Stonegate Bank (NASDAQ: SGBK) has agreed to acquire Community Bank of Broward (Dania Beach, FL)

Deal Value: Approximately $61.2 million

Sandler O'Neill served as financial advisor to Stonegate Bank and rendered a fairness opinion in connection with the transaction. This transaction is Sandler O'Neill's 145th bank or thrift transaction nationwide since January 1, 2011, more than any other investment bank during that time period.[1] Since January 1, 2011, Sandler O'Neill has advised on 43 bank or thrift transactions in the southeastern region, more than any other investment bank during that time period.[1]

FORT LAUDERDALE, Fla. - Stonegate Bank (NASDAQ: SGBK) announced today the signing of a definitive agreement by which Stonegate will acquire all the operations of Community Bank of Broward ("CBOB"). Stonegate Bank's management expects the combination will increase total assets to approximately $2.1 billion and will rank Stonegate Bank as the 10th largest bank headquartered in Florida.

The value of the total consideration to be received by CBOB's common shareholders will be equal to approximately 140% of the tangible book value of CBOB as determined at the month-end prior to the closing date. The consideration will be in common stock of SGBK valued at $26.00 per share. As of June 30, 2014, the transaction is valued at approximately $61.2 million.

CBOB, headquartered in Westin, Florida is a state chartered bank operating eight branches all in Broward County, Florida. As of June 30, 2014, CBOB had total assets of $487 million, total loans of $413 million and total deposits of $419 million.

"This acquisition significantly expands our deposit market share in Broward County to approximately 2.0%, resulting in Stonegate having the largest deposit market share of any community bank in Broward County", said Dave Seleski, President and Chief Executive Officer of Stonegate Bank. "In addition, we believe this merger creates substantial economies of scale and will significantly improve our shareholder returns."

"We are very excited about becoming a part of the Stonegate banking team. We have been friendly competitors for many years and now we can become a part of their very high performance financial organization," added Bruce Keir, President and Chief Executive Officer of Community Bank of Broward.

Stonegate estimates the transaction to be immediately accretive to earnings per share with double-digit accretion in the first full year. Furthermore, it is anticipated that tangible book dilution resulting from the transaction will be modest and recovered in less than 3 years. This transaction will mark Stonegate's seventh acquisition since 2009.

The merger has been approved by the Board of Directors of Stonegate Bank and CBOB. In addition to certain customary closing conditions, approval by the shareholders of Community Bank of Broward and Stonegate Bank as well as the as the applicable bank regulatory agencies will be required prior to completing the transaction. The closing is expected to take place late in the fourth quarter of 2014.
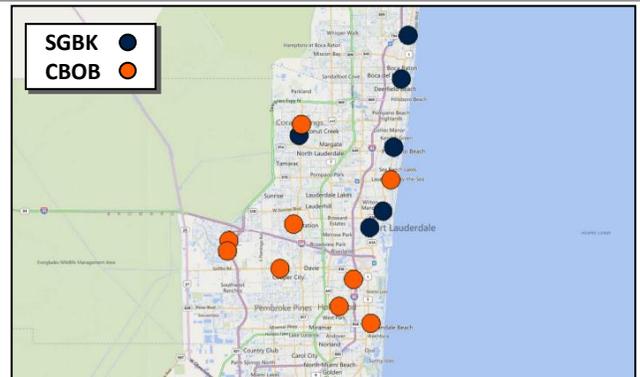
Financial Highlights

(Dollar values in millions)	SGBK	CBOB
Total Assets	$1,656.9	$487.5
Gross Loans	$1,211.9	$412.7
Total Deposits	$1,413.8	$419.3
Total Equity	$191.2	$44.4
Tang. Comm. Equity / Tang. Assets	9.75%	8.33%

1) Excludes terminated transactions and self-advisory roles
Note: Financial data as of June 30, 2014
Source: SNL Financial

Pro Forma Broward County Branch Map