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Media Contact: Valerie Robinson, 504-421-6692

**New Orleans-Based Standard Mortgage
Acquires Shreveport Mortgage Company**

NEW ORLEANS -- While many businesses have been forced to downsize in the months following Hurricane Katrina, New Orleans-based Standard Mortgage Corporation is expanding. The largest privately owned mortgage banking institution in the state, SMC has purchased the assets and the name of Aulds, Horne & White of Shreveport. The sale, which takes effect June 1, will bring SMC's servicing portfolio to \$2.5 billion.

"We are committed to the New Orleans market, but now we will have strength throughout the state," said SMC President Edgar Bright III. "This transaction will provide us with additional resources to better serve our existing and future Louisiana clients.

The two companies are a particularly good fit, according to both Bright and AHW President Henry Voorhies III. Both are true mortgage banking institutions and share a similar philosophy of customer service, and both Bright and Voorhies are Certified Mortgage Bankers. They complement one another in that AHW serves the north and central Louisiana and East Texas markets, while SMC has concentrated primarily on South Louisiana and the Mississippi Gulf Coast.

"In addition to expanding our presence in the state, this also is a good strategy for disaster recovery. It will make us less vulnerable in the future because we can maintain our computer servers in Shreveport, and we can relocate there if we need to," Bright said. SMC employees worked from offices in Baton Rouge and Dallas in the early days after the storm, returning to the headquarters at One Shell Square in October.

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Another benefit to SMC is the experienced manpower that AHW brings. SMC currently employs 101 people, down from 130 pre-Katrina. Most of the 21 employees of AHW will be retained to serve the northern part of the state, and some of the functions of the company will be housed there permanently.

“This is a way to stay local in both markets and continue to be customer focused, while gaining some muscle statewide,” Bright said.

The benefit to the public is that SMC will be in a position to take full advantage of federal mortgage funds for the rebuilding of New Orleans, and its size will allow it to be at the table for major housing decisions that will affect the city. Bright, who serves on the Residential Board of Governors for the national Mortgage Bankers Association, will be in Washington, D.C. this week for policy meetings related to housing.

Ironically, the sale was pending right before Katrina hit. Bright approached Voorhies after the storm and told him he still wanted to complete the deal, but it would be on hold for a while.

“We believed it was a strategic move for us before Katrina, and it makes even more sense now,” Bright said.

Standard Mortgage Corporation was founded in 1925 and was purchased by the Bright family in 1964. Aulds, Horne & White was founded in 1957. SMC, licensed in 11 states, originated \$600 million in mortgage loans in 2005 through its six retail offices and loan correspondents. .