

FOR IMMEDIATE RELEASE
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HOMEBUILDER C. P. MORGAN GOING OUT OF BUSINESS

INDIANAPOLIS – Citing untenable market conditions, homebuilder C. P. Morgan Homes Inc. announced today that it is closing its doors and ceasing operations effective Friday, February 27.

One of Central Indiana's most dominant builders of single-family homes for more than two decades, the Morgan firm said the collapse of the real estate industry "makes it impossible for us to serve our customers effectively and remain viable."

"This is one of the most difficult decisions I've ever had to make," said Charles P. (Chuck) Morgan, the company's founder and chairman. "With home prices dropping precipitously, resulting in millions of foreclosures, we believe our industry will be in trouble for many months to come," said Morgan. "Unfortunately, I believe it's a crisis that will swallow up many companies like ours all across the nation."

Morgan said all homes under construction have been completed. Applicable warranties on all Morgan homes will continue to be honored by a residential warranty company as outlined in each homeowner's warranty manual.

"This definitely is not what I contemplated when I started the company in 1983," said Morgan, "but this is the worst catastrophe I've seen in our industry in my lifetime. I could never have imagined this outcome, even as recently as six months ago. We have done everything possible to prevent this from happening. From the very beginning, our goal was to provide more people with more home than they ever dreamed possible. I believe we achieved that goal."

In its 26-year-existence, the company has built more than 25,000 homes in some 200 Indianapolis and Lafayette, Ind., neighborhoods, plus the Charlotte and Piedmont Triad areas of North Carolina. The firm marketed mostly to first-time homebuyers, with homes ranging in size from 1,000 square feet to 4,000 square feet and ranging in price from \$80,000 to \$200,000.

Honored many times, the company most recently received the 2007 Innovation in Workforce Housing Award from the National Association of Home Builders. That same year it was selected among thousands of homebuilding companies for an APEX Award for innovation in homebuilding practices.

The company was given the National Housing Quality Silver Award in 2006, the industry's highest recognition for quality achievement and world class business practices.

Morgan said he is especially proud the company has been recognized by Indianapolis Monthly magazine for good employee relations, being named one of the Top 12 businesses to work for the Indianapolis metropolitan area.

"The hardest part of this decision for me has been our associates who have worked tirelessly over the last several months to prevent this from happening," said Morgan. "I'm extremely grateful for their exceptional commitment to our company, which only adds to the sadness I feel about closing our doors."