



NES Exchange (NES) Successfully Completes Third Annual SAS 70 Type II Review

*Audit Provides Objective Standard to Measure Adherence to Security and
Process Controls of NES' 1031 Service Offerings*

San Jose, CA June 17, 2008 — For the third consecutive year, NES Exchange (NES) a Qualified Intermediary providing an industry-leading suite of 1031 tax-deferred exchange products for individual exchangers and corporations, today 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 audit was conducted by McGladrey & Pullen (M&P), one of the nation's leading CPA firms.

McGladrey & Pullen has examined the accompanying description of controls in the SAS70 report related to Section 1031 Exchange Services and the ExchangeMaker (EM) system of NES. M&P's examination included procedures to obtain reasonable assurance about whether (1) the accompanying description presents fairly, in all material respects, the aspects of NES's controls that may be relevant to a user organization's internal control as it relates to an audit of financial statements; (2) the controls included in the description were suitably designed to achieve the control objectives specified in the description, if those controls were complied with satisfactorily and user organizations applied the controls contemplated in the design of NES's controls; and (3) such controls had been placed in operation as of December 31, 2007. A SAS 70 audit demonstrates that a service organization has been through an in-depth inspection of their control objectives and activities, which often include controls over information technology, information security and related processes.

"For the third straight year, NES has received the SAS 70 certification showing our consistent dedication to excellence and our commitments to process controls that deliver our clients fiduciary security, adherence to IRS regulations, data security and business practices," said Rick McEachern, Chief Marketing Officer at NES. "We'll continue to set a high compliance standard in the industry by providing our customers with exceptional 1031 tax-deferred products and services that are compliant, consistent, reliable and transparent."

About NES Exchange

NES Exchange (NES – www.nes-exchange.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 awarded an SAS 70 Type II certification after an extensive audit of its processes and controls and, as a result, is uniquely qualified to serve the needs of companies that must comply with Section 404 of the Sarbanes-Oxley Act.

About McGladrey & Pullen LLP and RSM McGladrey

McGladrey & 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 nearly 100 offices. McGladrey & Pullen LLP and RSM McGladrey Inc. are member firms of RSM International, an affiliation of independent accounting and consulting firms.

Contact Info:
Shilpa Mysoor
Nationwide Exchange Services
smysoor@nes-exchange.com
310-276-7731

###