

Property Name: Spring Hill-Timber Pines (WACS-3226) – Spring Hill, Florida

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (this “Agreement”) is made this ____ day of February, 2010 (“Effective Date”), between AMERICAN FINANCIAL TRS, INC., a Delaware corporation (“Seller”), and _____, a _____ (“Purchaser”). In consideration of the mutual agreements herein set forth, the parties hereto, intending to be legally bound, agree as follows.

1. Defined Terms:

Closing Date:	The date that is thirty (30) days following the Effective Date.
Deposit:	\$
Escrowee:	Lawyers Title Insurance Corporation 140 East 45 th Street New York, NY 10017 Attention: Mark Baillie, Esq.
Property:	That certain tract(s) or parcel(s) of land situated at US 19 and Pine Forest Drive, Spring Hill, Florida 34606, as more fully described on <u>Exhibit A</u> attached hereto, together with the improvements, fixtures and personal property thereon (if any), all easements, appurtenances, rights and privileges pertaining thereto and any leases.
Purchase Price:	High Bid Amount \$ _____ Buyer’s Premium \$ _____ Total Purchase Price \$ _____
Purchaser’s Broker:	
Purchaser’s EIN:	
Purchaser’s Notice Address:	
Seller’s EIN:	41-2061780
Seller’s Notice Addresses:	c/o Gramercy Capital Corp. 420 Lexington Avenue 19 th Floor New York, NY 10170 Attention: Allan B. Rothschild allan.rothschild@gkk.com

2. Agreement to Sell. Seller agrees to sell and convey to Purchaser, and Purchaser agrees to purchase and take from Seller, all of Seller's right, title and interest in and to the Property.

3. Purchase Price. The Purchase Price for the Property shall be payable by Purchaser as follows: The Deposit is payable by Purchaser to Escrowee upon execution hereof by the parties, to be held in escrow and disbursed by Escrowee pursuant to the provisions of Section 27 hereinbelow. At Closing (defined below), the Deposit shall be credited to Purchaser on account of the Purchase Price. Notwithstanding anything contained herein to the contrary, including, without limitation, the terms and provisions of Section 27 hereinbelow, Purchaser hereby agrees that the Deposit is NON-REFUNDABLE. Purchaser agrees that under no circumstances whatsoever shall Purchaser have any right or claim to such Deposit unless the Closing shall not occur due solely to the willful default of Seller. In such event, the Deposit shall be refunded to Purchaser. The balance of the Purchase Price, subject to the prorations and adjustments herein provided for, shall be payable at Closing (i) in cash, (ii) by bank, cashier's or certified check or (iii) by wire transfer to an account designated by Seller.

4. Closing. The transaction contemplated by this Agreement ("Closing") shall be held at 10:00 A.M. prevailing local time on the Closing Date. Closing shall take place by mail with the offices of the Escrowee.

(A) At Closing, Seller shall deliver the following documents to Purchaser (the "Seller Deliverables"): (i) a deed sufficient to vest in Purchaser title to the land and the other portions of the Property that constitute real property in accordance with this Agreement ("Deed") and any affidavits required in connection therewith relating to transfer tax/documentary stamp tax; (ii) a bill of sale remising and transferring to Purchaser title to any portion of the Property that is not conveyed by the Deed, without recourse or warranty; (iii) if applicable, two (2) counterparts of an assignment and assumption of the leases identified on Exhibit "C" attached hereto ("Leases"), pursuant to which Seller assigns to Purchaser and Purchaser assumes all of Seller's right, title and interest to the Leases, without recourse or warranty (the "Assignment and Assumption of Leases"); (iv) two (2) counterparts of an assignment and assumption of intangibles pursuant to which Seller assigns to Purchaser and Purchaser assumes all of Seller's right, title and interest to the intangible personal property, without recourse or warranty (the "Assignment and Assumption of Intangibles"); (v) a certificate stating that Seller is not a "foreign person" within the meaning of Internal Revenue Code Section 1445; (vi) if applicable, two (2) counterparts of Purchaser's confirmation of responsibility for utility charges from and after the Closing Date ("Utility Transfer Letter") executed by Seller; and (vii) confirmation of the existence and subsistence of Seller, and the authority of those executing for Seller, including without limitation, the following documents issued no earlier than thirty (30) days prior to Closing: (a) a good standing certificate in the state of Seller's organization, and (b) a duly executed certificate from any officer of Seller confirming the incumbency of the signatories and the current force and effect of the resolution authorizing the execution of the documents under this Agreement.

(B) At Closing, Purchaser shall deliver or cause to be delivered to Seller (the "Purchaser Deliverables"): (i) the amounts required to be paid to Seller pursuant to this

Agreement; (ii) if applicable, two (2) executed counterparts of the Assignment and Assumption of Leases; (iii) two (2) executed counterparts of the Assignment and Assumption of Intangibles; (iv) if applicable, two (2) executed counterparts of the Utility Transfer Letter; and (v) confirmation that Purchaser has caused all utilities servicing the Property, if any, to be transferred as of the Closing Date into the name of Purchaser and that Purchaser has posted such deposits or other security required by any utility provider.

5. Title. At Closing, title to the Property shall be free and clear of all covenants, restrictions, easements, rights of way, mortgages, security interests, liens, encumbrances and title objections, excepting only those matters described on Exhibit “B” attached hereto and the exceptions listed on the deed in which title was vested in Seller (collectively, the “Permitted Exceptions”).

6. Seller's Representations and Warranties. Seller represents and warrants to Purchaser as follows: (i) Seller is duly organized and validly existing under the laws of its state of formation. Seller has the right, power and authority to enter into this Agreement and to convey the Property in accordance with the terms and conditions of this Agreement, to engage in the transactions contemplated in this Agreement and to perform and observe the terms and provisions hereof; and (ii) Seller has taken all necessary action to authorize the execution, delivery and performance of this Agreement, and upon the execution and delivery of any document to be delivered by Seller on or prior to the Closing, this Agreement and such document shall constitute the valid and binding obligation and agreement of Seller, enforceable against Seller in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws of general application affecting the rights and remedies of creditors.

7. Purchaser's Representations, Warranties and Covenants.

(A) Purchaser represents and warrants to Seller as follows: (i) Purchaser is duly organized and validly existing under the laws of Purchaser's State of formation. Purchaser has the right, power and authority to enter into this Agreement and to purchase the Property in accordance with the terms and conditions of this Agreement, to engage in the transactions contemplated in this Agreement and to perform and observe the terms and provisions hereof; (ii) Purchaser has taken all necessary action to authorize the execution, delivery and performance of this Agreement, and upon the execution and delivery of any document to be delivered by Purchaser on or prior to the Closing, this Agreement and such document shall constitute the valid and binding obligation and agreement of Purchaser, enforceable against Purchaser in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws of general application affecting the rights and remedies of creditors; and (iii) neither Purchaser nor any of Purchaser's respective constituents or affiliates nor any of their respective agents acting or benefiting in any capacity in connection with the purchase of the Property is in violation of any laws relating to terrorism or money laundering, including but not limited to, the Anti-Terrorism Law or is a “Prohibited Person” under the Anti-Terrorism Law.

(B) Purchaser's Covenants and Agreements. At Closing, Purchaser shall cause all utilities servicing the Property (if any), including without limitation, electric, natural

gas, telephone and tele-communication providers, steam, water, sewer, and any other providers of utility services (collectively, the “Utilities”), to be transferred into an account established by or on behalf of Purchaser and for which Seller will have no liability for Utility charges after the Closing Date. Seller, at no out-of-pocket expense to Seller, shall reasonably cooperate with Purchaser to assist Purchaser’s transfer of the Utilities (if any) from Seller to Purchaser as of the Closing Date. Purchaser shall be responsible prior to Closing to post with the providers of the Utilities (if any) any and all deposits, letters of credit or other security required to transfer the Utilities to Purchaser. **PURCHASER ACKNOWLEDGES AND UNDERSTANDS THAT SELLER SHALL DIRECT ALL PROVIDERS OF UTILITIES (IF ANY) TO TERMINATE SERVICE TO THE PROPERTY AS OF THE CLOSING DATE AND PURCHASER’S FAILURE TO TRANSFER THE UTILITIES (IF ANY) WILL RESULT IN THE INABILITY OF PURCHASER TO USE THE UTILITIES (IF ANY). SELLER SHALL HAVE NO LIABILITY TO PURCHASER AS A RESULT OF PURCHASER’S FAILURE TO COMPLY WITH THE PROVISIONS OF THIS SECTION 7(B).**

8. **Condition of Property.** Seller makes no representation, promise or guaranty with respect to the condition or character of the Property (including without limitation the subsoil condition thereof) or the use or uses to which the Property may be put. Purchaser acknowledges that Purchaser shall satisfy itself as to the character and condition of the Property, and that Purchaser will be purchasing the Property on the basis of its examination and investigation and not in reliance on any representation or warranty of Seller or any agent, employee or representative of Seller. Purchaser realizes that the Property is being sold in “AS IS, WHERE IS” condition “WITH ALL FAULTS” as of the date of this Agreement, subject to any and all violations of law, rules, regulations, ordinances, orders, or requirements noted in or issued by any Federal, state, county, municipal, or other department or government agency having jurisdiction against or affecting the Property whenever noted or issued (collectively, “Violations”) and any conditions which could give rise to any Violations.

9. **Apportionments at Closing; Transfer Taxes; Closing Costs.**

(A) **Apportionments.** The following charges, pro-rations and apportionments shall be made on a per diem basis between Purchaser and Seller at Closing as of 12:01 A.M. prevailing time in the City where the Property is located on the Closing Date on the basis of a 365-day year, with Purchaser deemed the owner of the Property on the entire Closing Date:

(i) **Real Estate Taxes.** Real estate taxes, personal property taxes, and business improvement district assessments (if any) against the Property for the year or quarter in which Closing is held shall be apportioned on a per diem basis between Purchaser and Seller as of the date of Closing, and all tax adjustments shall be based on the fiscal year used by the taxing authority with due allowance made for the maximum discount allowable. If Closing occurs at a date when the current year's millage is not fixed and the current year's assessment is available, then taxes will be prorated based on such assessment and the prior year's millage. If the current year's assessment is not available, then taxes will be prorated based on the prior year's tax. If there are completed improvements on the land by January 1st of the year of Closing, which improvements were not completed on January 1st of the prior year, then real estate taxes shall be

prorated based upon the prior year's millage and at an equitable assessment to be agreed upon by Seller and Purchaser.

(ii) Water and Sewer Charges. All water, sewer and other utility charges (if any) assessed against or incurred on or with respect to the Property based on the fiscal year used by the assessing authority. Unless Purchaser shall have provided evidence satisfactory to Seller in its reasonable discretion of the transfer of the Utilities (if any) into an account for the benefit of Purchaser at Closing, then in such event, at Closing, Seller shall collect from Purchaser an amount representing 30 days' of Utilities charges (if any) based on bills for the month prior to Closing.

(iii) Assessments. If the Property is affected by any assessment imposed by any governmental authority which is or may become payable in annual installments, then Seller shall pay the unpaid installments of any such assessment which are due and payable on or before the Closing Date and Purchaser shall assume full responsibility for the payment of all installments which become due and payable after the Closing Date.

(B) Transfer Tax/Documentary Stamps. Purchaser shall pay all taxes, levies or documentary stamps required to be paid in connection with the Closing or the recording of the Deed.

(C) Closing Costs. Seller shall pay at Closing all recording fees due on recording of corrective instruments, if any, and Seller's attorney's fees and costs. Purchaser shall pay at Closing (i) all recording fees due on the Deed; (ii) all title examination fees, title insurance premiums (including without limitation premiums for endorsements and extended coverage); (iii) the cost of any survey obtained by Purchaser; (iv) all costs and expenses of any financing of Purchaser's acquisition of the Property (including, without limitation, all intangible taxes, documentary stamp taxes and recording and filing fees due on any financing document, and lender's attorneys' fees and expenses); (v) Purchaser's attorney's fees and costs; and (vi) all escrow fees charged by Escrowee, if any.

10. Time of the Essence. Time wherever specified herein for satisfaction of conditions or performance of obligations by Purchaser is of the essence of this Agreement.

11. Purchaser's Default. If at the time of Closing Purchaser is in default in the observance or performance of Purchaser's obligations hereunder, then Seller shall have the right, as Seller's sole remedy, to terminate this Agreement and retain the Deposit as liquidated damages and thereafter the parties shall have no further obligations hereunder. The parties acknowledge that the aforesaid liquidated damages are reasonable and do not constitute a penalty and are being agreed upon due to the difficulty of calculating the actual amount of damages that Seller might sustain in the event of a default by Purchaser and termination of this Agreement.

12. Seller's Default. If Seller shall be unable to perform its obligation to convey the property to Purchaser in accordance with the terms of this Agreement, then Purchaser, at its sole option and as its sole and exclusive remedy, may terminate this Agreement, in which event Escrow

Agent shall refund to Purchaser the Deposit (and all interest earned thereon, if any), and neither party shall thereafter have any further right or obligation hereunder.

13. Casualty. If the Property, or a material part (affecting more than fifteen percent (15%) of the Property) thereof, is destroyed, damaged or lost by fire or other casualty or cause prior to Closing, Purchaser shall have the right to terminate this Agreement. If Purchaser shall not elect to terminate this Agreement, then at Closing Seller shall pay to Purchaser all money theretofore paid to Seller by reason of such fire, casualty or cause (less any amounts expended by Seller to secure or restore the Property), and shall assign to Purchaser all of Seller's claims and rights with respect to such fire, casualty or cause, including without limitation all rights and claims under all applicable policies of insurance, and shall pay to Purchaser all sums which may have been paid to Seller by reason thereof. Notwithstanding anything to the contrary contained in this Section 13, Seller shall be entitled to retain any and all proceeds of insurance which are compensatory for any insured casualty to the Property which occurred prior to the date of this Agreement.

14. Condemnation. If the Property, or a material part (affecting more than fifteen percent (15%) of the Property) thereof, is taken by eminent domain prior to Closing, either Seller or Purchaser shall have the right to terminate this Agreement. If either party does not elect to terminate this Agreement or if the portion of the Property which is taken or rendered unusable is not a material part of the Property, Purchaser shall accept so much of the Property as remains after such taking with no abatement of the Purchase Price, and at the Closing, Seller shall assign and turn over to Purchaser, and Purchaser shall be entitled to receive and keep, all of Seller's interest in and to all awards for such taking by eminent domain.

15. Notices. All notices required by or relating to this Agreement shall be in writing and shall either be (i) hand delivered, (ii) delivered by nationally recognized overnight courier service, (iii) mailed United States registered or certified mail, return receipt requested, postage prepaid, or (iv) electronic mail (provided that any delivery by electronic mail is also simultaneously deposited for delivery by one of the delivery methods set forth in subsections (i), (ii) or (iii)). All notices shall be addressed to the other respective party at its address above set forth, or at such other address as such other party shall designate by notice, and shall be effective when delivered to such address.

16. Brokers. Purchaser represents to Seller that Purchaser has not dealt with any broker or other person who may be entitled to a real estate broker's commission or a finder's fee in connection with this transaction other than (a) Seller's broker, John Dixon and Associates ("Seller's Broker"), who shall be paid by Seller pursuant to a separate written agreement between Seller and Seller's Broker, and (b) Purchaser's Broker, if applicable, who shall be entitled to payment from Seller's Broker of a commission in the amount of two percent (2%) pursuant to a separate written agreement between Seller's Broker and Purchaser's Broker. Purchaser hereby indemnifies and holds Seller harmless from and against any claim for a brokerage commission or finder's fee asserted by a person claiming by or through Purchaser. This indemnification shall survive Closing.

17. Whole Agreement; Amendments. This Agreement sets forth all of the agreements, representations, warranties and conditions of the parties hereto with respect to the subject matter

hereof, and supersedes all prior or contemporaneous agreements, representations, warranties and conditions. The exhibits, schedules and riders referred to above constitute parts of this Agreement. No alteration, amendment, modification or waiver of any of the terms or provisions hereof, and no future representation or warranty by either party with respect to this transaction, shall be valid unless the same be in writing and signed by the party against whom enforcement of same is sought.

18. Governing Law. The laws of the state where the Property is located shall govern this Agreement and all issues arising hereunder.

19. Assignment. Purchaser may not assign this Agreement or any rights or remedies of Purchaser hereunder without Seller's prior written consent. If approved by Seller, no assignment of this Agreement shall release Purchaser of its obligations hereunder.

20. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, and all of which taken together shall constitute a single agreement, with the same effect as if the signatures thereto and hereto were upon the same instrument.

21. Seller's Limited Liability. It is hereby expressly agreed that any liability of Seller arising hereunder, for any reason whatsoever, shall be limited to Seller's interest in and to the Property and the proceeds thereof. It is further hereby expressly agreed that in no event shall any member, manager, officer, trustee, director, shareholder, employee, agent or representative of Seller have any personal liability in connection with this Agreement or the transaction envisioned herein. The provisions of this Section 21 shall survive Closing or any termination of this Agreement.

22. Survival. Except for the rights and obligations of Seller and Purchaser which by their express terms shall survive, none of the rights and obligations of Purchaser and Seller shall survive Closing or the termination of this Agreement.

23. No Recording. Neither this Agreement nor any memorandum or short form thereof may be recorded by Purchaser. A violation of this prohibition shall constitute a material breach by Purchaser of this Agreement.

24. Severability. If any provision in this Agreement, or its application to any person or circumstance, is held to be invalid or unenforceable to any extent, that holding shall not affect the remainder of this Agreement or the application of that provision to persons or circumstances other than that to which it was held invalid or unenforceable.

25. Waiver of Trial by Jury. EACH PARTY HEREBY WAIVES, IRREVOCABLY AND UNCONDITIONALLY, TRIAL BY JURY IN ANY ACTION BROUGHT ON, UNDER OR BY VIRTUE OF OR RELATING IN ANY WAY TO THIS AGREEMENT OR ANY OF THE DOCUMENTS AND/OR INSTRUMENTS EXECUTED IN CONNECTION HEREWITH, THE PROPERTY OR ANY CLAIMS, DEFENSES, RIGHTS OF SET-OFF OR OTHER ACTIONS PERTAINING HERETO OR TO ANY OF THE FOREGOING.

26. General Release. TO THE FULLEST EXTENT PERMITTED BY LAW, PURCHASER HEREBY UNCONDITIONALLY AND IRREVOCABLY RELEASES AND FOREVER DISCHARGES SELLER, SELLER'S OFFICERS, MEMBERS, MANAGERS, TRUSTEES, DIRECTORS, PARTNERS, SHAREHOLDERS, EMPLOYEES, REPRESENTATIVES AND AGENTS, AND EACH OF THEIR RESPECTIVE AFFILIATES, OFFICERS, MEMBERS, MANAGERS, TRUSTEES, DIRECTORS, PARTNERS, SHAREHOLDERS, EMPLOYEES, REPRESENTATIVES AND AGENTS (EACH A "SELLER PARTY" AND COLLECTIVELY THE "SELLER PARTIES") FROM ANY AND ALL LIABILITY OR RESPONSIBILITY FOR CLAIMS, LOSSES AND DEMANDS, INCLUDING WITHOUT LIMITATION THOSE ARISING FROM PERSONAL INJURY OR DEATH, AND ALL CONSEQUENCES THEREOF (INCLUDING WITHOUT LIMITATION ANY INTERRUPTION OR INTERFERENCE WITH ANY BUSINESS OR ACTIVITIES BEING CONDUCTED ON THE PROPERTY AND ANY LOSS OF OPPORTUNITY), WHETHER NOW KNOWN OR NOT, WHICH MAY ARISE FROM (1) ANY LATENT OR PATENT DEFECTS, ANY HIDDEN OR CONCEALED CONDITIONS, OR ANY SUBSOIL, GROUNDWATER OR GEOLOGICAL CONDITIONS, (2) THE CONDITION, STRUCTURAL INTEGRITY, OPERABILITY, MAINTENANCE OR REPAIR OF ANY BUILDINGS, EQUIPMENT, FURNITURE, FURNISHINGS OR IMPROVEMENTS, (3) THE PRESENCE OF ANY HAZARDOUS OR TOXIC MATERIALS OR SUBSTANCES, (4) THE COMPLIANCE OF THE PROPERTY WITH, OR VIOLATION OF, ANY LAW, STATUTE, ORDINANCE, RULE OR REGULATION OF ANY GOVERNMENTAL ENTITY, INCLUDING WITHOUT LIMITATION APPLICABLE ENVIRONMENTAL LAWS, ZONING ORDINANCES, AND BUILDING AND HEALTH CODES, OR (5) ANY OTHER MATTER OR THING AFFECTING OR RELATED TO THE PROPERTY.

Purchaser acknowledges and agrees that the provisions of this Section 26 are a material factor in Seller's acceptance of the Purchase Price and that Seller would be unwilling to sell the Property unless Seller and the other Seller Parties are expressly released in accordance with the foregoing provisions of this Section 26. The provisions of this Section 26 shall survive Closing or any termination of this Agreement.

27. Escrow Agreement. Lawyers Title Insurance Corporation ("Escrowee") agrees to hold the Deposit in escrow and disburse it pursuant to the terms and conditions of this Section 27. Escrowee shall, immediately upon receipt of the Deposit, deposit same in an interest bearing, money market type escrow account with a federally insured bank or savings and loan association. All interest which shall accrue on the Deposit shall be credited against the Purchase Price, if Closing occurs, and if Closing does not occur, shall be paid to whichever party hereunder is entitled to receive the Deposit. Escrowee shall pay such interest to such party contemporaneously with Escrowee's payment of the Deposit. Seller and Purchaser agree that Escrowee is an escrow holder only and is merely responsible for the safekeeping of the Deposit and interest and shall not be required to determine questions of fact or law. If Escrowee shall receive notice of a dispute as to the disposition of the Deposit or the interest, then Escrowee shall not distribute the Deposit or interest except in accordance with written instructions signed by both Purchaser and Seller. Pending resolution of any such dispute, Escrowee is authorized to pay the Deposit and interest into court. If Escrowee pays the Deposit and interest into court, it shall be discharged from all further obligations hereunder.

In the event that the Escrowee receives conflicting instructions from the parties or determines in good faith that a bonafide dispute exists as to whether the Escrowee is obligated to deliver the Deposit, or as to whom said Deposit is to be delivered, the Escrowee, at its option, (a) may refuse to comply with any claims or demands on it and continue to hold the Deposit until (I) the Escrowee receives written notice signed by the Seller and the Purchaser directing the release and delivery of the Deposit, in which event the Escrowee shall then release and deliver the Deposit in accordance with said direction, or (ii) the Escrowee receives a certified copy of a final non-appealable judgment of a court of competent jurisdiction directing the release and delivery of the Deposit, in which event the Escrowee shall then release and deliver the Deposit in accordance with said direction, or (b) may deliver the Deposit to the Clerk of the Superior Court of the State of New York, for the County of New York, or (c) may take such affirmative steps as the Escrowee may elect in order to substitute another impartial party reasonably satisfactory to the Seller and the Purchaser (whose consents to such substitution shall not be unreasonably withheld), to hold the Deposit, including, without limitation, the deposit thereof in a court of competent jurisdiction and the commencement of an action for interpleader, the costs thereof to be the joint and several obligation of the Seller and the Purchaser (but, as between the Seller and the Purchaser, such costs shall be borne by whichever of the Seller or the Purchaser is the losing party, or in accordance with any mutual agreement of the Seller and the Purchaser if neither party is the losing party).

The Escrowee is acting as a stakeholder only with respect to the Deposit. It is agreed that the duties of the Escrowee are only as herein specifically provided, and are purely ministerial in nature, and that the Escrowee shall incur no liability whatsoever except for the willful misconduct or gross negligence. The Seller and Purchaser each release the Escrowee from any act done or omitted to be done by the Escrowee in good faith in the performance of its duties hereunder. The Seller and the Purchaser shall jointly and severally indemnify, defend (with counsel acceptable to the Escrowee) and save harmless the Escrowee from and against all loss, cost, claim, liability, damage and expense, including reasonable attorneys' fees and disbursements incurred in connection with the performance of the Escrowee's duties hereunder, except with respect to actions or omissions taken or suffered by the Escrowee in bad faith, in willful disregard of its obligation herein specified, or involving gross negligence on the part of the Escrowee (the "Indemnified Matters") (but, as between the Seller and the Purchaser, the cost of such Indemnified Matters shall be shared equally, except to the extent that such Indemnified Matters are attributable to the breach by the Seller or the Purchaser of this Agreement, in which event the cost shall be borne by whichever of the Seller or the Purchaser is the breaching party. The parties agree that the Escrowee has no liability in connection with the Deposit in the event of failure or insolvency of the financial institution in which the Deposit is deposited.

All notices, demands, offers, elections or other communications required or permitted to be given to Escrowee hereunder shall be in writing and shall be personally delivered by express mail or by reputable overnight courier which delivers only upon receipt of addresses, and addressed to the party at its address set forth below by either of the aforesaid methods, or by registered or certified mail, postage prepaid, with a return receipt requested, to Lawyers Title Insurance Corporation, 140 East 45th Street, New York, NY 10017, Attention: Mark Baillie, Esq.

Escrowee hereunder may resign at any time giving ten (10) business days prior written notice to that effect to each of the Seller and Purchaser. In such event, the successor Escrowee shall be selected by the Purchaser and approved by Seller, such approval not to be unreasonably withheld or delayed. Escrowee shall then deliver to successor Escrowee the Deposit, to be held by successor Escrowee pursuant to the terms of this Agreement. Escrowee shall be entitled to approve (not to be unreasonably withheld or delayed) any and all counsel who may be retained to defend or prosecute any action on behalf of Escrowee under or arising out of this Agreement.

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

Witness:

SELLER:

AMERICAN FINANCIAL TRS, INC.,
a Delaware corporation

By: _____
Name:
Title:

Witness:

PURCHASER:

By: _____
Name:
Title:

WITH THE JOINDER OF FIRST STATES INVESTORS 3226, LLC, for the sole purpose of conveying legal title to the Property to Purchaser by Deed as contemplated in Section 4 of this Agreement.

Witness:

FIRST STATES INVESTORS 3226, LLC,
a Florida limited liability company

By: _____
Name:
Title:

WITH THE JOINDER OF Lawyers Title Insurance Corporation for the sole purpose of acknowledging and agreeing to the terms and conditions of Section 27 of this Agreement.

Witness:

ESCROWEE:

LAWYERS TITLE INSURANCE
CORPORATION

By: _____
Name:
Title:

Exhibit A

Legal Description

Lot 3, GOODMAN GROUP ADDITION REPLAT, as recorded in Plat Book 33, pages 28 through 32, public records of Hernando County, Florida.

Exhibit B

Permitted Exceptions

1. Current real estate taxes which are not yet due and payable.
2. Such facts or conditions that an inspection or accurate survey would disclose.
3. Restrictions and other matters appearing on the plat or otherwise common to the subdivision.
4. Existing zoning laws, ordinances and regulations and other laws, ordinances and regulations respecting the Property, and any violations thereof.
5. Assessments for improvements begun or completed after the date of this Agreement.
6. All easements, restrictions and agreements of record provided that such easements, restrictions and agreements do not prohibit the current use of the Property.
7. Outstanding oil, gas and mineral rights of record without right of entry.
8. The other exceptions to title set forth of record.

Exhibit C

Leases

None.