

Resource Capital Corp. Announces Pricing of 4.50% Convertible Senior Notes Due 2022

NEW YORK, Aug. 10, 2017 (GLOBE NEWSWIRE) -- Resource Capital Corp. (NYSE:RSO) (the “Company”) today announced that it priced \$132,161,000 aggregate principal amount of its 4.50% convertible senior notes due 2022 (the “Notes”), including \$110,000,000 in an underwritten public offering and an additional \$22,161,000 in exchange for the same amount of outstanding convertible notes of the Company. In addition, the Company granted the underwriters a 30-day option to purchase up to an additional \$11,589,000 aggregate principal amount of the Notes in connection with the public offering, solely to cover over-allotments, if any. The Notes will be senior unsecured obligations of the Company. The offering is expected to close on August 16, 2017, subject to the satisfaction of certain customary closing conditions.

Interest on the Notes will be payable semiannually in arrears on February 15 and August 15 of each year, beginning on February 15, 2018; and the Notes will mature on August 15, 2022 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 approximately 78.2473 shares of common stock, equivalent to a conversion price of approximately \$12.78 per share of common stock, which is a 20% premium to the closing price of the Company’s common stock on August 10, 2017. The Company may not redeem the Notes prior to the maturity date.

The Company intends to use the net proceeds from the offering to repurchase a portion of its 6% convertible senior notes due 2018 and its 8% convertible senior notes due 2020. Any remaining net proceeds of the offering will be used for general corporate purposes.

Credit Suisse Securities (USA) LLC is acting as bookrunner for the offering. JMP Securities LLC is acting as co-manager for the offering.

A registration statement relating to the Notes has been declared effective by the Securities and Exchange Commission (the “SEC”). 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 the Credit Suisse Prospectus Department at One Madison Avenue, New York, New York 10010, or by email at newyork.prospectus@credit-suisse.com or by telephone at 1-800-221-1037.

This press release does not constitute an offer to sell or a solicitation of an offer to buy the Notes, nor does 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 investments. The Company is externally managed by Resource Capital Manager, Inc., an indirect wholly-owned subsidiary of C-III Capital Partners LLC, a leading commercial real estate investment management and services company engaged in a broad range of activities.

This press release includes statements that may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The forward-looking statements made in this release include, but may not be limited to, this offering and expectations regarding the use of proceeds from this offering. 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. Investors are cautioned not to rely unduly on any forward-looking statements and urged to carefully consider the risks identified under the captions “Risk Factors,” “Forward-Looking Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Company’s public filings 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.

Contact:

Resource Capital Corp. pkamdar@resourcecapitalcorp.com

Resource Capital Corporation

<https://www.acresreit.com/2017-08-10-Resource-Capital-Corp-Announces-Pricing-of-4-50-Convertible-Senior-Notes-Due-2022>