

GRANDPOINT CAPITAL, INC. (Private; Los Angeles, CA) to ACQUIRE BANK CAPITAL CORPORATION (Private; Phoenix, AZ)

Deal Value: Not Disclosed

Sandler O'Neill served as the financial advisor to Bank Capital Corporation in this transaction. This transaction is Sandler O'Neill's 56th bank or thrift transaction since January 1, 2010. 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

Grandpoint Capital, Inc. ("Grandpoint"), and Bank Capital Corporation ("Bank Capital"), the parent company of The Biltmore Bank of Arizona ("The Biltmore Bank"), jointly announced today that they have entered into a definitive agreement for Grandpoint Capital to acquire Bank Capital Corporation. The Biltmore Bank of Arizona will become a wholly owned subsidiary of Grandpoint Capital.

The Biltmore Bank was founded in 2003 and has offices in Phoenix and Scottsdale. As of December 31, 2011, Biltmore Bank had total assets of \$261 million.

Completion of the transaction is subject to regulatory and shareholder approvals. It is anticipated the transaction will be completed in the second quarter 2012.

"The events of the past several years have illustrated that in order for us to support the continued growth of our current clients we need to have a strong balance sheet and a formidable capital position," said Richard J. Lehmann, chairman of Bank Capital Corporation and The Biltmore Bank of Arizona. "The affiliation with Grandpoint is an excellent fit for us because we have a common business focus and operating philosophy, and Grandpoint's substantial capital base will enable us to accelerate our growth and expand our banking capabilities, which will benefit our clients."

Following the acquisition, The Biltmore Bank will continue to operate under its existing name with its current management and staff, including Richard J. Lehmann, Founder and Chairman of The Biltmore Bank of Arizona; Jeffrey P. Gaia, President and CEO; and John T. Byrd, Senior Credit Officer.

"The Biltmore Bank of Arizona is a well-managed bank that supports our strategic vision and strengthens our presence in Arizona," said Don M. Griffith, chairman and chief executive officer of Grandpoint Capital. Grandpoint is the majority owner of the Bank of Tucson, the largest community bank in Tucson. "We are pleased that Rich Lehmann and his talented management team will guide our growth in Phoenix, a region we believe has tremendous long-term value."

The Biltmore Bank specializes in serving the business banking needs of locally owned and managed Arizona businesses. Products and services include customized loan solutions, SBA lending, treasury management, business checking, and online and mobile banking. Biltmore Bank has been recognized by Ranking Arizona as the #1 Mid-Sized Bank in Arizona four of the last five years.

Financial Highlights

(Dollars in millions)

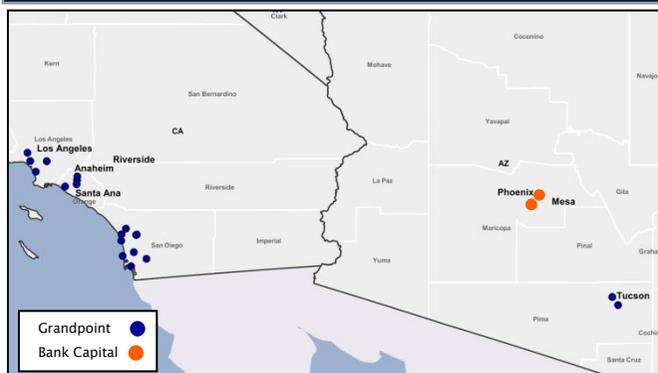
	<u>Grandpoint</u>	<u>Bank Capital²</u>
Total Assets	\$1,179	\$261
Net Loans	\$671	\$158
Total Deposits	\$1,002	\$237
Total Equity	\$157	\$23
Tang. Comm. Equity / Tang. Assets	9.65%	8.93%
NPAs / Assets	2.16%	3.78%
Financial data as of	9/30/2011	12/31/2011

¹ Includes bank or thrift transactions since 2010; excludes terminated transactions and self-advisory roles

² Financial data is bank - level

Source: SNL Financial

Pro Forma Map



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