

# HERITAGE BANK OF COMMERCE

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## Heritage Bank of Commerce Announces the Opening of New SBA Loan Production Office in Santa Cruz

Heritage Bank of Commerce today announced the opening of a new SBA Loan Production Office located at 740 Front Street, Suite 355, Santa Cruz, CA 95060, to serve the needs of small businesses in the Santa Cruz and Monterey areas.

**Howard Hoover, VP/SBA Lending** and **Sati Kanwar, VP/SBA Lending** will staff the new office. Mr. Hoover and Mr. Kanwar, previously with Coast Commercial Bank in Santa Cruz, joined Heritage Bank on July 31<sup>st</sup>. They have extensive backgrounds in SBA lending, generating over \$40 million in SBA loans in each of the last two years. Mr. Hoover has over 17 years experience managing local SBA loan programs and Mr. Kanwar over 13 years.

The addition of the new loan production office is anticipated to more than double Heritage Bank's existing annual SBA loan volume and increasing its standing in National and State rankings for SBA. Heritage Bank of Commerce is a **Preferred SBA Lender** for Northern and Central California. The new Santa Cruz office will be able to offer loans up to \$5 million at competitive rates and fees.

"I am very pleased to have Howard and Sati on the Heritage team," stated Les Crabb, Senior Vice President/Manager of SBA Lending in the San Jose office. "They are veteran SBA lenders with many successful years in the Monterey Bay Area and will be an invaluable asset to our expansion into this market. Howard and Sati will continue to offer the same professional service and fast turn-around their customers have been accustomed to receiving in the past," continued Crabb.

"The addition of Mr. Hoover and Mr. Kanwar to our SBA lending team enhances our ability to serve this important market segment. Their well-known reputation for excellent service is a perfect fit with our commitment to customer service and we are very pleased to have them as Heritage bankers," said Brad Smith, President and CEO of Heritage Bank of Commerce.

Heritage Bank of Commerce is a subsidiary of Heritage Commerce Corp, a bank holding company established in February 1998. Heritage Commerce Corp is also the parent company of Heritage Bank East Bay, headquartered in the city of Fremont, with an office in Danville, and Heritage Bank South Valley headquartered in the city of Morgan Hill. On May 9, 2000, the company signed a Definitive Merger Agreement with Western Holdings Bancorp, the holding company for the Bank of Los Altos. Upon completion of this merger, expected in the fourth quarter of 2000, Bank of Los Altos will operate as a wholly owned subsidiary of Heritage Commerce Corp. Heritage Commerce Corp's common stock is listed on the **NASDAQ** National Market under the symbol "**HTBK**".

### Forward Looking Statement Disclaimer

This release may contain forward-looking statements that are subject to risks and uncertainties. Such risks and uncertainties may include but are not necessarily limited to fluctuations in interest rates, inflation, government regulations and general economic conditions, and competition within the business areas in which the Company is conducting its operations, including the real estate market in California and other factors beyond the Company's control. Such risks and uncertainties could cause results for subsequent interim periods or for the entire year to differ materially from those indicated. For a discussion of factors, which could cause results to differ, please see the Company's reports on Forms 10-K and 10-Q as filed with the Securities and Exchange Commission and the Company's press releases. Readers should not place undue reliance on the forward-looking statements, which reflect management's view only as of the date hereof. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

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