

## PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS

THIS PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS ("Agreement") by and between FOR 1031 Watkins LLC, an Idaho limited liability company, as seller ("Seller"), and 1<sup>st</sup> Buyer and 2<sup>nd</sup> Buyer, as buyer ("Buyer"), with reference to the facts set forth below, is made and effective as of the date Seller executed this Agreement ("Effective Date"). All terms with initial capital letters not otherwise defined herein shall have the meanings set forth in the Defined Terms attached hereto and incorporated herein.

### RECITALS

A. Seller is the owner or contract purchaser of that certain real property located at 2000 Watkins Glen Drive, Franklin, Ohio 45005, particularly described in Exhibit "A" attached hereto and incorporated herein, and the improvements situated thereon, including the buildings ("Project").

B. Seller desires to sell an undivided tenancy in common interest in the Project to Buyer, and Buyer desires to buy an undivided tenancy in common interest in the project from Seller, on the terms and conditions set forth in this Agreement.

C. The Project is presently encumbered by a certain loan evidenced by a promissory note and secured by a deed of trust and other loan documents (the "Loan," "Note," "Deed of Trust" and "Loan Documents"). At Seller's election, Buyer shall either assume the Deed of Trust or acquire the Project subject to the Deed of Trust and Loan Documents. Any reference to assumption of the Deed of Trust and Loan Documents herein shall also include acquiring subject to said Documents.

NOW THEREFORE, in consideration of the mutual agreements set forth herein and for other valuable consideration, the receipt of which are hereby acknowledged, the parties agree as set forth below.

#### 1. Agreement of Purchase and Sale.

1.1 Purchase, Sale and Purchase Price. In consideration of the covenants herein contained, Seller hereby agrees to sell, and Buyer hereby agrees to purchase, a Percentage% undivided tenancy in common interest in the Project ("Property") at a purchase price ("Purchase Price") equal to SPurchase which shall be paid SEquity Cash into Escrow and SLoan by assumption of the Loan (based on a total Purchase Price per each one percent (1%) undivided interest in the Project of \$63,550.00, being \$63,550.00 in cash (100.00%).

#### 1.2 Payment. Buyer shall pay the Purchase Price as follows:

1.2.1 Cash Portion of the Purchase Price. Buyer shall deposit an amount equal to 100.00% of the Purchase Price ("Cash Portion") plus the amount, if any, required of Buyer under Section 4 or any other provision of this Agreement, at least two (2) Business Days before the Close of Escrow.

1.3 Buyer's Deliveries. Buyer shall execute, acknowledge (where appropriate) and deposit with Seller no later than two Business Days following Buyer's execution of this Agreement the signed original (i) Tenants in Common Agreement, (ii) NNN PLUS™ Lease, (iii) Loan Assumption Documents, if required, and (iv) such other documents as may be required by Lender or by Seller (all documents collectively are referred to as the "Transaction Documents"). If Buyer fails to make such deposit, then Seller may terminate the Escrow and this Agreement in accordance with Section 2.4.

1.4 Buyer's Intent to Exchange. If Buyer's acquisition of the Property is part of a tax-deferred exchange pursuant to Section 1031 of the Code, it is a condition precedent to the closing of this escrow that Buyer is able to complete an exchange pursuant to an Exchange Agreement between Buyer and Accommodator, ("Accommodator"). Seller agrees to execute such documents or instruments as may be necessary or appropriate to evidence such exchange, provided that Seller's cooperation in such regard shall be at no additional costs, expenses, or liabilities whatsoever to Seller and that no additional delays in the scheduled closing date of this escrow are incurred unless mutually agreed upon by all parties to this Agreement.

#### 2. Opening and Close of Escrow.

2.1 Opening of Escrow. Upon execution of this Agreement by Seller, Buyer and Seller shall open Escrow by depositing with Escrow Agent a fully executed copy of this Agreement for use as escrow instructions. Escrow Agent shall execute the Consent of Escrow Agent at the end of this Agreement and deliver a fully executed Consent to Buyer and Seller. Buyer and Seller agree to execute additional escrow instructions not inconsistent with the terms of this Agreement reasonably required by Escrow Agent.

2.2 Seller's Deliveries. Prior to the Close of Escrow, Seller shall execute, acknowledge, where appropriate, and deposit into Escrow applicable certificates regarding federal and state withholding taxes, and a grant deed ("Grant Deed") in the appropriate form, conveying the Property to Buyer.

2.3 Close of Escrow. Escrow shall close on or before the Closing Date, at 1:00 p.m. local time by (i) filing for record the Grant Deed, the Tenants in Common Agreement, the Loan Assumption Documents, if necessary, and such other documents as may be necessary to procure Buyer's Title Policy (as defined below), (ii) delivering the executed NNN PLUS™ Lease Agreement and (iii) delivering funds and documents as set forth in Section 5 WHEN AND ONLY WHEN (a) all funds and instruments required pursuant to Sections 1 and 2 have been delivered to Escrow Agent and (b) each of the conditions precedent set forth in Section 3 has been, or upon such closing shall be, satisfied or waived as provided in Section 3.2. Escrow Agent is instructed to insert the Closing Date as the date of the Grant Deed and the other Transaction Documents.

2.4 Latest Closing. If Escrow has not closed by 5:00 p.m. on the Business Day after the Closing Date, for any reason other than the default of either Buyer or Seller under this Agreement, either party who is not then in default may terminate Escrow and this Agreement by written notice to the other party and to Escrow Agent. If this Agreement is so terminated for any reason other than the default of Buyer or Seller hereunder, (i) Buyer and Seller shall promptly execute and deliver any cancellation instructions reasonably requested by Escrow Agent, (ii) Buyer and Seller shall be released from their obligations under this Agreement and the Transaction Documents, other than any obligations of Buyer or Seller that survive termination of this Agreement and the Transaction Documents, and (iii) all documents and funds shall be returned to the party who deposited them.

### 3. Conditions to Closing.

3.1 Closing Conditions. This Agreement and the obligations of the parties hereunder are subject to satisfaction or waiver (by the party in whose favor the condition precedent has been established) of all the conditions precedent set forth below.

3.1.1 Review of Preliminary Report. Prior to the date hereof, Buyer has reviewed and approved the Preliminary Report, the Permitted Exceptions and copies of all recorded documents described in the Preliminary Report. If any new exceptions to title appear of record prior to the Closing Date, Escrow Agent shall deliver to Seller and Buyer a supplemental preliminary report ("Supplemental Report") issued by Title Company, together with legible copies of all recorded documents. Buyer shall have three (3) Business Days to review and deliver to Seller and Escrow Agent notice of approval or disapproval of any Supplemental Report; provided, however, that Buyer shall not unreasonably withhold its approval of any items, including, without limitation, easements, rights -of-way and other matters which do not have a material and adverse impact on the value of the Property. Buyer's failure to deliver notice of disapproval shall be deemed to be Buyer's approval of any Supplemental Report. If Buyer delivers notice of disapproval and Seller elects in its sole discretion to do so, within five (5) Business Days of the delivery of Buyer's notice, Seller may elect by written notice to Buyer to remove (or otherwise cure in a manner reasonably satisfactory to Buyer) any disapproved items at or prior to the Closing Date. If Seller does not deliver such written notice to Buyer, Seller shall be deemed to have elected not to remove or cure the disapproved items. If Seller elects not to remove any such item(s), Buyer may either waive its prior disapproval or terminate this Agreement by delivering a written notice of termination to Seller within three (3) Business Days after Seller's election. If Buyer does not so elect to terminate this Agreement, Buyer shall be deemed to have waived its disapproval. If Buyer so delivers notice of its election to terminate this Agreement, then this Agreement shall terminate as provided in Section 2.4 above.

3.1.2 Title Insurance. Title Company shall be unconditionally committed to issue, immediately following recording of Grant Deed, a standard owner's policy of title insurance ("Title Policy"), with

liability in the amount of the Purchase Price insuring fee title to the Property vested in Buyer. Buyer shall take title to the Property subject to the Permitted Exceptions.

3.1.3 Due Diligence Completion Acknowledgment. Buyer shall have completed to its total satisfaction all other due diligence activities with respect to the purchase of the Property and shall have signed a Due Diligence Completion Acknowledgment within ten (10) business days of the Effective Date.

3.1.4 Approval of Loan Assumption. If necessary, Lender shall in its sole discretion have approved Buyer.

3.1.5 Ownership of the Project. Seller shall have completed its purchase of the Project. If Buyer's acquisition of the Property is part of a tax-deferred exchange pursuant to Section 1031 of the Code, Seller recommends Buyer take appropriate steps under Section 1031 to identify other properties.

3.2 Failure of Conditions Precedent. Sections 3.1.1, 3.1.2, and 3.1.3 are for Buyer's benefit and may only be waived by Buyer. Section 3.1.4 is for Seller's benefit and may only be waived by Seller. Section 3.1.5 may not be waived. If any of the foregoing conditions precedent are neither satisfied nor waived by the Closing Date or earlier date specified, then either party, if not then in default hereunder, may terminate the Escrow and this Agreement in accordance with Section 2.4

#### 4. Prorations, Fees and Costs.

4.1 Prorations. Escrow Agent will prorate between the parties, in cash, to the Close of Escrow any items Seller and Buyer mutually instruct Escrow Agent to prorate prior to the Close of Escrow. All prorations and/or adjustments shall be made on the basis of a thirty (30) day month, unless otherwise specifically instructed by Seller in writing.

4.2 Seller's Fees and Costs. Seller will pay (a) Escrow Agent's escrow fee for the sale of the Property; (b) all document-drafting and recording charges associated with the Property; (c) if charged by Lender, a loan assumption fee (the "Loan Assumption Fee"); (d) the title insurance premium for a standard owner's policy of title insurance; (e) any title endorsements Buyer requests on the Title Policy in an aggregate cost not to exceed \$500.00, and (f) City/County/State Documentary Transfer Tax, Excise and Sales Tax or similar charges in the amount Escrow Agent determines to be required by law.

4.3 Escrow Cancellation and Title Charges. If Escrow fails to close due to Buyer's default under this Agreement, Buyer shall pay all escrow cancellation and title charges. If Escrow fails to close for any reason other than the foregoing, Seller shall pay any escrow cancellation and title charges.

#### 5. Distribution of Funds and Documents.

5.1 Deposit of Funds. After Opening of Escrow, all cash, if any, received hereunder by Escrow Agent shall, until the Close of Escrow, be kept on deposit with other funds in Escrow Agent's general escrow account(s), in any state or national bank, and may be transferred to any other such general escrow account(s).

5.2 Disbursements. Escrow Agent at the Close of Escrow will hold for personal pickup, or if requested, wire transfer to an account designated by the party receiving such funds: (i) to Seller, or order, the Cash Portion of the Purchase Price, plus any prorations or other credits to which Seller will be entitled less any appropriate prorations or other charges, (ii) to Lender, the Loan Assumption Fee, if any, and any other items in accordance with Section 4.2, and (iii) to Buyer, or order, any excess funds previously delivered to Escrow Agent by Buyer. All other disbursements by Escrow Agent shall be made by checks of Escrow Agent.

5.3 Recorded Documents. Escrow Agent will cause the County or City Recorder to mail the Grant Deed (and each other document which is herein expressed to be, or by general usage is, recorded) after recordation, to the grantee, beneficiary or person (i) acquiring rights under said document or (ii) for whose benefit said document was acquired. At Close of Escrow, Escrow Agent will deliver to Seller a copy (conformed to show

recording date) of the Grant Deed and each document recorded to place title in the condition required by this Agreement.

5.4 Unrecorded Documents. At the Close of Escrow, Escrow Agent will deliver by United States mail (or will hold for personal pickup, if requested) each non-recorded document received hereunder by Escrow Agent to the person (i) acquiring rights under said document or (ii) for whose benefit said document was acquired.

6. Default.

IF ESCROW FAILS TO CLOSE DUE TO DEFAULT OF A PARTY HERETO, IT IS AGREED THAT, SUBJECT TO SECTION 9 HEREOF, THE NONDEFAULTING PARTY SHALL HAVE THE RIGHT TO PURSUE ANY AND ALL RIGHTS AVAILABLE UNDER LAW OR EQUITY.

	Seller's Initials	Buyer's Initials	Buyer's
Initials			

7. Buyer Representations and Warranties.

7.1 No Concern of Escrow Agent. Escrow Agent shall have no concern with or liability or responsibility for this Section.

7.2 PURCHASE AS-IS. BUYER REPRESENTS AND WARRANTS THAT IT IS RELYING SOLELY ON ITS OWN INSPECTIONS, INVESTIGATIONS AND ANALYSES OF THE PROJECT IN ENTERING INTO THIS AGREEMENT AND BUYER IS NOT RELYING IN ANY WAY UPON ANY SPECIAL ABILITIES, REPRESENTATIONS, STATEMENTS, AGREEMENTS, WARRANTIES, STUDIES, REPORTS, DESCRIPTIONS, GUIDELINES OR OTHER INFORMATION OR MATERIAL FURNISHED BY SELLER OR ITS AFFILIATES OR OTHER REPRESENTATIVES, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, OF ANY NATURE WHATSOEVER, REGARDING ANY SUCH MATTERS AND IS PURCHASING THE PROPERTY IN "AS-IS" CONDITION. BUYER IS A SOPHISTICATED AND EXPERIENCED REAL ESTATE OWNER AND OPERATOR AND WILL RELY ENTIRELY UPON ITS OWN INDEPENDENT REVIEW OF THE PROJECT. BUYER FULLY UNDERSTANDS AND ACCEPTS ALL RISKS INVOLVED IN PURCHASING THE PROPERTY. BUYER IS FULLY AWARE OF, ACCEPTS, IS CAPABLE OF EXERCISING OR FULFILLING AND INTENDS TO EXERCISE, OR FULFILL, AS APPLICABLE, THE RIGHTS AND RESPONSIBILITIES UNDER ALL OF THE TRANSACTION DOCUMENTS RELATED TO THIS REAL ESTATE PURCHASE. BUYER FURTHER ACKNOWLEDGES THAT, PRIOR TO THE DATE OF THIS AGREEMENT, BUYER HAS HAD THE OPPORTUNITY TO CONDUCT ANY AND ALL PHYSICAL INSPECTIONS OF THE PROJECT AS BUYER DEEMS NECESSARY, TO REVIEW AND APPROVE EACH OF THE TRANSACTION DOCUMENTS AND TO CONDUCT SUCH OTHER TESTS, INVESTIGATIONS AND REVIEW AS BUYER DEEMS NECESSARY. SELLER STRONGLY RECOMMENDS THAT BUYER PERSONALLY INSPECT THE PROPERTY.

7.3 NO TAX OR OTHER SELLER REPRESENTATIONS. BUYER UNDERSTANDS THAT SELLER HAS NOT OBTAINED A RULING FROM THE INTERNAL REVENUE SERVICE ("IRS") THAT THE PROPERTY WILL BE TREATED AS AN UNDIVIDED INTEREST IN REAL ESTATE AS OPPOSED TO A PARTNERSHIP INTEREST. BUYER UNDERSTANDS THAT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE PROPERTY, ESPECIALLY THE TREATMENT OF THE TRANSACTION UNDER INTERNAL REVENUE CODE ("IRC") SECTION 1031 AND THE RELATED "1031 EXCHANGE" RULES ARE COMPLEX AND VARY WITH THE FACTS AND CIRCUMSTANCES OF EACH INDIVIDUAL PURCHASER. BUYER SPECIFICALLY REPRESENTS AND WARRANTS THAT (I) BUYER HAS CONSULTED ITS OWN TAX AND OTHER ADVISOR(S) TO THE EXTENT BUYER DEEMS NECESSARY REGARDING A PURCHASE OF THE PROPERTY AND THE TREATMENT OF THE TRANSACTION UNDER IRC SECTION 1031; AND (II) BUYER IS NOT RELYING ON SELLER OR ANY OF ITS AFFILIATES FOR ANY TAX ADVICE REGARDING THE

Buyer's Initials

Buyer's Initials

7.4 Commissions. The parties mutually warrant and covenant that, other than any commissions and fees to be paid by Seller in accordance with a separate agreement, no brokerage commissions, finder's fees or similar commissions or fees shall be due or payable on account of this transaction. Each party shall indemnify, protect, defend (with legal counsel acceptable to the other) and hold the other harmless from the claims for such commissions or finder's fees or similar commissions or fees arising out of the actions of the indemnifying party, including, without limitation, attorneys' fees and costs, incurred in connection therewith or to enforce this indemnify, which indemnity shall survive the Close of Escrow.

7.5 Additional Buyer Representations and Warranties. Buyer hereby represents and warrants to Seller that the following are true and correct on the date of this Agreement and shall be true and correct as of the Closing Date:

7.5.1 Buyer has had the opportunity to ask questions of and receive answers from the Seller and from DBSI Housing Inc., the Lessee under the NNN PLUS™ Lease, and all of their officers, employees, affiliates, advisors, legal counsel and accountants (collectively, the "Seller Group"), concerning the Project and the terms and conditions of the Property. Buyer has been provided with all materials and information requested by either Buyer or others representing Buyer, including any information requested to verify any information furnished by Seller, and is completely satisfied with the results of this real estate due diligence activity.

7.5.2 Buyer understands that no member of the Seller Group (as defined in Section 7.5.1 above) represent Buyer in any way in connection with the purchase of the Property and the entering into any of the related agreements associated with the purchase, including, but not limited to the Tenant in Common Agreement and the NNN PLUS™ Lease Agreement. Buyer also understands that legal counsel to members of the Seller Group do not represent, and shall not be deemed under the applicable codes of professional responsibility, to have represented or to be representing Buyer.

7.5.3 Within five days after receipt of a written request from Seller, the undersigned agrees to provide such information and to execute and deliver such documents as may be reasonably necessary to comply with any and all laws and regulations or contractual agreements to which Seller or the tenancy in common formed by the Tenants in Common Agreement or the financing is subject.

7.5.4 The representations and warranties of Buyer set forth herein above shall survive the Close of Escrow or termination of this Agreement.

## 8. GENERAL PROVISION.

8.1 Interpretation. The use herein of (i) the neuter gender includes the masculine and the feminine, (ii) the singular number includes the plural, whenever the context so requires, and (iii) the words I and me include we and us if Buyer is more than one person. Captions in this Agreement are inserted for convenience of reference only and do not define, describe or limit the scope or the intent of this Agreement or any of the terms hereof. All exhibits referred to herein and attached hereto are incorporated by reference. This Agreement together with the other Transaction Documents contain the entire agreement between the parties relating to the transactions contemplated hereby, and all prior or contemporaneous agreements, understandings, representations and statements, oral or written are merged herein.

8.2 Modification. No modification, waiver, amendment, discharge or change of this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement thereof is or may be sought.

8.3 Cooperation. Buyer and Seller acknowledge that it may be necessary to execute documents other than those specifically referred to herein to complete the acquisition of the Property as provided herein. Buyer and Seller agree to cooperate with each other in good faith by executing such other documents or taking such other action as may be reasonably necessary to complete this transaction hi accordance with the parties' intent evidenced in this Agreement.

8.4 Assignment. Buyer shall not assign its rights under this Agreement except to the Accommodator without first obtaining Seller's written consent, which consent may be withheld in Seller's sole and absolute discretion. No such assignment shall operate to release the assignor from the obligation to perform all obligations of Buyer hereunder. Seller shall have the absolute right to assign its rights and obligations under this Agreement.

8.5 Notices. Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be addressed as follows:

If to Seller, to:     FOR 1031 **Watkins** LLC  
                              12426 W. Explorer Drive, Suite 220  
                              Boise, ID 83713

If to Buyer, to:     Buyer(s)  
                              Street Address  
                              City, State, Zip

Either party may change such address by written notice to Escrow Agent and the other party. Unless otherwise specifically provided for herein, all notices, payments, demands or other communications given hereunder shall be deemed to have been duly given and received: (i) upon personal delivery, (ii) as of the third business day after mailing by United States registered or certified mail, or (iii) the immediately succeeding Business Day after deposit with Federal Express or other similar overnight delivery system.

8.6 Eminent Domain. If, prior to the Close of Escrow, all of the Project is taken or appropriated by any public or quasi-public authority under the power of eminent domain or Seller receives actual notice of any pending or threatened condemnation proceedings affecting all of the Project, then Buyer may terminate this Agreement without further liability hereunder and the parties shall proceed in accordance with Section 2.4. In the event of a partial taking of the Project or the threatened partial taking of the Project with respect to which Seller has received actual notice that materially and adversely affects the ability to operate the Project for the purposes it is currently operating, then Buyer can elect to either (a) terminate this Agreement in accordance with Section 2.4, or (b) purchase the Property with a reduction in the Purchase Price in an amount equal to condemnation award received from the condemning authority with respect to the Property. In the event of a threatened taking or a lack of finality of any proceedings to determine the award in an actual taking, Escrow shall close and Seller shall assign to Buyer its interest in any condemnation award with respect to the Property.

8.7 Loss or Damage. Buyer shall have no right to terminate this Agreement in the event of any loss or damage to the Project. The parties acknowledge and agree that in no event shall the Close of Escrow be extended due to any such loss or damage.

8.8 Periods of Time. All time periods referred to in this Agreement include all Saturdays, Sundays and state or United States holidays, unless Business Days are specified, provided that if the date or last date to perform any act or give any notice with respect to this Agreement falls on a Saturday, Sunday or state or national holiday, such act or notice may be timely performed or given on the next succeeding Business Day.

8.9 Counterparts. This Agreement may be executed in counterparts, all of which when taken together shall be deemed fully executed originals.

8.10 Attorneys' Fees. If either party commences litigation for the judicial interpretation, enforcement, termination, cancellation or rescission hereof, or for damages (including liquidated damages) for the breach hereof against the other party, then, in addition to any or all other relief awarded in such litigation, the substantially prevailing party therein shall be entitled to a judgment against the other for an amount equal to reasonable attorneys' fees and court and other costs incurred.

8.11 Joint and Several Liability. If any party consists of more than one person or entity, the liability of each such person or entity signing this Agreement shall be joint and several.

8.12 Choice of Law. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Idaho, without regard to conflict of laws principles.

8.13 Time. Time is of the essence with respect to all dates set forth in this Agreement.

8.14 Third Party Beneficiaries. Buyer and Seller do not intend to benefit any party (including any other Tenants in Common) that is not a party to this Agreement and no such party shall be deemed to be a third party beneficiary of this Agreement or any provision hereof.

8.15 Severability. If any term, covenant, condition, provision or agreement herein contained is held to be invalid, void or otherwise unenforceable by any court of competent jurisdiction, such fact shall in no way affect the validity or enforceability of the other portions of this Agreement.

8.16 Election to Effect an Internal Revenue Code Section 1031 Exchange. In the event Buyer so elects, Seller agrees to accommodate Buyer in effecting a tax-deferred exchange under Section 1031 of the Code. Buyer shall have the right to elect a tax-deferred exchange at any time prior to the Closing Date. If Buyer elects to effect a tax-deferred exchange, Seller agrees to execute revised or additional escrow instructions, documents, agreements or instruments to effect the exchange, provided that Seller shall incur no additional costs, expenses, fees or liabilities, nor shall the closing be delayed, as a result of the exchange. Buyer may assign this Agreement to the Accommodator in order to effect such exchange and, thereafter, such assignee will perform Buyer's obligations under this Agreement.

8.17 Binding Agreement. Subject to any limitation on assignment set forth herein, all terms of this Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective legal representatives, successors and permitted assigns.

9. ARBITRATION OF DISPUTES.

9.1 ALL CLAIMS SUBJECT TO ARBITRATION. ANY DISPUTE, CONTROVERSY OR OTHER CLAIM ARISING UNDER, OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR ANY AMENDMENT THEREOF OR THE BREACH OR INTERPRETATION HEREOF OR THEREOF, SHALL BE DETERMINED AND SETTLED BY BINDING ARBITRATION IN BOISE, IDAHO UNDER THE RULES AND PROCEDURES OF THE AMERICAN ARBITRATION ASSOCIATION. THE SUBSTANTIALLY PREVAILING PARTY IN SUCH ACTION SHALL BE ENTITLED TO AN AWARD OF ITS REASONABLE COSTS AND EXPENSES INCURRED THEREIN, INCLUDING BUT NOT LIMITED TO ATTORNEYS' FEES AND COSTS. ANY AWARD RENDERED THEREIN SHALL BE FINAL, BINDING AND NON-APPEALABLE ON EACH AND ALL OF THE PARTIES THERETO, AND JUDGMENT MAY BE ENTERED THEREON IN ANY COURT OF COMPETENT JURISDICTION.

9.2 WAIVER OF LEGAL RIGHTS. BY INITIALING IN THE SPACE BELOW, THE PARTIES ACKNOWLEDGE AND AGREE TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THIS ARTICLE DECIDED BY NEUTRAL ARBITRATION AS PROVIDED UNDER IDAHO LAW AND THAT THEY ARE WAIVING ANY RIGHTS THEY MAY POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR BY JURY TRIAL. THE PARTIES FURTHER ACKNOWLEDGE AND AGREE THAT THEY ARE WAIVING THEIR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL. IF EITHER PARTY REFUSES TO SUBMIT TO ARBITRATION AFTER EXECUTION OF THIS AGREEMENT AND

THE IDAHO CODE OF CIVIL PROCEDURE. EACH PARTY'S AGREEMENT TO THIS ARTICLE IS VOLUNTARY. THE PARTIES HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THIS ARTICLE TO NEUTRAL ARBITRATION AS DESCRIBED ABOVE.

Seller's Initials

Buyer's Initials

Buyer's Initials

THE SUBMISSION OF THIS AGREEMENT FOR EXAMINATION OR ITS NEGOTIATION OR THE NEGOTIATION OF THE TRANSACTION DESCRIBED HEREIN DOES NOT CONSTITUTE AN OFFER TO PURCHASE OR SELL AND THE EXECUTION OF THIS AGREEMENT BY SELLER OR BUYER DOES NOT CONSTITUTE A BINDING CONTRACT UNTIL SUCH TIME AS THIS AGREEMENT HAS BEEN SIGNED BY AUTHORIZED OFFICERS OF BUYER AND SELLER AND DELIVERED TO BUYER AND SELLER. FOR PURPOSES OF THIS PARAGRAPH "DELIVERY" OR "DELIVERED" MAY INCLUDE ELECTRONIC DELIVERY OF THE AGREEMENT BY EMAIL OR FACSIMILE TRANSMISSION.

SELLER:  
FOR 1031 WatkinsLLC,  
an Idaho limited liability company

BUYER:

By: FOR 1031 LLC,  
an Idaho limited liability company  
a member

1<sup>st</sup> Buyer

By: \_\_\_\_\_  
Its: \_\_\_\_\_

2<sup>nd</sup> Buyer

IN WITNESS WHEREOF, this Agreement has been  
executed as of the Effective Date.

Dated: \_\_\_\_\_

Dated:

PARTIES MUST ALSO INITIAL SECTIONS 6, 7.3 AND 9.2

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CONSENT OF ESCROW AGENT

The undersigned Escrow Agent hereby *agrees* to (i) accept the foregoing Agreement, (ii) serve as Escrow Agent under said Agreement and (iii) be bound by said Agreement in the performance of its duties as Escrow Agent; provided, however, the undersigned shall have no obligations, liability or responsibility under (i) this Consent or otherwise unless and until said Agreement, fully signed by the parties, has been delivered to the undersigned or (ii) any

amendment to said Agreement unless and until the same shall be accepted by the undersigned in writing.

Dated: \_\_\_\_\_, 2004 (the "Opening of Escrow")

("Escrow Agent")

By \_\_\_\_\_

