Press Release
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Bank of Cape Cod completes $4.4 million capital raise

Bank of Cape Cod announced this week it has raised $4.4 million of additional capital to meet the growing demand for local loans and to increase its lending capacity to individual borrowers.

"With this successful capital raise, we have increased the amount we can lend to qualified customers," said Timothy T. Telman, president and CEO of the bank. "We can now loan more than $4 million to a single commercial borrower."

Bank of Cape Cod, a $200 million local commercial and community bank, opened for business in September 2006 on Main Street in Hyannis and has since expanded with branches in Osterville and Falmouth.

This current capital raise adds to two previous raises, one for $2.5 million in November 2009 and the other for $4 million in August of 2011, thereby bringing total capital to $20.6 million. During the past 24 months, the bank has originated nearly $120 million in new loans, as a result of leveraging and deploying the new capital.

Telman said the latest raise is in direct response to a growing demand from the market and community for increased lending. He said the additional capital, which allows the bank to provide more funding,

directly impacts the community and Cape economy. This capital raise, he said, can be leveraged thereby allowing the bank to inject almost $50 million in new loans to Cape businesses.

“We have the capacity to pump more money into our local economy, which translates into job growth, business infrastructure improvements and enhancements in technology,” he said. “This is about investing and supporting the community through loans to qualified commercial customers.”

The additional capital will also support the bank’s newest initiative of providing residential mortgages. The bank recently announced it has formed a residential lending team and expects to be ready to accept mortgage applications by spring.

Telman said future capital raises are likely, so long as there is a demand. He said the bank will continue to seek more capital as necessary to help support borrowers. Qualified investors are still being accepted, and can contact Telman for further information.

With additional capital and lending capability, Bank of Cape Cod is able to grow and add more jobs. Telman noted in the last year it increased its own workforce by 25 percent, creating new year-round, permanent, professional jobs.

Bank of Cape Cod, a subsidiary of New England Bancorp, Inc., is a locally owned and managed commercial and community bank on Cape Cod with branches in Hyannis, Osterville and Falmouth, and on the web at bankofcapecod.com