

Sub Debt Issuance – Redwood Capital Bancorp

September 2019

Redwood Capital Bancorp

holding company for:



Subordinated Debt Offering

\$9.0 Million

5.25% Fixed-to-Floating
Notes Due September 2029

Sole Placement Agent

Performance Trust Capital Partners

For additional information, please
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Transaction Overview

On September 25, 2019, Eureka, California-based Redwood Capital Bancorp, the holding company for Redwood Capital Bank, completed the issuance of \$9.0 million in 10-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 notes will initially bear interest at 5.25% per annum through September 25, 2024, and thereafter pay a quarterly floating rate equal to three-month LIBOR plus 312 basis points.

The Company intends to use the net proceeds to replace ~\$4 million of senior debt and for general corporate purposes, including strengthening its capital ratios and improving its capital structure flexibility to support Redwood Capital Bank's continued growth.

Performance Trust Capital Partners served as sole placement agent for Redwood Capital Bancorp in connection with this issuance of subordinated debt.

Bank Financial Highlights (June 30, 2019)

	Redwood Capital Bank
(\$000s)	
Assets:	\$ 361,032
Loans:	276,421
Deposits:	325,805
Tang. Equity:	33,059
TCE / TA:	9.16%
NPAs (ex. TDR's):	0.03%
LTM Net Income:	\$ 4,649
LTM ROAA:	1.27%
LTM ROAE:	14.65%

Note: Regulatory bank level financials displayed

Branch Map

