LOAN PURCHASE AGREEMENT

THIS LOAN PURCHASE AGREEMENT (this "Agreement") is made as of the 2nd day
of July, 2007, by and among WACHOVIA BANK, NATIONAL ASSOCIATION, a national
banking association (the "Lender"), PRINCIPAL LIFE INSURANCE COMPANY, an Iowa
corporation, for its Principal US Property Separate Account ("Purchaser") and HENDERSON
LOFTS DEVCO LLC, an Arizona limited liability company ("Borrower").

                                                                   RECITALS:
A.   Pursuant to that certain Loan Agreement (the "Loan Agreement") dated as of
July 2, 2007, by and between Borrower and the Lender, the Lender has agreed to make an
acquisition loan (the "Loan") to Borrower in the aggregate maximum principal amount up to
Thirteen Million One Hundred Thousand and No/lOO Dollars ($13, 100,000.00) (as such amount
may be increased as agreed by the Lender, the Borrower and the Purchaser, the "Principal
Amount") as evidenced and secured by the documents listed on Exhibit A attached hereto
(collectively, the "Loan Documents").

B. Pursuant to the Loan Documents, the proceeds of the Loan shall be used by
Borrower to acquire certain real estate located in Henderson, Nevada sufficient for a future
development of three story Class A apartment buildings containing at least 324 garden-style
apartment units and to finance certain other costs and expenses in connection therewith as more
particularly described in the Loan Documents.

                            NOW, THEREFORE, with reference to the foregoing recitals, all of which are
incorporated herein by this reference, and for other good and valuable consideration, the receipt
and adequacy of which are hereby acknowledged, the parties hereto covenant and agree as
follows:
1.  Defined Terms.  Capitalized terms used but not defined in this Agreement shall,
unless otherwise indicated, have the respective meanings set forth in the Loan Agreement.
2.        Purchaser's Obligation to Purchase the Loan.
2.1      Put Right.
(a) Unless on or before the Trigger Event Date (as hereinafter defined), all
of the Obligations (as hereinafter defined), including, without limitation, all obligations of
Borrower to Lender or any affiliate of Lender under any interest rate swap transaction or other
interest rate hedging transaction entered into between Borrower and Lender or any affiliate of
Lender ("Swap Transaction") have been paid and satisfied in full, then, within thirty (30) days
after receipt of written demand from the Lender after the occurrence of a Trigger Event Date,
Purchaser shall purchase the Loan Rights (as hereinafter defined) from the Lender for an amount
equal to the aggregate amount of all outstanding principal, accrued and unpaid interest, fees,
costs and other amounts due and payable to the Lender pursuant to the Loan Documents as of
the date of Loan Transfer (as hereinafter defined), including, without limitation, amounts owing
by Borrower in connection with any Swap Transaction, amounts owing to the Lender for
reimbursement of advances made by Lender pursuant to the Loan Documents (such as, for
example, and without limitation, advances for real property taxes, insurance premiums and
security and repair costs that may be paid by the Lender), and other amounts owing to the Lender

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under the Loan Documents whether pursuant to the exercise of the rights and remedies of the
Lender or otherwise (collectively. the "Purchase Price"). The reference in Recital Paragraph A
above to "Principal Amount" is not intended to limit the amount of the Purchase Price payable
hereunder. After the occurrence of a Trigger Event Date of which the Lender has actual
knowledge, the Lender shall make no additional advances under the Loan Documents to the
Borrower, unless such advances are made to protect and preserve Lender's collateral for the
Loan. Notwithstanding the foregoing, Lender shall not hereafter make any Borrower-requested
advance or draw of the Loan to Borrower if the outstanding principal balance of the Loan
exceeds the Principal Amount, or if such advance would cause the outstanding principal balance
of the Loan to exceed the Principal Amount, without Purchaser's prior written consent. If
Purchaser fails to purchase the Loan Rights (and pay the Purchase Price in full) within such
thirty (30) day period, interest shall accrue and be payable on the Purchase Price at the same rate
as is then payable on amounts outstanding under the Loan Documents. Simultaneously with
receipt by the Lender of the Purchase Price from Purchaser, and as a condition to Purchaser's
obligation to pay the Purchase Price, the Lender, pursuant to documents reasonably acceptable to
Purchaser and the Lender (including the original Note endorsed to the order of the Purchaser)
(the "Transfer Documents"), shall transfer, grant, sell, convey and assign to Purchaser (the "Loan
Transfer") all of the Loan Rights (as hereinafter defined), without recourse, representation or
warranty of any kind or nature whatsoever, except for the representations and warranties set forth
in Section 4.1 below.

                                               For the purposes of this Agreement, (i) the term "Trigger Event Date"
shall mean the earliest of (A) the Maturity Date (as defined in the Note and as such date may be
extended by agreement of the Lender, the Borrower and the Purchaser), (B) the date.on which (i)
a monetary default or (ii) other Default (as such term may be defined in the Loan Agreement, the
Note or any other Loan Document) shall have occurred and any applicable grace or cure period
shall have expired without the curing thereof; (C) the date on which an Event of Bankruptcy (as
hereinafter defined) occurs; (D) the date on which the Purchaser shall fail to perform any
obligation (other than its obligation to purchase the Loan set forth in Section 2.1(a)) to be
performed by it under this Agreement following thirty (30) days prior written notice by the
Lender to the Purchaser and the failure by the Purchaser to cure such failure with such thirty (30)
day period; (E) the failure by the Purchaser to comply with any of the financial covenants set
forth in Section 9.1 (a), (b) or (d) of the Credit Agreement; and (F) the date on which any
representation made by the Purchaser in this Agreement shall prove to have been incorrect in any
material respect as of the date made; (ii) the term "Event of Bankruptcy" shall mean Borrower's
or Purchaser's making an assignment for the benefit of creditors, or a receiver, custodian or
trustee being appointed for Borrower or Purchaser, or Borrower's or Purchaser's being the
subject of a bankruptcy, reorganization or insolvency or similar type proceeding (voluntarily or
involuntarily), and in the case of an involuntary proceeding. such proceeding not being dismissed
within sixty (60) days from the date of commencement thereof; (iii) the term "Obligations" shall
mean all of Borrower's (A) obligations to pay all principal, interest, attorneys' fees, expenses
and other sums due or to become due pursuant to (1) the Loan Agreement, the Note or any other
Loan Document and (2) any extensions, renewals or modifications of the Loan Agreement, the
Note or any other Loan Document, together with all expenses of, for and incidental to collection,
including reasonable attorneys' fees, and (B) obligations of performance of all terms and
conditions in the Loan Documents; and (iv) the term "Credit Agreement" shall mean that certain
Credit Agreement dated as of October 18, 2004, among the Purchaser, Wachovia Bank, National

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Association, as Administrative Agent and the financial institutions party thereto from time to
time, as in effect on the date of this Agreement, but giving effect to (A) any waivers,
amendments and amendments and restatements thereto and thereof with respect to which the
Lender has given its consent and (B) any replacement credit agreement entered into by the
Purchaser to which the Lender is a party (it being understood that any references to sections of
such Credit Agreement contained in this Agreement shall automatically be deemed to he
references to corresponding sections in any such replacement credit agreement entered into by
the Purchaser to which the Lender is a party).

                                    (b) Purchaser's obligation to purchase the Loan Rights if the Obligations
have not been paid and performed in full on or prior to the Trigger Event Date shall be
unconditional and shall not be affected by any matter whatsoever (subject to compliance by the
Lender with the terms of Section 2.1 (a), Section 2.4 and Section 4.1 of this Agreement). Without
limiting the foregoing, it is expressly acknowledged by Purchaser to the Lender that Purchaser
has fully and completely investigated and reviewed all matters pertaining to the Loan, Borrower
and any other matter(s) Purchaser deems relevant, and that Purchaser's obligation to purchase the
Loan Rights as herein required shall not be limited, modified or otherwise affected in any
manner (except that the date of such purchase obligation may be affected as set forth in this
Agreement) by (a) the insolvency, bankruptcy, dissolution, liquidation, termination, receivership,
reorganization, merger, consolidation, change of form, structure or ownership, sale of all assets,
or lack of corporate, partnership or other power of Borrower; (b) noncompliance of the Borrower
with any laws, rules, orders regulations, codes or ordinances of any governmental body having
jurisdiction, or with any contractual obligation owing to any person; (c) the environmental
contamination or environmental condition of the Property or the Project; (d) the status of legal
title to the Property or the Project; (e) the pendency or potential of any litigation involving
Borrower; (f) the sufficiency of the Loan Documents; (g) any defenses or claim Borrower may
assert regarding the validity of the Loan Documents; or (h) the status or priority of any lien or
security interest of the Lender in any property or assets of Borrower. Purchaser further
acknowledges that (1) its obligation to purchase the Loan Rights shall not be limited, modified or
otherwise affected in any manner by the taking, or failing to take, by the Lender of any
enforcement action in the event of any Default under the Loan Documents and (2) the Lender
shall have no obligation to take (or refrain from taking) any enforcement action against Borrower
which may be taken pursuant to the terms of the Loan Documents or applicable law. Purchaser
acknowledges that so long as the Lender makes the representations and warranties provided in
Section 4.1 below, Purchaser shall bear the risk of all contingencies and circumstances, and none
of the same shall affect Purchaser's obligation to purchase the Loan Rights pursuant to Section
2.1(a) above, and the Lender is entering into this Agreement in reliance on Purchaser's
unconditional obligation (subject to compliance by the Lender with the terms of Section 2.1(a)
and Section 4.1 of this Agreement) to purchase the Loan Rights as herein set forth. The Lender
shall assign to the Purchaser all of its right to any on-going enforcement action upon
consummation of the transfer of the Loan Rights hereunder and shall cooperate with the
Purchaser's reasonable efforts to effectuate such assignment to the Purchaser.

                                             (c) Borrower hereby acknowledges and agrees that nothing in this
Agreement shall: (i) limit, restrict, impair, modify or amend any of the terms, covenants and
conditions to Borrower's obligations under any Loan Document; or (ii) release, discharge or
relieve Borrower from performing or satisfying any of the terms, covenants and conditions of
any Loan Document.

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                                         (d)  Borrower hereby acknowledges and agrees that from and after the
Trigger Event Date, the Lender's commitment to make further advances under the Loan shall
terminate and the failure of the Lender to take, or the taking by the Lender of, any enforcement
action under the Loan Documents as provided in Section 2.1 (b) shall not: (i) release, discharge
or waive any breach of or Default under the Loan Documents; (ii) limit, restrict or impair rights
or remedies of the Lender under the Loan Documents; or (iii) affect the enforceability of the
Loan Documents.
2.2    Loan Rights. For purposes of this Agreement, the term "Loan Rights" shall mean
all of the right, title and interest in, to and under the Loan and Loan Documents and, to the extent
pertaining thereto, to the following: (i) all amounts funded by or payable to the Lender pursuant
to the Loan Documents, including all escrows or reserves held by the Lender, and all obligations
then owed the Lender in connection with the Loan and Loan Documents;  (ii)  the Loan
Documents (and any other documents or instruments now or hereafter evidencing or securing the
Loan); (iii) all claims (including claims as defined in Bankruptcy Code § 101(5)), suits, cause of
action and other rights of the Lender, whether known or unknown, against Borrower or any
guarantor or other obligor of the Loan (each an "Obligor") or any of their respective affiliates,
agents, representatives, contractors or advisors (or any other person or entity) that in any way is
based upon, arises out of or is related to any of the foregoing, including, to the extent permitted
to be assigned under applicable law, all claims (including contract claims, tort claims,
malpractice claims and claims under law governing the purchase and sale of, or indentures for,
securities), suits, causes of action, and any other right of the Lender against any attorney,
accountant, financial advisor or other person or entity arising under or in connection with the
Loan and Loan Documents; (iv) all guarantees and all Collateral (hereinafter defined) of any
kind for or in respect of the Loan or the Loan Documents; (v) all cash, securities or other
property and all setoffs and replacements, received, applied or affected by the Lender under the
Loan or the Loan Documents, in all cases received by the Lender after the date of the Loan
Transfer (and pertaining to the Loan), including all distributions obtained by or through
redemption, or a plan of reorganization, restructuring or liquidation of Borrower or any Obligor
with respect to the Loan Documents, and all cash, securities, interest, dividends and other
property that may be exchanged for, or distributed or collected with respect to, any of the
foregoing; (vi) all of the rights of the Lender under any property liability and title insurance
policies relating to the Property, the Project, the Loan and the Loan Documents (to the extent
transferable and assignable and pertaining to acts, events, projects or circumstances after the date
of the Loan Transfer); (vii) all insurance and condemnation proceeds and any rights to any
insurance and condemnation proceeds received by the Lender pursuant to the Loan Documents
to the extent not applied to any sums outstanding under the Loan Documents prior to the date of
the Loan Transfer and to the extent received after the date of the Loan Transfer, and (viii) all
products and proceeds of the foregoing. For purposes of this Agreement, the term "Collateral"
shall mean any property, whether real or personal, tangible or intangible, of any kind and
wherever located. whether now owned or hereafter acquired or created, in or over which a lien,
encumbrance or security interest has been, or is purported to have been, granted to or for the
benefit of the Lender pursuant to the Loan Documents, if any.

                    2.3          Certain Agreements and Waivers.by Purchaser.
(a) Purchaser hereby agrees that neither the rights and remedies of the Lender
nor Purchaser's obligations under the terms of this Agreement shall be released, diminished,

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impaired, reduced or affected by anyone or more of the following events, actions, facts, or
circumstances, and the liability of Purchaser under this Agreement shall be absolute and
unconditional irrespective of:

                                        (i) any limitation of liability or recourse in any other Loan Document
or arising under any law;

                                        (ii) any and all applicable statutes of limitations, all of which
Purchaser hereby waives to the fullest extent permitted by law as a defense to any action or
proceeding that may be brought by the Lender against Purchaser,

                                       (iii) any claim or defense that this Agreement was made without
consideration or is not supported by adequate consideration;

                                       (iv) the taking or accepting of any other security or agreement for, or
right of recourse with respect to, any or all of Borrower's obligations under the Loan Documents;

                                         (v) any deterioration, waste, failure to protect or preserve, impairment,
or loss of, or any failure to create or perfect any lien or security interest with respect to any
Collateral, including any impairment of Purchaser's recourse against any person or Collateral;

                                         (vi) any neglect, lack of diligence, delay, omission, failure, or refusal
of the Lender to take or prosecute (or in taking or prosecuting) any action for the collection or
enforcement of any of the obligations under the Loan Documents, or to exercise (or in
exercising) any other right or power with respect to any security therefor, or to take or prosecute
(or in taking or prosecuting) any action in connection with any Loan Document, or any failure to
sell or otherwise dispose of in a commercially reasonable manner any Collateral;

                                          (vii) any failure of the Lender to notify Purchaser of, and Purchaser
shall be responsible for obtaining for itself, information regarding Borrower, including any
changes in the business or financial condition of Borrower, and Purchaser acknowledges and
agrees that the Lender shall have no duty to notify Purchaser of any information which any of
them may have concerning Borrower;

                                          (viii) the making of advances by the Lender to protect their interest in
the Collateral, if any, to preserve the value of such Collateral, if any, or to facilitate performance
of any term or covenant contained in any or the Loan Documents;

                                            (ix) the existence of any claim, counterclaim, set-off or other right that
Purchaser may at any time have against Borrower, the Lender, or any other person, whether or
not arising In connection with this Agreement, the Loan Agreement or any other Loan
Document;

                                             (x) the unenforceability of all or any part of the Borrower's
Obligations under the Loan Documents against Borrower, whether because such obligations
exceed the amount permitted by law or violate any usury law, or because the act of creating such
obligations, or any part thereof, is ultra vires, or because the officers or persons creating such
obligations acted outside the scope of their authority, or because of a lack of validity or
enforceability of or defect or deficiency in any of the Loan Documents, or because Borrower has
any valid defense, claim or offset with respect thereto, or because Borrower's obligation ceases
to exist by operation of law, or because of any other reason or circumstance, it being agreed that
Purchaser shall remain liable on this Agreement regardless of whether Borrower may be found

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not liable for such obligations, or any part thereof, for any reason (and regardless of any joinder
of Borrower or any other party in any action to obtain payment or performance of any or all of
the Borrower's obligations under the Loan Documents);

                                             (xi) any order, ruling or plan of reorganization emanating from
proceedings under Title II of the United Slates Code with respect to Borrower or any other
person, including any extension, reduction, composition, or other alteration of Borrower's
obligations under the Loan Documents, whether or not consented to by the Lender; or

                                             (xii) any other condition, event, omission, action or inaction that would,
in the absence of this Section 2.3 result in the release or discharge of Purchaser from the
performance or observance of any obligation, covenant or agreement contained in this
Agreement or :my other agreement.

                        (b) Purchaser waives all other suretyship defenses Purchaser would otherwise
have under the applicable laws of any jurisdiction.

                        (c) No provision or waiver in this Agreement shall be construed as limiting
the generality of any other provision or waiver contained in this Agreement. All of the waivers
contained herein are irrevocable and unconditional and are intentionally and freely made by
Purchaser.
2.4          Agreements of Lender.

                                               (a)       Lender agrees to provide Purchaser from time to time on
Purchaser's request an estoppel certificate setting forth the outstanding principal balance of the
Loan, stating whether to Lender's knowledge there are any Defaults by Borrower under the Loan
Documents, and if there are any such Defaults or events that Lender has notified Borrower could
become Defaults if left uncured during the allowed cure period, describing such Defaults or
events that Lender has notified Borrower could become Defaults if left uncured during the
allowed cure period.

                                               (b)    Lender shall notify Purchaser of any protective advances made by
Lender pursuant to the Loan Documents.

           3.      Borrower Estoppel. Borrower agrees that in the event Purchaser acquires the
Loan Rights pursuant to this Agreement, Purchaser will not be subject to (i) any act, omission or
breach of warranty or representation of the Lender, including, without limitation, failure by the
Lender to take any action under the Loan Documents, failure of the Lender to make any advance
under any of the Loan Documents, or to perform any of its obligations under the Loan
Documents; (ii) any claim, cause of action, offset, defense or counterclaim which Borrower
might be entitled to assert against the Lender or to Borrower's obligations under the Loan
Documents (and Borrower hereby waives any such claims, causes of action, offsets, defenses or
counterclaims); or (iii) any amendment or modification of the Loan Documents not consented to
by Purchaser.   Additionally, in such event, Purchaser shall not be liable for any fees, deposits or
other funds paid by Borrower to the Lender which have not been conveyed to Purchaser, and
neither the Lender nor Purchaser shall be required to make any advance of proceeds after
Purchaser's acquisition of the Loan Rights.

            4. Representations

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                       4.1        Limited Representations of Lender. At the closing of the Loan Transfer,
the Lender shall certify to Purchaser the amount of outstanding principal, accrued and unpaid
interest and other charges payable to the Lender pursuant to the Loan Documents, including,
without limitation, amounts owing to Lender or any affiliate of Lender in connection with any
Swap Transaction, and the Lender shall represent and warrant to Purchaser that: (i) the Lender is
the sole, legal and beneficial owner of all Loan Rights, free and clear of any lien, encumbrance
or security interest; (ii) the Loan Rights are not subject to any other currently effective agreement
for the sale, transfer or assignment of such Loan Rights, in whole or in part; (iii) Lender has full
power and authority to transfer all of the Loan Rights 10 Purchaser pursuant to the Transfer
Documents; (iv) the execution and delivery of the Transfer Documents by the Lender have been
duly and validly authorized, and the Transfer Documents have been executed and delivered by
the Lender; (v) Lender has provided to Purchaser all original (or copies if no originals exist)
Loan Documents in its possession or control and all schedules and exhibits to such Loan
Documents, including all written waivers, supplements, forbearances and amendments thereto;
(vi) except for consents and waivers which have been given by the Lender generally pursuant to
and in accordance with the Loan Documents or the administration of the Loan, and which do not
materially impair the realization of remedies under the Loan Documents (it being understood that
this provision is not intended to constitute a representation or warranty by Lender as to the
existence, availability or enforcement of any such remedies), Lender has not consented to any
modification, release or waiver of any term or provision of the Loan Documents, including,
without limitation, any term or provision with respect to the amount or time of any payment of
principal or the rate or time of any payment of interest, which has not been consented to in
writing by Purchaser; (vii) other than as consented to by Purchaser in writing, Lender has not
released any Collateral; and (viii) the Loan Rights transferred to Purchaser by the Lender
constitute one hundred percent (100%) of the Loan Rights with respect to the Loan.

            4.2 Purchaser Limited Representations.  (a)        Purchaser hereby represents and
warrants to the Lender that: (i) Purchaser has the full power and authority to execute, deliver and
perform its obligations under this Agreement, (ii) the execution, delivery and performance of its
obligations under this Agreement have been duly and validly authorized by all necessary action
and this Agreement has been duly executed and delivered by the Purchaser, (iii) Purchaser has
conducted its own due diligence with respect to the Borrower and the Project and its decision to
enter into this Agreement and has made its own credit evaluation and has not relied in any
respect on the Lender in makings its decision to enter into this Agreement, and (iv) this
Agreement is the legal, valid and binding obligation of Purchaser, enforceable against Purchaser
in accordance with its terms, subject to the effect, if any, of bankruptcy, insolvency,
reorganization, arrangement or other similar laws relating to or affecting the rights of creditors
generally and the limitations, if any, imposed by general principles of equity and public policy.

             (b) At the closing of the Loan Transfer, Purchaser shall represent and warrant to the
Lender that: (i) Purchaser has full power and authority to purchase the Loan Rights from the
Lender pursuant to the Transfer Documents; (ii) the execution and delivery of the Transfer
Documents by Purchaser have been duly and validly authorized, and the Transfer Documents
have been duly executed and delivered by Purchaser, and (iii) Purchaser has conducted its own
due diligence with respect to the acquisition of the Loan Rights and has made its own credit
evaluation without any reliance on the Lender whatsoever.

           5.          Limitation of Liability .

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                             5.1      Notwithstanding any contrary provisions of this Agreement, the Lender
expressly acknowledges that (a) Purchaser assumes no liability for Borrower's failure to perform
under this Agreement; and (b) in no event shall Purchaser be liable for any obligations under the
Loan Documents, but this clause (b) shall not limit Purchaser's obligations under this Agreement
nor relieve Purchaser of any obligations under any subsequent agreement(s) that Purchaser may
enter into with the Lender.

                            5.2      Notwithstanding any contrary provision of this Agreement, Purchaser
expressly acknowledges that (a) the Lender assumes no liability tor Borrower's failure to
perform under this Agreement; and (b) the Lender assumes no liability for Borrower's failure to
perform under the Loan Documents, and in no event shall the Lender be liable for any of
Borrower's obligations under the Loan Documents, but this clause (b) shall not limit Lender's
obligations under the Loan Documents (prior to any Trigger Event Date) or this Agreement.

                            5.3      The Lender expressly acknowledges that the obligations of Principal Life
Insurance Company ("Principal Life") under this Agreement are not its general obligations, but
are expressly limited to the assets of its Principal U.S. Property Separate Account ("PUSPSA'').

                              Principal Life shall be liable under this Agreement, solely in its capacity as
investment manager and owner of the assets of its PUSPSA, whose address is 801 Grand
Avenue, Des Moines, Iowa 50392.  The Lender shall have recourse against Principal Life to the
extent and only to the extent of all of the PUSPSA Business and the PUSPSA Properties (as such
terms are hereinafter defined), including all rents, issues, profits and proceeds thereof, to satisfy
the liabilities and obligations of Principal Life under the this agreement; provided, however, that,
if, in connection with any rehabilitation, liquidation or insolvency of any person or entity (the
"Debtor"), the Insurance Regulatory Authorities or other governmental authority having
jurisdiction includes any of the PUSPSA Properties in the estate of the Debtor, Lender, to the
extent permitted by applicable law, may make and recover on a claim against the Debtor's estate
in accordance with applicable law. Subject to the foregoing, Lender shall have no recourse
against any business (including sales and administration of insurance and group annuity
products) or assets (including general accounts and any other separate accounts) of Principal Life
or any direct or indirect subsidiary of Principal Life other than the PUSPSA Business and the
PUSPSA Properties.

                         6. Borrower Deliveries. Borrower agrees to provide Purchaser with copies of all
materials submitted to Lender whether in connection with Loan advances or otherwise at the
same time such materials are submitted to Lender.

                          7. Purchaser Deliveries. Purchaser agrees to deliver to Lender the financial
statements and reports required to be delivered pursuant to Sections 8.1, 8.2 and 8.4 of the Credit
Agreement.

                           8. Cure Rights. Lender agrees to notify Purchaser of the occurrence of any Default
under the Loan Documents and to allow Purchaser thirty (30) days to cure such Default after the
expiration of any cure period provided the Borrower in the Loan Documents before exercising its
remedies under the Loan Documents. Purchaser shall not be obligated to cure any such Default.
Notwithstanding anything in this Agreement to the contrary, no Trigger Event Date resulting
from a Default under the Loan Documents shall be deemed to have occurred until the expiration

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of such thirty (30) day cure period and the failure of the Purchaser to effect a cure of the subject
Default.

                     9.         Nevada Provisions.   Pursuant to Nevada Revised Statute 40.495, Purchaser
hereby unconditionally and irrevocably waives the provisions of Nevada Revised Statute 40.430,
and acknowledges that Lender may institute a separate action against Purchaser for the
enforcement of Purchaser's obligations under this Agreement, irrespective of whether Lender has
exercised any power of sale or other foreclosure remedies against the property subject to the
Security Instrument.

                       10.        Cumulative Remedies.   Subject to Section 5, the rights and remedies of the
Lender under this Agreement are cumulative and are not in lieu of, but are in addition to, any
other rights or remedies which the Lender may have under the Loan Agreement and/or the other
Loan Documents, at law or otherwise. The Lender has no duty to Purchaser, Borrower, any other
Obligor or any other person to exercise Lender's rights hereunder.

                        11.       Severability.   If any provision of this Agreement shall be invalid, illegal or
unenforceable, it shall not affect or impair the validity, legality and enforceability of any other
provisions of this Agreement.

                       12.         Amendment.   This Agreement may not be amended, modified or changed, nor
shall any waiver of any provision hereof be effective, except by an instrument in writing signed
by Borrower, Lender and Purchaser.

                       13.         Successors and Assigns.   This Agreement shall be binding upon the Lender,
Borrower and Purchaser and their respective successors and assigns, and shall inure to the
benefit of the Lender, Borrower and Purchaser and their respective successors and assigns.

                      14.           Termination.

                                 14.1    Upon payment of either (a) all principal, interest, fees, costs, expenses and
other amounts owing to the Lender under the Loan Documents and the termination of Lender's
commitment to advance any other amounts under the Loan Documents or (b) the entire Purchase
Price and Lender's satisfaction of its obligations under Section 2.1 (a) and 4.1, this Agreement
(except for the representations contained in Section 4, above) shall automatically terminate and
be of no further force or effect, subject to the provisions of Section 14.2 below. Lender hereby
agrees, upon termination of this Agreement, to execute a release of this Agreement and all
further documents, if any, necessary or required in order to evidence the termination of this
Agreement.

                                14.2    Notwithstanding any term or provision of this Agreement, in the event by
reason of any applicable federal or state bankruptcy, insolvency receivership or similar
proceeding, or for any other reason, the Lender is required to relinquish or return any payment
previously received in connection with the Loan (whether from the proceeds of Collateral or
otherwise), in whole or in part, which had previously been applied to or retained for application
against the Loan or the obligations of Borrower or any Obligor pertaining to the Loan,
Purchaser's obligations under this Agreement shall be reinstated and be in full force and effect
with respect to any such relinquished or returned payment.

                        15.      CHOICE OF LAW.    THIS AGREEMENT SHALL BE GOVERNED BY AND
CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK..

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                       16.     Jurisdiction. Borrower, the Lender and Purchaser each agrees that it may be
served, by regular or certified mail at its address set forth below in this Agreement, with any
notice, process or pleading in any action or proceeding against it arising out of or in connection
with this Agreement; and Borrower, the Lender and Purchaser each hereby consents that any
action or proceeding against it related to this Agreement may be commenced and maintained in
any court within the Borough of Manhattan, State of New York by service of process upon it,
and Borrower, the Lender and Purchaser each agrees that the courts located in the Borough of
Manhattan, State of New York shall have jurisdiction with respect to the person of Borrower,
Lender and Purchaser, respectively, in any such suit. Borrower, the Lender and Purchaser agree
not to assert any defense to any action or proceeding initiated by any other party in any court
located in the Borough of Manhattan, State of New York related to this Agreement based upon
improper venue or inconvenient forum.

                         17.     Notices. Each notice, request., demand and other communication hereunder will
be in writing and will be deemed to have been duly given (i) when delivered by hand (so long as
the delivering party shall have received a receipt of delivery executed by the party to whom such
notice was delivered), or (ii) three (3) business days after being deposited in United States
certified or registered mail, postage prepaid, return receipt requested, or (iii) when sent by
telecopier (with receipt confirmed), provided a copy is also sent by United States mail, or (iv)
one (1) business day after delivery to a recognized overnight courier service, in each case
addressed to the parties as follows (or to such other address as a party may designate by notice to
the others):

      If to Borrower:

                                  Henderson Lofts Devco LLC
                                  c/o Vested Housing Group, LLC
                                  3649 N. 51st Place
                                  Phoenix, AZ 85018
                                  Attn: Andrew S. Miller
                                  Telephone: 602-224-5400

                                   Facsimile: 602-224-5404

  With a copy to:

                                   Kutak Rock, LLP
                                   8601 N. Scottsdale Road, Suite 300
                                   Scottsdale, AZ 85253
                                   Attn: Brian J. Jordan, Esq.
                                   Telephone: 480-429-4844
                                   Facsimile: 480-429-500 I

If to Lender:

                                   Wachovia Bank, National Association
                                    NC 0663
                                    301 South Tryon Street, 9th Floor
                                    Charlotte, NC 28288
                                    Attn: Karla M. Brewer
                                    Telephone: 704-383-5625

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                                    Facsimile:  704-383-4973

If to Purchaser:
                                  Principal Life Insurance Company
                                  c/o Principal Real Estate Investors, LLC
                                  801 Grand Avenue
                                  Des Moines, Iowa 50392
                                  Attn: Jeffrey A. Frey
                                  Telephone: 515-362-2430
                                  Facsimile: 866-850-4022

With a copy to:

                                  Principal Life Insurance Company
                                  c/o Law Department
                                  711 High Street
                                  Des Moines, Iowa 50392
                                  Attn: Thomas R. Pospisil, Esq.
                                  Telephone: 515-247-0667
                                  Facsimile: 866-496-6527

With a copy to:

                                  Buchalter Nemer, a Professional Corporation
                                  333 Market Street, 25th Floor
                                  San Francisco, CA 94105-213 0
                                  Attn: Sharon Morrissey, Esq.
                                  Telephone: 415-227-3502
                                  Facsimile: 415-227-3526

                18.        Counterparts. This Agreement may be executed in any number of counterparts
and by different parties hereto on separate counterparts, each of which, When so executed and
delivered, shall be an original, but all such counterparts shall together constitute one and the
same instrument.
                 19.       Attorneys' Fees and Costs of Collection. If there is a prevailing party in any
lawsuit, reference or arbitration arising out of or relating to this Agreement, such prevailing party
shall be entitled to recover from the non-prevailing party such sums as the court, referee or
arbitrator may adjudge to be reasonable attorneys' fees in the action, reference or arbitration, in
addition to costs and expenses otherwise allowed by law.

             20.         Waiver of Trial By Jury.    BORROWER, THE LENDER AND PURCHASER
EACH KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT IT
MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED
HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS
AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS
(WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY RELATED
HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR ENTERING INTO

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THIS AGREEMENT.    THIS WAIVER IS KNOWINGLY, WILLINGLY AND
VOLUNTARILY MADE BY BORROWER, THE LENDER AND PURCHASER, AND
BORROWER, THE LENDER AND PURCHASER HEREBY REPRESENT THAT NO
REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY PERSON OR
ENTITY TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY
OR NULLIFY ITS EFFECT.   BORROWER, THE LENDER AND PURCHASER ARE EACH
HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY
PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER OF JURY TRIAL.
BORROWER, THE LENDER AND PURCHASER EACH FURTHER REPRESENTS AND
WARRANTS THAT IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS
AGREEMENT AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL
COUNSEL, OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY
INDEPENDENT LEGAL COUNSEL SELECTED OF ITS OWN FREE WILL, AND THAT IT
HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

         21. Final Agreements. THIS WRITTEN AGREEMENT, AND THE LOAN
DOCUMENTS (AND ALL EXHIBITS THERETO) REPRESENT THE FINAL
AGREEMENTS AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY
EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS
OF THE PARTIES. THERE ARE NO ORAL AGREEMENTS BETWEEN THE PARTIES.

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In Witness Whereof, the undersigned have executed and delivered this Agreement as of
the date first set forth above:.

BORROWER:

HENDERSON LOFTS DEVCO LLC, an Arizona
limited liability company

By: Vested Housing Group, LLC, an Arizona
limited liability company, its sole manager

By:\_\_\_(signed as below)\_\_\_\_\_\_\_\_                                                                                                                                                                                                                                                                                         Name: Andrew S. Miller
Title: Sole Member

LENDER:

WACHOVIA BANK, NATIONAL
ASSOCIATION

By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Name: Karla M. Brewer
Title: Vice President

PURCHASER:

PRINCIPAL LIFE INSURANCE COMPANY, an
Iowa corporation. for its Principal US Property
Separate Account

By: PRINCIPAL REAL ESTATE
INVESTORS, LLC, a Delaware limited
liability company, its authorized signatory

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_
Name:
Title:

By. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_
Name:
Title:

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In Witness Whereof, the undersigned have executed and delivered this Agreement as of
the date first set forth above.

BORROWER:

HENDERSON LOFTS DEVCO LLC, an Arizona
limited liability company

By: Vested Housing Group, LLC, an Arizona
limited liability company, its sole member
By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Name:  Andrew S. Miller
Title:  Sole Member. and Manager

LENDER:

WACHOVIA BANK, NATIONAL
ASSOCIATION
By: \_\_\_\_(signed as below)\_\_\_\_\_\_\_\_
Name:  Karla M. Brewer
Title:   Vice President

PURCHASER:

PRINCIPAL LIFE INSURANCE COMPANY, an
Iowa corporation. for its Principal US Property
Separate Account

By: PRINCIPAL REAL ESTATE
INVESTORS, LLC, a Delaware limited
liability company, its authorized signatory
By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Name:
Title:
By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Name:
Title:

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In Witness Whereof, the undersigned have executed and delivered this Agreement as of
the date first set forth above.

BORROWER:

HENDERSON LOFTS DEVCO LLC, an Arizona
limited liability company

By: Vested Housing Group, LLC, an Arizona
limited liability company, its sole member
By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Name:     Andrew S. Miller
Title:       Sole Member and Manager

LENDER:
WACHOVIA BANK, NATIONAL
ASSOCIATION
By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Name:      Karla M. Brewer
Title:       Vice President

PURCHASER:

PRINCIPAL LIFE INSURANCE COMPANY, an
Iowa corporation, for its Principal US Property
Separate Account

By:       PRINCIPAL REAL ESTATE
INVESTORS. LLC, a Delaware limited
liability company, its authorized signatory

             By:\_\_\_(signed as below)\_\_\_\_\_\_\_\_\_\_
Name:     Jeffrey A. Frey

               Title:       Investment Officer-Capital Markets                                                                                                                                                                                                                                                                              By:\_\_\_\_\_(signed as below)\_\_\_\_\_\_\_\_

              Name:     C. Kent Jurgeson                                                                                                                                                                                                                                                                                                          Title:       Director-Closing

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                                                                   Exhibit "A"
Loan Documents
I. Loan Agreement, dated July 2, 2001, executed by Borrower and Lender.
2. Promissory Note, dated July 2, 2007, executed by Borrower, in the aggregate principal
amount of $13, 100,000.00.
3. Deed of Trust, Assignment of Rents and Leases, Security Agreement and Financing
Statement, dated July 2,2007, executed by Borrower and Lender.
4. Indemnification Agreement, dated July 2,2007, executed by Vested Housing Group, LLC
in favor of Lender.