

Pacific Rim Bank (Private; Honolulu, HI) has agreed to merge with First Foundation Inc. (NASDAQ: FFWM; Irvine, CA)

Deal Value: Approximately \$11.8 Million

Sandler O'Neill served as financial advisor and provided a fairness opinion to Pacific Rim Bank in this transaction. This transaction represents Sandler O'Neill's 55th bank or thrift transaction nationwide since January 1, 2014. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions than any other investment bank during that time period.¹

Since January 1, 2014, Sandler O'Neill has advised on 9 bank or thrift transactions in the western region, more than any other investment bank. These transactions have an aggregate deal value of approximately \$1.4 billion.¹

First Foundation Inc., a financial services company that provides investment management, wealth planning, consulting, trust and banking services primarily to high-net-worth individuals and businesses ("FFI"), and Pacific Rim Bank, a full-service community bank located in Honolulu, Hawaii, today jointly announced the execution of a definitive agreement and plan of merger whereby Pacific Rim Bank will merge with and into First Foundation Bank, a wholly owned subsidiary of FFI.

Under the terms of the merger agreement, Pacific Rim Bank shareholders will become shareholders of FFI and each outstanding share of Pacific Rim Bank common stock will be converted into 0.3950 of a share of FFI common stock. In total, Pacific Rim Bank shareholders will own approximately 7.8% of the outstanding shares of FFI's common stock immediately following the consummation of the merger. Based on FFI's closing stock price of \$18.18 on November 24, the merger consideration is valued at approximately \$7.18 per share of Pacific Rim Bank common stock or \$11.8 million in aggregate. The value of the merger consideration will change based on fluctuations in First Foundation's stock price.

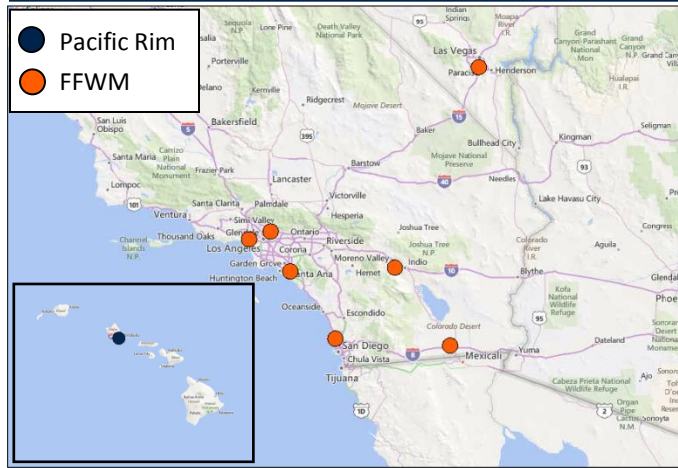
The transaction is expected to be completed by mid-year 2015 subject to approval by Pacific Rim Bank's shareholders, the receipt of required regulatory approvals, and other customary closing conditions. The agreement was unanimously approved by the Board of Directors of each company.

Financial Highlights (\$ mm)

	<u>FFWM</u>	<u>Pacific Rim</u>
Total Assets	\$1,285	\$121
Gross Loans	\$1,102	\$79
Total Deposits	\$951	\$110
Total Equity	\$94	\$10
TCE / TA	7.3%	8.4%

Notes:
¹Includes bank & thrift transactions since January 1, 2014; Excludes terminated transactions and self-advisory roles; Deal value for at least one transaction is not reported
 Dollars in millions; financial data as of September 30, 2014
 Source: SNL Financial

Pro Forma Branch Network



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