

# Lake Shore III Corporation Completes Capital Offering

April 2021

**Lake Shore III Corporation**  
holding company for:



**Subordinated Debt Offering**  
**\$40.0 Million**

4.00% Fixed-to-Floating

**Sole Placement Agent**

**Performance Trust Capital Partners**

## Transaction Overview

On April 5<sup>th</sup>, 2021, Hager City, Wisconsin-based Lake Shore III Corporation, holding company for Hiawatha National Bank, completed the issuance of \$40 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 4.00% per annum through April 30<sup>th</sup>, 2026 and thereafter pay a quarterly floating rate equal to 90-day Average SOFR plus 330 basis points.

The Company intends to use the net proceeds to retire existing senior debt and for other general corporate purposes, including to support subsidiary bank regulatory capital ratios and potential strategic growth opportunities.

*Performance Trust Capital Partners served as sole placement agent for Lake Shore III Corporation in connection with this issuance of subordinated debt.*

## Capital Markets

**Matt Shields**

Managing Director  
(312) 521-1638

## Investment Banking

**Gary Svec**

Managing Director  
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**Ashish Patel**

Director  
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**Conor O'Hara**

Associate  
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**Ryan Kobakof**

Analyst  
(312) 521-1870

## Balance Sheet Strategy

**Tony Depalo**

Partner and Managing Director  
(312) 521-1444

## Financial Highlights (December 31, 2020)

	Hiawatha National Bank	
(\$000s)		
Assets:	\$	515,312
Loans (Incl HFI & HFS):		363,811
Deposits:		369,475
Tangible Equity:		44,354
TCE / TA:		8.75%
NPAs (excl. TDRs) / Assets:		0.94%
LTM Net Income:	\$	5,110
LTM ROAA:		1.26%
LTM ROAE:		15.07%

Note: Bank Call Report Data

## Branch Map

