



FOR IMMEDIATE RELEASE

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**Beach Community Bank Announces Completion of
Successful \$100 Million Capital Raise**

*The recapitalization of Beach Community Bank positions the Bank
to exceed regulatory capital requirements, grow its balance sheet, and expand lending.*

- *\$100 million capital raise led by Hovde Group, LLC*
- *Appointment of Carl Chaney as Executive Chairman and Chip Reeves as President & CEO*

FORT WALTON BEACH, FL, July 5, 2018 – Beach Community Bank (the “Bank”), a Florida banking corporation located in Fort Walton Beach, Florida, announced today the completion of a private placement transaction pursuant to which the Bank issued an aggregate of 14,702,382 shares of its common stock and 5,405,604 shares of its non-voting preferred stock at \$5.00 per share for aggregate gross proceeds of approximately \$100 million. In connection with the private placement, the Bank’s former holding company sold its shares of the Bank to an investor pursuant to a bankruptcy proceeding. The Bank will use substantially all of the proceeds from the private placement to recapitalize the Bank, to support its operations, to increase its capital ratios, to grow market share, and for general corporate purposes.

Carl J. Chaney, the newly-appointed Executive Chairman of the Board, said, “This capital injection will restore the Bank to well-capitalized status, allowing us to focus on being a strong and secure community bank, as well as opportunities for future expansion.” Chaney, former CEO of Hancock Bank with over 30 years of industry experience, will lead the Board in providing oversight of its strategic plan and priorities for the growth and financial strength of Beach Community Bank.

Charles “Chip” N. Reeves will serve as the Bank’s President and Chief Executive Officer as well as a director. Mr. Reeves has extensive banking expertise with over 28 years of industry experience. Mr. Reeves has wide ranging executive level experience in multi-regional and community bank environments. Additionally, he has a proven track record of creating shareholder value in turnaround activities.

“We are pleased to announce the completion of this capital raise,” said Mr. Reeves. “This recapitalization represents an exciting new chapter for Beach Community Bank. We will focus our energies on executing

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a new growth plan in our primary and secondary markets. Our commitment will be on building lasting customer and community relationships. We look forward to putting our renewed strength to work in support of our local economies and to deliver loans to local businesses and individuals.”

Reeves continued, “This successful capital raise is a vote of confidence in our Bank, as well as in the strength of our communities. We are grateful for our new shareholders’ confidence in the need for community banks such as Beach Community Bank. Most importantly, we sincerely appreciate the unwavering support of our loyal customers and dedicated team of bankers. We look forward to providing new products and services to our existing customers and to introducing new customers to Beach Community Bank’s excellent customer service.”

Hovde Group, LLC served as the exclusive sales agent for the private placement and as financial advisor to the Bank. Nelson Mullins Riley & Scarborough LLP and Smith Mackinnon, PA served as legal counsel to the Bank.

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About Beach Community Bank

Beach Community Bank serves Okaloosa County, Santa Rosa, and Escambia Counties with branches located in Fort Walton Beach, Niceville, Destin, Crestview, Pensacola, Gulf Breeze, and Navarre. It is a full-service, community bank dedicated to serving the financial needs of consumers and businesses within its market area.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains, among other things, certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, (i) statements regarding certain of the Bank’s goals and expectations with respect to the capital raise, and (ii) statements preceded by, followed by, or that include the words “may”, “could”, “should”, “would”, “believe”, “anticipate”, “estimate”, “expect”, “intend”, “plan”, “projects”, “outlook” or similar expressions. These statements are based upon the current belief and expectations of the Bank’s management team and are subject to significant risks and uncertainties that are subject to change based on various factors (many of which are beyond the Bank’s control). Although the Bank believes that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove to be inaccurate. Therefore, the Bank can give no assurance that the results contemplated in the forward-looking statements will be realized. The inclusion of this forward-looking information should not be construed as a representation by the Bank or any person that future events, plans, or expectations contemplated by Bank