

For Immediate Release

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Nationwide Exchange Services (NES) Successfully Completes Fourth Consecutive Annual SAS 70 Type II Review

Audit Confirms Company's Financial Process Controls And Technological Capabilities to Deliver Comprehensive Security And Transparency To The 1031 Tax-Deferred Exchange Sector

San Jose, CA – June 12, 2009 — For the fourth consecutive year, Nationwide Exchange Services (NES) a Qualified Intermediary (QI), announced the receipt of an unqualified opinion for the third-party service provider Type II review based on Statement on Accounting Standards No. 70 (SAS 70). The review substantiates that a service organization has been through an in-depth inspection of their control objectives and activities, including control over funds administration processes, information technology, information security and related processes. The audit was conducted by McGladrey & Pullen, one of the nation's leading CPA firms.

Mismanagement of exchange funds, custodial exposure and even theft by Qualified Intermediaries have resulted in a number of 1031 Industry defalcations over the past several years, leaving hundreds of millions of dollars of exchanger proceeds at risk. "The reality is that the risks have always been inherent within the sector and have warranted higher levels of due diligence for structural integrity, process scrutiny, and service levels within the 1031 industry. An independent third party process and control audit validates and highlights the commitment NES has to security and transparency," said Kelly Alton, General Counsel, NES.

The SAS 70 Type II certification is part of a proven set of measures that NES takes to protect their clients' exchange funds and the integrity of the exchange transaction, which may include qualified escrows, trusts and other structural protections to safeguard exchange funds. NES also employs a fully secure password-protected website – The NES Personal Account Portal™ – which allows clients to view their account information 24 hours a day, seven days a week for complete transactional transparency. As a result of its SAS 70 Type II certification and its proven security and transparency measures, NES is uniquely qualified to serve the needs of many Fortune 500 companies that must comply with the requirements of Section 404 of the Sarbanes-Oxley Act, as well as other important financial regulatory statutes, such as the Bank Secrecy Act and the Gramm-Leach-Bliley Act (privacy provisions).

About NES

Nationwide Exchange Services (NES – www.nationwide1031.com), a division of NES Financial, is the nation's leading Qualified Intermediary for 1031 tax-deferred exchanges and the top provider of exchange services to the Fortune 500. Since 1990, NES has conducted tens of thousands of 1031 exchange transactions across the nation resulting in the deferral of tens of billions of dollars of client tax liability. In November 2008, NES purchased J.P. Morgan Property Exchange Inc. (JPEX), the exchange services division of J.P. Morgan. Today, NES applies advanced technologies and proven business processes to create new standards of customer-driven products and services for 1031 tax-deferred exchanges. NES is uniquely qualified to serve the needs of companies with complex exchange requirements, and those that operate in strict corporate governance and compliance environments.

About McGladrey & Pullen LLP and RSM

McGladreyMcGladrey & Pullen LLP (a partner-owned CPA firm) delivers audit and attest services. It operates in an alternative practice structure with RSM McGladrey, a leading professional services firm providing accounting, tax and business consulting services to middle-market businesses. Through separate and independent legal entities, they work together to serve clients' business needs. Together the companies rank as the fifth largest U.S. provider of accounting, tax and business consulting services (source: Accounting Today), with 8,000 employees in 100 offices. McGladrey & Pullen LLP and RSM McGladrey Inc. are member firms of RSM International, an affiliation of independent accounting and consulting firms.