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Posted by Jan Norman, small-business columnist

O.C. bank to be sold

[Santa Ana Business Bank](#) will be acquired by Grandpoint Capital Inc., a bank holding company in Los Angeles, for an estimated \$6 million.

The deal requires regulatory and shareholder approval and the actual price will be determined at closing. However, Santa Ana Business Bank President Larry Frampton said the per-share price will be \$5 or better. The stock price had been in the \$3 to \$3.50 range. There are more than 1.2 million shares outstanding.

Santa Ana Business Bank opened in 2007 with the concept of serving smaller Orange County companies.

"But the changes in the financial arena have been historic," Frampton said, "and one result is that substantially more capital is required to be relevant in the market."

Small companies in good financial shape didn't want to borrow, given the recession and tough economy, he said. And Those who wanted to borrow were worried about making the week's payroll and were unsound credit risks.

The bank's board includes prominent Santa Ana politicians and business leaders including Councilman Carlos Bustamante, attorney Alfredo Amezcua and Chief Executive of the Greater Santa Ana Business Alliance Michael Metzler.

Grandpoint Capital plans to open a branch in Los Angeles. Santa Ana Business Bank is the first of multiple acquisitions, Frampton said.

"It is going to be great for Santa Ana because Grandpoint Capital is going to invest tens of millions of dollars in the bank to make it more substantial," Frampton said. "The enhanced capital will support higher loan limits, which will help the bank attract additional clients."

Frampton is going to retire and will be replaced by Jan Cloyd, formerly of City National Bank and First Interstate Bank.

"We are extremely pleased to have the opportunity to acquire a business bank with a market focus that complements our future growth strategy," said Don M. Griffith, chairman and CEO of Grandpoint Capital Inc. "Our planned capitalization will enable us to make this acquisition and invest the resources necessary to build a robust banking franchise."

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