

Commerce Street Capital Completes \$13.2 Million Capital Raise With Affiliated Bank

DALLAS (July 15, 2011) — Commerce Street Capital, LLC (“CSC”) advised BancAffiliated, Inc., the holding company for Affiliated Bank (“Bank”) in Arlington, Texas, in a private Reg. D offering that raised more than \$13.2 million in growth capital. The final closing of the offering, approximately 95 percent of which is funded by local investors, occurred on July 6, 2011. This announcement was made today by Dory Wiley, President and CEO of CSC.

With new capital on the books, Affiliated Bank, a federally chartered savings bank, is poised for expansion within the growing Metroplex region. “Earlier this year, I told potential shareholders that a well-managed, highly capitalized community bank is capable of capturing significant market share in the Metroplex area,” said Wiley. “Affiliated Bank is a healthy and profitable bank suitably prepared for growth. It has been a privilege to work with members of the Bank’s experienced management team and assist them in raising this new capital to help with their goals.”

Since 1988, CSC’s team of community bank specialists has raised in excess of \$1.5 billion for more than 130 community banks.

Bob Dalton, a Senior Vice President within CSC’s Bank Development Group, worked on-site with BancAffiliated, Inc. and Affiliated Bank President and CEO Garry J. Graham, as well as Affiliated Bank’s CFO Dick Driscoll, Chairman Kenneth Lee, Executive Vice President Bennett Carter and board of directors to advise on the private offering and to manage the process.

“We were blessed at the onset of this severe recession to make some key strategic decisions and that coupled with hard work of the staff allowed the bank to address and solve potential problem issues early and position the Bank for future prosperity,” stated Graham.

“The company raised \$5 million in growth capital in 2009 and as the economic skies cleared even more in 2010, and engaged the outside help of Commerce Street Capital to assist in a larger capital raise and support a much stronger strategic growth agenda,” added Graham. “We believe that engaging Commerce Street Capital resulted in BancAffiliated raising twice the capital it could have raised on its own simply due to CSC’s dedication to the task. We are excited about the prospect of growing our banking franchise over the next five years.”

BancAffiliated is currently a \$200 million banking company, according to Graham. Affiliated Bank’s five-year goal is to become a \$500 million bank, with plans to add locations and grow its footprint. For more information about the Bank, visit www.affiliatedbank.com.

About Commerce Street Capital

Commerce Street Capital, LLC, is a premier investment banking firm serving and investing in financial institutions across the United States. The firm specializes in

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Investment Banking, Fund Management and Bank Development. For more than 24 years, the firm's leaders have built their reputations as leading investment bankers, financial advisors and investors in community banks. For more information, visit www.commercestreetcapital.com or call 214-545-6800. Commerce Street Capital is a member of FINRA/SIPC.

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