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NEWS RELEASE

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NAUTILUS CAPITAL ANNOUNCES PLACEMENT OF HOMEGOLD SECURITIZATION RESIDUALS

GREENVILLE, SC -- Nautilus Capital, LLC, a dealer in distressed mortgage loans and similar financial assets, announced today that it served as an advisor to HomeGold Financial, Inc., in the recently completed sale of certain mortgage securitization residuals.

That sale included the servicing rights and retained residual interests in six residential mortgage securitizations publicly issued by HomeGold between 1997 and 1999. The six pools currently contain approximately \$130 million in residential mortgage loans. HomeGold and its subsidiaries are in bankruptcy, and the sale was conducted under the auspices of the Federal bankruptcy court in Columbia, SC. Commonwealth Advisors, Inc., of Baton Rouge, LA, worked with Nautilus Capital in advising HomeGold on the sale.

"We are very pleased to have been able to assist HomeGold in this important transaction," said Laird Minor, Managing Director of Nautilus Capital. "This sale is the culmination of an extensive bidding and auction process, and HomeGold's creditors will receive the benefit of the strong price we were able to achieve."

HomeGold also owns subordinated interests in several small privately placed transactions conducted in 2000 and 2001, as well as some non-performing loans and related assets. It is expected that these will be sold in the first quarter of 2004. Nautilus Capital is assisting HomeGold in those transactions as well.

Nautilus Capital, headquartered in Greenville, SC, is a national dealer in distressed residential and commercial mortgage loans, as well as other unsecured consumer receivables. In its over three years of operations, Nautilus Capital has had the opportunity to bid on more than \$1 billion in loans from over 265 different lenders. Its website is www.nautiluscapital.com.

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