



A10 Capital Receives Growth Capital from Gemspring Capital and Schroders

Leading Middle-Market Lender to Grow and Diversify its Balance-Sheet Funding Model

May 3, 2018 Boise, ID -- A10 Capital, a leading provider of middle-market commercial real estate loans, announced today that it has received additional growth capital from Gemspring Capital, a middle-market private equity firm, and Schroders, a global asset manager, in connection with the purchase of a controlling interest in the company. Existing A10 shareholders, including H.I.G. Capital and management, will retain significant minority interests in the Company.

Concurrent with the investment, Schroders and A10 have entered into an agreement through which Schroders will benefit from A10's extensive origination network and servicing platform to access middle-market CRE loan opportunities for its clients. The agreement also provides A10 with the opportunity to significantly diversify its balance sheet funding model. The two firms have a five-year history of successful collaboration and this new relationship deepens the commitment by Schroders to provide client capital to this important market segment.

A10 is a leading provider of commercial real estate mortgage solutions in the United States. With loans ranging from \$1 million to over \$30 million for commercial properties, A10's broad offering of transitional and permanent loan products covers the entire commercial property life cycle. For single-family rental (SFR) portfolios, A10 is an authorized seller/servicer of the Freddie Mac Affordable SFR pilot program. A10 offers borrowers streamlined closing and high-touch service through its full-service platform, which includes in-house underwriting, legal, and servicing. Since inception, A10 has financed over 43 million square feet of middle-market commercial properties.

Jerry Dunn, CEO of A10 Capital, said: "This transaction further strengthens A10's balance sheet. A10's continuing on balance sheet loan programs combined with the opportunity, where mutually beneficial, to access funds and separate accounts managed by Schroders, greatly broadens our ability to serve our borrowers, building on our legacy as a thought leader in middle-market commercial real estate lending."

Bret Wiener, Managing Partner of Gemspring, commented: "A10 offers a differentiated value proposition to borrowers with its technology-enabled, full service lending platform. The Company's customized products and in-house service have contributed to its stellar reputation amongst middle market borrowers. We are excited to invest in A10 and grow the business."

Karl Dasher, CEO of Schroders North America, added: "We are pleased to join Gemspring as a co-investor in the recapitalization of A10 and to deepen our relationship with the team. A10 has established a technology driven platform with a strong credit culture that fits well with our investment and corporate culture. Their sourcing and servicing capability will play an important role in our effort to offer more private debt opportunities that meet the growing investor need for compelling fixed income."

About A10 Capital

Both commercial property and single-family rental home investors rely on A10 Capital as their one-stop balance sheet lender for middle-market commercial mortgages. With loans ranging from \$1 million to over \$30 million per commercial property and as authorized Seller/Servicer of the Freddie Mac Single-Family Rental (SFR) pilot program, A10's broad menu of bridge and permanent loans cover the entire life cycle of properties across the United States. The Company's full-service platform incorporates focused origination, speedy underwriting, in-house legal and servicing for the life of the loan. An innovator in the industry with a scalable funding model, A10 is backed by significant institutional investors. A10 is based in Boise and Dallas and has regional offices in key markets nationwide. For more information, visit www.a10capital.com.

About Gemspring Capital

Gemspring Capital, a Westport, Connecticut-based private equity firm with \$355 million of equity capital under management, focuses on making control and structured equity investments in lower middle market companies headquartered in the United States and Canada. Gemspring partners with talented management teams and takes a hands-on approach to driving revenue growth and value creation. We focus on recapitalizations, buyouts, carve-outs, growth equity investments and restructurings. Target companies have \$25 to \$250 million in annual revenue and are in the business services, healthcare services, financial services, industrial services, software and tech-enabled services or specialty manufacturing sectors. For more information, visit www.gemspring.com.

About Schroders plc

Schroders is a global investment manager, managing \$607.4 billion* of assets on behalf of institutional and retail investors, financial institutions, and high net worth clients from around the world. Assets are invested across a broad range of active strategies across equities, fixed income, multi-asset, alternatives and real estate. Headquartered in London, Schroders employs over 4,600 people across six continents and is publicly traded on the London Stock Exchange (LON: SDR). For more information, visit www.schroders.com. *As of December 31, 2017.

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