

PRESS RELEASE
FOR IMMEDIATE RELEASE

**Umbrella Bancorp, Inc. Announces Execution of Agreement to Sell
Flower Bank, fsb to American Home Mortgage Investment Corp.**

Chicago, Illinois – August 18, 2006 – Umbrella Bancorp, Inc. (the “Company”) (Pink Sheets: UMBR.PK) announced today that it has entered into an agreement to sell all of the capital stock of Flower Bank, fsb, a federal savings bank and wholly owned subsidiary of the Company, to American Home Mortgage Investment Corp. (“American Home”) for \$16,250,000 in cash, subject to adjustment in certain circumstances. American Home is a real estate investment trust engaged in the business of investing in mortgage-backed securities and mortgage loans resulting from the securitization of residential mortgage loans that its subsidiaries originate and service. The transaction is expected to close in the fourth quarter of 2006, subject to various closing conditions, including Umbrella shareholder approval and the receipt by American Home of customary regulatory approvals.

As part of its agreement with American Home, the Company will utilize approximately \$13.2 million of the proceeds from the transaction to redeem the outstanding 11% Capital Securities of Argo Capital Trust Co. Following consummation of the transaction, the Company will engage in the mortgage banking business, acquire strategic positions in other financial institutions and develop a corporate restructuring and workout group to assist other entities.

At June 30, 2006, the Company had total consolidated assets of \$44.6 million, total deposits of \$32.6 million and a negative consolidated stockholders’ equity of \$10.7 million. The Bank had \$43.7 million in total assets, \$32.6 million of deposits and stockholder’s equity of \$1.7 million.

For further information on this release call:

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