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INFUSION OF CAPITAL, NEW MANAGEMENT SETS AMERICAN ADVISORS GROUP ON COURSE TO BECOME REVERSE MORTGAGE LEADER

National Television and Marketing Campaign to Promote Product Sector and Educate Senior Community

Irvine, Calif. (August 5, 2009) - Reverse mortgage originator American Advisors Group (AAG) has announced a new management team comprised of leading industry veterans, and an infusion of investment capital, expected to immediately catapult the firm into the forefront of the specialty finance sector.

“The combination of a strong capital base from an industry-experienced partner - and one of the most seasoned and accomplished teams in the industry - positions us to be a substantial player in the reverse mortgage space in the coming year,” said Reza Jahangiri, President, American Advisors Group.

Funding comes from JAM Equity Partners, LLC (“JAM”), a private investment firm based in El Segundo, Calif., specializing in financial services companies, which has committed a \$4 million investment from its JAM Special Opportunities Fund II, LP (“JSOF II”). Proceeds from the financing will be used to further accelerate AAG’s growth in the reverse mortgage sector, including funding the company’s infrastructure, sales and marketing, and general working capital needs.

“We are impressed by the company’s deep and proven management team and its diversified multi-channel customer acquisition strategy,” said Mike Sekits, partner at JAM. “AAG represents an exciting opportunity to invest in one of the nation’s largest independent reverse mortgage originators.”

New Direct Mail Effort

American Advisors Group is poised to roll out a new direct mail effort, along with a national television campaign “that will not only promote the company as a leader in reverse mortgage lending, but also provide unparalleled transparency and education to the senior community,” said Teague McGrath, Vice-president, Marketing.

The campaign's theme, "The Best Advice for a Better Life," will have as its spokesperson a widely familiar figure from the entertainment world, to be identified by the firm later this summer.

The growing financial needs of seniors – driven by unemployment; foreclosure avoidance; and sharply reduced pensions and retirement accounts – combined with higher government loan limits and lower borrowing fees should drive origination growth even higher this year.

Unlike a regular forward mortgage, in which the borrower pays the lender back, in a reverse mortgage the lender pays the borrower thus allowing them to turn the equity in their homes into cash without monthly payments.

Originations of Home Equity Conversion Mortgages (HECM) insured by FHA rose 6.4 percent in 2008. By comparison, originations of traditional "forward" mortgages plummeted by more than 30 percent last year. Almost half of all reverse mortgages were originated in just the past two years (April saw the highest monthly origination total since the program began).

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About American Advisors Group

The company is a leader in the reverse mortgage industry, setting as its prime mission to attain the highest level of customer satisfaction and to help seniors improve their lives. The drive for innovation and excellence, as well as the commitment to quality customer service, has led AAG to be among the top reverse mortgage originators in the country.

About JAM

JAM Equity Partners is an affiliate of Jacobs Asset Management, an established, highly successful money manager with approximately \$450 million under management. JAM Equity Partners was founded by Sy Jacobs, Bill Roy and Mike Sekits to make and manage long term, high return investments into financial services businesses. JAM Equity Partners is the general partner of JAM Special Opportunities Fund I & II ("JSOF I & II"), private equity funds dedicated to investing in financial services. JSOF I & II have over \$100 million in total committed capital. www.jampartners.com

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