

NEW LOCAL PRIVATE EQUITY FUND WILL PROVIDE LIQUIDITY TO INLAND MARKET

Acquisition of PFF Bank and Trust portfolio on Monday kicks off fund that will invest in real estate assets along major transportation corridors

Rancho Cucamonga, CA – Diversified Pacific Development Group, in collaboration with accredited investment partners, has launched a new local real estate opportunity fund to provide local liquidity to the residential and commercial real estate markets. The new Diversified Pacific Opportunity Fund plans to invest in a broad range of real estate assets targeted to produce near-term cash flow with profits sufficient to attract local investment partners as well as attract Wall Street institutional investors. The Fund kicked off Monday when it acquired a loan portfolio from Diversified Builders Services which is a wholly owned subsidiary of PFF Bancorp. The portfolio contained over 20 loans whose related properties have been valued at over \$100 million and are located primarily in California including the Inland Empire and the Southwestern United States.

“Through this Fund, we will significantly increase liquidity in the Inland economy,” said Jeffrey Burum, co-managing member of Diversified Pacific and the chairman of the Fund’s board. “It just makes good sense to provide Inland residents seeking investment options with opportunities that not only provide for a nice rate of return but have the potential to aid the local economy at the same time.”

In its starting phase, the Fund will raise money primarily from local accredited investors who will have the ability to participate in investments that could take up to ten years before receiving returns. The principals of Diversified Pacific, Matt Jordan and Jeff Burum, will use this platform to raise additional capital from institutional investors. The aim of which is to create an investment pool which could purchase some of the most troubled real estate assets in the inland valley over the next ten years.

The Fund’s creator and one of the region’s most successful developers, Jeff Burum, says “The Inland Empire was one of the best areas in the World to invest in over the past ten years, and we believe it will comeback with as much vigor from this downturn as it did from its last down cycle.” Burum went on to say, “Those landowners and homeowners who can endure the ups and downs of a real estate cycle will do very well in the long run. Our fund is positioning itself to not only aid projects in need of funding during this downturn, but to capitalize on opportunities that will aid this Valley in its turnaround.”

The primary real estate target areas for the Fund consist of major transportation routes along the west end of the Inland Empire including the I-10, I-15, I-60, I-215 and I-210 corridors. Burum expects that approximately 75% of all real estate transactions will initially occur in those areas.

The Fund is targeted to grow to \$300 million in assets over the next three years as it positions itself to be the largest local investment fund in the Inland Empire. As the Fund is split evenly between Diversified Pacific and capital investors, a board of directors made up of both groups will be responsible for its investment policies.

The Fund will take advantage of several different types of real estate assets including bank-owned and distressed parcels, commercial buildings and loan portfolios.

For more information please contact Jeff Burum or Matt Jordan at (909) 481-1150; or visit the website at www.diversifiedpacific.com