

Contact:

Kenneth Segal, Senior Vice President
Director of Asset Finance Services
Howe Barnes Hoefler & Arnett
781-631-2227
ksegal@howebarnes.com

FOR IMMEDIATE RELEASE

**Howe Barnes Hoefler & Arnett Announces a New Asset Finance Service
to Identify and Mitigate Risk in Distressed Situations**

February 11, 2010, Chicago, IL – The Asset Finance Services Division of Howe Barnes Hoefler & Arnett (“Howe Barnes”), a full-service brokerage firm serving community banks and thrifts, has introduced a new advisory program to assist the banking community with management and resolution of their distressed real estate loan and collateral portfolios. The newly introduced program – Risk Mitigation Services – provides an experienced and independent perspective to help community banks identify, quantify and mitigate the risk factors that threaten full loan repayment and favorable realizations of collateral values in distressed situations.

Kenneth Segal, Senior Vice President of Howe Barnes and Director of Asset Finance Services, notes that Risk Mitigation Services has been established in response to both community bank and investor demand. “Given the prolonged weakness in both the commercial and residential real estate markets, banks need to manage their distressed loan portfolios proactively, finding the most cost-effective solutions to reduce their levels of nonperforming assets. Since many banks with high levels of problem assets are also under capital constraints, it is often not realistic to sell at a deep discount, nor is it realistic to wait for regulatory assistance or a turnaround in the real estate market. In situations where the bank is still undecided about a course of action, Risk Management Services can help to identify the issues and the costs of different workout strategies.

“The client is in charge of the process, and can request that we concentrate on a particular region or type of loan. We prefer to work on a per diem basis so that the parameters of our advisory program remain flexible and responsive to the client’s needs. Although asset sales are a mainstay of the Asset Finance Services Division, that is not the primary goal of Risk Mitigation Services. Rather, we serve in an advisory capacity first and foremost, providing a roadmap so the bank can proceed down the most efficient path to meet its goals. With a laser-like focus, we can concentrate on only those assets that will deliver the greatest impact – whether that means the highest realizations upon disposition, or identifying loans that need immediate attention before further deterioration occurs. Our preliminary report identifies those assets, highlights the risks involved, and quantifies the potential outcomes. Once the client fully understands his options, we are available to assist with the resolution process, and can call upon our extensive network of investors if and when that decision to market is made.”

Established in 1915, Howe Barnes Hoefler & Arnett, Inc. (www.howebarnes.com) is a full service brokerage firm headquartered in Chicago, IL with offices in eight states throughout the U.S. Its banking department specializes in sales, trading, research and corporate finance services for community banks and thrifts. Through its private client services department, the firm provides investment advice and products to both individual and institutional customers. Howe Barnes Hoefler & Arnett is the exclusive provider of capital markets services for the Independent Community Bankers of America (ICBA). Member SIPC.

###