

Go Fast Limited Partnership
330 E. warm Springs Rd.
Las Vegas, NV 89119
(702)604-7549
(702)566-4342fax

September 10, 2003

Gary Greenberg
Great Western Finance, Inc.
1420 So. Filbert Way
Denver, Co. 80222


Re: LOI Morley Residential Portfolio

Dear Gary:

We are interested in acquiring the Morley Family Residential Portfolio. We are looking at investing \$5 to \$7 million. We would deduct working capital/overhead. All subject to acceptance of The Partnership as to the terms, conditions, due diligence and financial underwriting.

Need you get the opportunity under option or contract ASAP.

Sincerely,



Patrick Tyll
R&P LLC
General Partner



June 8, 2004

Mr. Tyler Anderson
Executive Vice President
CB Richard Ellis
2415 East Camelback Road
Phoenix, Arizona 85016-4290
C/O: Dave Snyder
Continental Realty Advisors, Ltd.
8122 Southpark Lane
Suite 102
Littleton, CO 80120

Via Facsimile: 303-730-0590

RE: Offer to Purchase -Deer Valley Village II, Phoenix, Arizona

Passco Real Estate Enterprises, Inc. or its assignee(s) ("Purchaser") are pleased to express their interest to purchase the above referenced property and certain covenants and guarantees set forth herein on the following terms and conditions:

1. **Purchase Price and Terms:** Purchase Price to be Seventy Million Two Hundred Ten Thousand Dollars(\$70,210,000.). Purchaser to obtain a new loan on market terms at not less than \$45,968,000.00.
2. **Earnest Money Deposit:** Five Hundred Thousand Dollars (\$500,000) fully refundable until the end of the Financing Contingency with all interest earned thereon accruing to the interest of "Buyer". The deposit shall be increased to Seven Hundred Fifty Thousand Dollars (\$750,000) and released upon the removal of contingencies.
3. **Description of Property:** The purchase price includes the land, improvements, equipment, furniture, fixtures and appliances, other than those belonging to the tenants. A complete legal description will be furnished for Purchaser's approval and made a part hereof prior to the opening of escrow.
4. **Due Diligence Period:** Thirty (30) days following delivery of the Due Diligence material referenced in Exhibit A or upon execution of the Purchase and Sale Agreement, which ever last occurs.
5. **Financing Contingency:** Purchaser shall have up to Fifteen (15) days from expiration of Due Diligence Period to obtain market rate financing, in the approximate amount of \$45,968,000.00, bearing interest at no more than 5.25% per annum, for a term of not less than 5 years.
6. **Escrow Close:** Forty Five (45) days after Financing Contingency. Escrow to be opened with firm as buyer may choose.
7. **Extension Escrow:** Purchaser shall have the option to extend the Close of Escrow for an

Page 2 of 5

additional Thirty (30) days with the payment of an additional, non-refundable deposit into escrow of Fifty Thousand Dollars (\$50,000). Such additional deposit shall be fully applicable to the purchase price and not in addition thereto.

8. **Purchaser Conditions:** Purchaser shall provide Seller within 5 business days of execution of the Purchase and Sale Agreement, the Due Diligence items, in Seller's possession, as shown on Exhibit A attached hereto.
9. **Purchaser Transaction \ Redevelopment Costs:** Purchaser shall be credited, at close of escrow, an amount of \$2,210,000.00 that will be credited towards the purchaser's transaction costs, including, but not limited to, cost to change property brand name, identity redevelopment costs, and general transaction costs.
10. **Not a Contract:** This letter is not a contract between the parties. It is merely the expression of current intent of the parties and is intended to serve as a basis for further discussions concerning a transaction with regard to the Property. It is contemplated that if the parties are in agreement as to the terms, provisions and conditions of such a transaction, a written definitive agreement will be prepared by Purchaser incorporating the terms, provisions and conditions of the transaction (several of which are not contained herein), and will thereafter be executed by the parties. Unless and until a definitive agreement regarding a transaction between the parties has been executed and delivered, neither Buyer nor Seller will be under any legal obligation of any kind whatsoever with respect to a transaction regarding the Property by virtue of this letter or any other written or oral expression with respect to such transaction. For the purposes hereof, the term "definitive agreement" shall not include an executed letter of intent or any other preliminary written agreement between the parties.
11. **Purchase Contract:** Within Five (3) business days after Seller's execution of this letter, Purchaser shall prepare and deliver to Purchaser a formal Purchase & Sale Agreement incorporating the terms and conditions of this letter. Seller and Purchaser shall use best commercial efforts to execute the Purchase Agreement within 3 days after receipt of the Purchase Agreement.

If this letter accurately portrays your intent, please execute in the appropriate space provided and return a fully-executed Letter of Intent to my attention at the address below:

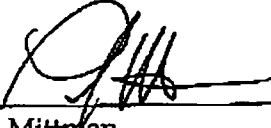
With a copy to:

Sterling McGregor
Vice- President
Paul Mittmann
Vice-President
Passco Investment
801 N. Parkcenter Drive, Suite 235
Santa Ana, CA 92705
(o) 714-836-6342
(f) 714-448-5646

David W. Snyder
Chairman
Continental Realty Advisors, Ltd.
8122 SouthPark Lane, Suite 102
Littleton, CO 80120
(o) 303-730-0549 x202
(f) 303-730-0590

Page 3 of 5

Sincerely,
Passco Real Estate Enterprises, Inc.



Paul Mittman
Acquisitions Manager



Sterling McGregor
Vice President

Agreed and Accepted by:

_____ On _____
(Seller signature) Date

EXHIBIT A-1

Purchaser Conditions: Purchaser's performance is conditioned upon the following Purchaser's approval of the following:

1. Tenant leases and rental agreements.
2. Current preliminary title report.
3. All existing vendor, service and personnel contracts, including janitorial, laundry, HVAC, landscape, trash removal, parking lot maintenance, management, insurance and any other binding contracts.
4. Sellers' operating statements reflecting the past 24 months of operation of the property.
5. Copies of the last two years of Sellers IRS form 8825 for the property.
6. Twelve months trailing by month operating statements for the property including monthly rent roll, detailed income statement and tenant aging report to be updated monthly through month of close.
7. An inventory of personal property located on the premises, used in the maintenance of the premises or stored for future use with the premises and an inventory of all furniture and appliances.
8. Purchaser's personal inspection of the premises and each tenant suite.
9. A report of a licensed HVAC contractor concerning the condition of HVAC equipment and its capability to service the premises.
10. A report of a licensed roofer concerning the water-proofness and condition of the roof.
11. A report of a licensed pest control contractor concerning the presence of dry rot or termite infestation.
12. Copies of utility bills for the past calendar years.
13. Current rent roll and rent roll for the last 2 years.
14. Copies of the past two fiscal years real estate tax bills.
15. A schedule of all current or pending litigation with respect to the property and brief description of proceeding.
16. Any and all existing Phase I or II Toxic Studies on the property.
17. The Purchaser intends to obtain a CPA audit of revenues and expenses of the property. A CPA certified audit requires a management representation letter signed by the Seller. Said letter will be an exhibit to the purchase agreement.

Page 5 of 5

EXHIBIT A-2

Seller and Purchaser's receipt at close of escrow of the following, in a form acceptable to Purchaser:

1. ALTA Title Policy and independent survey to be provided at Seller's expense showing title vested in Purchaser's name with no encumbrance or exceptions shown except those previously approved by Purchaser's in writing.
2. A Bill of Sale for all personal property.
3. Certificates of Occupancy for building shells and tenant premises or seller's cooperation to obtain.
4. Evidence that the property complies with all current zoning and building codes from the City Building Department or seller's cooperation to obtain.



June 13, 2005

Gary Greenberg
Great Western Finance, Inc.
1420 So. Filbert Way
Denver, CO 80222

*Via Facsimile 303-756-4585
970-923-5443*

RE: Offer to Purchase - Chicago Industrial Portfolio, Chicago, IL

Passco Real Estate Enterprises, Inc. or its assignee(s) ("Purchaser") are pleased to express their interest to purchase the above referenced property and certain covenants and guarantees set forth herein on the following terms and conditions:

1. **Purchase Price and Terms:** Purchase Price to be Forty Four Million Seven Hundred Thousand Dollars (\$44,700,000). Purchaser to obtain new financing at not less than 65% of the Purchase Price.
2. **Earnest Money Deposit:** Five Hundred Thousand Dollars (\$500,000) fully refundable until the end of the Financing Contingency, with all interest earned thereon accruing to the interest of "Purchaser". The deposit shall be increased to One Million Dollars (\$1,000,000) upon the removal of contingencies.
3. **Description of Property:** The purchase price includes the land, improvements, equipment, furniture, fixtures and appliances, other than those belonging to the tenants. A complete legal description will be furnished for Purchaser's approval and made a part hereof prior to the opening of escrow.
4. **Due Diligence Period:** Thirty (30) days following the opening of escrow. Seller to provide all documents in Sellers possession to include certain documents outlined in Exhibit A-1 and A-2
5. **Financing Contingency:** Purchaser shall have up to Fifteen (15) days from expiration of Due Diligence Period to obtain new financing.
6. **Escrow Close:** Thirty (45) days after Financing Period. Due to the specialized nature of our tenant in common 1031 exchange requirements, the escrow and title shall be handled exclusively by Lorri Beasley at Chicago Title, Irvine, California.
7. **Purchaser Conditions:** Seller shall provide Purchaser within 2 business days of execution of the Purchase and Sale Agreement, the Due Diligence items, in

Page 2 of 5

Seller's possession, as shown on Exhibit A and A-1 attached hereto. Seller to pay for any transfer/excise tax where applicable. Other closing costs to be split between Purchaser and Seller as is customary in the in the county where the property is located.

8. **Extension Escrow:** Purchaser shall have the option to extend the Close of Escrow for an additional Thirty (30) days with the payment of an additional, non-refundable deposit into escrow of One Hundred Thousand Dollars (\$100,000). Such additional deposit shall be fully applicable to the purchase price and not in addition thereto.
9. **Not a Contract:** This letter is not a contract between the parties. It is merely the expression of current interest of the parties and is intended to serve as a basis for further discussions concerning a transaction with regard to the Property. It is contemplated that if the parties are in agreement as to the terms, provisions and conditions of such a transaction, a written definitive agreement will be prepared by Purchaser incorporating the terms, provisions and conditions of the transaction (several of which are not contained herein), and will thereafter be executed by the parties. Unless and until a definitive agreement regarding a transaction between the parties has been executed and delivered, neither Purchaser nor Seller will be under any legal obligation of any kind whatsoever with respect to a transaction regarding the Property by virtue of this letter or any other written or oral expression with respect to such transaction. For the purposes hereof, the term "definitive agreement" shall not include an executed letter of interest or any other preliminary written agreement between the parties.
10. **Purchase Contract:** Within Five (5) business days after Seller's execution of this letter or Seller's resolution and or delineation of environmental conditions and contaminates, the later thereof, Purchaser shall prepare and deliver to Seller a formal Purchase & Sale Agreement incorporating the terms and conditions of this letter. Seller shall use their diligent efforts to execute the Purchase Agreement within 5 days after receipt of the Purchase Agreement.
11. **Tax Deferred 1031 Exchange:** All Agreements of Purchase and Sale shall contain language necessary to allow Seller to engage in a tax-deferred exchange under IRS sec. 1031 at no cost to Purchaser.
12. **Purchaser Transaction/Redevelopment Costs:** Purchaser shall be credited, at close of escrow, an amount of Seven Hundred Thousand Dollars (\$700,000) that will be credited towards the purchaser's transaction costs, including, but not limited to, redevelopment costs and general transaction costs.

EXHIBIT A-1

Purchaser Conditions: Purchaser's performance is conditioned upon the following Purchaser's approval of the following.

1. Tenant leases and rental agreements.
2. Current preliminary title report.
3. All existing vendor, service and personnel contracts, including janitorial, laundry, HVAC, landscape, trash removal, parking lot maintenance, management, insurance and any other binding contracts.
4. Sellers' operating statements reflecting the past 24 months of operation of the property.
5. Copies of the last two years of Sellers IRS form 8825 for the property.
6. Twelve months trailing by month operating statements for the property including monthly rent roll, detailed income statement and tenant aging report to be updated monthly through month of close.
7. An inventory of personal property located on the premises, used in the maintenance of the premises or stored for future use with the premises and an inventory of all furniture and appliances.
8. Purchaser's personal inspection of the premises and each tenant suite.
9. A report of a licensed HVAC contractor concerning the condition of HVAC equipment and its capability to service the premises.
10. A report of a licensed roofer concerning the water-proofness and condition of the roof.
11. A report of a licensed pest control contractor concerning the presence of dry rot or termite infestation.
12. Copies of utility bills for the past calendar years.
13. Current rent roll and rent roll for the last 2 years.
14. Copies of the past two fiscal years real estate tax bills.
15. Aging Report with respect to each tenant of the property, the date to which tenant has paid rent and an aging report for the last 2 years.
16. A schedule of all current or pending litigation with respect to the property and brief description of proceeding.
17. CAM Reconciliation worksheets for last two years.
18. Any and all existing Phase I or II Toxic Studies on the property.
19. The Purchaser intends to obtain a CPA audit of revenues and expenses of the property. A CPA certified audit requires a management representation letter signed by the Seller. Said letter will be an exhibit to the purchase agreement.
20. All Seller and tenant correspondence
21. Ordinance restrictions regarding non-retail or service uses

Page 5 of 5

EXHIBIT A-2

Seller and Purchaser's receipt at close of escrow of the following, in a form acceptable to Purchaser:

1. ALTA Title Policy and independent survey to be provided at Seller's expense showing title vested in Purchaser's name with no encumbrance or exceptions shown except those previously approved by Purchaser's in writing.
2. Tenant estoppel certificates and Subordination, Nondisturbance and Attornment Agreement ("SNDA") from 85% of the tenants by quantity and income and an estoppel for any tenant that occupies over 10% of the property on forms acceptable by Purchaser and Purchaser's lender. Seller shall attempt to get tenants to execute Lenders SNDA and estoppel, in the event tenants will not sign, Sellers shall deliver the tenants lease form estoppel and SNDA .
3. A Bill of Sale for all personal property.
4. Certificates of Occupancy for building shells and tenant premises or seller's cooperation to obtain.
5. Evidence that the property complies with all current zoning and building codes from the City Building Department or seller's cooperation to obtain.
6. Any errors or omissions in computing apportionments at closing shall be corrected as soon as possible after discovery and shall survive the closing for a period of six months (True Up Period).

Page 3 of 5

Thank you for your consideration and we look forward to hearing from you.

Sincerely,

PASSCO REAL ESTATE ENTERPRISES, INC.



Paul Mittmann
Vice President, Acquisitions



William Winn
President

Agreed and Accepted by:

_____ On _____
(Seller signature) Date



Bermant Development Company

Santa Maria, CA
Building 150 \$1.5 million houses
\$225,000,000

5383 Hollister Avenue
Suite No. 150
Santa Barbara CA, 93111 - 2308
Ph 805 - 964 - 7200
Fax 805 - 964 - 2535
www.bdcdevelopment.com

FACSIMILE TRANSMITTAL SHEET

TO: GARY, JEFF FROM: JOHN

COMPANY: _____ DATE: 8/12

FAX NUMBER: 303-756-4585 949-838-0034 TOTAL NO. OF PAGES INCLUDING COVER: 5

PHONE NUMBER: _____ SENDER'S REFERENCE NUMBER: _____

RE: _____ YOUR REFERENCE NUMBER: _____

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY

GARY JEFF

NOTES/COMMENTS:

AFTER GETTING CLARIFICATION

TODAY FROM GARY, I EXECUTED 8/12

TODAY. QUESTIONS ENDS 8/26 - 5:00 PM

THANKS

JOHN

INFORMATION CONTAINED IN THIS TRANSMITTAL IS CONFIDENTIAL AND IS INTENDED ONLY FOR THE INDIVIDUAL OR ENTITY TO WHOM IT IS ADDRESSED. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMISSION IN ERROR, PLEASE NOTIFY US IMMEDIATELY AT (805) 964-7200 AND RETURN THE ORIGINAL TRANSMISSION TO THE ABOVE ADDRESS VIA MAIL. THANK YOU.

COPY TO: _____ FAX NUMBER: _____

COPY TO: _____ FAX NUMBER: _____

HARD COPY WILL BE MAILED: _____ WILL NOT BE MAILED: X

Aug 11 04 01:53p Jeffrey Klein
80/11/2004 14:00 3037364585

714-966-0590
GARY GREENBERG

P. 1
PAGE 01/04

August 9, 2004

Mr. Jeffrey S. Klein
Reisure Holdings, LLC
7 Upper Newport Place
Newport Beach, CA. 92660

Mr. Gary Greenberg
Great Western Finance, Inc.
1420 So. Pikelet Way
Denver, CO. 80222

Subject: Letter of Intent - Rancho Maria Estates

Dear Jeff and Gary,

Bermant Homes (Bermant) wishes to form a Limited Liability Company (LLC) with Rio Bravo Development Company, LLC (RBDC), in which Bermant as co-managing member will develop the property, construct the homes and oversee marketing and sales efforts for 150 market rate single-family lots in the Rancho Estates development in Orcutt, Santa Barbara County, California. RBDC, as a co-managing member will be responsible for the acquisition of property, and for planning and obtaining approvals to develop the Property.

This letter sets forth the general terms and conditions upon which the LLC will operate, subject to the drafting and execution of a mutually acceptable LLC Agreement embodying the terms below.

Terms:
Property

The property is a +/- 189-acre site, identified as Key Site #71, within the Orcutt Community Plan in Santa Barbara County, California. The site is being planned for 150 single-family residential lots for market rate product. Affordable units that required by the County of Santa Barbara are not part of this letter of intent, but could be subject to the LLC Agreement since Bermant is also willing to construct these units. Likewise, the rebuilding and reconstruction of golf course facilities are not part of this letter of intent, but could be the subject to the LLC Agreement since Bermant is willing to construct these facilities as well.

Option

RBDC has the right to acquire the property in April 2005, unless this date is extended by the mutual agreement of Seller and RBDC. Under the LLC Agreement, RBDC will either extend the closing date to secure all necessary entitlements on the Property to a tentative map or close on the Property as required to protect the LLC's ability to develop and build on the Property.

RBDC Responsibilities

RBDC will extend the closing on the Property to obtain approvals on the Property or will acquire the Property as necessary if the conditions cannot be obtained.

RBDC shall diligently pursue all municipal and agency approvals including the improvement plan, tentative map, and final map. RBDC shall be responsible for all costs associated with the approval of the Property, except for the deposits made by Bermant as detailed below.

RBDC will secure all water and services to enable the approval and development of the property.

RBDC will provide the equity needed for acquisition, development and construction loans. However, RBDC will not sign on any debt or guarantees.

Bermant Responsibilities

Bermant will assist RBDC, as necessary in obtaining municipal and agency approvals.

JK
GOL

Aug 11 04 01:53p Jeffrey Klein

714-966-0580

08/11/2004 14:33 3337564585

BRY GREENBERG

PAGE 2/2 P. 2

Bermant will be responsible for the product development needed for entitlements and final working drawings to construct the single-family homes.

Bermant will secure development and construction financing at a maximum of Seventy-five percent (75%) of retail cost, and sign on the debt and guarantees as required. However, Bermant will not be responsible for the equity needed, except for the deposits made by Bermant as detailed below.

Bermant will develop the property, build and market the product through an independent sales force and be responsible for customer service and warranty.

Project Cash Distributions

Available cash from financing or house sales will be distributed to RBDC and Bermant as follows:

- 1) To RBDC and Bermant to repay cash previously invested in the Property in the order that the cash was first invested (including land deposits), along with an accrued 10% preferred return thereon.
- 2) Then 100% to RBDC, the difference between a \$288,000 improved lot value times the number of market rate houses built on the Property less the following:
 - a. Land acquisition costs
 - b. Land development costs
 - c. Impact fees
 - d. Non-reimbursed golf course contributions except all contributions recoverable through, including but not limited to, bank financing, FHA assessments or other acceptable methods
 - e. Entitlement costs
- 3) Then proportionately 75% to RBDC and 25% to Bermant.

RBDC to receive funds as set forth in items one and two above from first draw of construction and development bank loan financing obtained by Bermant.

Builder Overhead

A Builder Overhead fee calculated at 3% of gross sales revenue will be paid 25% to RBDC and 75% to Bermant from bank loans during the development and construction of the project. If not available from bank loans, the fee will be paid from cash flow prior to Project Cash Distributions. The builder overhead fee will be a project cost.

Contractor Fee

Trabuco General Inc. will be paid a contractor overhead and profit fee equal to 10% of subcontracted land development construction costs, and 10% of subcontracted house construction costs. This fee will be included as a cost in progress billings as work is performed. The subcontracted costs will be calculated upon hard costs only. Trabuco to provide LLC with firm fixed priced contracts with all sub-contractors. All sub-contractors will be independent and non-affiliated with Trabuco.

Due Diligence

Bermant will have a fifteen (15) day Due Diligence period beginning upon execution of this Letter of Intent to verify all information in the possession of RBDC, and discuss the project with County personnel and consultants. At the end of Due Diligence, Bermant, at its sole discretion, can elect not to participate in the LLC, and neither party will have any obligation to each other, or proceed with the LLC and make the Initial Deposit. During Due Diligence, an LLC Agreement will be drafted by Bermant for execution by both parties.

Aug 11 04 01:53p

Jeffrey Klein

714-966-0580

08/11/2004 14:33 3037564989

GARY GREENBERG

P. 3
PAGE 02/04**Initial Deposit**

Upon execution of the LLC Agreement and Berman's acceptance of Due Diligence, Berman would deposit \$150,000 into an account specifically set up for the LLC.

Subsequent Deposit

Within thirty (30) days of the Initial Deposit, Berman would deposit another \$150,000 into an account specifically set up for the LLC. If Berman fails to make the Subsequent Deposit, then Berman will be in default of the terms of the LLC, which will terminate according to its terms and Berman would not be entitled to a refund of the Initial Deposit.

Use of Deposits

Up to \$100,000 of the \$300,000 in deposits would be used for all third party costs associated with product design in obtaining project approvals.

The balance of \$200,000 would be used to obtain project approvals. Except that up to \$100,000 can be used to cover the cost of the acquisition of the Property by RBDC, as well as used in the acquisition of the Property.

If RBDC does not intend to acquire the Property as necessary, and the property cannot be built by the LLC, whatever deposits remain in the LLC account will be returned to Berman.

Agency Coordination

Berman will be allowed to contact the County of Santa Barbara and other agencies as part of its Due Diligence process.

Access to Property

Berman has the right to access the Property during the Due Diligence period, subject to advance notice provided to RBDC and the Seller.

Indemnification

Berman agrees to indemnify RBDC and the Seller for any and all damages incurred by Berman or its agents as a result of access given to the Property. Berman will provide a Certificate of Insurance, naming RBDC and the Seller as additional insured.

Accounting for the Property

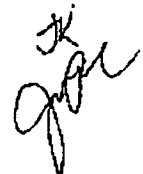
RBDC shall provide monthly financial statements through the approval stage. Berman/Trustee to provide monthly financial statements along with invoices as back up of all hard costs for the land and residential development stage.

RBDC and Berman would be proceeding in good faith to execute an LLC Agreement that will contain the terms and conditions shown above. If the terms and conditions are acceptable to you, then please sign and return to us one copy of this Letter of Intent. We will then proceed to have the LLC Agreement prepared for your review. This Letter of Intent shall expire at 5:00 p.m. on Friday, August 13, 2004.

Additionally, Berman and RBDC wish to pursue an arrangement to jointly entitle, develop and build other projects in the future. Berman and RBDC agree to work together during Due Diligence to identify the type of projects and the structure under which this will operate. RBDC is aware that Berman currently has existing partner relationships on certain properties that are under development or being processed.

Thank you for executing below. We look forward to working with you.

Sincerely,



Aug 11 04 01:54p Jeffrey Klein

714-966-0580

P. 4

08/11/2004 14:33 3037564505

GARY GREENBERG

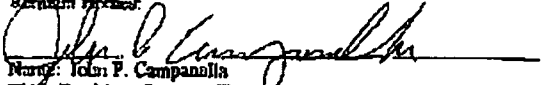
PAGE 04/04

John P. Campanella
President, Berman Homes

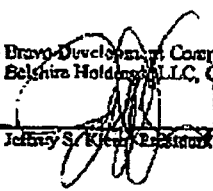
Cc: Jeff Berman, Ari Burke

AGREEMENT TO THE ABOVE TERMS:

Berman Homes:

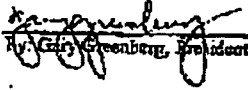
 8/12/04
Name: John P. Campanella
Title: President, Berman Homes

Rio Bravo Development Company, LLC
By: Belkira Holdings, LLC, Co-Manager

By:  Jeffrey S. Klein, President

8-11-04
Date

By: Great Western Finance, Inc., Co-Manager


By: Gary Greenberg, President

08.11.04
Date

