

**For Immediate Release**

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## **Nationwide Exchange Services (NES) Acquires J.P. Morgan Property Exchange Inc. (JPEX)**

### **The New Acquisition Expands NES' Leadership in the 1031 Exchange Market**

San Jose, CA – November 6, 2008 – Furthering its leadership position, Nationwide Exchange Services (NES), a Qualified Intermediary providing a comprehensive suite of IRC Section 1031 Tax-Deferred Exchange products for individual exchangers and corporations, announced today that it has closed the purchase of J.P. Morgan Property Exchange Inc. (JPEX) from J.P. Morgan to acquire the firm's 1031 like-kind exchange services division. JPEX is one of the country's leading providers of 1031 Like-Kind Exchange qualified intermediary services. NES & JPEX will operate as Nationwide Exchange Services (NES).

JPEX 1031 operations and personnel will unite with those of Nationwide Exchange Services to provide 1031 exchange expertise to Fortune 500 and middle market companies across a diverse group of industries including transportation, equipment finance, and commercial real estate. The combined operations will continue to deliver the superior customer service they are recognized for and leverage NES' industry-leading technology platform that increases transaction transparency and security for all exchange clientele.

"We are thrilled to combine two exceptional organizations with best-of-class operations and exceptional personnel into one industry powerhouse," said Michael Halloran, CEO of NES. "In such uncertain economic times where the impact within the 1031 market segment has been substantial, it should be comforting to have one company that can deliver the commitment, expertise, service, security and transparency that exchangers desperately need."

NES is recognized in the industry as a leading provider of 1031 services in commercial market sectors and as the exclusive Qualified Intermediary for more US banks than any other firm. The company maintains its leading reputation for IRC Section 1031 expertise through its team of subject matter experts led by Kelly Alton, formerly of the Office of Chief Counsel at the IRS National Office and Deloitte Tax LLP, Washington National Tax Group, and principal author of Reverse Exchange Revenue Procedure 2000-37. NES is also known for the company's emphasis on transparency and compliance as the industry's only Qualified Intermediary to submit itself to an annual independent audit of its business practices and procedures under SAS 70 type II accounting standards. These provisions focus on financial security procedures and validate NES' compliance with federal regulations such as the Bank Secrecy Act (BSA), Gramm-Leach-Bliley Privacy Act, USA Patriot Act, Sarbanes-Oxley Rule 404 (SOX 404), and guidelines set forth by the Office of the Comptroller of the Currency (OCC).

"Given the uncertainty in the 1031 sector, it makes sense for us to combine two industry leaders into one even more significant provider in the market," said Pat McCloskey Senior Vice President of Sales, formerly with J.P. Morgan Property Exchange. "The benefits to our exchange clientele include more product solutions to better meet their needs and an amazing diversity of custodial banks through NES' established relationships with multiple major financial institutions. This gives clients the maximum options for where their assets can be held. JPEX clientele will now have the greatest number of options to meet their exchange requirements while maintaining continuity in customer service, expertise, and personnel that they have come to depend on."

For questions regarding the merger please visit the website at [www.nationwide1031.com](http://www.nationwide1031.com) or contact the dedicated customer hotline at 1.866.703.1031, where a 1031 account manager or exchange officer will be available to answer any questions.

NES was advised by Sandler O'Neill + Partners, L.P., as the financial advisor, and Hopkins & Carley, as the legal counsel.

### **About Nationwide Exchange Services**

Nationwide Exchange Services ([www.nationwide1031.com](http://www.nationwide1031.com)) is a leading Qualified Intermediary for 1031 tax-deferred exchanges. Since 1990, NES has conducted tens of thousands of successful 1031 exchange transactions across the nation. Today, NES applies advanced technologies to proven business processes to create new standards of customer-driven products and services for 1031 tax-deferred exchanges. NES has been repeatedly awarded SAS 70 Type II certification of its business processes and controls after extensive annual audits, and, as a result, is uniquely qualified to serve the needs of exchangers in today's chaotic financial markets.