Community Bancorp (CMTV)

Updated April 25th, 2026, by Nikolaos Sismanis

Key Metrics

Current Price:	$39	**5 Year Annual Expected Total Return:**	4.0%	**Market Cap:**	$220 M
Fair Value Price:	$33	**5 Year Growth Estimate:**	5.0%	**Ex-Dividend Date:**	04/24/26
% Fair Value:	119%	**5 Year Valuation Multiple Estimate:**	-3.4%	**Dividend Payment Date:**	05/01/26
Dividend Yield:	2.5%	**5 Year Price Target**	$42	**Years Of Dividend Growth:**	6
Dividend Risk Score:	C	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

Community Bancorp is a Vermont bank holding company whose only banking subsidiary is Community National Bank, a community bank with roots dating back to 1851. The bank operates from its main office in Derby, Vermont, with eleven branches across northeastern and central Vermont and loan production offices in Chittenden County, Vermont, and Grafton County, New Hampshire. The banks provides a wide range of services to individuals, businesses, nonprofits, and municipalities, including business banking, commercial real estate lending, residential mortgages, consumer lending, and retail deposit products. It also offers trust and wealth management services through its affiliated trust company, CFSG. The bank trades at a market cap of $220 million and on February 2026 it "uplisted" its stock from the OTCQX market to the Nasdaq Capital Market.

On April 21st, 2026, Community Bancorp released its first quarter results for the period ending March 31st, 2026. For the quarter, net income totaled $4.4 million, or $0.78 per share, up from $3.5 million, or $0.62 per share, in the first quarter of 2025. Net interest income increased to $11.0 million from $9.4 million, driven by growth in total interest income to $16.0 million, up from $14.5 million the prior year, while interest expense was essentially flat at $5.1 million. Non-interest income rose to $1.7 million and non-interest expense increased to $7.1 million, mainly due to higher salaries, employee benefits, and other operating expenses. Total assets decreased to $1.24 billion from $1.29 billion at year-end 2025, while total shareholders' equity rose to $116.8 million from $113.7 million. For 2026, we expect EPS of $3.30.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$1.07	$1.21	$1.61	$1.68	$2.03	$2.45	$2.53	$2.43	$2.28	$3.01	***$3.30***	***$4.21***
DPS	$0.64	$0.68	$0.74	$0.76	$0.76	$0.88	$0.92	$0.92	$0.94	$0.98	***$1.00***	***$1.28***
Shares[1]	5.0	5.1	5.1	5.2	5.3	5.3	5.4	5.5	5.6	5.6	***5.6***	***6.0***

Community Bancorp has increased EPS at significant CAGR of 12.2% over the past decade. However, that growth rate has slowed down to 4.1% over the past five years. More specifically, EPS climbed from $1.07 in 2016 to $1.68 in 2019, helped by steady balance-sheet growth and stronger net interest income. Early on, loan growth, better funding, and a modestly higher margin supported results, though 2017 was tempered by a one-time tax-reform charge.

In 2018, EPS rose more sharply as earning assets and net interest income grew, the bank booked a gain on a property sale, and the lower federal tax rate lifted after-tax earnings. In 2019, EPS still increased, but more slowly, as stronger interest income was partly offset by higher deposit costs, a larger loan-loss provision, and the loss of the prior year's one-time gain. From 2019 to 2021, EPS jumped from $1.68 to $2.45, driven largely by pandemic-era factors. In 2020, PPP lending boosted balances and fee income, and strong mortgage banking added to earnings, though reserves increased because of economic uncertainty. In 2021, EPS rose again as more PPP fees were recognized, funding costs fell sharply after Fed rate cuts, and credit costs eased.

[1] In millions

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However, EPS then leveled off in 2022 and declined in 2023–2024 as the rate backdrop became less favorable. In 2022, loan growth stayed strong, but lower PPP income, rising funding costs, and a higher loan-loss provision limited the gain. By 2023 and 2024, higher deposit and borrowing costs offset much of the benefit from stronger interest income, so EPS slipped from $2.53 in 2022 to $2.43 in 2023 and $2.28 in 2024 despite continued asset growth.

Going forward, we expect EPS and the dividend to grow by about 5% per year, driven by loan growth in its stronger Vermont and New Hampshire markets and some relief on funding costs as industry margin pressure eases, offset by intense deposit competition, normal credit normalization, and rising operating costs.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	13.3	14.6	10.8	9.7	6.9	7.6	8.1	7.5	7.2	6.7	***11.9***	***10.0***
Avg. Yld.	4.5%	3.9%	4.3%	4.6%	5.5%	4.7%	4.5%	5.0%	5.7%	4.9%	***2.5%***	***3.0%***

Community Bancorp's average P/E has fallen from the low-to-mid teens in 2016–2017 to around 7–8x in recent years, reflecting funding pressure and its historically illiquid OTC listing. We use a 10x fair multiple because the recent Nasdaq uplisting should improve liquidity, visibility, and investor access, supporting a modest rerating above recent averages. Still, that implies the possibility of a valuation headwind today.

Safety, Quality, Competitive Advantage, & Recession Resiliency

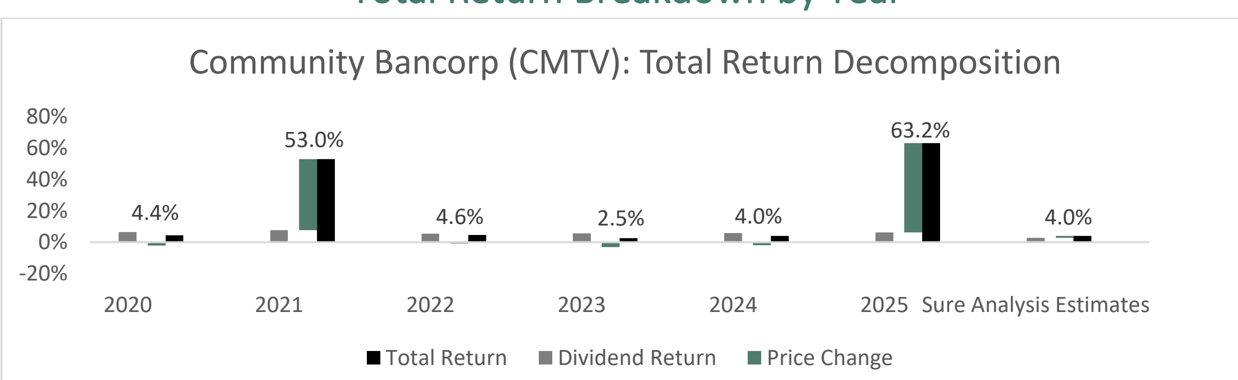
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	60%	56%	46%	45%	37%	36%	36%	38%	41%	33%	***30%***	***30%***

Community Bancorp has solid safety and quality for a small community bank, with a very long operating history, strong capital, a stable local deposit base, and a diversified mix of retail, business, municipal, and mortgage banking. Its edge is local rather than structural, built on community relationships, market knowledge, and a growing presence in stronger Vermont and New Hampshire markets, with some added diversification from CFSG trust and wealth services. Recession resiliency could be decent (the bank remained profitable during 07-08), but not exceptional, because the company is still tied to regional economic conditions, credit quality, and margin pressure. Note that while the bank has periodically skipped annual dividend hikes, it has never cut its dividend since at least 1995, which is as far back as we can see.

Final Thoughts & Recommendation

Community Bancorp is a solid community bank with improving earnings, a stable local franchise, and some momentum from its Nasdaq listing, though it remains more of a steady compounder than a growth story. We forecast annualized returns of 4.0% through 2031, to be driven by our growth estimate and the starting dividend, offset by the possibility of a valuation headwind. We rate Community Bancorp a hold.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	29	32	35	37	39	41	43	53	61	67
D&A Exp.	1	1	1	1	1	1	1	1	1	1
Operating Profit	7	9	9	10	12	15	16	15	14	19
Operating Margin	23.9%	27.6%	25.8%	27.0%	31.5%	37.4%	37.7%	28.8%	22.9%	27.8%
Net Profit	5	6	8	18	11	13	14	13	13	17
Net Margin	18.7%	19.7%	24.3%	47.6%	27.5%	32.4%	31.8%	25.3%	20.9%	25.3%
Free Cash Flow	8	9	9	10	13	13	15	19	15	15
Income Tax	2	3	2	2	2	3	3	3	2	3

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	639	668	721	739	919	1,020	1,057	1,100	1,250	1,289
Cash & Equivalents	11	11	15	10	11	18	12	15	10	12
Goodwill & Int. Ass.	12	12	12	12	12	12	12	12	12	12
Total Liabilities	584	610	658	670	842	935	982	1,011	1,152	1,176
Long-Term Debt	45	17	15	17	17	19	18	71	89	52
Shareholder's Equity	52	55	61	67	76	83	74	88	97	114
LTD/E Ratio	1.38	0.78	0.72	0.73	0.72	0.61	0.69	1.21	1.41	0.83

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	0.9%	1.0%	1.2%	2.4%	1.3%	1.4%	1.3%	1.2%	1.1%	1.3%
Return on Equity	10.4%	11.1%	13.9%	26.8%	14.7%	16.2%	17.2%	16.4%	13.6%	16.0%
ROIC	4.8%	5.3%	8.0%	15.6%	8.5%	9.8%	10.4%	8.3%	5.9%	7.6%
Shares Out.	5.0	5.1	5.1	5.2	5.3	5.3	5.4	5.5	5.6	5.6
Revenue/Share	5.82	6.21	6.72	7.13	7.42	7.59	7.99	9.69	10.98	11.96
FCF/Share	1.52	1.68	1.76	1.98	2.52	2.40	2.69	3.43	2.68	2.72

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.