Exhibit A

PROPERTY MANAGEMENT AGREEMENT

This PROPERTY MANAGEMENT AGREEMENT (the "Agreement") is dated as of this ____ day of August, 2008, between the parties listed on Exhibit "A" hereto (each a "Tenant in Common," and collectively, the "Tenants in Common"), and Grubb & Ellis Residential Management, Inc., a California corporation ("Property Manager").

The Tenants in Common intend to acquire certain real property and improvements in Peachtree City, Georgia, commonly known as AMLI at Peachtree City, as more particularly described in Exhibit "A" attached hereto and incorporated herein (the "Property"). The Tenants in Common have entered into a Tenants in Common Agreement (the "Tenants in Common Agreement") and a Call Agreement (the "Call Agreement") concurrently herewith to provide for the orderly ownership and operation of the Property. The Tenants in Common desire to engage Property Manager to manage, lease, operate, and maintain the Property.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. COMMENCEMENT AND TERMINATION DATES; AUTHORITY OF TENANTS IN COMMON.

1.1 Commencement and Termination. Property Manager's duties and responsibilities under this Agreement shall begin on the date the Tenants in Common acquire their interests in the Property (the "Start Date") and shall be for a term of one year subject to annual renewal as provided in Section 10. Notwithstanding the preceding sentence, this Agreement shall terminate on the earlier of (a) the sale of the Property or any portion thereof, as to such portion of the Property sold only (other than any sale of an undivided interest held by a Tenant in Common to a party that will acquire such interest subject to the Tenants in Common Agreement), (b) termination as provided in Section 10 or (c) December 31, 2018.

1.2 Approval of the Tenants in Common. The unanimous approval, consent or other action of the Tenants in Common shall be required to approve: (a) this Agreement and all amendments and renewals hereof in accordance with Section 10.1; (b) all leases, amendments thereof and leasing parameters in accordance with Sections 2.5 and 2.6; (c) all financing and refinancing of the Property; and (d) sale of the Property (other than a sale pursuant to the Purchase Option described in Section 10 of the Tenants in Common Agreement or pursuant to the Call Agreement). All other actions in this Agreement requiring approval of the Tenants in Common may be taken by the Tenants in Common holding more than fifty percent (50%) of the undivided interests in the Property. Whenever in this Agreement the consent or approval of the Tenants in Common is required or otherwise requested, each Tenant in Common generally shall have fifteen (15) days after the date on which the request for consent or approval is submitted to it by Property Manager in which to approve or disapprove of the matter in writing (unless a longer or shorter period for response is expressly provided for herein, for example, the seventy-two (72) hour period to review and approve individual leases). A Tenant in Common who does not disapprove of the matter in writing within such fifteen (15) day period (or such longer or shorter period expressly provided for herein), shall be conclusively deemed to have approved the matter. Property Manager shall have no obligation hereunder to comply with any requests or direction made by less than all of the appropriate percentage of the Tenants in Common pursuant to Section 1.2 of this Agreement.

2. PROPERTY MANAGER'S RESPONSIBILITIES.

2.1 Status of Property Manager. The Tenants in Common and Property Manager do not intend to form a joint venture, partnership or similar relationship. Instead, the parties intend that Property Manager shall act solely in the capacity of an independent contractor for the Tenants in Common. Nothing in this Agreement shall cause Property Manager and the Tenants in Common to be joint venturers

or partners of each other, and neither shall have the power to bind or obligate the other party by virtue of this Agreement, except as expressly provided in this Agreement. Nothing in this Agreement shall deprive or otherwise affect the right of either party to own, invest in, manage, or operate, or to conduct business activities which compete with, the Property.

2.2 Management. Property Manager shall be the sole and exclusive manager of the Property to act on behalf of the Tenants in Common and shall manage, operate and maintain the Property in an efficient, economic, and satisfactory manner and shall manage the performance of everything reasonably necessary for the proper operation of the Property for the tenants thereof, subject to (a) applicable governmental requirements, and (b) the terms and provisions of this Agreement. At the expense of each of the Tenants in Common, based on their undivided interests in the Property, Property Manager shall keep the Property clean and in good repair, shall order and supervise the completion of such repairs as may be required and shall generally do and perform, or cause to be done or performed, all things necessary, required or desirable for the proper and efficient management, operation, and maintenance of the Property, provided each of the Tenants in Common, based on their undivided interests in the Property, in a manner reasonably satisfactory to Property Manager, makes available to Property Manager sufficient sums to pay the costs thereof. Property Manager shall perform all services in a diligent and professional manner.

2.3 Employees/Independent Contractors of Property Manager. Property Manager shall employ, directly or through third party contractors (for example, an employee leasing company or on-site property manager), at all times, a sufficient number of capable employees and/or independent contractors to enable Property Manager to properly, adequately, safely and economically manage, operate and maintain the Property. All matters pertaining to the supervision of such employees shall be the responsibility of Property Manager. All salaries and benefits and positions of employees who perform work in connection with the Property shall be consistent with the Budget (as defined in Section 2.5).

2.4 Compliance with Laws, Mortgages and Other Matters.

2.4.1 Property Manager shall use reasonable efforts to comply, and cause the Property to be in compliance, with any deed of trust, mortgage or other loan documents, and all applicable governmental requirements, including by way of illustration, but not limitation, Board of Fire Underwriters or other similar body, relative to the performance of its duties hereunder, ordinances, rules, regulations, and requirements. Property Manager may implement such procedures with respect to the Property as Property Manager may deem advisable for the more efficient and economic management and operation thereof. Property Manager shall pay from the Operating Account (defined in Section 6.2) expenses incurred to remedy violations of laws. However, Property Manager shall not be obligated to remedy violations of law if sufficient funds are not available in the Operating Account or if the Tenants in Common do not provide sufficient additional funds to do so.

2.4.2 Property Manager shall furnish to the Tenants in Common, promptly after receipt, any notice of violation of any governmental requirement or order issued by any governmental entity, any Board of Fire Underwriters or other similar body against the Property, any notice of default from the holder of any mortgage or deed of trust encumbering the Property, or any notice of termination or cancellation of any insurance policy.

2.5 Budgets and Operating Plan.

2.5.1 Property Manager has prepared and submitted to the Tenants in Common herewith an initial capital and operating budget ("Budget") for the promotion, operation, leasing (including leasing parameters for the Property), repair, maintenance and improvement of the Property for the current calendar year. The Budget is and shall be presented on a monthly, cash basis. Property Manager shall deliver to the Tenants in Common for approval by a majority thereof each subsequent Budget for each subsequent calendar year on or about December 15th of the calendar year before the budget year. Each Tenant in Common shall be deemed to have approved the Budget unless a majority of the Tenants in Common provide written notice to Property Manager and the other Tenants in Common indicating specific objection to certain Budget items within thirty (30) days from receipt of the Budget;

provided that (i) leasing parameters must be approved at least annually by the unanimous consent of the Tenants in Common as provided in Section 2.6.2. In the event a majority of the Tenants in Common do not approve the Budget, the disputing Tenants in Common shall negotiate in good faith with Property Manager and the other Tenants in Common for fifteen (15) days to resolve the issue. If the parties are unable to reach an agreement on any issue other than leasing matters, the issue shall be resolved by binding arbitration as set forth in Section 2.5.4 with (a) each of the disputing Tenant(s) in Common paying his pro rata share of fifty percent (50%) of the cost of arbitration and (b) all the other Tenants in Common paying his pro rata share of fifty percent (50%) of the costs of the arbitration. If at any time a Budget for a subsequent year is not approved by a majority of the Tenants in Common, the prior year's Budget shall remain in effect pending resolution of the new Budget as described above. Property Manager shall provide the Tenants in Common with such information regarding the Budget as may be, from time to time, reasonably requested by the Tenants in Common. Property Manager may at any time submit a revised Budget (or revised leasing parameters) to the Tenants in Common.

2.5.2 The Property Manager shall charge all expenses to the proper account as specified in the Budget, provided that the Property Manager may reallocate savings from one line item to other line items, for the benefit of the Tenants in Common.

2.5.3 Together with the submission of the Budget, Property Manager shall submit each year to the Tenants in Common an operating plan for the general operation of the Property, including a proposed list of improvements to the Property, general insurance plan, marketing plan and plan for the general operation and maintenance of the Property (the "Operating Plan"). Property Manager may submit a revised Operating Plan to the Tenants in Common at any time.

2.5.4 Any controversy arising out of or related to any dispute regarding the Budget as set forth in Section 2.5.1 shall be settled by binding arbitration as provided in Section 13.15.

2.6 Leasing.

2.6.1 Each Tenant in Common hereby approves all Leases (as defined in Section 2.6.2) presently in effect on the date hereof and the Property Manager's standard lease form. New leases, amendments and renewals shall be subject to the procedure and voting process described in Section 2.6.2

2.6.2 Property Manager shall use its commercially reasonable efforts to obtain tenants for all rental units in the Property and to renew leases and rental agreements (collectively, "Leases") as provided herein. Lease terms must be approved by a unanimous consent of the Tenants in Common unless a lease is entered into on the standard form of lease for such use at the Property and are in accordance with the leasing parameters approved pursuant at least annually by the unanimous consent of the Tenants in Common. Lease terms will be deemed approved unless a Tenant in Common gives written notice of rejection to Property Manager and the other Tenants in Common within seventy-two (72) hours of receipt of such lease terms. Leasing Parameters will be deemed approved unless a Tenant in Common gives written notice of rejection to the Property Manager and the other Tenants in Common within ten (10) days of receipt of such leasing parameters. Lease terms and leasing parameters which are deemed approved are collectively referred to as the "Approved Leases." In addition, the Tenants in Common hereby grant to Property Manager a special power of attorney, coupled with an interest, to execute Approved Leases. If any Tenant in Common objects to any such lease or leasing parameters within the time periods specified above, Property Manager will not have authority to execute the rejected leases on behalf of the Tenants in Common. If leasing parameters have been approved but Property Manager proposes to enter into a lease that is not an Approved Lease, then Property Manager shall not have any right or authority to approve or enter into any such lease without first obtaining the unanimous approval from the Tenants in Common. In the event any leasing parameters are hereafter submitted to the Tenants in Common, but fail to obtain unanimous approval of the Tenants in Common, then the existing leasing parameters then in effect shall remain in full force and effect for a period of no more than sixty days while the Property Manager and Tenants in Common attempt to negotiate and unanimously approve new leasing parameters. If no leasing parameters have been unanimously approved within such sixty day period then,

unless and until new leasing parameters have been unanimously approved by the Tenants in Common, the Property Manager shall not have any right or authority to approve or enter into any lease without first obtaining the unanimous approval of the Tenants in Common. Each Tenant in Common hereby approves the established leasing parameters attached as Exhibit C hereto.

2.6.3 Notwithstanding anything to the contrary contained herein, Property Manager shall only provide ordinary and customary services to tenants of the Property and others and shall provide no unusual or non-customary services to the tenants or any other parties on behalf of the Tenants in Common.

2.6.4 Except as provided in the Operating Plan, Property Manager shall not, without the prior written approval of the Tenants in Common, give free rental or discounts or rental concessions to any employees, officers or shareholders of Property Manager or anyone related to such employees, officers or shareholders, unless such discounts or concessions are in lieu of salaries or other benefits to which they would be contractually entitled. For example, the Property Manager, or a sub-contracted property manager may lease an apartment unit to a salaried employee for less than market rental rates as part of such employee's compensation so long as such employee concession is set forth in the Budget approved by the Tenants in Common. Property Manager shall not lease any space in the Property to itself or to any of its affiliates or subsidiaries, except as provided in this Section 2.6.4 or in the Operating Plan, without the prior written consent of the Tenants in Common.

2.6.5 Property Manager shall reasonably investigate all prospective tenants and shall not rent to persons not meeting credit standards reasonable for the market. Property Manager shall obtain a credit check for all prospective tenants through Equifax or a similar service. Property Manager shall retain such information for the duration of the tenancy and shall make it available to the Tenants in Common upon reasonable request. Property Manager does not guarantee the accuracy of any such information or the financial condition of any tenant.

2.6.6 Property Manager and the Tenants in Common agree that there shall be no discrimination against or segregation of any person or group of persons on account of age, race, color, religion, creed, handicap, sex or national origin in the leasing of the Property, nor shall the Tenants in Common or Property Manager permit any such practice or practices of discrimination or segregation with respect to the selection, location, number or occupancy of tenants.

2.6.7 Property Manager shall engage contractors, engineers, architects and other consultants on behalf of the Tenants in Common to design and construct improvements to the Property other than those required to be performed by tenants under their leases. For any contract requiring capital expenditures in excess of $50,000, Property Manager shall follow the bidding procedures specified in Section 2.9 below.

2.6.8 Notwithstanding anything to the contrary herein, Property Manager shall be obligated to disburse to each of the Tenants in Common their pro rata share of the net revenue from the Property within three (3) months from the date of receipt of such revenues.

2.7 Collection of Rents and Other Income. Property Manager shall use its commercially reasonable efforts to collect all rent and other charges due and payable from any tenant or from others for services provided in connection with the Property. Property Manager shall deposit all monies so collected in the Operating Account unless otherwise required by the loan documents affecting the Property. Each of the Tenants in Common shall be entitled to the income and revenue from any Property based on their undivided interests in the Property.

2.8 Repairs and Maintenance. Property Manager shall maintain the buildings, appurtenances and grounds of the Property, other than areas which are the responsibility of tenants, including, without limitation, all repairs, cleaning, painting, decorations and alterations, for example electrical, plumbing, carpentry, masonry, elevators and such other routine repairs as are necessary or reasonably appropriate in the course of maintenance of the Property (subject to the limitations of this

Agreement). Property Manager shall pay actual and reasonable expenses for materials and labor for such purposes from the Operating Account. Property Manager shall take reasonable precautions against fire, vandalism, burglary and trespass to the Property. However, Property Manager shall only provide ordinary and customary services to tenants of the Property and shall provide no other services to the tenants or others on behalf of the Tenants in Common.

2.9 Capital Expenditures. Property Manager may make any capital expenditure within any Budget approved by the Tenants in Common without any further consent, provided that Property Manager follows the bid procedures prescribed below. All other capital expenditures (other than for emergency expenditures) shall be subject to submittal of a revised Budget to the Tenants in Common. Unless the Tenants in Common specifically waive such requirements, or approve a particular contract, Property Manager shall award any contract for a capital improvement exceeding $50,000 in cost on the basis of competitive bidding, solicited from a minimum of two (2) written bids. Property Manager shall accept the bid of the lowest bidder determined by Property Manager to be responsible, qualified and capable of completing such improvements on a reasonable schedule.

2.10 Service Contracts. Supplies and Equipment.

2.10.1 Property Manager may enter into or renew any customary contract for cleaning, maintenance, repairing or servicing the Property or any of the constituent parts of the Property (including contracts for fuel oil, security or other protection, extermination, landscaping, architects or engineering services) contemplated by the Budget and/or the Operating Plan with any unrelated third party without the consent of the Tenants in Common.

2.10.2 If this Agreement is not renewed or terminates pursuant to Section 10, Property Manager, at the option of the Tenants in Common, shall assign to the nominee of the Tenants in Common all of Property Manager's interest in the service agreements pertaining to the Property.

2.10.3 At the expense of the Tenants in Common, Property Manager shall purchase, provide and pay for all needed janitorial and maintenance supplies, tools and equipment, restroom and toilet supplies, light bulbs, paints and similar supplies necessary to the efficient and economical operation and maintenance of the Property. Such supplies and equipment shall be the property of the Tenants in Common based on their undivided interests in the Property. All such supplies, tools and equipment generally shall be delivered to and stored in the Property and shall be used only in connection with the management, operation and maintenance of the Property.

2.10.4 Property Manager shall use reasonable efforts to purchase all goods, supplies or services at the lowest cost reasonably available from reputable sources in the metropolitan area where the Property is located. In making any contract or purchase hereunder, Property Manager shall use reasonable efforts to obtain favorable discounts for the Tenants in Common and all discounts, rebates or commissions under any contract or purchase order made hereunder shall inure to the benefit of the Tenants in Common based on their undivided interests in such Property. Property Manager shall make payments under any such contract or purchase order to enable the Tenants in Common to take advantage of any such discount if the Tenants in Common provide sufficient funds therefor.

2.11 Taxes and Mortgages. Property Manager, unless otherwise requested, shall obtain and verify bills for real estate and personal property taxes, general and special real property assessments and other like charges (collectively "Taxes") which are, or may become, liens against the Property. Property Manager shall appeal such Taxes as Property Manager may decide, in its reasonable judgment, to be prudent. Property Manager shall report any such Taxes that materially exceed the amounts contemplated by the Budget to the Tenants in Common prior to Property Manager's payment thereof. Property Manager, if requested by the Tenants in Common, will cooperate to prepare an application for correction of the assessed valuation to be filed with the appropriate governmental agency. Property Manager shall pay, within the time required to obtain discounts, from funds provided by the Tenants in Common or from the Operating Account, all utilities, Taxes and payments due under each lease, mortgage, deed of trust or other security instrument, if any, affecting the Property. To the extent contemplated by the

Budget and/or the Operating Plan (as either may be revised from time to time), Property Manager may make any such payments without the approval of the Tenants in Common.

2.12 Tenant Relations; Compliance. Property Manager will use reasonable efforts to develop and maintain good relations with the tenants in the Property. At all times during the term hereof, Property Manager shall use its reasonable efforts to retain existing tenants in the Property and, after completion of the initial leasing activity for new tenants, to retain such tenants. Property Manager shall use its reasonable efforts to secure compliance by the tenants with the terms and conditions of their respective Leases.

2.13 Miscellaneous Duties. Property Manager shall (a) maintain at Property Manager's office address as set forth in Section 12.1 or onsite at the Property, and readily accessible to the Tenants in Common, orderly files containing rent records, insurance policies, leases and subleases, correspondence, receipted bills and vouchers, bank statements, canceled checks, deposit slips, debit and credit memos and all other documents and papers pertaining to the Property or the operation thereof; (b) provide information about the Property necessary for the preparation and filing by each of the Tenants in Common of their individual income or other tax returns required by any governmental authority, including annual statements, identifying each Tenant in Common's undivided percentage of all expenses paid and income received by such Tenant in Common; (c) consider and record tenant service requests in systematic fashion showing the action taken with respect to each, and thoroughly investigate and report to the Tenants in Common in a timely fashion with appropriate recommendations all complaints of a nature which might have a material adverse effect on the Property or the Budget; (d) supervise the moving in and out of tenants and subtenants; arrange, to the extent possible, the dates thereof to minimize disturbance to the operation of the Property and inconvenience to other tenants or subtenants; and render an inspection report, an assessment for damages and a recommendation on the disposition of any deposit held as security for the performance by the tenant under its lease with respect to each premises vacated; (e) check all bills received for the services, work and supplies ordered in connection with maintaining and operating the Property and, except as otherwise provided in this Agreement, pay such bills when due and payable; and (f) not knowingly permit the use of the Property for any purpose that might void any policy of insurance held by the Tenants in Common or which might render any loss thereunder uncollectible. All such records are the property of the Tenants in Common and will be delivered to the Tenants in Common upon request.

2.14 Right to Subcontract Property Management Functions. Property Manager reserves the right, in its sole discretion, to subcontract some or all of the property management functions described herein to local property managers and certain other parties. However, except as expressly provided herein, the fees to be paid to Property Manager under this Agreement are inclusive of fees payable to such third parties.

3. INSURANCE.

3.1 Insurance.

3.1.1 Property Manager, at the Tenants in Common's expense, based on their undivided interests in the Property, will obtain and keep in force adequate insurance against physical damage (such as fire with extended coverage endorsement, boiler and machinery) and against liability for loss, damage or injury to property or persons which might arise out of the occupancy, management, operation or maintenance of the Property, as contemplated by the Operating Plan to the extent available at commercially reasonable rates. Such insurance shall be obtained for each of the Tenants in Common and shall include each of the Tenants in Common as a named insured. Property Manager shall not be required to obtain earthquake or flood insurance unless expressly directed to do so by a specific written notice from the Tenants in Common, but may do so in Property Manager's reasonable discretion. Property Manager shall be a named insured on all property damage insurance and an additional insured on all liability insurance maintained with respect to the Property.

3.1.2 As part of the Operating Plan, Property Manager shall advise the Tenants in Common in writing and make recommendations with respect to the proper insurance coverage

for the Property, taking into account the insurance requirements set forth in any mortgage on the Property, shall furnish such information as the Tenants in Common may reasonably request to obtain insurance coverage and shall reasonably aid and cooperate with respect to such insurance and any loss thereunder. The Tenants in Common acknowledge that Property Manager is not a licensed insurance agent or insurance expert. Accordingly, Property Manager shall be entitled to rely on the advice of a reputable insurance broker or consultant regarding the proper insurance for the Property.

3.1.3 Property Manager shall investigate and submit, as soon as reasonably possible, a written report to the insurance carrier and the Tenants in Common as to all accidents, claims for damage relating to the ownership, operation and maintenance of the Property, any damage to or destruction of the Property and the estimated costs of repair thereof, and prepare and file with the insurance company in a timely manner required reports in connection therewith. Notwithstanding the foregoing, Property Manager shall not be required to give such notice to the Tenants in Common if the amount of the claims, damage or destruction, as reasonably estimated by Property Manager, does not exceed $10,000 for any one occurrence. Property Manager shall settle all claims against insurance companies arising out of any policies, including the execution of proofs of loss, the adjustment of losses, signing and collection of receipts and collection of money, except that Property Manager shall not settle claims in excess of $10,000 without submitting prior notice to the Tenants in Common.

3.2 Additional Insurance. Any insurance obtained by Property Manager for its own account, and not for the benefit of the Tenants in Common, or the Property, shall be at Property Manager's own expense and any insurance payments shall be for the Property Manager's sole benefit.

3.3 Contractor's and Subcontractor's Insurance. Property Manager shall require all contractors and subcontractors entering upon the Property to perform services to have insurance coverage at the contractor's or subcontractor's expense, in the following minimum amounts: (a) worker's compensation - statutory amount; (b) $500,000 of employer's liability insurance (if required); and (c) comprehensive general liability insurance, including comprehensive auto liability insurance covering the use of all owned, non-owned and hired automobiles, with bodily injury and property damage limits of $750,000 per occurrence. Property Manager may waive such requirements in its reasonable discretion. Property Manager shall obtain and keep on file a certificate of insurance which shows that each contractor and subcontractor is so insured.

3.4 Waiver of Subrogation. To the extent available at commercially reasonable rates, all property damage insurance policies required hereunder shall contain language whereby the insurance carrier thereunder waives any right of subrogation it may have with respect to the Tenants in Common or Property Manager.

4. FINANCIAL REPORTING AND RECORD KEEPING.

4.1 Books of Accounts. Property Manager shall maintain adequate and separate books and records for the Property with the entries supported by sufficient documentation to ascertain their accuracy with respect to the Property. Such books and records shall contain a separate accounting of all items of income and all items of expenses for each Tenant in Common. The Tenants in Common agree to provide to Property Manager any financial or other information reasonably requested by Property Manager to carry out its services hereunder. Property Manager shall maintain such books and records, including separate accounting records for each Tenant in Common's income and expense of the Property, at Property Manager's office set forth in Section 12.1. Property Manager shall ensure such control over accounting and financial transactions as is reasonably necessary to protect the Tenants in Common's assets from theft, error or fraudulent activity by Property Manager's employees. Property Manager shall bear losses arising from such instances, including, without limitation, the following: (a) theft of assets by Property Manager's employees, principals, or officers or those individuals associated or affiliated with Property Manager; (b) overpayment or duplicate payment of invoices arising from either fraud or gross negligence, unless credit is subsequently received by the Tenants in Common; (c) overpayment of labor costs arising from either fraud or gross negligence, unless credit is subsequently received by the Tenants in Common; (d) overpayment resulting from payment from suppliers to Property Manager's employees or associates arising from the

purchase of goods or services for the Property; and (e) unauthorized use of facilities by Property Manager or Property Manager's employees or associates.

4.2 Financial Reports. On or about the forty-fifth (45th) day after the end of each calendar quarter, Property Manager shall furnish to the Tenants in Common a report of all significant transactions occurring during such prior quarter. These reports shall show all collections, delinquencies, uncollectible items, vacancies and other matters pertaining to the management, operation and maintenance of the Property during the quarter. Property Manager also shall deliver to the Tenants in Common within a reasonable time after (a) the close of a calendar year and (b) the termination of this Agreement, a balance sheet for the Property. The statement of income and expenses, the balance sheet and all other financial statements and reports shall be prepared on a cash basis and in compliance with all reporting requirements relating to the operating of the Property and required under any deed of trust or mortgage affecting the Property.

4.3 Supporting Documentation. At the expense of the Tenants in Common, Property Manager shall maintain and make available at Property Manager's office, as set forth in Section 12.1 or onsite at the Property, copies of the following: (a) all bank statements, bank deposit slips, bank debit and credit memos, canceled checks and bank reconciliations; (b) detailed cash receipts and disbursement records; (c) detailed trial balance for receivables and payables and billed and unbilled revenue items; (d) paid invoices (or copies thereof); (e) summaries of adjusting journal entries as part of the annual accounting process; (f) supporting documentation for payroll, payroll taxes and employee benefits; (g) appropriate details of accrued expenses and property records; (h) information regarding the operation of the Property necessary for preparation by each Tenant in Common of such Tenant in Common's individual tax returns; and (i) market study of competition (quarterly only). In addition, Property Manager shall deliver to the Tenants in Common with the quarterly financial statement copies of the documents described in (a) (statements and reconciliations only), (b), (c), and (g) above. Property Manager shall deliver a copy of the document described in (i) to any Tenant in Common upon request. Property Manager shall maintain separate income and expense accounts for each Tenant in Common.

5. RIGHT TO AUDIT. Each of the Tenants in Common and their representatives may examine all books, records and files maintained for the Tenants in Common by Property Manager. The Tenants in Common may perform any audit or investigations relating to Property Manager's activities at any office of Property Manager during normal business hours, if such audit or investigation relates to Property Manager's activities for the Tenants in Common. Should any of the Tenants in Common discover defects in internal control or errors in record keeping, Property Manager shall undertake with all appropriate diligence to correct such discrepancies either upon discovery or within a reasonable period of time. Property Manager shall inform the Tenants in Common in writing of the action taken to correct any audit discrepancies. Any audit or investigation performed by a Tenant in Common will be conducted at such Tenant in Common's sole expense.

6. BANK ACCOUNTS.

6.1 Bank Account. Property Manager shall establish and maintain, in reputable banks or financial institutions designated by Property Manager, separate bank accounts in trust for, or in the name of, the Tenants in Common (the "Bank Accounts"). All moneys collected from, or in connection with, the Property shall be deposited in the Bank Accounts. Any bank accounts maintained by a third party property manager shall be designated as a real estate trust account or shall be in trust for, or in the name of, the Tenants in Common.

6.2 Operating Account. Property Manager shall be permitted to deposit and make withdrawals from a master Bank Account, Property Manager shall maintain books and records of deposits and withdrawals credited and charged to each Tenant in Common's subaccount (such master account together with and any interest earned thereon, shall hereinafter be referred to as the "Operating Account"). The Property Manager shall maintain the Operating Account so that an amount at least as great as the budgeted expenses for such month is in the Operating Account as of the first of each month. Property Manager shall pay from the Operating Account, on behalf of each Tenant in Common with respect to their

share of Property operating expenses, based on their undivided interests in the Property, the operating expenses of the Property and any other payments relating to the Property as required by this Agreement. If more than one bank account is necessary to operate the Property, each account shall have a unique name. Within three (3) months after receipt by the Property Manager, all rents and other funds collected in the Operating Account after payment of all operating expenses, debt service and such amounts as may be determined by the Property Manager to be retained for reserves or improvements, shall be paid to the Tenants in Common in proportion to their respective interests in the Property.

6.3 Security Deposit Account. If applicable law requires a segregated account of security deposits, Property Manager will open, on behalf of each Tenant in Common, a separate account at a reputable bank or other financial institution. Property Manager shall maintain such account in accordance with applicable law. Property Manager shall use the account only to maintain security deposits on behalf of the Tenants in Common. Property Manager shall inform the bank or financial institution to hold the funds in trust for the Tenants in Common. Property Manager shall maintain detailed records of all security deposits deposited and allow the Tenants in Common or their designees access to such records. Property Manager may return such deposits to any tenant in the ordinary course of business in accordance with the terms of the applicable lease and applicable law.

6.4 Access to Account. As authorized by signature cards, representatives of Property Manager shall have access to and may draw upon all funds in the accounts described in Sections 6.1, 6.2 and 6.3 without the approval of the Tenants in Common. The Tenants in Common may not withdraw funds from such accounts without Property Manager's prior written consent, except following the Property Manager's default after expiration of any applicable notice and cure periods or the termination of this Agreement.

7. **PAYMENTS OF EXPENSES.**

7.1 Costs Eligible for Payment from Operating Account. Property Manager shall pay all expenses of the operation, maintenance and repair of the Property contemplated by the Budget directly from the Operating Account or shall be reimbursed by the Tenants in Common, subject to the conditions set forth in Section 2.5, including the following: (a) costs of the gross salary and wages or proportional shares thereof, payroll taxes, worker's compensation insurance and all other benefits of employees (for example, on-site personnel) required to manage, operate and maintain the Property properly, adequately, safely and economically, subject to this Agreement, provided that Property Manager shall not pay such employees in advance; (b) costs to correct the violation of any governmental requirement relating to the leasing, use, repair and maintenance of the Property, or relating to the rules, regulations or orders of the local Board of Fire Underwriters or other similar body, if such costs are not the result of Property Manager's gross negligence or willful misconduct; (c) actual and reasonable costs of making all repairs, decorations and alterations if such costs are not the result of Property Manager's gross negligence or willful misconduct; (d) costs incurred by Property Manager in connection with all service agreements; (e) costs of collection of delinquent rents collected by a collection agency or attorney; (f) legal fees of attorneys; (g) costs of capital expenditures subject to the restrictions in Section 2.9 and in this Section; (h) costs of printed checks for each account required for the Property and the Tenants in Common; (i) costs of utilities; (j) costs of advertising; (k) costs of printed forms and supplies required for use at the Property; (l) management compensation set forth in Section 9; (m) the cost of tenant improvements to the Property; (n) all hiring, relocation and termination costs for any employee, including those individuals whose salaries and benefits are paid by the Tenants in Common; (o) except as otherwise provided in Section 9 of this Agreement, broker's commissions; (p) debt service; (q) the cost of utilities, services, contractors and insurance; (r) reimbursement of Property Manager's out-of-pocket costs and expenses to the extent not prohibited by Section 8 below; (s) general accounting and reporting services within the reasonable scope of the Property Manager's responsibility to the Tenants in Common; (t) costs of forms, papers, ledgers and other supplies and equipment used in connection with the Property for the preparation of reports, information and returns to be prepared by Property Manager under the terms of this Agreement; (u) all expenses of Property Manager's on-site office; (v) all other costs directly related to the Property, including, but not limited to, communication costs (telephone, postage, etc.), computer rentals or time, supplies (paper, envelopes, business forms, checks, payroll forms and record cards, forms for governmental reports,

etc.), printing, insurance, fidelity bonds, taxes and license fees and general office expenses allocable to the Property; and (w) costs of routine travel by Property Manager's employees or associates to and from Property. All other amounts not directly related to the Property or the Tenants in Common shall be payable solely by Property Manager and shall not be paid out of the Operating Account or reimbursed by the Tenants in Common.

7.2 Operating Account Deficiency. If there are not sufficient funds in the Operating Account to make any such payment, Property Manager shall notify the Tenants in Common, if possible, at least ten (10) days prior to any delinquency so that the Tenants in Common have an opportunity, based on their interests in the Property, to deposit sufficient funds in the Operating Account to allow for such payment prior to the imposition of any penalty or late charge.

7.3 Interest on Funds Advanced or Loaned by Property Manager. Subject to the loan documents, Property Manager may (but shall not be obligated to) loan funds to the Tenants in Common in the future, with simple interest thereon at ten percent (10%) per annum (or, if lower, the highest rate permitted by law). Such loan, if any, shall be fully recourse to each Tenant in Common and must be repaid within thirty-one (31) days of funding.

8. PROPERTY MANAGER'S COSTS NOT TO BE REIMBURSED.

8.1 Non-reimbursable Costs. The following expenses or costs incurred by or on behalf of Property Manager in connection with the management and leasing of the Property shall be at the sole cost and expense of Property Manager and shall not be reimbursed by the Tenants in Common: (a) costs attributable to losses arising from gross negligence or fraud on the part of Property Manager, Property Manager's associates or employees; (b) costs of insurance purchased by Property Manager for its own account; (c) Property Manager's cost of overhead, salaries and other items except as expressly provided in Section 7.1; and (d) costs and fees as expressly provided for in Section 9.

8.2 Litigation. Property Manager will be responsible for and hold the Tenants in Common harmless from, all fees, costs, expenses and damages relating to disputes with employees for worker's compensation (to the extent not covered by insurance), discrimination or wrongful termination, including legal fees and other expenses.

9. COMPENSATION. Each Tenant in Common shall pay the fees set forth below based on their undivided interest in the Property.

9.1 Property Management Fee. Property Manager, or an affiliate, shall receive, for its services in managing the Property in accordance with the terms of this Agreement, a monthly management fee (the "Property Management Fee") and a monthly asset management fee (the "Asset Management Fee"). The Property Management Fee shall be up to three percent (3%) of Gross Revenues (defined below) and the Asset Management Fee shall be up to two percent (2%) of Gross Revenues. Payment of the Asset Management Fee shall be subject and subordinate to all payments then due under the loan documents with the Mortgage Lender. The Property Management Fee and the Asset Management Fee are collectively referred to herein as the "Property and Asset Management Fees." The Property and Asset Management Fees shall be in addition to out-of-pocket and on-site personnel costs that are reimbursable pursuant to Section 7, and the other fees provided in this Agreement. The Property Management Fee is set forth in the annual Budget approved by the Tenants in Common in accordance with Section 2.5 hereof. "Gross Revenues" shall mean all rents and other income and charges received from the normal operation of the Property, including, but not limited to, rents, parking fees, laundry income, forfeited security deposits, forfeited pet deposits, other fees and deposits and other miscellaneous income. Gross Revenues shall not be deemed to include bonuses paid for renewal of laundry, cable leases or the like, any deposits that have been received but not forfeited, any income arising out of the sale or refinance of the Property or the settlement of fire or other casualty losses and items of a similar nature. The Property and Asset Management Fees shall be payable monthly, following calculation thereof, upon submission of a monthly statement from the Operating Account or from other funds timely provided by the Tenants in Common. Upon termination of this Agreement, the parties will prorate the Property and Asset Management Fees on a

daily basis to the effective date of such cancellation or termination. If Property Manager engages local property managers or other parties to provide property management services in accordance with Section 2.14, Property Manager shall be obligated to pay such third parties, it being intended that the Property and Asset Management Fees shall be inclusive of such third party fees..

9.2 Construction Management Fee. Property Manager, or an affiliate, shall receive, for its services in supervising any construction or repair project in or about the Property, a construction management fee (the "Construction Management Fee") equal to five percent (5%) of any amount (including related professional services) up to Twenty-Five Thousand Dollars ($25,000.00), four percent (4%) of any amount over Twenty-Five Thousand Dollars ($25,000.00) but less than Fifty Thousand Dollars ($50,000.00), and three percent (3%) of any amount over Fifty Thousand Dollars ($50,000.00) which is expended in any calendar year for construction, tenant improvement or repair projects.

9.3 Disposition Fee.

9.3.1 If during the term of this Agreement, the Tenants in Common determine to sell or exchange the Property, or any portion thereof, the Tenants in Common hereby grant Property Manager and its affiliates the exclusive right for two hundred seventy (270) days to sell the Property on terms acceptable to the Tenants in Common. The Tenants in Common shall notify Property Manager in writing of the determination to sell or exchange, which notification shall specify the commencement and termination date of such 270-day exclusive period. If the Property is sold, exchanged or otherwise disposed of to a third party as a result of offers received during such 270-day exclusive period, whether the buyer is procured by Property Manager, a third-party broker or consultant or the Tenants in Common, Property Manager or its affiliates shall be entitled to receive a disposition fee from the Tenants in Common up to four percent (4%) of the gross sales price of the Property (the "Disposition Fee"). In the event that any third party real estate agents or brokers are used, the Tenants in Common will, in addition to the Disposition Fee, be required to reimburse the Property Manager for fees owed to such agents or brokers ("Broker Fees") in an amount up to two percent (2%) of the gross sales price of the Property in addition to the Disposition Fee. To the extent that Broker Fees exceed two percent (2%), the Disposition Fee paid to the Property Manager will be reduced, but not below $0, and used to pay the Broker Fees. As a result, (1) the Tenants in Common will be responsible for paying the first two percent (2%) of Broker Fees, (2) the Property Manager will be responsible for paying the next four percent (4%) of Broker Fees, and (3) the Tenants in Common will be responsible for paying any additional Broker Fees.

9.3.2 Property Manager or its affiliates may negotiate with potential purchasers and submit offers to purchase to the Tenants in Common for their approval. If the Property or any portion thereof is sold, exchanged or otherwise disposed of to a third party as a result of any such negotiations entered into during the term of this Agreement, Property Manager or its affiliates shall be entitled to receive a Disposition Fee from the Tenants in Common up to four percent (4%) of the gross sales price of the Property. In the event that any third party real estate agents or brokers are used, the Tenants in Common will, in addition to the Disposition Fee, be required to reimburse the Property Manager for Broker Fees in an amount up to two percent (2%) of the gross sales price of the Property in addition to the Disposition Fee. To the extent that Broker Fees exceed two percent (2%), the Disposition Fee paid to the Property Manager will be reduced, but not below $0, and used to pay the Broker Fees. As a result, the Property Manager will be responsible for paying Broker Fees not in excess of six percent (6%) of the gross sales price of the Property out of the amounts it receives from (or is reimbursed for by) the Tenants in Common. The Tenants in Common will be responsible for any Broker Fees in excess of six percent (6%) of the gross sales price of the Property.

9.3.3 The Disposition Fee shall be paid upon closing escrow on sale of the Property or any portion thereof and only after satisfaction of the Permitted Mortgage (as defined in the Master Lease) or any subsequent refinancing encumbering the Property.

9.3.4 Notwithstanding anything to the contrary contained herein, if the Property Manager is terminated "for cause" pursuant to Section 10.2 of this Agreement, the Property

Manager shall have no right to sell the Property, shall receive no Disposition Fee and shall not be liable for the payment of Broker Fees.

9.4 Financing Fee. Property Manager or an affiliate shall receive a financing fee (the "Financing Fee") in the amount of up to one percent (1%) of the principal amount of all loans obtained for the Property by the Property Manager during the term of this Agreement. Property Manager or an affiliate shall pay out of the Financing Fee any loan brokers or other parties (other than the lender) who assist in such financings. The Tenants in Common shall be responsible for payment of any fees of outside loan brokers or other parties in excess of the Financing Fee paid to Property Manager or its affiliates. The Financing Fee does not include any origination fees or points paid to the lender in connection with such loans. The Financing Fee will be prorated among the Tenants in Common according to their respective interests.

9.5 Payment of Fees. The Property Management Fee shall be paid monthly in arrears. The Construction Management Fee and Financing Fee shall, respectively, be paid when the construction is substantially completed and the new financing has closed escrow. The Disposition Fee shall be paid upon closing escrow in connection with the disposition.

10. TERMINATION. Each of the Tenants in Common shall have the right to terminate this Agreement as provided below.

10.1 Termination by Tenants in Common not "for cause". Each of the Tenants in Common shall have the right to terminate this Agreement without cause within thirty (30) days of the end of each calendar year (and by their execution hereof hereby approve this Agreement for the calendar year in which it is executed). At the end of each calendar year subsequent to the year in which this Agreement is executed, this Agreement shall be subject to renewal or termination by the Tenants in Common. Property Manager shall inform each of the Tenants in Common no later than thirty (30) days before the end of each calendar year of their right to terminate this Agreement. Each of the Tenants in Common shall have the right to terminate this Agreement by giving written notice to the Property Manager and to each of the other Tenants in Common within fifteen (15) days of receipt. Absent receipt by the Property Manager of a written demand to terminate from any Tenant in Common within such fifteen (15) day period, this Agreement shall be deemed renewed until the end of the next calendar year. Termination of this Agreement without a prompt replacement of an acceptable property manager approved by the lender is likely to be deemed a default under the loan documents. If the Property Manager receives a written notice to terminate from a Tenant in Common as provided above, (x) the Property Management Agreement shall be deemed terminated effective ninety (90) days following the end of the calendar year in which the termination notice is received by the Property Manager, (y) the Tenant(s) in Common exercising their right of termination shall be subject to the purchase rights under the Call Agreement and (z) each of the Tenants in Common obligated to pay their pro rata share of ***a set up fee of $25,000***. The parties acknowledge that the set up fee is due on termination without cause in recognition of the substantial costs that Property Manager has incurred in set up and other expenses to be prepared to manage, and to manage, the Property.

10.2 Termination by Tenants in Common "for cause". Each of the Tenants in Common shall have the right to terminate this Agreement "for cause" upon thirty (30) days prior written notice. For purposes of this Agreement, termination "for cause" shall mean termination due to the (a) gross negligence or fraud of Property Manager, (b) willful misconduct or willful breach of this Agreement by Property Manager, (c) bankruptcy, insolvency or inability of the Property Manager to meet its obligation as the same come due, or (d) a conviction of a felony by the President or Chief Executive Officer of Property Manager. Property Manager or an affiliate of Property Manager that owns a tenant in common interest in the Property or a membership interest in 1600 Barberry Lane Owner, LLC shall not participate in any vote to terminate this Agreement.

10.3 Termination by Property Manager. Property Manager shall have the right to terminate this Agreement, upon a default by a Tenant in Common in the performance of any of its obligations hereunder if such default remains uncured for thirty (30) days following Property Manager's giving of written notice of such default to such Tenant in Common.

10.4 Termination On Sale. This Agreement shall automatically terminate upon the sale of the entire Property, in which case no set up fee will be payable.

10.5 Final Accounting. Within thirty (30) days after termination of this Agreement for any reason, Property Manager shall deliver to each Tenant in Common based on their undivided interest in the Property, the following: (a) a final accounting, setting forth the balance of income and expenses on the Property as of the date of termination; (b) any balance or monies of the Tenants in Common or tenant security deposits held by Property Manager with respect to the Property; and (c) all materials and supplies, keys, books and records, contracts, leases, receipts for deposits, unpaid bills and other papers or documents which pertain to the Property. For a period of thirty (30) days after such expiration or cancellation for any reason other than a Tenant in Common's default, Property Manager shall be available, through its senior executives familiar with the Property, to consult with and advise the Tenants in Common or any person or entity succeeding to the Tenants in Common as owner of the Property or such other person or persons selected by any Tenants in Common regarding the operation and maintenance of the Property. In addition, Property Manager shall cooperate with the Tenants in Common in notifying all tenants of the Property of the expiration and termination of this Agreement, and shall use reasonable efforts to cooperate with the Tenants in Common to accomplish an orderly transfer of the operation and management of the Property to a party designated by the Tenants in Common. Property Manager shall receive its monthly Property Management Fee for such services. Property Manager shall, at its cost and expense, promptly remove all signs wherever located indicating that it is the Property Manager and replace and repair any damage resulting therefrom. Termination of this Agreement shall not release either party from liability for failure to perform any of the duties or obligations as expressed herein and required to be performed by such party for the period prior to the termination.

11. CONFLICTS. Property Manager shall not deal with or engage, or purchase goods or services from, any subsidiary or affiliated company of Property Manager in connection with the management of the Property for amounts above market rates.

12. NOTICES.

12.1 Notices. All notices, demands, consents, approvals, reports and other communications provided for in this Agreement shall be in writing and shall be given to the Tenants in Common or Property Manager at the address set forth below or at such other address as they may specify hereafter in writing:

Tenants in Common:	At the addresses specified in the Tenants in Common Agreement
Property Manager:	Grubb & Ellis Residential Management, Inc., Property Manager 1551 N. Tustin Avenue, Suite 300 Santa Ana, California 92705 Attn: President

Such notice or other communication may be delivered by a recognized overnight delivery service providing a receipt, facsimile transmission or mailed by United States registered or certified mail, return receipt requested, postage prepaid if deposited in a United States Post Office or depository for the receipt of mail regularly maintained by the post office. Notices sent by overnight courier shall be deemed given one (1) business day after mailing; notices sent by registered or certified mail shall be deemed given two (2) business days after mailing; and notices sent by facsimile transmission shall be deemed given as of the date sent (if sent prior to 5:00 p.m. Pacific time and if receipt has been acknowledged by the operator of the receiving machine).

13. MISCELLANEOUS.

13.1 Assignment. Property Manager may not assign this Agreement without the prior written consent of each of the Tenants in Common, which consent may be withheld in each Tenant in Common's sole and absolute discretion. Subject to the Tenants in Common Agreement, a Tenant in Common may assign its rights to a party acquiring its undivided interest ("Successor Tenant in Common") and upon assignment and the assumption of this Agreement by the Successor Tenant in Common pursuant to an agreement whereby (a) the assigning Tenant in Common assigns to the Successor Tenant in Common all of its right, title and interest in and to this Agreement and (b) the Successor Tenant in Common assumes and agrees to perform faithfully and to be bound by all of the terms, covenants, conditions, provisions and agreements of this Agreement with respect to the undivided interest to be transferred, the assigning Tenant in Common shall be relieved of all liability accruing after the effective date of the assignment and, without further action by Property Manager or the other Tenants in Common, the Successor Tenant in Common shall become a party to this Agreement.

13.2 Construction. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders, and vice versa.

13.3 Amendments. No modification, waiver, amendment, discharge or change of this Agreement shall be valid unless (i) the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is or may be sought and (ii) the consent of the Lender is obtained (to the extent such consent is required).

13.4 Attorneys' Fees. In any action or proceeding between Property Manager and the Tenants in Common arising from or relating to this Agreement or the enforcement or interpretation hereof, the party prevailing in such action or proceeding shall be entitled to recover from the other party all of its reasonable attorneys' fees and other costs and expenses of the action or proceeding.

13.5 Governing Law: Venue. This Agreement shall be governed by and construed in accordance with the internal laws of the State where the Property is located without regard to any choice of law rules. Any action relating to or arising out of this Agreement shall be subject to binding arbitration in Orange County, California, as provided in Section 13.15.

13.6 Headings. All headings are only for convenience and ease of reference and are irrelevant to the construction or interpretation of any provision of this Agreement.

13.7 Representations. Property Manager represents and warrants that it is or shall be prior to entering into any transaction fully qualified and licensed, to the extent required by law, to manage and lease real estate and perform all obligations assumed by Property Manager hereunder. Property Manager shall use reasonable efforts to comply with all such laws now or hereafter in effect.

13.8 Indemnification by Property Manager. Property Manager shall indemnify, defend and hold the Tenants in Common and their shareholders, officers, directors and employees harmless from any and all claims, demands, causes of action, losses, damages, fines, penalties, liabilities, costs and expenses, including reasonable attorneys' fees and court costs, sustained or incurred by or asserted against the Tenants in Common by reason of the acts of Property Manager which arise out of its gross negligence or fraud of Property Manager, its agents or employees or Property Manager's breach of this Agreement. If any person or entity makes a claim or institutes a suit against the Tenants in Common on a matter for which the Tenants in Common claim the benefit of the foregoing indemnification, then (a) the Tenants in Common shall give Property Manager prompt notice thereof in writing; (b) Property Manager may defend such claim or action by counsel of its own choosing provided such counsel is reasonably satisfactory to the Tenants in Common; and (c) neither the Tenants in Common nor Property Manager shall settle any claim without the other's written consent.

13.9 Indemnification by the Tenants in Common. The Tenants in Common shall indemnify, defend and hold Property Manager and its shareholders, officers, directors and employees harmless from any and all claims, demands, causes of action, losses, damages, fines, penalties, liabilities, costs and expenses, including reasonable attorney's fees and court costs, sustained or incurred by or asserted against Property Manager by reason of the operation, management and maintenance of the Property and the performance by Property Manager of Property Manager's obligations under this Agreement but only to the extent of each Tenant in Common's interest in the Property, except those which arise from Property Manager's gross negligence or fraud. If any person or entity makes a claim or institutes a suit against Property Manager on any matter for which Property Manager claims the benefit of the foregoing indemnification, then (a) Property Manager shall give the Tenants in Common prompt notice thereof in writing; (b) the Tenants in Common may defend such claim or action by counsel of its own choosing provided such counsel is reasonably satisfactory to Property Manager; (c) neither Property Manager nor the Tenants in Common shall settle any claim without the other's written consent; and (d) this subsection shall not be so construed as to release the Tenants in Common or the Property Manager from any liability to the other for a breach of any of the covenants agreed to be performed under the terms of this Agreement.

13.10 Entire Agreement. This Agreement, together with the Tenants in Common Agreement and the Call Agreement, constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and all prior and contemporaneous agreements, representations, negotiations and understandings of the parties hereto, oral or written, are hereby superseded and merged herein.

13.11 Severability. If any provisions of this Agreement or application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement, where the application of such provisions or circumstances other than those as to which it is determined to be invalid or unenforceable shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

13.12 No Waiver. No act of any party to this Agreement shall be construed to be a waiver of any provision of this Agreement, unless such waiver is in writing and signed by such party. The failure by any party to insist upon the strict performance of, or to seek remedy of, any one of the terms or conditions of this Agreement or to exercise any right, remedy, or election set forth herein or permitted by law shall not constitute or be construed as a waiver or relinquishment for the future of such term, condition, right, remedy or election, but such item shall continue and remain in full force and effect. All rights or remedies of the parties specified in this Agreement and all other rights or remedies that they may have at law, in equity or otherwise shall be distinct, separate and cumulative rights or remedies, and no one of them, whether exercised or not, shall be deemed to be in exclusion of any other right or remedy of the parties.

13.13 Binding Effect. This Agreement shall be binding and inure to the benefit of the parties and their respective successors and assigns.

13.14 Enforcement of Property Manager's Rights. In the enforcement of its rights under this Agreement, Property Manager shall not seek or obtain a money judgment or any other right or remedy against any shareholders or disclosed or undisclosed principals of the Tenants in Common. Property Manager shall enforce its rights and remedies solely against the estate of the Tenants in Common in the Property or the proceeds of any sale of all or any portion of the Tenants in Common's interest therein.

13.15 Binding Arbitration. Any dispute, claim or controversy arising out of or related to this Agreement, the breach hereof, the termination, enforcement, interpretation or validity hereof, including the determination of the scope or applicability of this Agreement to arbitrate, shall be determined by arbitration in Orange County, California, in accordance with the rules of The American Arbitration Association, and judgment entered upon the award rendered may be enforced by appropriate judicial action pursuant to the California Code of Civil Procedures. The arbitration panel shall consist of one (1) member, which shall be the mediator if mediation has occurred or shall be a person agreed to by each party to the

dispute within thirty (30) days following notice by one party that he desires that a matter be arbitrated. If there was no mediation and the parties are unable within such thirty (30) day period to agree upon an arbitrator, then the panel shall be one (1) arbitrator selected by the Orange County office of the American Arbitration Association which arbitrator shall be experienced in the area of real estate and who shall be knowledgeable with respect to the subject matter area of the dispute. The losing party shall bear any fees and expenses of the arbitrator, other tribunal fees and expenses, reasonable attorney's fees of both parties, any costs of producing witnesses and any other reasonable costs or expenses incurred by him or the prevailing party or such costs shall be allocated by the arbitrator. The arbitration panel shall render a decision within thirty (30) days following the close of presentation by the parties of their cases and any rebuttal. The parties shall agree within thirty (30) days following selection of the arbitrator to any prehearing procedures or further procedures necessary for the arbitration to proceed, including interrogatories or other discovery.

BY EXECUTING THIS AGREEMENT YOU ARE AGREEING TO HAVE CERTAIN DISPUTES DECIDED BY NEUTRAL ARBITRATION AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE SUCH DISPUTES LITIGATED IN A COURT OR JURY TRIAL. BY EXECUTING THIS AGREEMENT YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

13.16 Facsimile Signature. This Agreement may be executed by a party's signature transmitted by facsimile, and copies of this Agreement executed and delivered by means of facsimile signatures shall have the same force and effect as copies hereof executed and delivered with original signatures. The parties may rely upon facsimile signatures as if such signatures were originals. A party executing and delivering this Agreement by facsimile shall promptly thereafter deliver a counterpart signature page of this Agreement containing said party's original signature.

13.17 Matters Relating to the Loan. This Agreement and all of the terms and provisions hereof shall in all respects be subject to and subordinate to the terms of any loan documents evidencing and secured by a mortgage or deed of trust on the Property (including, without limitation, any restrictions therein with respect to transfers of the Property or any interests in the Property) during the period such loan is outstanding and any holder of any such mortgage or deed of trust shall be an express third party beneficiary of this Agreement.

13.18 Approval and Consent by the Tenants in Common. Whenever in this Agreement the consent or approval of the Tenants in Common is required or otherwise requested, the Tenants in Common shall have fifteen (15) days from the date the request for consent or approval is submitted in writing by the Property Manager to approve or disapprove of the matter in writing (unless a longer or shorter period for response is specifically provided for herein). In the event a Tenant in Common does not disapprove in writing of such matter within such fifteen (15) day period (or such longer or shorter period expressly provided for herein), the Tenant in Common shall be deemed to have approved the matter.

13.19 Equitable Relief. Each party to this Agreement acknowledges and agrees that remedies at law for a breach or threatened breach of any of the provisions of this Agreement would be inadequate and, in recognition of this fact, each party to this Agreement agrees that in addition to any remedies at law (including, without limitation, damages), equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy shall be available in the event of a breach or threatened breach of this Agreement.

13.20 Time is of the Essence. Time is of the essence of each and every provision of this Agreement.

13.21 Counterparts. This Agreement may be executed in counterparts, each of which, when taken together, shall be deemed one fully executed original.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the date and year first above written.

PROPERTY MANAGER:

GRUBB & ELLIS RESIDENTIAL MANAGEMENT, INC.,
a California corporation

By: Lyle Lansdell
Name: Lyle Lansdell
Title: Treasurer and Secretary

TENANTS IN COMMON:

1600 BARBERRY LANE OWNER, LLC,
a Delaware limited liability company

By: GRUBB & ELLIS HOUSING, LLC,
a Virginia limited liability company,
Manager

By: GRUBB & ELLIS REALTY
INVESTORS, LLC,
a Virginia limited liability company,
Sole Member

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the date and year first above written.

PROPERTY MANAGER:

GRUBB & ELLIS RESIDENTIAL MANAGEMENT, INC.,
a California corporation

By: _____
Name:
Title:

TENANTS IN COMMON:

1600 BARBERRY LANE OWNER, LLC,
a Delaware limited liability company

By: GRUBB & ELLIS REALTY INVESTORS, LLC,
a Virginia limited liability company
Its: Manager

By: _____
Name: Jeffrey T. Hanson
Title: Chief Investment Officer

1600 Barberry Lane 1, LLC,
a Delaware limited liability company

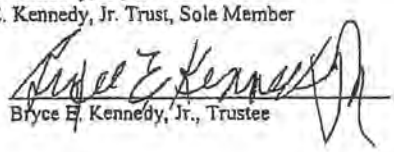
By: Jesse A. Oronoz and Laura Anne Oronoz, Trustees of
The Oronoz Family Trust, dated March 30, 2001, Sole Member

By: _____
Jesse A. Oronoz, Trustee

By: _____
Laura Anne Oronoz, Trustee

1600 Barberry Lane 2, LLC,
a Delaware limited liability company

By: Bryce E. Kennedy, Jr., Trustee of the
Bryce E. Kennedy, Jr. Trust, Sole Member

By: 
Bryce E. Kennedy, Jr., Trustee

1600 Barberry Lane 3, LLC,
a Delaware limited liability company

By: Hamid Rafizadeh and Parisa Farahanchi,
Trustees of The Hamid Rafizadeh and Parisa Farahanchi
Family Revocable Trust, dated December 27, 2007, Sole Member

By: _____
Hamid Rafizadeh, Trustee

By: _____
Parisa Farahanchi, Trustee

1600 Barberry Lane 4, LLC,
a Delaware limited liability company

By: Olympia West Plaza, Inc., a Washington corporation,
Sole Member

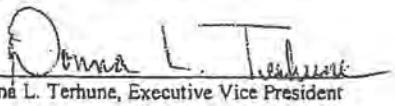
By: 
Donna L. Terhune, Executive Vice President

EXHIBIT A

TENANTS IN COMMON

1600 Barberry Lane Owner, LLC

1600 Barberry Lane 1, LLC

1600 Barberry Lane 2, LLC

1600 Barberry Lane 3, LLC

1600 Barberry Lane 4, LLC
each a Delaware limited liability company

EXHIBIT B

LEGAL DESCRIPTION

Legal Description:

All that tract or parcel of land lying and being in Land Lots 122 and 123 of the 7th District of Fayette County, Georgia, and being more particularly described as follows:

Beginning at a ½" rebar set at the northeastern terminus of the mitered corner formed by the intersection of the easterly side of the right-of-way of Georgian Park (130-foot right-of-way) with the southwesterly side of the right-of-way of Peachtree Parkway (right-of-way varies); running thence along the southwesterly side of the right-of-way of Peachtree Parkway, the following four (4) courses and distances:

1. Southeasterly along a curve to the right, an arc distance of 319.46 feet to a point (said arc having a radius of 636.20 feet, and being subtended by a chord having a bearing of South 61 degrees 23 minutes 53 seconds East and a distance of 316.12 feet);

2. South 47 degrees 00 minutes 46 seconds East, a distance of 149.04 feet to a point;

3. Southeasterly along a curve to the left, an arc distance of 89.54 feet to a point (said arc having a radius of 1093.58 feet, and being subtended by a chord having a bearing of South 49 degrees 21 minutes 30 seconds East and a distance of 89.52 feet); and

4. South 51 degrees 42 minutes 15 seconds East, a distance of 22.73 feet to a ½" rebar set;
running thence South 00 degrees 53 minutes 48 seconds West along the western line of property now or formerly belonging to Peachtree City Holding, L.L.C., a distance of 361.79 feet to a ½" rebar set;running thence along the western and southwestern lines of Lake Kedron the following five (5) courses and distances:

1. South 02 degrees 49 minutes 03 seconds East, a distance of 211.88 feet to a ½" rebar set;

2. South 31 degrees 56 minutes 39 seconds East, a distance of 114.63 feet to a ½" rebar set;

3. South 30 degrees 40 minutes 19 seconds East, a distance of 155.32 feet to a ½" rebar set;

4. South 25 degrees 01 minutes 18 seconds East, a distance of 202.25 feet to a ½" rebar set; and

5. South 17 degrees 31 minutes 33 seconds East, a distance of 154.33 feet to a ½" rebar set;
running thence along the northern line of property now or formerly owned by Peachtree City Holding, L.L.C., the following twenty-seven (27) courses and distances:

1. South 77 degrees 00 minutes 36 seconds West, for a distance of 44.64 feet to a point;

2. South 76 degrees 34 minutes 30 seconds West, for a distance of 63.34 feet to a point;

3. South 74 degrees 12 minutes 01 seconds West, for a distance of 55.21 feet to a point;

4. South 66 degrees 05 minutes 59 seconds West, for a distance of 58.39 feet to a point;

5. North 61 degrees 04 minutes 54 seconds West, for a distance of 22.12 feet to a point;

6. South 81 degrees 45 minutes 00 seconds West, for a distance of 42.49 feet to a point;
7. South 79 degrees 22 minutes 33 seconds West, for a distance of 64.49 feet to a point;

8. South 53 degrees 05 minutes 44 seconds West, for a distance of 24.95 feet to a point;

9. South 34 degrees 21 minutes 18 seconds West, for a distance of 45.25 feet to a point;

10. South 86 degrees 43 minutes 32 seconds West, for a distance of 41.83 feet to a point;

11. South 66 degrees 45 minutes 26 seconds West, for a distance of 55.02 feet to a point;

12. North 24 degrees 24 minutes 20 seconds West, for a distance of 22.99 feet to a point;

13. North 57 degrees 27 minutes 45 seconds West, for a distance of 38.32 feet to a point;

14. South 80 degrees 23 minutes 10 seconds West, for a distance of 49.28 feet to a point;

15. North 84 degrees 13 minutes 35 seconds West, for a distance of 57.78 feet to a point;

16. North 82 degrees 47 minutes 33 seconds West, for a distance of 61.29 feet to a point;

17. South 88 degrees 06 minutes 07 seconds West, for a distance of 42.43 feet to a point;

18. North 80 degrees 05 minutes 43 seconds West, for a distance of 49.41 feet to a point;

19. North 71 degrees 56 minutes 34 seconds West, for a distance of 49.24 feet to a point;

20. North 80 degrees 34 minutes 29 seconds West, for a distance of 43.34 feet to a point;

21. South 86 degrees 11 minutes 33 seconds West, for a distance of 18.59 feet to a point;

22. North 70 degrees 47 minutes 05 seconds West, for a distance of 48.20 feet to a point;

23. South 89 degrees 28 minutes 27 seconds West, for a distance of 11.44 feet to a point;

24. North 74 degrees 38 minutes 47 seconds West, for a distance of 57.72 feet to a point;

25. North 80 degrees 33 minutes 29 seconds West, for a distance of 31.68 feet to a point;

26. North 54 degrees 07 minutes 04 seconds West, for a distance of 93.05 feet to a point; and

27. North 69 degrees 18 minutes 58 seconds West, for a distance of 94.31 feet to a ½" rebar set on the easterly side of the right-of-way of Georgian Park;running thence along the easterly side of the right-of-way of Georgian Park the following four (4) courses and distances:

1. Northeasterly along a curve to the left, an arc distance of 67.73 feet to a point (said arc having a radius of 897.79 feet, and being subtended by a chord having a bearing of North 21 degrees 17 minutes 50 seconds East and a distance of 67.72 feet);

2. North 19 degrees 08 minutes 09 seconds East, a distance of 851.86 feet to a point;

3. Northerly along a curve to the left, an arc distance of 273.96 feet to a point (said arc having a radius of 1176.82 feet, and being subtended by a chord having a bearing of North 12 degrees 28 minutes 01 seconds East, and a distance of 273.34 feet); and
4. North 05 degrees 47 minutes 52 seconds East, a distance of 235.11 feet to a ½" rebar set at the Southwestern terminus of the above-referenced mitered corner at the southeastern intersection of Georgian Park and Peachtree Parkway;

running thence North 53 degrees 52 minutes 52 seconds East along said mitered corner, a distance of 66.80 feet to the ½" rebar set at the point of beginning.

Said property containing 25.369 acres and being described according to Boundary and Above Ground As-Built ALTA/ACSM Land Title Survey (Class "A"), Phase I, Amli at Peachtree City Phase I, LLC, a Georgia limited liability company, Chicago Title Insurance Company & The Prudential Insurance Company of America, prepared by Gerald H. Bernhard, G.R.L.S. No. 2688, of Bernhard, Harper & Associates, Inc., dated March 29, 2000, last revised June 13, 2000.

Exhibit B

Doc ID: 007880780022 Type: GLR
Filed: 09/09/2008 at 09:20:00 AM
Fee Amt: $52.00 Page 1 of 22
Fayette, Ga. Clerk Superior Court
Sheila Studdard Clerk of Court
BK 3440 PG 135-156

RECORDING REQUESTED BY
WHEN RECORDED MAIL TO:

After Recording Return To:
First American Title Company
C/O Paula Podvin
30 North LaSalle Street, Suite 310
Chicago, IL 60602
NCS#340855

22

Above Space for Recorder's Use

TENANTS IN COMMON AGREEMENT

This Tenants in Common Agreement ("Agreement") is made and effective as of the date specified in Section 11.10 herein by and among the parties and entities listed on Exhibit "A" attached hereto and incorporated herein (each sometimes referred to as a "Tenant in Common" and collectively as the "Tenants in Common").

RECITALS

A. Each of the Tenants in Common has acquired or will acquire the percentage undivided fractional interest (each an "Interest" and collectively, the "Interests") set forth opposite such Tenant in Common's name on Exhibit "A" hereto in the property described on Exhibit "B" (the "Property").

B. The Tenants in Common desire to enter into this Agreement to provide for the orderly administration of the Property and to delegate authority and responsibility for the operation and management of the Property.

C. The Property is subject to a loan (the "Loan") secured by the Property from Teachers Insurance and Annuity Association of America, or an affiliate thereof ("Lender"). The documents, agreements and instruments evidencing, securing or delivered to the Lender in connection with the Loan are collectively referred to herein as the "Loan Documents".

D. Concurrently with the execution of this Agreement, each Tenant in Common has also executed or will also execute the following agreements: (i) a certain Call Agreement encumbering the Property (the "Call Agreement"), and (ii) a certain Property Management Agreement (the "Property Management Agreement") with Grubb & Ellis Residential Management, Inc. (the "Property Manager"). This Agreement, the Call Agreement and the Property Management Agreement are collectively referred to herein as the "Operative Documents").

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as set forth below.

1. Nature of Relationship Between Tenants in Common.

1.1 Tenants in Common Relationship; No Partnership. The Tenants in Common shall each own their respective Interests in the Property solely as tenants in common as determined under local law, subject to and in accordance with the terms, covenants and conditions contained in this Agreement. The Tenants in Common do not intend by this Agreement or otherwise to create, nor shall this Agreement be deemed to create, a partnership or joint venture among the Tenants in Common, but merely to set forth the terms and conditions upon which each of them shall own their respective Interests. In addition, the Tenants in Common do not intend to create, nor shall this Agreement or the Property Management Agreement be deemed to create, a partnership or joint venture with the Property Manager. Each Tenant in Common hereby elects to be excluded from the provisions of Subchapter K of

Chapter 1 of the Internal Revenue Code of 1986, as amended (the "Code"), with respect to the tenant in common ownership of the Property. The exclusion elected by the Tenants in Common hereunder is irrevocable and shall commence with the execution of this Agreement. Each Tenant in Common agrees to treat its Interest in the Property as indivisible and no Tenant in Common may transfer any portion of its Interest in the Property without transferring its entire Interest in the Property; provided that, subject to restrictions under the Loan Documents, the Tenants in Common may unanimously agree to transfer all of their Interests in a portion of the Property, in which case the remaining portion of the Property will remain subject to this Agreement.

1.2 Reporting as Direct Owners and Not as a Partnership. Each Tenant in Common hereby covenants and agrees to report on its federal and state income tax returns all items of income, deduction and credits which result from holding the Property in a manner consistent with the exclusion of the Tenants in Common from Subchapter K of Chapter 1 of the Code, commencing with the first taxable year of the tenancy in common created by this Agreement. Further, each Tenant in Common covenants and agrees not to notify the Commissioner of Internal Revenue (the "Commissioner") that it desires that Subchapter K of Chapter 1 of the Code apply to the Tenants in Common. Each Tenant in Common hereby agrees to indemnify, protect, defend and hold the other Tenants in Common free and harmless from all damages, costs, liabilities, tax consequences, penalties and expenses, including, without limitation, attorneys' fees and costs, which may result from such Tenant in Common so notifying the Commissioner in violation of this Agreement or otherwise taking a contrary position on any tax return, report or other document or in an audit or administrative or judicial proceeding.

1.3 No Agency. Except as expressly provided herein, no Tenant in Common is authorized to act as agent for, to act on behalf of, or to do any act that will bind, any other Tenant in Common, or to incur any obligations with respect to the Property. Further, each Tenant in Common hereby covenants and agrees not to hold itself out in any manner for any purpose as a partner or agent of the other Tenants in Common or the Property Manager.

2. Management. The Tenants in Common hereby unanimously consent to the Property Management Agreement with the Property Manager. Pursuant to and as set forth in the Property Management Agreement, the Property Manager shall be the sole and exclusive manager of the Property to act on behalf of the Tenants in Common with respect to the management, operation, maintenance and leasing of the Property, and for purposes of interfacing with the Lender during the term of the Property Management Agreement. All of the terms, covenants and conditions of the Property Management Agreement are hereby incorporated herein by reference as if set forth in full herein. Neither (a) the death, retirement, removal, withdrawal, termination or resignation of the Property Manager, (b) any assignment for the benefit of creditors by or the adjudication of bankruptcy or incompetency of the Property Manager nor (c) the termination of the Property Management Agreement shall cause the termination of this Agreement, and this Agreement shall remain in full force and effect notwithstanding any such events. The term of the Property Management Agreement shall not exceed one year and is subject to annual renewal as provided therein. If the Property Management Agreement is terminated or not renewed, any new or replacement Property Management Agreement must be unanimously approved by the Tenants in Common. The Property Manager and any of its affiliates that own Interests will not participate in any vote to terminate the Property Management Agreement.

3. Income and Liabilities. Except as otherwise provided herein and in the Asset Management Agreement, all benefits, burdens, income, expenses, liabilities and obligations of the ownership of the Property, including, without limitation, all rents, revenues and other income generated from the Property, all operating expenses, capital and other costs, all debt service payments and reserve escrows relating to any loan encumbering the Property or otherwise in connection with the Property, all insurance proceeds or condemnation awards, all proceeds from sale or refinance of the Property, and all other similar charges, revenues or expenses shall be shared by the Tenants in Common in proportion to their respective Interests. Without limiting the generality of the foregoing, in accordance with the Property Management Agreement, the Tenants in Common shall receive, within three (3) months of receipt by the Property Manager, all net revenues from the Property in proportion to their respective undivided Interests in the Property. For this purpose, net revenues shall mean all cash revenues from the Property reduced by the following items: (i) the expenses of managing, operating, maintaining and leasing the Property; (ii) amounts required for reserves or improvements as determined by the Property Manager pursuant to the Property Management Agreement or by the Lender pursuant to the Loan Documents; (ii) all real estate and personal property taxes, general and special real property assessments and other like charges (collectively, "Taxes") and

payments of Taxes by tenants of the Property; (iii) all debt service ("Debt Service"); and (iv) fees payable to the Property Manager pursuant to the Property Management Agreement (the "Property Management Fee").

4. Tenants in Common Obligations. The Tenants in Common each agree to perform such acts as may be reasonably necessary to carry out the terms and conditions of this Agreement, including, without limitation:

4.1 Documents. Executing documents required in connection with a sale or refinancing of the Property in accordance with Section 5 below and such additional documents as may be required under this Agreement or may be reasonably required to effect the intent of the Tenants in Common with respect to the Property or any loans encumbering the Property (provided that such actions have been properly approved by the Tenants in Common in accordance with the terms of this Agreement).

4.2 Additional Funds. Each Tenant in Common will be responsible for a pro rata share (based on its undivided Interest in the Property or as otherwise provided) with respect to Taxes, Debt Service, the Property Management Fee, or other items specifically applicable to individual Tenants in Common or any future cash needed in connection with the ownership, operation, management and maintenance of the Property as set forth in the annual budget approved by the Tenants in Common in accordance with the terms of the Property Management Agreement or as otherwise approved by the Tenants in Common holding a majority of the Interests (collectively, the "Property Expenses"). To the extent any Tenant in Common fails to pay any funds pursuant to this Section 4.2 within fifteen (15) days after the Property Manager delivers notice that such additional funds are required, any other Tenant(s) in Common may advance such amount. In no event shall such advance be for a period exceeding thirty-one (31) days. The non-paying Tenant in Common shall reimburse the paying Tenant(s) in Common upon demand the amount of any such advance plus interest thereon at the rate of ten percent (10%) per annum (but not more than the maximum rate allowed by law) until paid. Alternatively, the Property Manager is hereby authorized to pay the Tenant(s) in Common entitled to reimbursement and interest the amounts due out of future cash from operations or from sale or refinancing of the Property or other distributions due to the non-paying Tenant in Common. In the absence of such an advance, following the expiration of such 15-day period, the Property Manager, or its agent or representative, may send the delinquent Tenant in Common (the "Delinquent Tenant in Common") on behalf of the other Tenants in Common (the "Non-Delinquent Tenants in Common") written notice of such delinquency, giving the Delinquent Tenant in Common an additional two (2) business days from the date such notice is given to pay in full its proportionate share of the Property Expenses. If the Delinquent Tenant in Common does not timely pay the full amount of its proportionate share of Property Expenses, together with any and all late fees, additional interest and other charges resulting from the delinquency, or repay any advance of such amounts made on behalf of the Delinquent Tenant in Common, the Delinquent Tenant in Common shall thereupon become a "Defaulting Tenant in Common." Subject to any restrictions contained in the Loan Documents, a Delinquent Tenant in Common or Defaulting Tenant in Common shall pay any and all late fees, additional interest (accruing at the rate of ten percent (10%) per annum, but not more than the maximum rate allowed by law, until paid) or other charges that the Tenants in Common incur as a result of such Delinquent Tenant in Common's or Defaulting Tenant in Common's failure to timely pay its share of the Property Expenses, and shall otherwise indemnify the Non-Delinquent Tenants in Common from any and all loss, cost, liability or expense suffered on account of such Delinquent Tenant in Common's or Defaulting Tenant in Common's failure to timely pay its proportionate share of the Property Expenses. In the event a Tenant in Common becomes a Defaulting Tenant in Common, the Property Manager and the Non-Delinquent Tenants in Common shall have the right to purchase the Defaulting Tenant in Common's interest in the Property in accordance with the terms of the Call Agreement. The remedies against a non-paying Tenant in Common provided for herein are in addition to any other remedies that may otherwise be available, including, but not limited to, the right to obtain a lien against the undivided interest in the Property of the non-paying Tenant in Common to the extent allowed by law and the rights provided to the Property Manager and the Non-Delinquent Tenants in Common to purchase a non-paying Tenant in Common's Interest pursuant to the Call Agreement. Notwithstanding the foregoing, the rights of each Tenant in Common under this Section 4.2 are and shall be subordinate to the rights of the Lender.

5. Sale or Encumbrance of Property.

5.1 Sale/Refinance. The Property Manager shall be entitled to seek and negotiate the terms of refinancing for the Property, including loans secured by the Property, and the sale or other disposition of the Property (or portions thereof) to third-party purchasers. Any loan encumbering the Property and any sale or other

disposition of the Property shall require unanimous approval by the Tenants in Common. The Property Manager shall send each of the Tenants in Common a written request for approval of the loan or sale. Any such written request of the Property Manager shall be accompanied by a summary setting forth the material terms of the proposed loan or sale. By their execution of this Agreement, the Tenants in Common confirm their approval of the Loan and the Loan Documents.

5.2 Distribution of Loan or Sales Proceeds. Notwithstanding any other provisions of this Agreement, proceeds of a loan or sale shall be distributed at the closing of the loan or the sale as follows:

5.2.1 To the extent necessary, the proceeds shall first be used to pay in full any loans encumbering title to the Property.

5.2.2 To the extent necessary, the proceeds shall next be used to pay in full any unsecured loans made to the Tenants in Common with respect to the Property.

5.2.3 The proceeds shall next be used to pay all outstanding costs and expenses incurred in connection with the holding, marketing and sale of the Property.

5.2.4 The proceeds shall next be used to pay all outstanding fees and costs as set forth in the Property Management Agreement.

5.2.5 Any proceeds remaining shall be paid to each Tenant in Common in accordance with their respective Interests as provided in Section 3 above.

5.3 Leases. Except as provided in the Property Management Agreement, no lease of all or any portion of the Property shall be entered into without the unanimous approval of the Tenants in Common except for those leases, lease amendments and renewals consistent with the leasing parameters approved by the Tenants in Common as described in the Property Management Agreement. Any lease, lease amendment or lease termination will be deemed approved unless a Tenant in Common gives written notice of rejection to the Property Manager within seventy-two (72) hours after the Property Manager's delivery to such Tenant in Common of a request for approval, which request shall set forth the material terms of such lease, lease amendment or lease termination, as the case may be. As described in the Property Management Agreement, leasing parameters must be approved at least annually by the unanimous consent of the Tenants in Common.

5.4 Transfer or Encumbrance. Except to the extent permitted in the Loan Documents, no Tenant in Common shall sell, transfer, convey, pledge, assign, hypothecate or encumber (a "Transfer") its Interest (or any direct or indirect interest therein) in the Property without the prior written consent of the Lender, which consent may be granted or withheld in its sole and absolute discretion.

5.5 Other Authority. Except in situations in which unanimous approval is required pursuant to Section 2 above (concerning the Property Management Agreement), Section 5.1 above (concerning sales, dispositions, and financings), and Section 5.3 above (concerning leases) of this Agreement, the Tenants in Common will be bound by the vote of those Tenants in Common owning in the aggregate more than fifty percent (50%) of the Interests.

6. Possession. The Tenants in Common intend to lease the Property at all times. Accordingly, no Tenant in Common shall have the right to occupy or use the Property at any time during the term of this Agreement.

7. Right of First Offer. If a Tenant in Common (a "Selling Tenant") desires to sell its Interest in the Property, then such Selling Tenant shall first allow the Property Manager to make an offer to purchase the Selling Tenant's Interest pursuant to the terms and conditions set forth in this Section 7. Additionally, the Property Manager shall have the right, but not the obligation, in its sole and absolute discretion, to assign its rights under this Section 7 to one or more of the other Tenants in Common, in which event the assignee Tenant(s) in Common shall have the rights granted to the Property Manager under this Section 7. If a Selling Tenant desires to sell its Interest in the Property, such Selling Tenant shall provide written notice (the "ROFO Notice") to the Property Manager (and each assignee Tenant in Common) of its intent to sell its Interest. The Property Manager (or the assignee Tenants in

Common) shall have the right, within fourteen (14) days after receipt of such ROFO Notice, to deliver a written offer to the Selling Tenant to purchase the Selling Tenant's Interest in the Property. If the Selling Tenant does not accept the Offer of the Property Manager (or assignee Tenants in Common) within fourteen (14) days after receipt of the Offer, then the Selling Tenant shall be free for a period of six (6) months to sell its Interest in the Property to a purchaser other than the Property Manager (or an assignee Tenant in Common), provided that such sale of the Selling Tenant's Interest to a purchaser is for a price greater than any purchase price offered by the Property Manager (or an assignee Tenant in Common) pursuant to this Section 7 and is in compliance with the terms of any loan encumbering the Property. In the event that the Selling Tenant's Interest is not transferred to an unrelated party within such six-month period, then the terms and provisions of this Section 7 shall be renewed and reapplicable to such Interest, and prior to further proceeding with any marketing, advertising, negotiation or sale of its Interest, the Selling Tenant in Common must deliver a new ROFO Notice to the Property Manager. If the Selling Tenant accepts an offer from the Property Manager (or the assignee Tenants in Common) within fourteen (14) days after receipt of each such offer, then the Selling Tenant shall be required to sell its Interest in the Property to the Property Manager (or the assignee Tenants in Common) and the Property Manager (or assignee Tenants in Common) shall be required to purchase their respective shares of the Selling Tenant's Interest in the Property. The rights contained in this Section 7 shall not apply to any transfer of an Interest by the Company during the Offering Period (as defined in the offering documents relating to the sale of Interests), pursuant to Sections 8, 9 or 10 of this Agreement or pursuant to the Call Rights contained in the Call Agreement.

8. Right of Partition. The Tenants in Common agree that, subject to any restrictions imposed by the Lender and agreed to by the Tenants in Common under the Loan Documents, any Tenant in Common and any of its successors-in-interest shall have the right, while this Agreement remains in effect, to have the Property partitioned, and to file a complaint or institute any proceeding at law or in equity to have the Property partitioned in accordance with and to the extent provided by applicable law and to the extent permitted by the Lender in accordance with the terms of the Loan. The Tenants in Common acknowledge that partition of the Property may result in a forced sale by all of the Tenants in Common. To avoid the inequity of a forced sale and the potential adverse effect on the investment by the Tenants in Common, the Tenants in Common agree that, as a condition precedent to filing a partition action, the Tenant in Common filing such action (a "Seller") shall first make a written offer (the "Offer") to sell its Interest to the Property Manager at a price equal to (a) the Fair Market Value (as defined below) of the Seller's Interest minus (b) (i) the Seller's proportionate share of any fee or other amount that would be payable to the Property Manager or any of its affiliates (including, without limitation, acquisition and disposition fees) under the Property Management Agreement upon the sale of the Property at a price equal to the Fair Market Value and (ii) selling, prepayment or other costs that would apply in the event the Property was sold on the date of the Offer. The Property Manager shall have the right, but not the obligation, in its sole and absolute discretion, to assign its rights under this Section 8 to one or more of the other Tenants in Common, in which event the assignee Tenant(s) in Common shall have the rights granted to the Property Manager under this Section 8. "Fair Market Value" shall mean the fair market value of Seller's undivided Interest in the Property on the date the Offer is made as determined in accordance with the procedures set forth below. The Property Manager (or assignee Tenants in Common) shall have twenty (20) days after delivery of the Offer to accept the Offer. If the Property Manager (or assignee Tenants in Common) accept the Offer (each a "Purchaser"), Seller and Purchaser shall commence negotiation of the Fair Market Value within fifteen (15) days after the Offer is accepted. When two or more assignee Tenants in Common) are collectively acting as a Purchaser under this Section 8, they shall act by vote of a majority of Interests held by such Tenants in Common or by such other method as they collectively agree. If the parties do not agree on a Fair Market Value, after good faith negotiations, within ten (10) days, then each party shall submit to the other a proposal containing the Fair Market Value the submitting party believes to be correct (a "Proposal"). If either party fails timely to submit a Proposal, the other party's submitted Proposal shall determine the Fair Market Value. If both parties timely submit Proposals, then the Fair Market Value shall be determined by final and binding arbitration in accordance with the procedures set forth below. The parties shall meet within seven (7) days after delivery of the last Proposal and make a good faith attempt to mutually appoint a MAI certified real estate appraiser who shall have been active full-time over the previous five (5) years in the appraisal of comparable properties located in the County or City in which the Property is located to act as the arbitrator. If the parties are unable to agree upon a single arbitrator, then the parties each shall, within five (5) days after the meeting, select an arbitrator that meets the foregoing qualifications. The two (2) arbitrators so appointed shall, within fifteen (15) days after their appointment, appoint a third arbitrator meeting the foregoing qualifications and such third arbitrator shall serve as the arbitrator. The determination of the arbitrator shall be limited solely to the issue of whether Seller's or Purchaser's Proposal most closely approximates the Fair Market Value. The decision of the arbitrator shall be made within thirty (30)

days after the appointment of a single arbitrator or the third arbitrator, as applicable. The arbitrator shall have no authority to create an independent structure of Fair Market Value or prescribe or change any or several of the components or the structure thereof; the sole decision to be made shall be which of the parties' Proposals most closely corresponds to the Fair Market Value of the Property. The decision of the arbitrator shall be binding upon the parties. If either party fails to appoint an arbitrator within the time period specified above, the arbitrator appointed by one of them shall reach a decision, which shall be binding upon the parties. The cost of the arbitrators shall be paid equally by Seller and Purchaser. The arbitration shall be conducted in Orange County, California, in accordance with California Code of Civil Procedure sections 1280 et seq., as modified by this Agreement. The parties agree that Federal Arbitration Act, Title 9 of the United States Code, shall not apply to any arbitration hereunder. The parties shall have no discovery rights in connection with the arbitration. The decision of the arbitrator may be submitted to any court of competent jurisdiction by the party designated in the decision. Such party shall submit to the court a form of judgment incorporating the decision of the arbitrator, and such judgment, when signed by a judge of the court, shall become final for all purposes and shall be entered by the clerk of the court on the judgment roll of the court. If one party refuses to arbitrate an arbitrable dispute and the party demanding arbitration obtains a court order directing the other party to arbitrate, the party demanding arbitration shall be entitled to all of its reasonable attorneys' fees and costs in obtaining such order, regardless of which party ultimately prevails in the matter. BY EXECUTING THIS AGREEMENT, EACH TENANT IN COMMON AGREES TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE ARBITRATION OF DISPUTES PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW, AND IS GIVING UP ANY RIGHTS IT MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR BY JURY TRIAL. BY EXECUTING THIS AGREEMENT, EACH TENANT IN COMMON IS GIVING UP ITS JUDICIAL RIGHTS TO DISCOVERY AND APPEAL. IF A TENANT IN COMMON REFUSES TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, SUCH TENANT IN COMMON MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. THE AGREEMENT OF EACH TENANT IN COMMON TO THIS ARBITRATION PROVISION IS VOLUNTARY.

9. Bankruptcy.

9.1 Option. If, during the term of this Agreement, a Tenant in Common is Bankrupt (as defined below) (a "Bankrupt Tenant in Common"), the Property Manager and the other Tenants in Common shall have the right, to be exercised by written notice ("Bankruptcy Call Notice") to the Bankrupt Tenant in Common, to buy all of the Bankrupt Tenant in Common's Interest in the Property. Upon receipt of the Bankruptcy Call Notice, the Bankrupt Tenant in Common shall be obligated to sell the Property Manager and the other Tenants in Common, and the Property Manager and the other Tenants in Common shall be obligated to buy, the Bankrupt Tenant in Common's entire Interest in the Property for the Fair Market Value of the Bankrupt Tenant in Common's Interest in the Property, as Fair Market Value is determined under Section 8 above. Such purchase and sale shall be closed within thirty (30) days of the determination of Fair Market Value. The foregoing not withstanding, if the applicable bankruptcy court or applicable bankruptcy rules require that the fair market value of the Bankrupt Tenant in Common's Interest in the Property be determined through an alternate valuation method, the parties may agree that such alternate valuation method shall be used to determine the fair market value of the Property that is subject to such court's jurisdiction in lieu of the procedure established in Section 8, as required by such court or the applicable rules. In addition, any such bankruptcy or other insolvency proceeding will constitute an event of default under this Agreement.

9.2 Bankruptcy. For the purposes of this Agreement, a Tenant in Common shall be considered Bankrupt if such Tenant in Common: (1) is unable to pay its debts as they come due, including any debt associated with the Property; (2) admits in writing to its inability to pay debts as they come due, including any debt associated with the Property; (3) makes a general assignment for the benefit of creditors; (4) files any petition or answer seeking to adjudicate it bankrupt or insolvent; (5) seeks liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of its debts; (6) seeks, consents to or acquiesces in the entry of an order for relief or the appointment of a receiver, trustee, custodian, or other similar official or for any substantial part of its property; (7) is the subject of the entry of an order for relief or approval of a petition for relief or reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future bankruptcy, insolvency or similar statue, law or regulation or the filing of any such petition that is not dismissed within ninety (90) days; or (8) is the subject of the entry of an order appointing a trustee, custodian,

receiver or liquidator with respect to all or any substantial portion of its property, which order is not dismissed within sixty (60) days.

9.3 Right of First Refusal. If under federal bankruptcy law, similar debtor relief laws, or other laws affecting the Property, the option to purchase granted under this Section 9 is voided or declared unenforceable, the other Tenants in Common shall have a right of first refusal to buy any Interest in the Property of a Bankrupt Tenant in Common in the event of any proposed transfer by a trustee, receiver, conservator, liquidator, guardian or other transferee. Such right of first refusal shall provide that the other Tenants in Common may buy the Bankrupt Tenant in Common's Interest in the Property at the same price and on the same terms as such interest in the Property is proposed to be sold by such trustee, receiver, conservator, liquidator, guardian or other transferee.

10. Purchase Option.

10.1 The Property Manager, its affiliates, successors or assigns have the option (the "Purchase Option") to purchase all or any portion of the Interests from one or more of the Tenants in Common beginning 24 months after the date of this Agreement so long as Tenants in Common who own more than 50% of the Interests approve the purchase.

10.2 The purchase price for an Interest pursuant to the Purchase Option (the "Purchase Price") will be the appraised fair market value of the Property (without any discounts) (the "Appraised Value") as determined by an independent third party MAI certified appraiser with at least five years of experience in the city or county where the Property is located (a "Qualified Appraiser") selected by the Property Manager multiplied by the percentage of the Property represented by such Interest and reduced by the same percentage of (x) any debt encumbering the Property, and (y) any disposition fee that would be paid to the Property Manager pursuant to the Property Management Agreement if the Property had been sold.

10.3 Proceeds from the Purchase Price, net (to the extent not already taken into account in the calculation of Purchase Price) of:

10.3.1 any debt encumbering the Property, and

10.3.2 any disposition fee that would be paid to the Property Manager pursuant to the Property Management Agreement if the Property had been sold,

in each case multiplied by the percentage of the Property represented by the Interests of the Selling Tenant(s), shall be paid to the Selling Tenant(s) in proportion to their Interests.

10.4 Payment of the Purchase Price to the Selling Tenants will occur no later than ninety (90) days after exercise of the Purchase Option. At the closing, each of the parties shall bear their share of all ordinary closing costs and expenses in accordance with local real estate practice. If the Property Manager does not complete the purchase of the Property within the 90-day period described above, the exercise of the Purchase Option shall be deemed to have been revoked and the Property Manager will have no further obligation to buy, and the Selling Tenants will have no further obligation to sell, the Interests of the Selling Tenants pursuant to the exercise of the Purchase Option. Notwithstanding the preceding sentence, the Interests of the Selling Tenants will remain subject to future exercise of the Purchase Option and there is no limit on the number of times the Property Manager may exercise the Purchase Option.

10.5 The Property Manager shall pay for the appraisal.

10.6 The Property Manager shall cooperate, at no cost or expense to the Property Manager, with any of the Selling Tenants who wish to structure the sale of their Interests as a tax-deferred exchange pursuant to Section 1031 of the Code.

11. General Provisions.

11.1 Mutuality; Reciprocity; Runs With the Land. All provisions, conditions, covenants, restrictions, obligations and agreements contained herein, in the Call Agreement or in the Property Management Agreement are made for the direct, mutual and reciprocal benefit of each and every part of the Property; shall be binding upon and shall inure to the benefit of each of the Tenants in Common and their respective heirs, executors, administrators, successors, assigns, devisees, representatives, lessees and all other persons acquiring any undivided Interest in the Property or any portion thereof whether by operation of law or any manner whatsoever (collectively, "Successors"); shall create mutual, equitable servitudes and burdens upon the undivided Interest in the Property of each Tenant in Common in favor of the Interests of every other Tenant in Common; shall create reciprocal rights and obligations between the respective Tenants in Common, their Interests and their Successors; and shall, as to each of the Tenants in Common and their Successors, operate as covenants running with the land for the benefit of the other Tenants in Common pursuant to applicable law, including, but not limited to, the laws of the State where the Property is located. It is expressly agreed that each covenant contained herein or in the Call Agreement or the Property Management Agreement (which covenants are incorporated herein) (a) is for the benefit of and is a burden upon the Interests of each of the Tenants in Common, (b) runs with the Interests of each Tenant in Common and (c) benefits and is binding upon each Successor owner during its ownership of any Interest, and each owner having any interest therein derived in any manner through any Tenant in Common or Successor. Every person or entity who now or hereafter owns or acquires any right, title or interest in or to any portion of the Property is and shall be conclusively deemed to have consented and agreed to and assumed every restriction, burden, obligation, provision, covenant, right and limitation contained herein, in the Call Agreement or in the Property Management Agreement, whether or not such person or entity expressly assumes such obligations or whether or not any reference to this Agreement, the Call Agreement or the Property Management Agreement is contained in the instrument conveying such interest in the Property to such person or entity. The Tenants in Common agree that, subject to the restrictions on transfer contained herein, any Successor shall become a party to this Agreement, the Call Agreement and the Property Management Agreement upon acquisition of an undivided Interest in the Property as if such person was a Tenant in Common initially executing this Agreement.

11.2 Binding Arbitration. Any dispute, claim or controversy arising out of or related to this Agreement (other than determination of Fair Market Value, which shall be subject to the terms of Section 8), or breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this Agreement to arbitrate shall be determined by arbitration in Orange County, California, in accordance with the rules of The American Arbitration Association, and judgment entered upon the award rendered may be enforced by appropriate judicial action pursuant to the California Code of Civil Procedure. The arbitration panel shall consist of one (1) member, which shall be the mediator if mediation has occurred or shall be a person agreed to by each party to the dispute within thirty (30) days following notice by one party that he desires that a matter be arbitrated. If there was no mediation and the parties are unable within such thirty (30) day period to agree upon an arbitrator, then the panel shall be one (1) arbitrator selected by the Orange County office of The American Arbitration Association, which arbitrator shall be experienced in the area of real estate and limited liability companies and who shall be knowledgeable with respect to the subject matter area of the dispute. The losing party shall bear any fees and expenses of the arbitrator, other tribunal fees and expenses, reasonable attorney's fees of both parties, any costs of producing witnesses and any other reasonable costs or expenses incurred by him or the prevailing party or such costs shall be allocated by the arbitrator. The arbitration panel shall render a decision within thirty (30) days following the close of presentation by the parties of their cases and any rebuttal. The parties shall agree within thirty (30) days following selection of the arbitrator to any prehearing procedures or further procedures necessary for the arbitration to proceed, including interrogatories or other discovery. BY EXECUTING THIS AGREEMENT, EACH TENANT IN COMMON AGREES TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE ARBITRATION OF DISPUTES PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW, AND IS GIVING UP ANY RIGHTS IT MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR BY JURY TRIAL. BY EXECUTING THIS AGREEMENT, EACH TENANT IN COMMON IS GIVING UP ITS JUDICIAL RIGHTS TO DISCOVERY AND APPEAL. IF A TENANT IN COMMON REFUSES TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, SUCH TENANT IN COMMON MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. THE AGREEMENT OF EACH TENANT IN COMMON TO THIS ARBITRATION PROVISION IS VOLUNTARY.

11.3 Attorneys' Fees. If any arbitration, action, litigation or other proceeding is instituted between all or any of the Tenants in Common and/or the Property Manager arising from or related to or with this Agreement, the party prevailing in such arbitration, action or proceeding shall be entitled to recover from the non-prevailing parties all of its costs of such arbitration, action, or proceeding, including, without limitation, reasonable and actual attorneys' fees and costs as fixed by the court or arbitrator therein.

11.4 Entire Agreement. This Agreement, together with the Call Agreement and the Property Management Agreement, constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and all prior and contemporaneous agreements, representations, negotiations and understandings of the parties hereto, oral or written, are hereby superseded and merged herein.

11.5 Governing Law; Venue. This Agreement shall be governed by and construed under the internal laws of the State where the Property is located without regard to choice of law rules. Any action arising out of or relating to this Agreement shall be subject to binding arbitration in Orange County, California, in accordance with Section 11.2.

11.6 Modification. No modification, waiver, amendment, discharge or change of this Agreement shall be valid unless (i) the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is or may be sought and (ii) the consent of the Lender is obtained (to the extent such consent is required).

11.7 Notice and Payments. Any notice to be given or other document or payment to be delivered by any party to any other party hereunder may be delivered in person, or may be deposited in the United States mail, duly certified or registered, return receipt requested, with postage prepaid, or by Federal Express or other similar overnight delivery service, and addressed to the Tenants in Common at the addresses specified in Exhibit "A" hereto or to the Property Manager at the following address:

Grubb & Ellis Residential Management, Inc., Property Manager
1551 N. Tustin Avenue, Suite 300
Santa Ana, California 92705
Attn: President

Any party hereto may from time to time, by written notice to the others, designate a different address which shall be substituted for the one above specified. Unless otherwise specifically provided for herein, all notices, payments, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given and received (a) upon personal delivery, or (b) as of the third business day after mailing by United States registered or certified mail, return receipt requested, postage prepaid, addressed as set forth above, or (c) the immediately succeeding business day after deposit with Federal Express or other similar overnight delivery system.

11.8 Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

11.9 Successors and Assigns. All provisions of this Agreement shall inure to the benefit of and shall be binding upon the Successors of the parties hereto.

11.10 Term. This Agreement shall commence as of the earlier of the date the first Tenant in Common acquires an Interest in the Property or the date of recordation and shall terminate without the requirement of further action by the Tenants in Common or the recording of any additional instruments, at such time as none of the Tenants in Common or their Successors own the Property as tenants in common, or one Tenant in Common holds one hundred percent of the Interests. In no event shall this Agreement continue beyond December 31, 2038. The bankruptcy, death, dissolution, liquidation, termination, incapacity or incompetency of a Tenant in Common shall not cause the termination of this Agreement. As long as the Property is subject to the Loan, this Agreement shall not be terminated without the Lender's prior written consent.

11.11 Waivers. No act of any Tenant in Common shall be construed to be a waiver of any provision of this Agreement, unless such waiver is in writing and signed by the Tenant in Common affected. Any Tenant in Common hereto may specifically waive any breach of this Agreement by any other Tenant in Common, but no such waiver shall constitute a continuing waiver of similar or other breaches.

11.12 Counterparts. This Agreement may be executed in counterparts, each of which, when taken together, shall be deemed one fully executed original.

11.13 Severability. If any portion of this Agreement shall become illegal, null or void or against public policy, for any reason, or shall be held by any court of competent jurisdiction to be illegal, null or void or against public policy, the remaining portions of this Agreement shall not be affected thereby and shall remain in full force and effect to the fullest extent permissible by law.

11.14 Securities Laws. THE UNDIVIDED INTERESTS IN THE PROPERTY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, NOR BY THE SECURITIES REGULATORY AUTHORITY OF ANY STATE, NOR HAS ANY COMMISSION OR AUTHORITY PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF ANY DISCLOSURE MADE IN CONNECTION THEREWITH. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THE INTERESTS MAY NOT BE RESOLD WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933 AND APPLICABLE STATE SECURITIES LAWS OR EXEMPTION THEREFROM.

11.15 Construction. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders, and vice versa.

11.16 Facsimile Signature. This Agreement may be executed by a party's signature transmitted by facsimile, and copies of this Agreement executed and delivered by means of facsimile signatures shall have the same force and effect as copies hereof executed and delivered with original signatures. The parties may rely upon facsimile signatures as if such signatures were originals. A party executing and delivering this Agreement by facsimile shall promptly thereafter deliver a counterpart signature page of this Agreement containing said party's original signature.

11.17 Equitable Relief. Each party to this Agreement acknowledges and agrees that remedies at law for a breach or threatened breach of any of the provisions of this Agreement would be inadequate and, in recognition of this fact, each party to this Agreement agrees that in addition to any remedies at law (including, without limitation, damages), equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy shall be available in the event of a breach or threatened breach of this Agreement.

11.18 Time is of the Essence. Time is of the essence of each and every provision of this Agreement.

11.19 Limitations. At no time shall there be more than thirty-five (35) Tenants in Common (as defined in Code Section 7701(a)(1), except that a husband and wife are treated as a single person and all persons that acquire Interests from a Tenant in Common by inheritance are treated as a single person). Any transfer that would result in there being more than thirty-five (35) Tenants in Common shall be null and void, and the Interest in the Property that would have been transferred shall be held in trust for the economic benefit of the purported transferor. Further, no Tenant in Common will enter into or engage in any business activities other than those customarily performed in connection with the maintenance and repair of rental real property.

11.20 Approval and Consent by the Tenants in Common. Whenever in this Agreement the consent or approval of the Tenants in Common is required or otherwise requested, the Tenants in Common shall have fifteen (15) days from the date the request for consent or approval is submitted in writing by the Property Manager to approve or disapprove of the matter in writing (unless a longer or shorter period for response is

specifically provided for herein). In the event a Tenant in Common does not disapprove in writing of such matter within such fifteen (15) day period (or such longer or shorter period expressly provided for herein), the Tenant in Common shall be deemed to have approved the matter.

11.21 Third Party Beneficiary. During the period the Property Management Agreement is in effect, the Property Manager is an intended third-party beneficiary of this Agreement entitled to enforce the provisions contained herein against any Tenant in Common. In the event the Property Management Agreement is terminated and the Tenants in Common enter into a new Property Management Agreement with a new Property Manager, the new Property Manager shall be an intended third-party beneficiary of this Agreement entitled to enforce the provisions contained herein against any Tenant in Common.

11.22 Matters Relating to the Loan. So long as the Loan is outstanding, this Agreement and any and all rights and liens created thereby shall be subject and subordinate to the Loan and the terms of all Loan Documents, including, without limitation, any restrictions therewith with respect to the transfers of the Property or any Interests therein. In the event of a conflict between the terms of this Agreement and the terms of the Loan Documents, the terms of the Loan Documents shall prevail and control. The Tenants in Common each agree that they shall not engage in any activity which would violate the terms of any of the Loan Documents.

[Signatures Follow on Next Page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

TENANTS IN COMMON:

1600 Barberry Lane Owner, LLC
a Delaware limited liability company

By: GRUBB & ELLIS REALTY INVESTORS, LLC,
a Virginia limited liability company
Its: Manager

Witness #1

Witness #2

By:
Name: Jeffrey T. Hanson
Title: Chief Investment Officer

ACKNOWLEDGMENT

STATE OF CALIFORNIA)
) SS.
COUNTY OF ORANGE)

On August 27, 2008 before me, Monica Chavez, Notary Public, personally appeared Jeffrey T. Hanson, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Monica Chavez (Seal)

MONICA CHAVEZ
Commission # 1762879
Notary Public - California
Orange County
My Comm. Expires Aug 21, 2011

My Commission Expires:
August 21, 2011

1600 Barberry Lane 1, LLC,
a Delaware limited liability company

By: Jesse A. Oronoz and Laura Anne Oronoz, Trustees of The Oronoz Family Trust, dated March 30, 2001, Sole Member

By: _____
Jesse A. Oronoz, Trustee

By: _____
Laura Anne Oronoz, Trustee

_____
Name: Ron Ridout
Witness

_____
Name: Claudia Martinez
Witness

_____
Name:
Witness

_____
Name: DOLORES HERNANDEZ
Witness

STATE OF California)
) ss:
CITY/COUNTY OF Los Angeles)

On August 26 2008, before me, Nicohle M. Cash, a notary public personally appeared Jesse A. Oronoz and Laura Anne Oronoz, ~~personally known to me (or~~ proved to me on the basis of satisfactory evidence) to be the person(s) whose name is subscribed to the within instrument and acknowledged to me that ~~he/she~~/they executed the same in ~~his/her~~/their authorized capacity, and that by ~~his/her~~/their signature on the instrument the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Notary Public

NICOHLE M. CASH
Commission # 1528724
Notary Public - California
Los Angeles County
My Comm. Expires Nov 21, 2008

1600 Barberry Lane 2, LLC,
a Delaware limited liability company

By: Bryce E. Kennedy, Jr., Trustee of the
Bryce E. Kennedy, Jr. Trust, Sole Member

By: Bryce E. Kennedy
Bryce E. Kennedy, Jr., Trustee

Joseph A. Manning
Name: Joseph A. Manning
Witness

Connie B. Cone
Name: Connie B. Cone
Witness

STATE OF GA)
) ss:
CITY/COUNTY OF TIFT)

On August 25, 2008, before me, KATHRYN M. VINING, personally appeared **Bryce E. Kennedy, Jr.**, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name is subscribed to the within instrument and acknowledged to me that he~~/she/they~~ executed the same in his~~/her/their~~ authorized capacity, and that by his~~/her/their~~ signature on the instrument the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Georgia that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Kathryn M. Vining
Notary Public

KATHRYN M. VINING NOTARY PUBLIC TIFT COUNTY, GEORGIA MY COMM. EXPIRES JUNE 6, 2011

1600 Barberry Lane 3, LLC,
a Delaware limited liability company

By: Hamid Rafizadeh and Parisa Farahanchi,
Trustees of The Hamid Rafizadeh and
Parisa Farahanchi Family Revocable Trust,
dated December 27, 2007, Sole Member

By: _____, Trustee
Hamid Rafizadeh, Trustee

By: _____, Trustee
Parisa Farahanchi, Trustee

_____
Name: Parisa Moghaddam
Witness

_____
Name: David J Farr
Witness

_____
Name: Reza Farahanchi
Witness

_____
Name: ADIB RAFIZADEH
Witness

STATE OF _____)
) ss:
CITY/COUNTY OF _____)

On _____ ___, 2008, before me, _____, personally appeared **Hamid Rafizadeh and Parisa Farahanchi,** personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of _____ that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

SEE ATTACHED

_____
Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of San Diego

On 8-23-08 (Date) before me, Andrew R. Lange Notary Public (Here Insert Name and Title of the Officer)

personally appeared Hamid Ratizadeh, Trustee And Parisa Fatahanchi, Trustee (Name(s) of Signer(s))

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Signature of Notary Public)

ANDREW R. LANGE
COMM. #1677638
NOTARY PUBLIC-CALIFORNIA
San Diego COUNTY
My Comm. Expires July 22, 2010

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer's Name: _____
☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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SEE ATTACHED

1600 Barberry Lane 4, LLC,
a Delaware limited liability company

By: Olympia West Plaza, Inc., a Washington corporation, Sole Member

By: Donna L. Terhune
Donna L. Terhune, Executive Vice President

Name: JACQUELINE N. IRWIN
Witness

Name: HARRY J. WEIL Jr
Witness

STATE OF WASHINGTON)
) ss:
CITY/COUNTY OF THURSTON)

On AUGUST 26, 2008, before me, ROBERT J. TERHUNE, personally appeared **Donna L. Terhune**, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name is subscribed to the within instrument and acknowledged to me that ~~he~~/she/~~they~~ executed the same in ~~his~~/her/~~their~~ authorized capacity, and that by ~~his~~/her/~~their~~ signature on the instrument the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of WASHINGTON that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public
State of Washington
ROBERT J TERHUNE
MY COMMISSION EXPIRES
Feb. 6 2010

Robert J Terhune
Notary Public

EXHIBIT "A"

Tenants in Common and Percentage Interests

Tenants in Common	Percentage Interest
1600 Barberry Lane Owner, LLC 4 Hutton Centre Drive Suite 700 Santa Ana, CA 92707 Attn: Chief Executive Officer	89.430%
1600 Barberry Lane 1, LLC a Delaware limited liability company	3.340%
1600 Barberry Lane 2, LLC a Delaware limited liability company	3.146%
1600 Barberry Lane 3, LLC a Delaware limited liability company	1.835%
1600 Barberry Lane 4, LLC a Delaware limited liability company	2.249%

EXHIBIT "B"

LEGAL DESCRIPTION

Legal Description:

All that tract or parcel of land lying and being in Land Lots 122 and 123 of the 7th District of Fayette County, Georgia, and being more particularly described as follows:

Beginning at a ½" rebar set at the northeastern terminus of the mitered corner formed by the intersection of the easterly side of the right-of-way of Georgian Park (130-foot right-of-way) with the southwesterly side of the right-of-way of Peachtree Parkway (right-of-way varies); running thence along the southwesterly side of the right-of-way of Peachtree Parkway, the following four (4) courses and distances:

1. Southeasterly along a curve to the right, an arc distance of 319.46 feet to a point (said arc having a radius of 636.20 feet, and being subtended by a chord having a bearing of South 61 degrees 23 minutes 53 seconds East and a distance of 316.12 feet);

2. South 47 degrees 00 minutes 46 seconds East, a distance of 149.04 feet to a point;

3. Southeasterly along a curve to the left, an arc distance of 89.54 feet to a point (said arc having a radius of 1093.58 feet, and being subtended by a chord having a bearing of South 49 degrees 21 minutes 30 seconds East and a distance of 89.52 feet); and

4. South 51 degrees 42 minutes 15 seconds East, a distance of 22.73 feet to a ½" rebar set;
running thence South 00 degrees 53 minutes 48 seconds West along the western line of property now or formerly belonging to Peachtree City Holding, L.L.C., a distance of 361.79 feet to a ½" rebar set;running thence along the western and southwestern lines of Lake Kedron the following five (5) courses and distances:

1. South 02 degrees 49 minutes 03 seconds East, a distance of 211.88 feet to a ½" rebar set;

2. South 31 degrees 56 minutes 39 seconds East, a distance of 114.63 feet to a ½" rebar set;

3. South 30 degrees 40 minutes 19 seconds East, a distance of 155.32 feet to a ½" rebar set;

4. South 25 degrees 01 minutes 18 seconds East, a distance of 202.25 feet to a ½" rebar set; and

5. South 17 degrees 31 minutes 33 seconds East, a distance of 154.33 feet to a ½" rebar set;
running thence along the northern line of property now or formerly owned by Peachtree City Holding, L.L.C., the following twenty-seven (27) courses and distances:

1. South 77 degrees 00 minutes 36 seconds West, for a distance of 44.64 feet to a point;

2. South 76 degrees 34 minutes 30 seconds West, for a distance of 63.34 feet to a point;

3. South 74 degrees 12 minutes 01 seconds West, for a distance of 55.21 feet to a point;

4. South 66 degrees 05 minutes 59 seconds West, for a distance of 58.39 feet to a point;

5. North 61 degrees 04 minutes 54 seconds West, for a distance of 22.12 feet to a point;

6. South 81 degrees 45 minutes 00 seconds West, for a distance of 42.49 feet to a point;
7. South 79 degrees 22 minutes 33 seconds West, for a distance of 64.49 feet to a point;

8. South 53 degrees 05 minutes 44 seconds West, for a distance of 24.95 feet to a point;

9. South 34 degrees 21 minutes 18 seconds West, for a distance of 45.25 feet to a point;

10. South 86 degrees 43 minutes 32 seconds West, for a distance of 41.83 feet to a point;

11. South 66 degrees 45 minutes 26 seconds West, for a distance of 55.02 feet to a point;

12. North 24 degrees 24 minutes 20 seconds West, for a distance of 22.99 feet to a point;

13. North 57 degrees 27 minutes 45 seconds West, for a distance of 38.32 feet to a point;

14. South 80 degrees 23 minutes 10 seconds West, for a distance of 49.28 feet to a point;

15. North 84 degrees 13 minutes 35 seconds West, for a distance of 57.78 feet to a point;

16. North 82 degrees 47 minutes 33 seconds West, for a distance of 61.29 feet to a point;

17. South 88 degrees 06 minutes 07 seconds West, for a distance of 42.43 feet to a point;

18. North 80 degrees 05 minutes 43 seconds West, for a distance of 49.41 feet to a point;

19. North 71 degrees 56 minutes 34 seconds West, for a distance of 49.24 feet to a point;

20. North 80 degrees 34 minutes 29 seconds West, for a distance of 43.34 feet to a point;

21. South 86 degrees 11 minutes 33 seconds West, for a distance of 18.59 feet to a point;

22. North 70 degrees 47 minutes 05 seconds West, for a distance of 48.20 feet to a point;

23. South 89 degrees 28 minutes 27 seconds West, for a distance of 11.44 feet to a point;

24. North 74 degrees 38 minutes 47 seconds West, for a distance of 57.72 feet to a point;

25. North 80 degrees 33 minutes 29 seconds West, for a distance of 31.68 feet to a point;

26. North 54 degrees 07 minutes 04 seconds West, for a distance of 93.05 feet to a point; and

27. North 69 degrees 18 minutes 58 seconds West, for a distance of 94.31 feet to a ½" rebar set on the easterly side of the right-of-way of Georgian Park;running thence along the easterly side of the right-of-way of Georgian Park the following four (4) courses and distances:

1. Northeasterly along a curve to the left, an arc distance of 67.73 feet to a point (said arc having a radius of 897.79 feet, and being subtended by a chord having a bearing of North 21 degrees 17 minutes 50 seconds East and a distance of 67.72 feet);

2. North 19 degrees 08 minutes 09 seconds East, a distance of 851.86 feet to a point;

3. Northerly along a curve to the left, an arc distance of 273.96 feet to a point (said arc having a radius of 1176.82 feet, and being subtended by a chord having a bearing of North 12 degrees 28 minutes 01 seconds East, and a distance of 273.34 feet); and
4. North 05 degrees 47 minutes 52 seconds East, a distance of 235.11 feet to a ½" rebar set at the Southwestern terminus of the above-referenced mitered corner at the southeastern intersection of Georgian Park and Peachtree Parkway;

running thence North 53 degrees 52 minutes 52 seconds East along said mitered corner, a distance of 66.80 feet to the ½" rebar set at the point of beginning.

Said property containing 25.369 acres and being described according to Boundary and Above Ground As-Built ALTA/ACSM Land Title Survey (Class "A"), Phase I, Amli at Peachtree City Phase I, LLC, a Georgia limited liability company, Chicago Title Insurance Company & The Prudential Insurance Company of America, prepared by Gerald H. Bernhard, G.R.L.S. No. 2688, of Bernhard, Harper & Associates, Inc., dated March 29, 2000, last revised June 13, 2000.