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## CapStar Bank (In Organization) Raises Record \$88 Million

Files with State and FDIC

**NASHVILLE, Tenn.** (**December 6, 2007**) - Organizers of CapStar Bank (In Organization) have filed an application with the Tennessee Department of Financial Institutions and the Federal Deposit Insurance Corporation (FDIC) for permission to operate a state-chartered commercial bank in Nashville, Tenn. According to Claire Tucker, while interest in CapStar's offering totaled more than \$100 million, the bank's organizers and management have decided to begin operations with a capitalization of \$88 million, a base with they believe makes CapStar the highest capitalized start-up bank in Tennessee history.

"The fact that about \$63 million, or more than 70% of the total amount, was raised locally supports our strategic platform that there is plenty of room for the services and customized attention that only a local bank can offer," said Tucker. The bank did not use a placement or underwriting firm to raise the money, although Avondale Partners was engaged for administrative services. The additional \$25 million capital was generated in a separate offering from Corsair Capital Management LLC, a global private equity firm which focuses exclusively on investing in the financial services industry.

"The bank is slated to open following state and federal regulatory approvals or sometime in the first quarter of next year," said Tucker. The process will also include an application for Federal Reserve membership.

The bank's first branch will be located on the ninth floor of 201 Fourth Avenue North where the headquarters of CapStar are currently located. Additional branch locations are being planned and will be announced at a later date.

"Our people have deep roots in this community," said Tucker. "We know there is a huge segment of the business community that wants to bank where credit decisions are made locally and where their bankers have personal knowledge of their companies and successes. We're in the process of hiring experienced bankers who have a track record of providing a high level of personal service. Our bankers will be empowered to respond to customers' needs right here at home. From the first day we open, our technology, which will include remote image deposit, will provide a convenient and cost-efficient way for our customers to make deposits on a timely basis, reducing float and saving time. In addition, the bank will implement state-of-the-art Internet banking, bill payment services, automated sweep accounts and enhanced positive pay services, further enhancing our customer's ability to control and manage his or her financial positions."