

# Valley Republic Bancorp, Inc. Completes Capital Offering

August 2020

**Valley Republic Bancorp, Inc.**  
holding company for:



**Subordinated Debt Offering**  
**\$20.0 Million**

5.00% Fixed-to-Floating

**Sole Placement Agent**

**Performance Trust Capital Partners**

## Capital Markets

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## Balance Sheet Strategy

### Matt Sheehan

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## Transaction Overview

On August 27, 2020, Bakersfield, California-based Valley Republic Bancorp, Inc. (NASDAQ: VLLX), the holding company for Valley Republic Bank, completed the issuance of \$20 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 15-year notes will initially bear interest at 5.00% per annum through September 30, 2025 and thereafter pay a quarterly floating rate equal to 90-day Average SOFR plus 490 basis points.

In addition to general corporate purposes, the Company intends to use the funds to enhance regulatory capital to support ongoing growth and fund potential future strategic opportunities.

*Performance Trust Capital Partners served as sole placement agent for Valley Republic Bancorp, Inc. in connection with this issuance of subordinated debt.*

## Financial Highlights (June 30, 2020)

	Valley Republic Bancorp, Inc.	
(\$000s)		
Assets:	\$	1,219,468
Loans HFI:		857,264
Deposits:		1,058,800
Total Equity:		87,029
TCE / TA:		7.14%
NPAs / Assets:		0.33%
LTM Net Income:	\$	10,388
LTM ROAA:		1.08%
LTM ROAE:		13.14%

Note: GAAP reported financial data

## Branch Map

