

For Immediate Release

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Baceline Investments Sells South Federal Business Center

Property is first to be sold from Baceline's No Debt Real Estate Investment Fund

DENVER – Baceline Investments, LLC, a Denver-based real estate investment company with local partners in Dallas, Chicago, Omaha and Kansas City, announced today it has sold South Federal Business Center, a 35,000-square-foot, eight-tenant property in southwest Denver to an investor group for \$2,450,000. Located at 4301 South Federal Blvd, the property is the first to be sold from Baceline's No Debt Real Estate Investment Fund I portfolio.

Baceline purchased South Federal Business Center in September, 2003, effectively launching the company's first No Debt Real Estate Fund.

"This is an important and historic milestone for Baceline Investments," said David Puchi, Principal of Baceline Investments. "The sale of South Federal Business Center means we have come full circle with the first property in the portfolio while delivering a targeted return on investment."

Baceline's No Debt Real Estate Fund I is a \$21 million portfolio that has delivered 10 consecutive quarters of return. Fund I, with six industrial and retail properties in Colorado and Texas, closed to investors in October, 2004.

"When we purchased the property nearly three years ago, we saw the business center as a prime location that we felt would offer long-term stability and value," Puchi said.

Baceline's other Fund, the No Debt Real Estate Fund II opened in June, 2005 with the acquisition of the Crestside Business Center in Dallas. Since then the company has added three properties to the Fund including Meadow Mart Center, a Chicago retail shopping center; West State Plaza, a Kansas City retail center; and Airport Commerce Center, an industrial property in Omaha, Neb.

Baceline is currently in the negotiation phase for an additional \$20 million in industrial and retail properties to purchase for Fund II. Baceline seeks out attractively priced, cash-flowing real estate as part of its unique no debt investment strategy.

Baceline Investments, LLC is a Denver-based real estate investment company that offers unique real estate investment alternatives for individual and institutional investors. Baceline's No Debt Real Estate Funds pays investors first before any management fees are paid. By providing a straightforward, investor-first approach to real estate investing, the Company offers security,

strong cash flow and attractive total returns. Baceline specializes in industrial and retail property in diversified metropolitan locations. For more information, visit www.bacelineinvestments.com.

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