

# Frontier Community Bancshares, Inc. Completes Capital Offering

November 2020

**Frontier Community Bancshares, Inc.**

holding company for:



**Subordinated Debt Offering**  
**\$18.0 Million**

4.50% Fixed-to-Floating

**Sole Placement Agent**

**Performance Trust Capital Partners**

## Transaction Overview

On November 5<sup>th</sup>, 2020, Elgin, Texas-based Frontier Community Bancshares, Inc., holding company for Frontier Bank of Texas, completed the issuance of \$18 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 10-year notes will initially bear interest at 4.50% per annum through December 31<sup>st</sup>, 2025 and thereafter pay a quarterly floating rate equal to 90-day Average SOFR plus 432 basis points.

The Company intends to use the funds for general corporate purposes, including a senior term loan repayment and increased support towards subsidiary bank regulatory capital ratios.

*Performance Trust Capital Partners served as sole placement agent for Frontier Community Bancshares, Inc. in connection with this issuance of subordinated debt.*

## Capital Markets

### Matt Shields

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## Investment Banking

### Dan Bass

Managing Director  
Head of Southeast Region  
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### Ashish Patel

Vice President  
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### Conor O'Hara

Analyst  
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## Balance Sheet Strategy

### William James

Director  
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## Financial Highlights (June 30, 2020)

	Frontier Bank of Texas
(\$000s)	
Assets:	\$ 443,848
Loans HFI:	328,835
Deposits:	368,355
Total Equity:	43,414
TCE / TA:	9.78%
NPAs / Assets:	0.10%
LTM Net Income:	\$ 3,082
LTM ROAA:	0.83%
LTM ROAE:	7.90%
Note: Bank regulatory data	

## Branch Map

