



April 22, 2010

Dear Shareholder:

Desert Commercial Bank is very pleased to share with you some wonderful and exciting news.

The Bank has been profitable each month for the first quarter of this year, a historical first! Also, earnings exceeded the budget expectation of \$60,000 and have increased \$822,000 from one year ago. This milestone, which may not seem too significant by itself, has taken a tremendous amount of time and patience on your part and a lot of hard work from the Directors, Management and Employees to achieve.

Provided below are some of the First Quarter Financial Highlights and their comparisons to last year.

Financial Highlights (Dollars in 000's):

	<u>2009</u>	<u>2010</u>
Total Assets	\$146,046	\$138,403
Total Capital	13,419	16,190
Net Interest Spread	1,393	1,597
Net Income	(748)	74

Business development continues to be positive with great leads supplied by our Advisory Boards in both market areas. The Bank has hired a full time loan officer for the Imperial Valley market and we will be publicly announcing this very shortly in the local news media. This will add considerable customer service and a great local connection for existing as well as future customers.

The Bank has received a number of great comments from its Shareholders in the past few months regarding the enhancements to the website and we encourage each of you to spend a moment to review the changes. Please provide your comments, so that we can continue to make the site a positive experience.

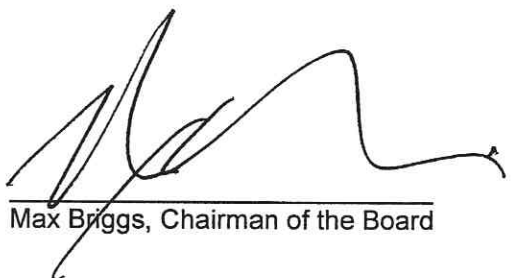
As technology continues to move forward so will Desert Commercial Bank. The Bank will be launching "Mobile Banking" in the very near future. This service will allow our customers to do their banking from virtually anywhere. Please see your local Branch for more details.

The Bank would also like to inform you that Mr. James Nelson has been promoted to Acting Chief Credit Officer, as Mr. Schmidt has left the Bank due to personal reasons.

On behalf of the Board of Directors, Management and the Staff of the Bank, your continued support is greatly appreciated.

Regards,


Tony J. Swartz, President & CEO


Max Briggs, Chairman of the Board