

Communities First Financial Corp. Completes Capital Offering

November 2020

Communities First Financial Corp.

holding company for:



Subordinated Debt Offering

\$40.0 Million

\$30mm due November 2030

4.25% Fixed-to-Floating

\$10mm due November 2035

4.25% Fixed-to-Floating

Joint & Sole Placement Agent

Performance Trust Capital Partners

Transaction Overview

On November 3, 2020, Fresno, California-based Communities First Financial Corporation (OTCQX:CFST), holding company for Fresno First Bank, completed the issuance of \$30 million in 10-year fixed-to-floating rate subordinated notes and \$10 million in 15-year fixed-to-floating rate subordinated notes. The subordinated debt is structured such that it qualifies as Tier 2 capital at the holding company. The 10-year notes will initially bear interest at 4.25% per annum through November 15, 2025 and thereafter pay a quarterly floating rate equal to 90-day Average SOFR plus 407 basis points. The 15-year notes will initially bear interest at 4.25% per annum through November 15, 2030 and thereafter pay a quarterly floating rate equal to 90-day Average SOFR plus 370 basis points. The Company intends to use the net proceeds from this offering for general corporate purposes, the maintenance of required regulatory capital at the Bank, and to support the Company's and Bank's future growth.

Performance Trust Capital Partners, LLC, acted as joint placement agent for the 2030 Notes and sole placement agent for the 2035 Notes.

Capital Markets

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Balance Sheet Strategy

Matt Sheehan

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Financial Highlights (September 30, 2020)

| | Communities First Financial Corp. |
|---------------------------|-----------------------------------|
| (\$000s) | |
| Assets: | \$ 831,003 |
| Loans HFI: | 584,520 |
| Deposits: | 753,145 |
| Tang. Equity: | 64,576 |
| TCE / TA: | 7.77% |
| NPAs / Assets: | 0.13% |
| LTM Net Income: | \$ 10,823 |
| LTM ROAA: | 1.70% |
| LTM ROAE: | 19.28% |
| Note: GAAP financial data | |

Branch Map

