



Press Release

**HSBC MORTGAGE SERVICES TO RELOCATE HEADQUARTERS
TO SOUTH CAROLINA, INCREASE EMPLOYMENT**

CHARLOTTE, N.C. and PROSPECT HEIGHTS, Ill. – June 28, 2005 –

HSBC Mortgage Services, a unit of the top-10 financial services firm HSBC – North America, today announced it will relocate its corporate headquarters to Lancaster County, S.C., in 2006 and increase employment by as much as double current levels within five years.

Construction of the new 182,000-square foot facility – led by Charlotte-based Lauth Property Group – will begin this summer. Located four miles south of Ballantyne Resort, just south of the North Carolina-South Carolina border, it will offer HSBC Mortgage Services nearly 60 percent more space to accommodate the company's anticipated growth. HSBC's facilities will be located in the EdgeWater Corporate Center, a 90-acre, one million square foot office park. The company's relocation will begin in early summer 2006.

HSBC Mortgage Services, which employs more than 3,000 nationwide, currently is based in Charlotte, N.C. Just under 450 employees are based at the company's headquarters in Charlotte's South Park complex. An additional 120 employees will remain at the Decision One branch office in South Park.

HSBC Mortgage Services expects headquarters employment to grow to as many as 900 by 2011.

"The relocation of our headquarters will support our ongoing expansion plans," said J.C. Faulkner, group executive of HSBC Mortgage Services, whose business lines include Decision One Mortgage, LLC and HSBC Mortgage Services Inc.

Decision One Mortgage, a non-conforming, wholesale lender, is the eighth-largest lender of its kind in the nation. The non-conforming mortgage market provides financing for more than five million American homes, enabling home ownership, debt

consolidation and other benefits not afforded through traditional mortgage channels. With 22 centers across the country, the company originates mortgage loans through 10,000 mortgage brokers nationwide.

HSBC Mortgage Services, Inc. acquires and services conforming and non-conforming loans. The company buys loans from 200 correspondent lenders across the country.

HSBC - North America comprises all of HSBC's U. S. and Canadian businesses, including the former Household businesses. The company's businesses serve nearly 60 million customers in five key areas: personal financial services, consumer finance, commercial banking, private banking and corporate investment banking and markets. Financial products and services are offered under the HSBC, HFC and Beneficial brands. For more information, visit: www.hsbcusa.com.

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