

November 7, 2019

**SACHEM** / CAPITAL

## **Sachem Capital Corp. Announces Closing of Public Offering of \$30.0 Million of 6.875% Notes**

BRANFORD, Conn.--(BUSINESS WIRE)-- Sachem Capital Corp. (NYSE American: SACH) today announced the closing of its previously announced public offering of \$30.0 million of 6.875% unsecured, unsubordinated notes due 2024 ("Notes"). The net proceeds of the offering to Sachem Capital Corp. are expected to be approximately \$28.6 million after payment of underwriting discounts and commissions and estimated offering expenses payable by Sachem Capital Corp.

Sachem Capital Corp. has granted the underwriters a 30-day option to purchase up to an additional \$4.5 million aggregate principal amount of Notes to cover over-allotments, if any. The over-allotment option expires November 30, 2019.

The Notes have been approved for listing on the NYSE American under the trading symbol "SACC" and are expected to begin trading on the NYSE American on or about November 12, 2019.

The Notes rank *pari passu* with all Sachem Capital Corp.'s unsecured, unsubordinated indebtedness, whether currently outstanding or issued in the future. The Notes may be redeemed, in whole or in part, at any time, or from time to time, at Sachem Capital Corp.'s option on or after November 7, 2021. Interest on the outstanding principal balance of the Notes will accrue at the annual rate of 6.875% and will be payable quarterly, in arrears, on each March 30, June 30, September 30 and December 30 that the Notes are outstanding, beginning December 30, 2019. The entire outstanding principal balance of the Notes and all accrued but unpaid interest thereon will due and payable on December 31, 2024.

Sachem plans to use the net proceeds from the sale of the Notes for working capital and general corporate purposes, *i.e.*, primarily to fund new real estate loans secured by first mortgage liens. Sachem may also use the net proceeds to acquire other real estate finance companies or existing mortgage loan portfolios, although no such transactions are pending at this time.

Sachem Capital Corp. has received an investment grade private rating of "BBB+" from Egan-Jones Ratings Company, an independent, unaffiliated rating agency. Egan-Jones is a Nationally Recognized Statistical Ratings Organization (NRSRO) and is recognized by the National Association of Insurance Commissioners (NAIC) as a Credit Rating Provider (CRP). Egan-Jones is also certified by the European Securities and Markets Authority (ESMA). A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

Ladenburg Thalmann & Co. Inc., a subsidiary of Ladenburg Thalmann Financial Services Inc. (NYSE American: LTS), and Janney Montgomery Scott LLC acted as joint book-running

managers for the offering. National Securities Corporation, a wholly owned subsidiary of National Holdings Corporation (NASDAQ: NHLD) acted as the lead manager for the offering.

This press release does not constitute an offer to sell or the solicitation of an offer to buy the securities in this offering or any other securities nor will there be any sale of the Notes or any other securities referred to in this press release in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such state or jurisdiction.

A registration statement relating to, among other things, the Notes, was filed and has been declared effective by the Securities and Exchange Commission. The offering was made only by means of a prospectus, dated November 9, 2018, and a prospectus supplement, dated October 31, 2019, that are part of the effective registration statement, copies of which may be obtained from: Ladenburg Thalmann, Attn: Syndicate Department, 277 Park Avenue, 26th Floor, New York, NY 10172, or by emailing [prospectus@ladenburg.com](mailto:prospectus@ladenburg.com) (telephone number 1-800-573-2541); or Janney Montgomery Scott LLC, Attn: Syndicate Department, 1717 Arch Street, Philadelphia, PA 19103, or by emailing [prospectus@janney.com](mailto:prospectus@janney.com). The prospectus supplement and the related base prospectus, which contain a detailed description of the Notes and the terms of the offering and other important information about Sachem Capital Corp., its business, operations and financial condition, should be read carefully before investing in the Notes.

### **About Sachem Capital Corp.**

Sachem Capital Corp. specializes in originating, underwriting, funding, servicing and managing a portfolio of mortgage loans secured by first mortgage liens on real property (referred to in the industry as “hard money” loans). Its customers include real estate investors and developers who use the proceeds of the loans to fund their acquisition, renovation, development, rehabilitation and/or improvement of properties located primarily in Connecticut. The properties securing Sachem Capital Corp.’s loans are generally classified as residential or commercial real estate and, typically, are held for resale or investment. Sachem Capital Corp. does not lend to owner occupants. Sachem Capital Corp.’s primary underwriting criteria is a conservative loan to value ratio. Sachem Capital Corp. has elected to be taxed and operates as a real estate investment trust (REIT) for federal income tax purposes.

### **Forward Looking Statements**

*Statements included herein may contain “forward-looking statements”. Statements other than statements of historical facts included in this press release may constitute forward-looking statements and are not guarantees of future performance or results and involve a number of assumptions, risks and uncertainties, which change over time. Actual results may differ materially from those anticipated in any forward-looking statements as a result of a number of factors, including those described from time to time in filings by Sachem Capital Corp. with the Securities and Exchange Commission. Except as required by law, Sachem Capital Corp. undertakes no duty to update any forward-looking statement made herein. All forward-looking statements speak only as of the date of this press release.*

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