

## Sun Bancorp, Inc. has agreed to sell six branch offices located in Cape May, NJ to Sturdy Savings Bank

**Deposit Premium: 8.765%**

Sandler O'Neill served as financial advisor to Sun Bancorp, Inc. in the sale of these branches.

This transaction represents Sandler O'Neill's 49<sup>th</sup> bank branch transaction since January 1, 2011. During that time period, Sandler O'Neill has advised on branch transactions totaling 491 branches and \$26.1 billion in deposits, more than any other investment bank.<sup>1</sup>

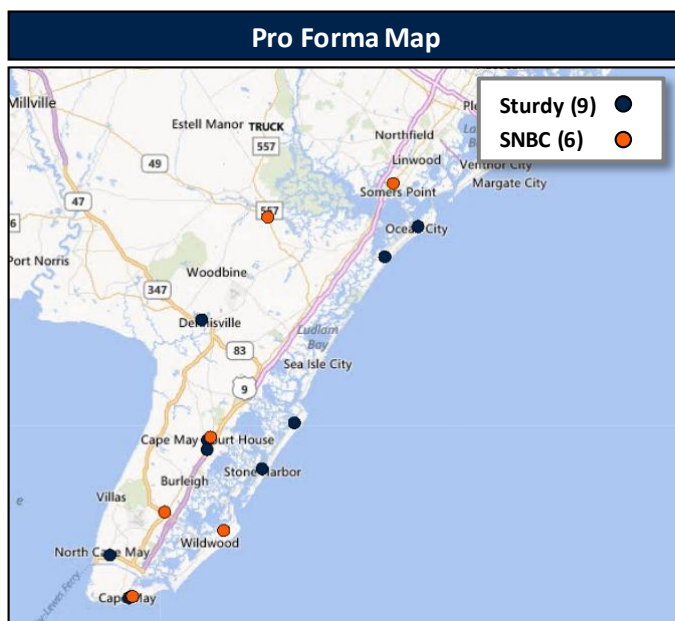
### About the Transaction:

Sun Bancorp, Inc. has identified several branch office markets which do not enhance the Bank's brand recognition and are in markets which are remote from its core. Therefore, the Bank has negotiated and is announcing the execution of a definitive agreement with Sturdy Savings Bank in Cape May Courthouse, New Jersey, for the sale of its six offices in Cape May County as well as one office in Atlantic County. The Bank's Somers Point, Tuckahoe, Cape May Court House, Cape May, Rio Grande, Wildwood Crest and North Wildwood branches, with over \$180 million in combined total deposits and over \$60 million in combined local branch loans, will be sold for a premium on deposits of 8.765% to be calculated at closing. This represents an efficient use of the Bank's current excess liquidity and will help rationalize the expense base. The sale will also allow the Company to begin to re-focus its efforts in its core markets and at the same time allow banking services to continue to be provided in these markets. The transaction is expected to be completed during the first quarter of 2015, subject to regulatory approvals and customary closing conditions. Following the closing of the transactions, the Bank will save approximately \$3.1 million annually in operating expense and expects to record a net gain on sale of approximately \$10-12 million.

Sun Bancorp, Inc. (NASDAQ: SNBC) is a \$3 billion asset bank holding Company headquartered in Mount Laurel, New Jersey. Its primary subsidiary is Sun National Bank, a full service commercial bank serving customers throughout New Jersey. Sun National Bank is an Equal Housing Lender, and its deposits are insured up to the legal maximum by the Federal Deposit Insurance Corporation ("FDIC"). For more information about Sun National Bank and Sun Bancorp, Inc., visit [www.sunnationalbank.com](http://www.sunnationalbank.com).

<sup>1</sup>Includes all completed and pending branch transactions since January 1, 2011

Source: SNL Financial



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