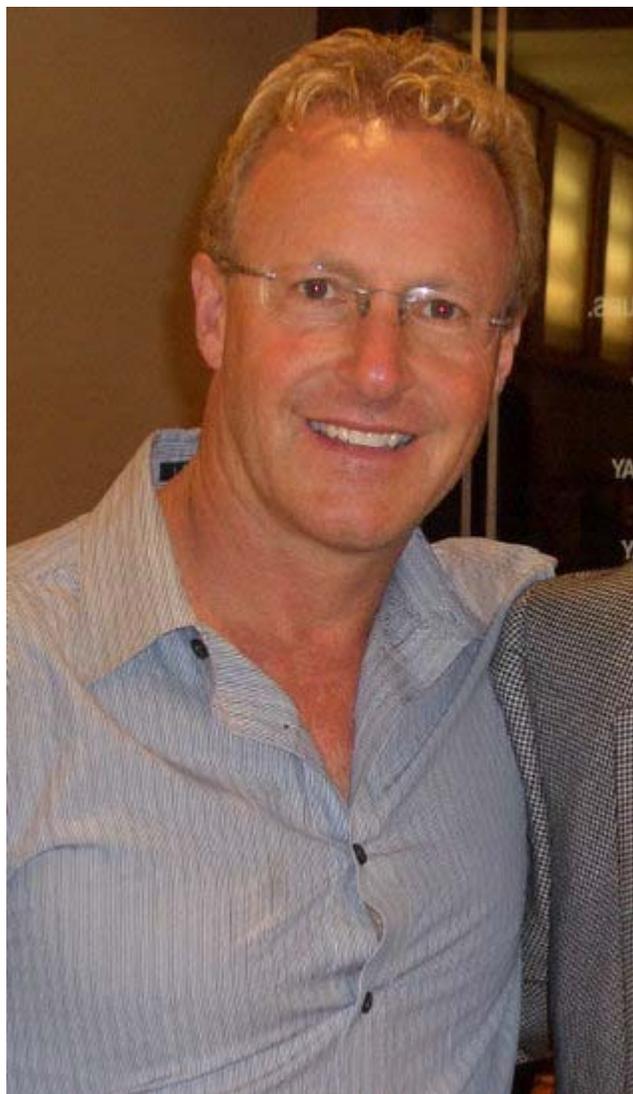


Investing in U.S. Century Bank in Miami more like a family affair

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Jimmy Tate

Jimmy Tate, 49, president and chief executive of Tate Capital, is among a tight group of investors seeking to recapitalize U.S. Century Bank. The group also includes longtime friends Sergio Rok and real estate magnate Jorge Perez.

Miami may be a major metropolis, but in certain circles, all it takes to raise the capital to buy a \$1 billion bank is one degree of separation.

When longtime friends and scions of South Florida family businesses, Jimmy Tate and Sergio Rok, dreamed of recapitalizing ailing U.S. Century Bank, they drew up a list of Miami's most successful, deeply rooted business leaders and ran the names by their investment partner — real estate magnate Jorge Perez.

The result: a group of investors that feels more like a friends and family plan.

There are school buddies and relatives. Business partners and neighbors. Some have shared ski trips or stayed at each other's vacation homes.

One is even dating another's ex-wife.

The investors bring together Hispanic and Jewish families of Miami — entrepreneurs and business owners spanning a variety of industries.

'A CONNECTION'

"There is a connection for all of us, and we all truly respect one another," said Rok, 51. "It's a strong group that can really help take this bank to the next level. So that is why we hand-selected this group. They are all community leaders in their own right, in their own industry, and very successful, and that is important."

In addition to Tate, president and chief executive of Tate Capital — and brother Kenny Tate, co-owner of Tate Capital — Rok, president of Rok Enterprises, and Perez, chairman and chief executive of the Related Group, the investors include:

- Stephen Ross, owner of the Dolphins and Perez's business partner.
- Wayne Chaplin, president of Southern Wine & Spirits, who has played golf with Rok and who Perez knows well. Chaplin and Tate are on the Mt. Sinai Medical Center Board of Trustees.

Real estate developer Scott Robins and his father Gerald. Scott Robins and Tate have been close friends since Miami Beach High School and belonged to the same fraternity, TEP, at the University of Florida. Their families used to take annual ski trips together to Steamboat Springs, Colo.

"I have a lot of faith and confidence in the individuals putting this deal together," said Scott Robins, 49. "And for me, it was really about diversification [of investments]."

- George Feldenkreis and his son Oscar, chairman/chief executive and president, respectively, of Perry Ellis International. Oscar Feldenkreis used to live on Tate's street in North Miami's Keystone Point, and his children are friends with Tate's. Oscar Feldenkreis, Rok, Tate and Scott Robins also have welcomed the New Year together at Rok's family's home in Islamorada, and Rok's sister and brother-in-law are best friends with Oscar Feldenkreis and his wife.
- Alan Potamkin, co-chairman of the Potamkin Companies, whose life partner, Brigitt Rok, is Sergio Rok's ex-wife. Potamkin met Sergio Rok through her, and Tate, through Rok and family events and parties. Potamkin has also known Perez for 25 years. They are members of a Young President's Organization forum of eight, who meet monthly.
- Former ambassador and investor Paul Cejas, who has shared investments with Rok's father.
- Philip Levine, founder of Royal Media Partners, who has invested in real estate with Scott Robins. Levine is running for mayor of Miami Beach.
- Paul Feinsilver and business partner Jimmy Klotz, owners of FMS Bonds. Feinsilver and Tate live three houses away from each other and go out to lunch by boat every Saturday. Feinsilver has invested in other Tate deals.

"Jimmy [Tate] is one of my closest friends," Feinsilver said. "But more than that, we've done a lot of business together, and that says a lot, when you can maintain a good friendship and do business together."

- Carlos Migoya, a former banker and current chief executive of Jackson Health System, who Tate has known for many years. Migoya has stayed at Tate's home in North Carolina. Potamkin also knows Migoya since the late 1970s, when Migoya was the general manager of a car dealership that competed with Potamkin's.

"There was no prospectus. Sergio, Jorge and I sat in a room and saw who would be best to raise this bank," said Tate, 49. "They're all forward thinking, successful business leaders who have the same passion as we do about saving a community bank."

U.S. Century last month signed off on a letter of intent, in which the group will pump \$50 million in capital into the bank, becoming majority owners. In addition, the group will pay about \$90 million to buy certain loans, including all \$98 million of U.S. Century's non-performing loans. The deal will also provide for a negotiated amount of more than \$5 million to be paid to the federal government for U.S. Century's \$50.2 million in TARP funds, said U.S. Century President and Chief Executive Carlos J. Dávila.

While Tate, Rok and Perez will have the largest investments, no one will have a majority ownership, Tate said. He, Rok and Migoya will serve on the bank's board.

"You go through the names and they are deeply rooted families from Miami, and a really good combination between the Hispanic and the Anglo-Jewish community," Perez said.

LINKS, SIMILARITIES

A key: Such a group shares a level of comfort and trust, said Jerry Haar, Florida International University professor, associate dean of the College of Business and director of FIU's Pino Entrepreneurship Center.

"They bring intangibles to the deal, intangibles that are often far more important than the money: a shared view of the world, a shared view of business, similarities and connections," Haar said.

U.S. Century, a Hispanic-oriented bank that opened in 2002, has been operating under a regulatory consent order since June 2011, which has mandated that it raise capital, among other issues.

Under the deal, U.S. Century's 441 existing shareholders will remain as stockholders of the bank, which has \$1 billion in assets and 24 branches, though their percentage of ownership will shrink.

After agreeing to the list of investors, Tate and Rok met with each individually, inviting them to bring their capital and expertise to help resuscitate the ailing community bank.

Tate and Rok have already gone to Washington, D.C., Atlanta and Tallahassee, to meet with all the necessary banking regulators. The investors are now conducting due diligence, and hope to have a definitive agreement by the end of March. Pending shareholder and regulatory approvals, the deal could close this summer.

"They are all quality, philanthropic business people," said Potamkin, "who feel that a strong community bank should continue to exist in Miami-Dade County, owned locally."