

# Hilltop Holdings Inc.'s Hilltop Opportunity Partners Successfully Completes Preferred Equity Transactions

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DALLAS--(BUSINESS WIRE)-- Hilltop Opportunity Partners (HOP), the merchant banking investment arm of Dallas-based Hilltop Holdings Inc. (NYSE: HTH), recently completed a preferred equity investment with an independent sponsor and also exited its investment in AFN, LLC.

In November of 2018, HOP completed a preferred equity investment in Stan's Heating & Air Conditioning, Inc., a company offering premium air conditioning and heating services in the Austin and Georgetown, Texas area. The company provides HVAC installation, replacement, repair and maintenance to large volume home builders, as well as residential homeowners. HOP partnered with Treaty Oak Equity LLC to complete the acquisition. Treaty Oak Equity LLC is an Austin-based private equity firm that invests in lower middle-market companies that occupy leading positions in viable market niches.

Also during the fourth quarter of 2018, HOP successfully exited its \$10 million investment in Illinois-based freight brokerage provider AFN, LLC with the sale of the business to GlobalTranz. GlobalTranz is owned by the private equity firm The Jordan Company. Hilltop Opportunity Partners originally invested in AFN in December 2017.

"Our successful exit from our AFN investment, and our more recent preferred equity stake in Stan's Heating & Air Conditioning, represent opportunities for Hilltop Opportunity Partners to execute on its plans to invest Hilltop Holdings' available capital," said Hilltop Holdings Executive Vice President Mark Plunkett, who serves as chief investment officer and head of Hilltop Opportunity Partners. "We continue to seek out attractive non-bank investments that fit our flexible investment strategy."

Hilltop Opportunity Partners targets middle market investments outside of the banking industry that range

from \$5 million to \$25 million across a variety of sectors and capital structures. HOP focuses on long- and short-term, non-control investments, with larger or smaller opportunities considered on a case-by-case basis. To learn more about Hilltop Opportunity Partners, visit [www.Hilltop-Holdings.com/HOP](http://www.Hilltop-Holdings.com/HOP) or email [HOP@Hilltop-Holdings.com](mailto:HOP@Hilltop-Holdings.com) for more information.

## About Hilltop Holdings Inc.

Hilltop Holdings is a Dallas-based financial holding company. Its primary line of business is to provide business and consumer banking services from offices located throughout Texas through PlainsCapital Bank. PlainsCapital Bank's wholly owned subsidiary, PrimeLending, provides residential mortgage lending throughout the United States. Hilltop Holdings' broker-dealer subsidiaries, Hilltop Securities Inc. and Hilltop Securities Independent Network Inc., provide a full complement of securities brokerage, institutional and investment banking services in addition to clearing services and retail financial advisory. Through Hilltop Holdings' other wholly owned subsidiary, National Lloyds Corporation, it provides property and casualty insurance through two insurance companies, National Lloyds Insurance Company and American Summit Insurance Company. At December 31, 2018, Hilltop employed approximately 5,200 people and operated approximately 450 locations in 44 states. Hilltop Holdings' common stock is listed on the New York Stock Exchange under the symbol "HTH." Find more information at [Hilltop-Holdings.com](http://Hilltop-Holdings.com), [PlainsCapital.com](http://PlainsCapital.com), [PrimeLending.com](http://PrimeLending.com), [Nationallloydsinsurance.com](http://Nationallloydsinsurance.com) and [Hilltopsecurities.com](http://Hilltopsecurities.com).

## FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements anticipated in such statements. Forward-looking statements speak only as of the date they are made and, except as required by law, we do not assume any duty to update forward-looking statements. Such forward-looking statements include, but are not limited to, statements concerning such things as our plans, objectives, strategies, expectations, intentions, growth, strategic direction and other statements that are not statements of historical fact, and may be identified by words such as "anticipates," "believes," "could," "estimates," "expects," "forecasts," "goal," "intends," "may," "might," "plan," "probable," "projects," "seeks," "should," "target," "view" or "would" or the negative of these words and phrases or similar words or phrases. For a discussion of certain factors that could cause our actual results to differ materially from those described in the forward-looking statements, please see the risk factors discussed in our most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q and other reports that are filed with the Securities and Exchange Commission. All forward-looking statements are qualified in their entirety by this cautionary statement.

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