



BEACH BUSINESS BANK

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Beach Business Bank Achieves SBA Preferred Lender Status in Record Time

MANHATTAN BEACH, Calif.--(BUSINESS WIRE)--May 17, 2005--Beach Business Bank (OTCBB:[BBBC](#) - [News](#)) today announced that the U.S. Small Business Administration (SBA) has awarded it "Preferred Lender" status for the Los Angeles District under the SBA's Preferred Lender Program (PLP). Designation as a Preferred Lender is the highest lending designation granted by the SBA. Under the PLP, the SBA delegates to Preferred Lenders the origination, approval, documentation, closing, and most servicing and liquidation authority and responsibility for SBA guaranteed loans. The authority granted to PLP lenders shortens the time it takes to get a loan approved and funded. Among the SBA's three programs -- the General Program (GP), the Certified Lender Program (CLP) and the Preferred Lender Program (PLP) -- the PLP is the most prestigious and highly selective program, with candidates having to pass the SBA's rigorous screening, evaluation and approval process.

"Preferred Lender status is the SBA's premier accreditation, and our bank and the group of outstanding professionals who work here earned the coveted Preferred Lender designation for the Los Angeles District in record time for a new bank," said Robert Franko, President and Chief Executive Officer of Beach Business Bank. "As a Preferred Lender, we can offer an even higher level of service to our business clientele because the SBA delegates to us direct loan approval on its behalf, which translates into faster approvals and quicker loan fundings."

Beach Business Bank began making SBA loans as soon as it opened its doors in June 2004. In just the fourth quarter of 2004, Beach Business Bank approved eight SBA loans in the Los Angeles District Office, valued at more than \$5 million. In that quarter, the Bank ranked in the top third of all lenders in the LA District Office and was the clear leader of all banks less than a year old. As a GP lender, the Bank approved more than 20 SBA loans for more than \$12 million throughout the United States in 2004.

"Designation as a Preferred Lender under the PLP is a tribute to the skills and experience of our bankers, especially Stacey Johnson, who has underwritten and helped to fund almost all of the Bank's SBA loan production since the Bank opened for business last June," said Phillip Bond, the Bank's Chief Credit Officer. Mr. Bond was the leader of an SBA lending group at a large California bank before joining Beach Business Bank. "We have recently added to our lending staff Carlos Pombo and Rosalind Taylor, both of whom have years of SBA experience. All of our bankers use their experience every day to make the SBA lending process much more manageable for our clients. The SBA told us that they recognized this commitment by Beach Business Bank when they considered the Bank's application to become a PLP lender."

"Our Bank builds lasting and valued relationships with clients because we can respond quickly and our staff knows how to bring the entire process together efficiently," said Girish Bajaj, the Bank's Executive Vice President for Business Development and another long-time veteran of SBA lending. "It is the skill and experience of our people that make the difference."

Beach Business Bank is quickly making a name for itself in Southern California, delivering business banking services and products through its full-service branch office in Manhattan Beach. The Bank had an asset base of more than \$40 million at the end of the first quarter of 2005. Beach Business Bank plans to open another office in Long Beach in the summer of 2005.

Beach Business Bank is headquartered at 1230 Rosecrans Avenue, Suite 120, in Manhattan Beach, CA. It is first and foremost a community business bank serving Los Angeles and South Bay area residents and businesses. The Bank also has a division known as "The Doctors Bank," which serves physicians and dentists nationwide. In addition, Beach Business Bank provides loans to small businesses, focused around the SBA 7(a), 504 and Express lending programs. The Bank makes a special effort to serve minority-owned businesses throughout Southern California. For more information on the Bank, please visit www.beachbusinessbank.com or call (866) 862-3878 or (310) 536-2260.

"Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995: The financial information in this press release is based on our unaudited financial results. Certain statements in this press release, including statements regarding the anticipated development and expansion of the Bank's business, and the intent, belief and current expectations of the Bank, its directors or its officers, are "forward-looking" statements (as such term is defined in the Private Securities Litigation Reform Act of 1995). Such forward-looking statements are subject to risks and uncertainties and therefore the Bank's actual results may differ materially from those expressed or implied by such forward-looking statements. The risks and uncertainties that the Bank is subject to include, but are not limited to, risks related to the local and national economy, including fluctuations in interest rates and costs and changes in economic policy, the ability of the Bank to perform in accordance with its plans, competition, regulatory matters and other risks detailed in its filings with the State of California Department of Financial Institutions and the Federal Deposit Insurance Corporation. The Bank cautions readers not to place undue reliance on any forward-looking statements. The Bank does not undertake, and specifically disclaims any obligation, to revise any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements.

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