

Northpointe Bank (Private; Grand Rapids, MI) Closes Private Placement of \$15 Million of Subordinated Notes due 2028

Sandler O'Neill + Partners, L.P. served as the sole placement agent for this offering.

This transaction is the 97th subordinated note or senior note transaction for a community bank since January 1, 2016 in which Sandler O'Neill acted as a placement agent, sole underwriter, book runner or initial purchaser.¹ These transactions have raised approximately \$5.6 billion for our clients, capturing a 63.0% market share of announced transactions.¹

About the Offering:

Grand Rapids, MI – Northpointe Bank (“Northpointe”) completed the private placement of \$15 million in aggregate principal amount of fixed-to-floating rate subordinated notes to certain institutional accredited investors. Unless earlier redeemed, the notes mature on October 1, 2028 and bear interest at a fixed rate of 6.875% per year, from and including September 28, 2018 to but excluding October 1, 2023. From and including October 1, 2023 to the maturity date or early redemption date, the interest rate shall reset quarterly to an interest rate per annum equal to the then current three-month LIBOR rate plus 376.5 basis points, payable quarterly in arrears. The Company intends to use the net proceeds to fund its organic growth opportunities and for general corporate purposes.

This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.

About the Company:

Northpointe is a financial services company that operates four main business lines: a Mortgage Purchase Program, a Residential Lending business, a Mortgage Servicing business, and a community bank. Northpointe strives to be a resource for sound financial solutions with exceptionally high levels of service for all customers.

(1) Source: Sandler O'Neill Syndicate Desk, Bloomberg. Deal count includes subordinated debt or senior note offerings for Community Banks reported by Bloomberg; Community Banks defined as banks or bank holding companies with less than \$35 billion in assets; Excludes transactions less than \$5 million in offering size

(2) Source: S&P Global Market Intelligence; Bank level financial data, not pro forma for the offering.

September 28, 2018

6.875% Fixed-to-Floating Rate
Subordinated Notes due 2028

\$15.0 Million



Northpointe Bank

Sole Placement Agent

SANDLER O'NEILL + PARTNERS

Financial Highlights as of June 30, 2018 ²

(Dollars in thousands)

Total Assets	\$1,032,006
Gross Loans	\$906,545
Total Deposits	\$734,226
Total Equity	\$90,345
TCE / TA	8.75%
Leverage Ratio	9.38%
Tier 1 Risk-Based Capital Ratio	11.18%
Total Risk-Based Capital Ratio	11.71%

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