	16,212	22,034
Loans (Notes 3, 7, 9, 13 and 14)	123,326	125,541
Less allowance for loan losses (Note 3)	3,112	2,803
Loans, net of allowance for loan losses	120,214	122,738
Premises and equipment, net (Note 4)	2,996	3,314
Cash surrender value of bank-owned life insurance (Note 12)	6,680	6,448
Other real estate (Note 14)	442	793
Accrued interest receivable and other assets (Notes 5 and 8)	4,745	4,552
Total assets	\$ 199,786	\$ 196,983
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Deposits:		
Non-interest bearing	\$ 52,491	\$ 51,233
Interest bearing (Note 6)	121,027	119,998
Total deposits	173,518	171,231
Federal Home Loan Bank advances (Note 7)	2,000	2,000
Accrued interest payable and other liabilities (Notes 12)	5,545	5,037
Total liabilities	181,063	178,268
Commitments and contingencies (Note 9)		
Shareholders' equity (Note 10):		
Preferred stock, no par value; \$37.50 liquidation value; 2,000,000 shares authorized; 44,687 shares issued and outstanding	1,613	1,613
Common stock, \$4 par value; 1,000,000 shares authorized; 380,322 shares issued and outstanding	1,521	1,521
Additional paid-in-capital	1,820	1,820
Retained earnings	13,658	13,644
Accumulated other comprehensive income, net of taxes (Note 2)	111	117
Total shareholders' equity	18,723	18,715
Total liabilities and shareholders' equity	\$ 199,786	\$ 196,983

See accompanying notes to financial statements.

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## VISALIA COMMUNITY BANK

## STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

For the Years Ended December 31, 2012 and 2011

(in thousands)

	2012	2011
Interest income:		
Interest and fees on loans	\$ 6,922	\$ 7,552
Interest on overnight funds in other banks	98	113
Interest on investment securities:		
Taxable	234	231
Exempt from Federal income taxes	80	75
Total interest income	7,334	7,971
Interest expense:		
Interest on deposits (Note 6)	317	408
Interest on other borrowings (Note 7)	79	117
Total interest expense	396	525
Net interest income	6,938	7,446
Provision for loan losses (Note 3)	834	706
Net interest income after provision for loan losses	6,104	6,740
Non-interest income:		
Service charges on deposit accounts	1,777	2,033
Other income (Note 11)	501	478
Total non-interest income	2,278	2,511
Other expenses:		
Salaries and employee benefits (Notes 3 and 12)	3,976	3,723
Occupancy and equipment (Notes 4 and 9)	1,261	1,274
Other expenses (Note 11)	2,810	3,625
Merger-related expenses (Note 15)	247	
Total other expenses	8,294	8,622
Income before income tax (benefit) expense	88	629
Income tax (benefit) expense (Note 8)	(60)	163
Net income	148	466
Other comprehensive income:		
Unrealized holding (losses) gains on securities arising during the year	(10)	195
Less income tax effect	4	(74)
Other comprehensive (loss) income	(6)	121
Comprehensive income	\$ 142	\$ 587

See accompanying notes to financial statements.

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## VISALIA COMMUNITY BANK

## STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the Years Ended December 31, 2012 and 2011

(dollars in thousands)

	Preferred Stock		Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss) (Net of Taxes)	Total Shareholders' Equity
	Shares	Amount	Shares	Amount				
Balance, January 1, 2011	44,687	\$ 1,613	380,322	\$ 1,521	\$ 1,820	\$ 13,312	\$ (4)	\$ 18,262
Net income						466		466
Other comprehensive income, net of tax							121	121
Preferred stock dividends (Note 10)						(134)		(134)
Balance, December 31, 2011	44,687	1,613	380,322	1,521	1,820	13,644	117	18,715
Net income						148		148
Other comprehensive loss, net of tax							(6)	(6)
Preferred stock dividends (Note 10)						(134)		(134)
Balance, December 31, 2012	44,687	\$ 1,613	380,322	\$ 1,521	\$ 1,820	\$ 13,658	\$ 111	\$ 18,723

See accompanying notes to financial statements.



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## VISALIA COMMUNITY BANK

## STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2012 and 2011

(in thousands)

	2012	2011
<b>Cash flows from operating activities:</b>		
Net income	\$ 148	\$ 466
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, accretion and amortization, net	424	376
Provision for loan losses	834	706
Decrease in deferred loan origination fees, net	(41)	(196)
Loss on sale and write down of other real estate	38	279
Increase in cash surrender value of life insurance policies	(232)	(230)
Decrease (increase) in accrued interest receivable and other assets	242	(28)
Increase in accrued interest payable and other liabilities	508	464
(Benefit) provision for deferred income taxes	(251)	189
Net cash provided by operating activities	1,670	2,026
<b>Cash flows from investing activities:</b>		
Available-for-sale investment securities		
Purchases	(11,254)	(23,229)
Proceeds from maturities and calls	17,022	3,870
Decrease in loans, net	1,731	7,942
Purchases of premises and equipment	(62)	(36)
Proceeds from sales of other real estate	313	10
Decrease in time deposits in other banks, net	1,496	4,235
(Purchase) redemption of Federal Home Loan Bank stock, net	(180)	28
Net cash provided by (used in) investing activities	9,066	(7,180)
<b>Cash flows from financing activities:</b>		
Increase in demand, interest-bearing, and savings deposits, net	6,758	5,629
Decrease in time deposits, net	(4,471)	(1,363)
Repayments of Federal Home Loan Bank advances		(2,000)
Dividends paid on preferred stock	(134)	(134)
Net cash provided by financing activities	2,153	2,132
Increase (decrease) in cash and cash equivalents	12,889	(3,022)
Cash and cash equivalents at beginning of year	35,358	38,380
<b>Cash and cash equivalents at end of year</b>	<b>\$ 48,247</b>	<b>\$ 35,358</b>
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Interest	\$ 405	\$ 537
Income taxes	143	170
Non-cash investing activities:		
Other real estate acquired through foreclosure		88
Other real estate sale financed by a loan from the Bank		393

See accompanying notes to financial statements.

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**VISALIA COMMUNITY BANK**  
**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2012 and 2011**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

General

Visalia Community Bank (the "Bank") was incorporated on July 30, 1976. The Bank operates five branches in the cities of Visalia and Exeter, California. The Bank's primary source of revenue is interest on commercial, agricultural, commercial real estate, residential real estate and installment loans.

The accounting and reporting policies of the Bank conform with accounting principles generally accepted in the United States of America and prevailing practices within the banking industry.