

Commerce Street Capital Moves Headquarters to Fountain Place as Firm Continues to Grow

DALLAS (February 18, 2011) — Commerce Street Capital LLC (“CSC”) moved its office headquarters in Dallas into 22,647 square feet at award winning Fountain Place. As of February 14, the firm’s new address is 1445 Ross Avenue, Suite 2700, Dallas, Texas 75202.

The move was a consequence of the firm’s recent growth and is part of the firm’s strategic plan for the future. The three principals of CSC, Dory Wiley, Jim Gardner and Tex Gross, see today’s transforming banking environment as a tremendous opportunity to hire top talent who not only understand the banking business, but also have the instincts to make an impact within the financial community.

With an eye toward professionals who have energy, competence and great reputations, the firm that was already doing well is doing even better. “When every bank has experienced significant exposure to difficult situations, we have found the courage to expand our overhead to stay on top,” remarked Chairman Jim Gardner.

“The dozen or so professionals we have hired in the past year fit into our culture where teamwork prevails — where we care about each other and are most concerned about getting the job done well versus focusing on who gets individual credit for it,” said CSC Founder Tex Gross. “Our strategic hiring initiative will impact the future of our firm for a long time to come.”

CSC is different from other investment banking firms because it prefers to hire senior talent who value the team approach. “While many firms will assign a project to one employee, Commerce Street Capital may assign three to six people to a project, depending on what expertise is needed with banks, investors, regulators or other relevant factors,” stated President and CEO Dory Wiley.

“Our employees understand this place is different,” added Gross. “We are a unique firm, with high energy and a tremendous capacity to do great things.”

Why is now a good time for CSC’s growth? Recent trends in banking have created opportunities for CSC in five areas:

1. **Increased supply of bank M&A deals.** Recent hires will advise on the buy and sell sides of M&A deals alongside Chairman Jim Gardner.
2. **Active growth of asset management business.** In just five years, the firm’s fund management team has gone from zero to \$360 million in assets under management under Dory Wiley’s leadership. CSC currently sees rare

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opportunities, part of a cycle that occurs roughly every 20 years, to invest in banks. The firm closed on two funds last year to do just that.

3. **Greater need for capital.** Banks now face an increased need to raise capital and to dispose of problem assets, both to fulfill regulatory requirements and to have capital set aside for growth and M&A opportunities. CSC's bank development team continues to raise capital from shareholders in a bank's surrounding community as well as from institutions. Complementary services provided by turnaround professionals assist banks with disposing problem assets and loans in order to repair capital levels.
4. **As M&A activity increases, so do bank valuations.** Expanding the existing valuation and fairness opinions business within CSC is another strategic move.
5. **Increased regulatory environment.** In direct response to the new rules in banking oversight, the firm has increased its in-house regulatory expertise.

About Commerce Street Capital

Commerce Street Capital LLC is an asset management, capital markets and advisory firm focused on investing in and advising small and medium size businesses across the United States. For more than 23 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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