

# Commerce Home Mortgage, LLC Completes Capital Offering

October 2020

Commerce Home Mortgage, LLC



Preferred Equity Offering

**\$50.0 Million**

5.00% Fixed Coupon

Sole Placement Agent

Performance Trust Capital Partners

## Commerce Home Mortgage Raises \$50,000,000 of Preferred Equity to Expand Access to Capital to Minority and Low-Income Americans

- Consortium of environmental, social, and corporate governance minded investors (“ESG Investors”) participated in the offering
- Commerce Home Mortgage to use proceeds to increase lending to over \$10 billion in 2021
- Fourteen banks participated to further their Community Reinvestment Act (“CRA”) goals

### Transaction Overview

On October 19, 2020, Commerce Home Mortgage, LLC, one of America’s largest Community Development Financial Institutions (“CDFI”), announced the pricing and closing of a private placement (the “Offering”) of \$50 million of cumulative, perpetual preferred equity units (the “Preferred Equity Units”) by a consortium of socially responsible ESG Investors, including community and regional banks. The Preferred Equity Units bear a cumulative, preferred return of 5.00% per annum, paid quarterly (and subject to an annual adjustment based on CRA lending credit earned by bank investors).

Commerce will use the net proceeds from the Offering to increase lending to Black, Latino, Indigenous and other minority and low-income borrowers and communities – including those in persistent poverty counties. Commerce expects to grow its lending to well over \$10 billion in 2021 to further its community development mission of lending to the unbanked.

**Performance Trust Capital Partners served as sole placement agent for Commerce Home Mortgage, LLC in connection with this issuance of preferred equity.**

### Investment Banking & Capital Markets



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### Commerce Home Mortgage Overview

- One of the largest state and federally certified CDFIs with loan originations in 14 states across the US
- Originated over \$7 billion in loan originations on annualized basis for FY 2020
- Over \$150 million in equity & \$500 million in assets
- 1/3rd of annualized CRA loan production are to African-American and Latino/Hispanic communities

### Operating Platform Overview

