

## Commerce Street Capital Advised N.C. Holding Company in Capital Raise to Acquire First Carolina State Bank

**DALLAS (August 13, 2012)** — Commerce Street Capital, LLC (“CSC”) advised a group of six North Carolina businessmen and bank industry veterans in raising the capital needed to acquire First Carolina State Bank (“Bank”). The group formed a holding company, First Carolina Financial Services, Inc. (“FCFS”), to buy a community bank and get back into the business of servicing local customers. CSC assisted the group in raising more than \$13 million, which is enough to acquire and recapitalize the Bank. This announcement was made by Charles W. Ingram, Managing Director of CSC’s Bank Capital Group.

CSC Vice President Jay Orr managed the capital raise on-site in Rocky Mount, N.C., along with FCFS’s Chairman John A. Williams and Ronald A. Day, former COO of RBC Bank. Day will become the Bank’s new CEO. CSC Vice Presidents Will Creekmore and Chris Moulton also advised. The capital was raised 100 percent from local investors who have an interest in the markets served by the Bank.

The Bank is headquartered in Rocky Mount, N.C., and has branches in Reidsville and Greenville, N.C. Since it was owned by Capitol Bancorp Limited (“Capitol”) (OTCQB: CBCR), FCFS acquired the Bank directly from Capitol. This deal marks the third time CSC has worked with Capitol. In October 2011, CSC advised and assisted Indiana-based Evansville Commerce Bank in raising \$4.6 million to acquire the majority interest controlled by Capitol, and in December 2010 completed a similar stock redemption agreement for NBC Bancshares, LLC, holding company for Nebraska Bank of Commerce, in raising nearly \$9 million to acquire the majority stake held by Capitol.

Using its proprietary model, CSC’s Bank Capital Group has now raised over \$565 million in capital for 45 community banks since 2007, the year the banking crisis began.

### About Commerce Street Capital

Commerce Street Capital, LLC (“CSC”) is a private investment banking firm headquartered in Dallas, Texas. Led by veterans of the banking industry, CSC specializes in investment banking services (mergers and acquisitions, valuations and regulatory issue advising) and bank development (on-site consulting and management of capital raising, market assessments, and application development). The firm provides tailored solutions for all or part of a financial institution’s business lifecycle. For more information, visit [www.commercestreetcapital.com](http://www.commercestreetcapital.com) or call 214-545-6800. CSC is a member of FINRA/SIPC.

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