

Resource Capital Corp. Announces Pricing of 8.00% Convertible Senior Notes Due 2020

NEW YORK, NY -- (Marketwired) -- 01/07/15 -- Resource Capital Corp. (NYSE: RSO) (the "Company") today announced that it priced \$100.0 million aggregate principal amount of its 8.00% convertible senior notes due 2020 (the "Notes") in an underwritten public offering. The Company granted the underwriters a 30-day option to purchase up to an additional \$15.0 million aggregate principal amount of the Notes in connection with the offering solely to cover over-allotments. The Notes will be senior unsecured obligations of the Company. The offering is expected to close on January 13, 2015, subject to the satisfaction of certain customary closing conditions.

Interest on the Notes will be payable semiannually in arrears on January 15 and July 15 of each year, beginning on July 15, 2015; the Notes will mature on January 15, 2020 unless earlier repurchased or converted. Upon conversion, holders of the Notes will receive shares of the Company's common stock, cash or a combination of cash and shares, at the Company's election. If the Company undergoes a "fundamental change" (as defined in the prospectus supplement relating to the Notes), subject to certain conditions, holders of the Notes may require the Company to repurchase for cash all or part of such holders' Notes. The fundamental change repurchase price for the Notes will be 100% of the principal amount of the Notes to be repurchased, plus accrued and unpaid interest, if any, up to, but excluding, the fundamental change repurchase date.

At any time prior to the close of business on the business day immediately preceding the maturity date, holders may convert any or all of their Notes into shares of the Company's common stock at the applicable conversion rate.

Any conversion of Notes into shares of the Company's common stock will be subject to certain ownership limitations (as more fully described in the prospectus supplement relating to the Notes). The initial conversion rate for each \$1,000 principal amount of the Notes is 187.4414 shares of common stock, equivalent to a conversion price of approximately \$5.34 per share of common stock, which is a 10.0% premium to the closing price of the Company's common stock on January 7, 2015. The Company may not redeem the Notes prior to the maturity date.

The Company intends to use the net proceeds from this offering for general corporate purposes, including acquisition of investments and loan originations, as well as for working capital.

Morgan Stanley & Co. LLC and J.P. Morgan Securities LLC are acting as joint book-running managers for the offering. Keefe, Bruyette & Woods, Inc., JMP Securities LLC and MLV & Co. LLC are acting as co-managers for the offering.

A shelf registration statement relating to the Notes has previously been filed with the Securities

and Exchange Commission ("SEC") and automatically deemed effective. The offering is being made only by means of a prospectus supplement and accompanying base prospectus. Copies of the prospectus supplement and the related prospectus for the proposed offering, when available, may be obtained by contacting: Morgan Stanley & Co. LLC, Attn: Prospectus Department, 180 Varick Street, 2nd Floor, New York, New York 10014; or J.P. Morgan Securities LLC, via telephone at (866) 803-9204 or by mail at Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, New York 11717.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy the Notes, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful.

About Resource Capital Corp.

Resource Capital Corp. is a real estate investment trust that is primarily focused on originating, holding and managing commercial mortgage loans and other commercial real estate-related debt and equity investments. The Company also makes other commercial finance investments.

The Company is externally managed by Resource Capital Manager, Inc., an indirect wholly-owned subsidiary of Resource America, Inc. (NASDAQ: REXI), an asset management company that specializes in real estate and credit investments.

This press release includes statements that may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to a variety of known and unknown risks, uncertainties, and other factors that are difficult to predict and many of which are beyond management's control. Factors that can affect future results are discussed in the documents filed by Resource Capital Corp. from time to time with the SEC. Resource Capital Corp. undertakes no obligation to update or revise any forward-looking statement to reflect new or changing information or events.

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