



OceanFirst Bank Uses ABL Alliance to Expand Asset-Based Lending Portfolio

OceanFirst Bank, founded in 1902, is a community bank with 4.2 billion in assets, \$3.2 billion in loans, \$3.2 billion in deposits, and 50 branches located throughout central and southern, New Jersey. OceanFirst Bank delivers commercial and residential financing solutions, wealth management, and deposit services and is one of the largest and oldest community-based financial institutions headquartered in New Jersey.

The Challenge

OceanFirst Bank has been a leading institution in the retail and residential mortgage marketplace in Ocean County for decades. However, changes in the local and national marketplace coupled with monetary policy enacted by the Federal Reserve after the great recession has prompted banks to seek alternative growth strategies and revenue streams; OceanFirst Bank is no different.

As a result, OceanFirst Bank's growth strategy was to expand its commercial lending capabilities and product line. The Asset-Based Lending (ABL) product was a good extension of the existing commercial lending suite of products, allowing OceanFirst Bank to round out its product line and to be more competitive in a difficult banking environment. The ABL product attracts generally higher all in yields and account profitability.

The Solution

ABL Alliance, a program offered by Siena Lending Group LLC, makes transacting Asset-Based Loans seamless for a community or regional bank by outsourcing the infrastructure requirements to responsibly participate in ABL. Siena Lending Group provides senior secured Asset-Based Loans from \$1 to \$25 million to lower middle market businesses across the United States.

For OceanFirst Bank, Siena Lending Group's ABL Alliance program provided a mechanism for safe Asset-Based Lending. Siena Lending Group's reputation and success in the industry made it an easy choice for OceanFirst Bank. ABL Alliance allowed the bank to responsibly gain exposure in ABL without investing the time or resources in building an internal back office and technological capability.

The Results

After being a member of ABL Alliance for nearly two years, Michael DellaBarca, Senior Vice President for OceanFirst Bank, already sees the benefits of working with Siena Lending Group.

ABL Alliance allowed OceanFirst Bank to:

1. Expand their product line and source ABL deals directly.
2. Participate in loans generated by Siena Lending Group at attractive yields without a dramatic increase in risk profiles.
3. Obtain cash management business and expand fee income in loans participated with Siena Lending Group.
4. Remain in credits after difficult operating cycles by restructuring credits and relying on Siena's ABL Alliance enhanced monitoring capabilities.

"At OceanFirst Bank, we wanted to expand our product line by getting into asset-based lending. ABL Alliance has helped us achieve this without spending the time or resources in building an internal back office or the technology."

-Michael DellaBarca, Senior Vice President, OceanFirst Bank