

J.C. FLOWERS & Co.



J.C. Flowers Completes \$125-Million Equity Investment in Capital Funding Bancorp, Inc.

The investment, which can increase up to \$165 Million, supports growth of CFG's leading national healthcare and multifamily lending business

NEW YORK, NY – December 20, 2023 – J.C. Flowers & Co. LLC (“J.C. Flowers” or “the Firm”), a leading private investment firm dedicated to investing globally in the financial services industry, announced today it has closed its investment with Capital Funding Bancorp, Inc. (“CFG” or “the Company”), the holding company for CFG Bank, a top-performing Baltimore-based bank that provides financing and banking solutions to the national healthcare and multifamily industries. J.C. Flowers has initially made a \$125-million, all-primary equity investment into the Company, which can increase to as much as \$165 million over the next five years, for a minority interest in the Company. In conjunction with the closing, Louis Vachon and Tom Harding of J.C. Flowers will join the board of directors of the Company and CFG Bank.

“We are pleased to partner with J.C. Flowers and welcome Louis and Tom to our board of directors. As our business continues to grow, this investment will support our trajectory and enable us to maintain our big bank capabilities and expertise, coupled with our relationship-driven boutique bank service, that differentiate us in the market,” said Jack Dwyer, the Company’s Chairman. “For 30 years, we have embraced our entrepreneurial and personalized approach that has allowed us to execute creative, unique solutions to help our clients reach – and exceed – their goals. Through this partnership, we look forward to continuing our track record of consistent, profitable growth.”

CFG Bank is the largest bank headquartered in Baltimore, and among the five largest healthcare bridge-to-HUD lenders in the country, with more than 30 years of experience in the sector. The Bank currently has over \$5 billion in assets, up from \$1 billion in assets at the end of 2019.

“We are proud to support the growth of CFG Bank, a leader in both the consumer deposit banking market of Baltimore, my hometown, and nationwide in the market for healthcare and multifamily bridge lending,” said Tom Harding, Managing Director of J.C. Flowers. “We are thrilled to collaborate closely with Jack Dwyer to help CFG Bank’s management team take advantage of the many growth opportunities in the market today. We believe J.C. Flowers’ deep experience in financial services will help CFG Bank enhance the services it provides its customers and clients while maintaining the creativity and nimbleness for which the Bank is already well-known.”

“We are excited to work with CFG Bank’s excellent management team, and we look forward to providing operational and financial input to the Bank as it moves on to its next stage of responsible growth,” said Louis Vachon, Operating Partner of J.C. Flowers and former Chief Executive Officer and President of National Bank of Canada.

PNC FIG Advisory, part of PNC Capital Markets LLC, acted as sole placement agent and exclusive financial advisor to the Company. Hunton Andrews Kurth LLP served as legal counsel to the Company. Sullivan & Cromwell LLP served as legal counsel to J.C. Flowers.

About CFG Bank

CFG Bank, headquartered in Baltimore, Maryland, provides flexible financing and online banking solutions to the national healthcare and multifamily markets and the Mid-Atlantic region. CFG Bank is the 6th largest bank in the Baltimore area based on deposits and the largest that is based in Baltimore. CFG Bank has grown from \$1 billion in assets at the end of 2019 to over \$5 billion in assets at the end of 2023 and is among the five largest and most experienced healthcare bridge-to-HUD lenders in the country, serving its clients and helping them grow for over 30 years. CFG Bank transforms the banking experience by delivering big bank capabilities and expertise, coupled with relationship-driven boutique bank service. CFG Bank has branches in Lutherville and Baltimore City, and a cashless branch in Annapolis. For more information, visit www.CFG.bank, and follow CFG Bank on [LinkedIn](#), [Facebook](#), [Instagram](#) and [Twitter](#).

About J.C. Flowers & Co.

J.C. Flowers is a leading private investment firm dedicated to investing globally in the financial services industry. Founded in 1998, the firm has invested more than \$18 billion of capital, including co-investment, in 66 portfolio companies in 18 countries across a range of industry subsectors including banking, insurance and reinsurance, securities firms, specialty finance, and services and asset management. With approximately \$4 billion of assets under management, J.C. Flowers has offices in New York, London and Palm Beach. For more information, please visit www.jcfco.com.

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