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IN THE SUPERIOR COURT OF CALIFORNIA

ORANGE COUNTY

ROHINTON T. ARESH, a.k.a. ROY ARESH beneficiary of GREIT Liquidating Trust, a terminated Maryland trust on behalf of himself and all others similarly situated;

Plaintiffs,

v.

GARY H. HUNT, an individual; W. BRAND INLOW, an individual; EDWARD A. JOHNSON, an individual; D. FLEET WALLACE, an individual; GARY WESCOMBE, an individual; ETIENNE LOCOH, an individual; TODD A. MIKLES, an individual; NNN REALTY INVESTORS, LLC, a Virginia limited liability company; CHEQUERS-SUTTER SQUARE, LLC, is a dissolved California limited liability company; SCMG LIQUIDATION, INC. f.n.a. SOVEREIGN CAPITAL MANAGEMENT GROUP, INC., a California corporation; SSMF LIQUIDATION, INC. f.n.a. SOVEREIGN STRATEGIC MORTGAGE FUND, LLC, a California limited liability company; INFINITY URBAN CENTURY, LLC, a Delaware limited liability company; NORTHWOOD INVESTORS, LLC, a Delaware limited liability company; NORTHWOOD EMPLOYEES, LP, a limited partnership; NORTHWOOD REAL ESTATE PARTNERS, LP, a limited partnership;

(Caption Continues on Next Page)

Case No.: 30-2018-00982195

Assigned for All Purposes to the Honorable Randall J. Sherman
Dept. CX-105

FIFTH AMENDED CLASS ACTION [PROPOSED] COMPLAINT FOR:

1. **Breach of Fiduciary Duty**
2. **Securities Fraud - Violation Cal. Corp. Code § 25401**
3. **Sale of Unregistered Securities - Violation of Cal. Corp. Code 25110**
4. **Operating as an Unlicensed Broker Violation of Cal. Corp. Code § 25210**
5. **Joint and Several Liability Under Cal. Corp. Code §§ 25504, 25504.1**
6. **Violation of Section 10(b) of the Securities Exchange Act of 1934 (15 U.S.C. § 78a et seq.) ("Exchange Act") and Rule 10b-5**
7. **Violation of Section 20(a) of the Exchange Act (15 U.S.C. § 78t)**
8. **Tortious Interference with Congress Center Property Management Agreement**
9. **Intentional Interference with Prospective Economic Advantage**

(Caption Continues on Next Page)

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NORTHWOOD REAL ESTATE PARTNERS TE LP, a limited partnership; GCL, LLC, a Delaware limited liability company; SOVEREIGN CAPITAL MANAGEMENT HOLDINGS, LLC a California limited liability company and Does 2-10, 15-30 and 34-60

Defendants.

10. **Negligence**
11. **Negligent Misrepresentation**
12. **Fraud and Deceit in Violation of *Civil. Code* §§ 1572, 1709 and 1710**
13. **Conversion - Congress Center Equity**
14. **Conversion - GCL Land Sale**
15. **Fraudulent Transfer**

JURY TRIAL DEMANDED

Filed March 23, 2018

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CLASS [PROPOSED] ACTION COMPLAINT

Plaintiffs complain and allege as follows.

I.

NATURE OF ACTION AND PRIOR BANKRUPTCY LITIGATION

1. The proposed Plaintiffs' class is comprised of 13,858 "Beneficiaries" as holders of "Beneficial Interests" in the GREIT Liquidating Trust, terminated as of January 28, 2014 ("G-Trust") who invested therein an average $31,561 each. The G-Trust, trustees breached their fiduciary duties, acted wrongfully, and materially aided and abetted TODD B. MIKLES ("MIKLES"), his partner ETIENNE LOCOH ("LOCOH"), their affiliates and their joint venture partners' misconduct.

2. Plaintiffs through G-Trust owned 78.5% of the Western Place Property acquired with other tenants in common at a total purchase price for 100% ownership of $33,500,000 July 23, 2004, 30.0% of the Congress Center Property acquired with other tenants in common at a total purchase price for 100% ownership of $136,108,000 January 9, 2003, and 100% of the Sutter Square Property acquired for $8,240,000 October 28, 2003, each as further described below.

a. Relatedly Plaintiffs', when combined with "Congress TIC Plaintiffs" in the case filed February 22, 2021 Case No.: 30-2021-01186203-CU-FR-CJC regarding 22.761% and the NNN Congress Center, LLC plaintiffs in Case No.: 30-2018-01015717 filed August 30, 2018 regarding 28.879% of the Congress Center Property, are a combined 81.64% of the TIC interests in the Congress Center Property asserting claims; and

b. Plaintiffs when combined with the "Western TIC Plaintiffs" in Case No.: 30-2021-01186203-CU-FR-CJC regarding 15.5% of the Western Place Property are a combined 94.00% of the TIC Interests asserting claims.

3. The Beneficiaries also assert securities act claims regarding the sale of their 1,200,000 shares of common stock by materially false and fraudulent means by the purchase to each of them pro-rata of an unsecured $12,000,000 promissory note and continued extensions

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thereof.

4. Plaintiffs objected to a settlement agreement with a "Bar Order" as a component part of a Motion to Compromise Controversy between MIKLES, SCMG LIQUIDATION, INC. f.n.a. SOVEREIGN CAPITAL MANAGEMENT GROUP, INC. ("SCMG"), SSMF LIQUIDATION, LLC f.n.a. SOVEREIGN STRATEGIC MORTGAGE FUND, LLC ("SSMF") and GCL, LLC ("GCL"), COTTONWOOD RESIDENTIAL, OP, LP, NORTHWOOD INVESTORS, LLC, collectively the MIKLES BK Movants on the one hand and Chapter 7 Trustee Chad S. Paiva ("BK Trustee") in the United States Bankruptcy Court Southern District of Florida Fort Lauderdale Division styled *In re: Daymark Realty Advisors Inc., Case No. 18-23750-SMG, Daymark Properties Realty, Inc., Case No. 18-23751-SMG, Daymark Residential Management Inc., Case No. 18-23752-SMG Debtor(s) (substantively consolidated), Chapter 7* (the "BK Cases" in the "BK Court") which motion went to trial August 31, September 1, 2, 3, 29, October 13, 14, and November 2 and 6, 2020 (the "BK Trial"). Had the "Bar Order" as proposed by MIKLES BK Movants been entered Plaintiffs would have forever been barred from asserting claims against MIKLES BK Movants and his/its/their affiliates and those Cottonwood parties and NORTHWOOD Defendants that joined in the motion. On December 29, 2020 the Honorable Scott M. Grossman, Judge United States Bankruptcy Court announced his oral decision followed on December 30 with entry of the BK Court's Order Denying Motion to Compromise Controversy entered at BK Case Docket Entry 647. Moreover, any applicable limitations period is also tolled 30 days from December 29, 2020 to January 28 pursuant to 11 U.S.C. 108(c)

5. Relatedly, Adversary Pro. No. 19-01291 was commenced by many of the MIKLES BK Movants in the BK Cases styled *Todd A. Mikles, Etienne Locoh, Sovereign Capital Management Group, Inc., Sovereign Strategic Mortgage Fund, LLC, Infinity Urban Century, LLC and GCL, LLC Plaintiff(s) VS. Richard Carlson, Milton O. Brown, Tyrone Wynfield, Dennis Dierenfield, William B. Gilmer, NNN 1600 Barberry Lane 8, LLC, NNN 1600 Barberry Lane 9, LLC, NNN Plantations at Haywood 1, LLC, NNN Plantations at Haywood 2, LLC, NNN Plantations at Haywood 13, LLC and NNN Plantations at Haywood 23, LLC* (the "BK ADV").

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On August 23, 2019 the BK Court, over Plaintiffs' objection, enjoined pending Plaintiffs from pursuing their rights against MIKLES and his affiliates. Also on December 29, 2020 the Honorable Scott M. Grossman, Judge United States Bankruptcy Court announced his oral decision followed on December 30 with entry of the BK Court's ORDER DISSOLVING PRELIMINARY INJUNCTION entered at BK ADV Docket Entry 231. As such Plaintiffs were enjoined in bringing claims from August 23, 2019 through a minimum of December 29, 2020, an initial period of 491 days and statutes of limitation further tolled 30 days from December 29, 2020 to January 28, 2020 pursuant to 11 U.S.C. 108(c) a period of 521days.

6. During the course of the objecting creditors investigation and discovery during BK Trial documents were disclosed, for the first time further supporting Plaintiffs' existing claims that must be revised and giving rise to new claims against MIKLES, LOCOH and his/their joint venture partners, as well as the G-Trust trustees and others including those defendants described below.

7. This case is brought to pursue the rights of the Beneficiaries for monies and property, including profits and income derived therefrom, wrongfully taken from them and to recover damages including punitive and exemplary damages as a result of defendants' acts and omissions.

II.

JURISDICTION AND VENUE

8. This Court has subject matter jurisdiction pursuant to California Constitution Article VI, § 5 and personal jurisdiction over defendants in accordance with Code of Civil Procedure, § 410.10 on the grounds that many of the defendants and their agents reside, do business in and that a substantial portion of the actions and events giving rise to this complaint occurred in Orange County, California and continues to the present.

9. Venue is proper before this Court insofar as a substantial part of the actions giving rise to the claims alleged herein occurred in Orange County, California.

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III.

THE PARTIES, DOES AND ALTER EGOS

A. ARESH Plaintiffs

10. Plaintiff ROHINTON T. ARESH, a.k.a. ROY ARASH ("ARESH") is an individual and resident of the State of California and one of the "Beneficiaries" holding "Units" of the terminated GREIT Liquidating Trust ("G-Trust").

11. References herein to "Plaintiffs" shall include ARESH unless otherwise mentioned, individually and in a representative capacity on behalf of the proposed Class of Beneficiaries of the terminated G-Trust.

B. Defendants

1. Trustee Defendants

12. Defendant GARY H. HUNT ("HUNT") an individual served as a member of G-REIT Inc.'s board of directors and on January 22, 2008 was appointed as one of the initial trustees of G-Trust until terminated on January 28, 2014 although he claims authority to act as trustee. HUNT is a highly sophisticated and accomplished real estate professional whose business profile describes his "50 years in real estate, government, public policy, and corporate governance....25 years with The Irvine Company...serving as Senior Vice President, assistant to the Chairman and 10 years as Executive Vice President, serving on its Board of Directors and Executive Committee." as well as his J.D. degree from the Irvine University School of Law.

13. Defendant W. BRAND INLOW ("INLOW") an individual served as a member of G- REIT Inc.'s board of directors and on January 22, 2008 was appointed as one of the initial trustees of G-Trust until terminated on January 28, 2014 although he claims authority to act as trustee. INLOW is also a highly sophisticated and accomplished real estate professional while serving as trustee was a principal and director and co-founder with WALLACE, described below of McCann Realty Partners, LLC by the time of the events described herein, 2012 through 2021, a billion dollar real estate development and management company.

14. Defendant EDWARD A. JOHNSON ("JOHNSON") an individual served as a member of G- REIT Inc.'s board of directors and on January 22, 2008 was appointed as one of

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the initial trustees of G-Trust until terminated on January 28, 2014 although he claims authority to act as trustee. JOHNSON for all times relevant was also an accomplished and successful real estate executive. He has served as President of Everest College Phoenix since January 2011. Everest College Phoenix is owned by Corinthian College, Inc., a publicly traded company that owns over 120 institutions throughout the U.S. and Canada. He has also served as President of University Realty Advisors, LLC, which advises cities, developers and universities on campus expansion, since January 2009. JOHNSON received a B.S. degree in History and Political science from Morningside College, a J.D. degree from Creighton University School of Law, and a Ph.D. degree in Higher Education Administration - Law and Education specialization from Arizona State University.

15. Defendant D. FLEET WALLACE ("WALLACE") an individual served as a member of G- REIT Inc.'s board of directors and on January 22, 2008 was appointed as one of the initial trustees of G-Trust until terminated on January 28, 2014 although he claims authority to act as trustee. WALLACE is also a highly sophisticated and accomplished real estate professional who with INLOW co-founded McCann Realty Partners, LLC initially serving as corporate counsel and assistant secretary and now as Managing Principal. In the period 2012 through 2021 WALLACE was involved in all aspects of McCann's activities in the capital markets related to development, acquisition and disposition of over 20,000 apartment homes in transactions valued at more than $2.5 billion.

16. Defendant GARY WESCOMBE ("WESCOMBE") an individual served as a member of G- REIT Inc.'s board of directors and on January 22, 2008 was appointed as one of the initial trustees of G-Trust until terminated on January 28, 2014 although he claims authority to act as trustee. WESCOMBE, a Certified Public Accountant, is also a is a highly sophisticated and accomplished real estate professional who in the period 2012 through 2021 held the title of Chairman of the trustees and a principal of American Oak Properties, LLC. He is also an independent director of Healthcare Trust of America, Inc. (NYSE: HTA) with a market capitalization of $12.45 billion. WESCOMBE is also the Chief Financial Officer & Treasurer at Arnold & Mabel Beckman Foundation.

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17. Defendants HUNT, INLOW, JOHNSON, WALLACE, WESCOMBE and Does 2-10 shall be referred to herein jointly and severally as the "Trustee Defendants".

18. Plaintiffs are informed and believe, and on that basis allege, that at all times herein relevant, Trustee Defendants, and each of them, knowingly and willfully conspired, joined and participated with each other and MIKLES and LOCOH, and their joint venture partners, in the conduct herein alleged in furtherance of a conspiracy between and among Trustee Defendants to enrich themselves at Plaintiffs' and the Class' expense, and that each of the Trustee Defendants is therefore liable with each of the other Trustee Defendants for the conduct, acts and omissions herein alleged, for the damages suffered by Plaintiffs and the Beneficiaries and for the relief being sought herein.

19. Does 2-10 are individuals and business entities, form unknown, who would be included in the joint and several references to the Trustee Defendants, who, at the time of the events described herein, were and are responsible for acts and omissions related to Plaintiffs and the Beneficiaries as alleged herein and, as such, should be included in this complaint as if named and included as such. The true names and capacities, whether individual, corporate, associate, or otherwise, of such defendants are unknown to Plaintiffs who therefore sue said Trustee Defendants by such fictitious names. Plaintiffs will amend this complaint to allege the true names and capacities of said Trustee Defendants when the same are ascertained.

2. MIKLES Defendants

20. Defendant TODD A. MIKLES ("MIKLES") is an individual who for all times relevant, was a control person, principal, agent, director and officer of NNNRI, DPR, ARPT, ARP-OP, NWCCO, SCMG and SSMF as described below.

a. MIKLES and LOCOH controlled former defendant Daymark Properties Realty, Inc. f.k.a. Triple Net Property Realty, Inc. ("DPR") a California corporation organized July 6, 1998 as Entity Number: C2113477, California Department of Real Estate ("DRE") corporate license number 01304179 since March 8, 2001. MIKLES, on and after August 2011, for times relevant was the DRE designated officer of DPR and as such responsible for supervision of its operations and personnel. On November 4, 2018

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DPR filed for bankruptcy and pursuant to section 362 of title 11 of the United States Code (the "automatic stay") prosecution of DPR is stayed.

b. DPR was the asset and property manager of the Congress Center, Western Place and Sutter Square Properties for all of its/their owners.

c. Plaintiff learned during the course of the BK Trial, by review of the income tax returns and books and records provided by the Trustee Paiva of debtors DPR, Daymark Realty Advisors, Inc. ("DRA") and Daymark Residential Management, Inc. ("DRM") which included consolidations with NNN Realty Advisors, LLC ("NNNRA") and NNNRI (described below) that on and after August 11, 2011 described below as the Daymark Acquisition, there was formed and remained a unity of interest in, by and between and among DPR, DRA, DRM, NNNRA, NNNRI in that MIKLES and LOCOH dominated and controlled each and all of those entities, made all business decisions, that each of the entities was inadequately capitalized, failed to abide by the formalities of corporate existence and was dominated, controlled and used by MIKLES and LOCOH as mere shells and conduits using the corporations' and limited liability companies' structure of each and all of its/their finances to avoid payment obligations and liabilities such that the adherence of the fiction of the separate existence of each and all would promote injustice and bring about inequitable results. Moreover, payments between DPR, DRA, DRM, NNNRA, NNNRI and IUC, ARPT, SCMG, SSMF and GCL as structured by MIKLES and LOCOH lacked any adequate legal basis. Indeed, MIKLES and LOCOH knowingly acquired the insolvent Daymark entities including DPR, DRA, DRM, NNNRA and NNNRI knowing each and all were insolvent and needed a capital infusion of not less than $15 million intending not to make that contribution but instead to use NNNRI and DPR to take assets from Plaintiffs and other tenant in common owners without fair and adequate consideration conveying those interests to yet another set of companies including Cook Islands companies and purported irrevocable trusts all in an effort to conceal and put the fruits of their wrongful conduct beyond the reach of Plaintiffs and their creditors.

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21. Defendant ETIENNE LOCOH ("LOCOH") is an individual who for all times relevant, was a control person, principal, director and officer of DPR, NNNRI, ARPT, ARP-OP, and NWCCO as described below. With MIKLES he also was a control person of his/their alter egos DPR and NNNRI for times relevant hereto. Throughout the BK Case MIKLES represented that he had full power and authority to act on behalf of LOCOH and IUC.

22. Defendant INFINITY URBAN CENTURY, LLC ("IUC") named as Doe 11 is a Delaware limited liability company # 4590049 owned and controlled by LOCOH a partner of MIKLES from mid 2011 through at least early 2013. IUC also controlled alter egos NNNRI and DPR.

23. Former Defendant ARPT Property Fund, INC., f.n.a. the American Recovery Property Trust, Inc. ("ARPT") was a Maryland corporation, operated as a Real Estate Investment Trust ("REIT"), which for all times relevant was owned by entities and controlled by MIKLES, LOCOH, SCMG and IUC. On information and belief ARPT was formed for the purpose of rolling up numerous tenant in common transactions managed by DPR and NNNRI yet only the Congress Center Property actually in part rolled up and its existence was thereafter cancelled and its assets and operation have been assumed by Mikles, SCMG, SSMF and others named herein to be identified in discovery. ARPT for all times relevant was the alter ego of and owned by entities and controlled by MIKLES and LOCOH who for all times relevant served as Chairman of its Board and MIKLES who for all times relevant served as its Director, President and Chief Executive Officer.

a. ARPT's affiliate American Recovery Property Advisors, LLC ("ARPA") was a limited liability company organized and controlled for times relevant by MIKLES and MIKLES to serve as the advisor to ARPT. On information and belief ARPA's existence was cancelled and its assets and operation have been assumed by MIKLES and SCMG.

24. Former Defendant American Recovery Property, OP, LP ("ARP-OP") was a Delaware limited partnership majority owned by ARPT, the general partner of which was ARPT. On information and belief ARP-OP's existence was cancelled and its assets and operations have

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been assumed by MIKLES and SCMG.

25. Defendant NNN REALTY INVESTORS, LLC ("NNNRI") formerly known as Grubb & Ellis Realty Investors, LLC ("GERI"), was a Virginia limited liability company organized on April 27, 1998 and authorized to do business in California as of May 8, 1998. NNNRI was for all times relevant the formal "Advisor" to G-Trust. NNNRI was thereby the advisor and fiduciary for all of the tenant in common owners of the Congress Center Property, the asset and property manager of which was simultaneously DPR. NNNRI was carve out guarantor on the Congress Center Property loan and as of August 11, 2011 was inadequately capitalized and had violated net worth requirements required by underlying property lenders, but rather than cure the defaults by capitalizing NNNRI, MIKLES and LOCOH instead used SCMG, ARPT, ARP OP, SSMF, via himself/themselves as agent of the entities to stand in the shoes of NNNRI, as alter egos and as advisor to G REIT and G-Trust.

26. Defendant CHEQUERS-SUTTER SQUARE, LLC ("CHEQUERS") named as Doe 13, is a dissolved California limited liability company formed October 18, 2012 as Entity No. 201230810080 and purportedly cancelled October 11, 2016 by the filing of a Certificate of Dissolution by form LLC-3 signed by MIKLES as President of SCMG managing member. Because Plaintiffs were enjoined for a period of 491 days by the injunction in the BK-ADV from August 23, 2019 through December 29, 2020 and further tolled an additional 30 days to January 28 pursuant to 11 U.S.C. 108(c) a total period of 521days, the four year period that would have otherwise expired October 11, 2020 for recovery of distributions to members pursuant to *Corp. Code* §17704.06 remains open until 2022.

27. Defendant SCMG LIQUIDATION, INC. f.n.a. SOVEREIGN CAPITAL MANAGEMENT GROUP, INC. ("SCMG") is a California corporation organized September 20, 2010 as Entity Number C3318067 as member and recipient of transfers from various MIKLES related entities including CHEQUERS.

28. Defendant SSMF LIQUIDATION, LLC f.n.a. SOVEREIGN STRATEGIC MORTGAGE FUND, LLC ("SSMF") sued as Doe 1, is a California limited liability company organized August 5, 2008 as entity number 200822710170 and for all times relevant owned and

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1 controlled by MIKLES. The sole manager and member of SSMF is SCMG also owned and
2 controlled by MIKLES.
3 29. Defendant GCL, LLC ("GCL") is a Delaware limited liability company organized
4 May 13, 2014 as File Number 5533084 and registered in the State of California on July 24, 2014
5 as File Number 201421010021. At all relevant times MIKLES was directly, or indirectly
6 through an entity under his control to be identified in discovery and added as a Doe Defendant,
7 an agent of GCL with full authority to bind it and direct corporate affairs.
8 30. Defendant SOVEREIGN CAPITAL MANAGEMENT HOLDINGS, LLC
9 ("SCMH") named as Doe 14 is a California limited liability company formed June 28, 2007 as
10 Entity No. 200718110142 Delaware then Manager of which pursuant to the Statement of
11 Information on file is MIKLES. SCMH received at least $983,068 on the sale of the GCL
12 Property that belongs to Plaintiffs as described herein.
13 31. Defendants NNNRI, IUC, CHEQUERS, SCMG, SSMF, GCL, SCMH and Does
14 15-30 and 41-60 may be referred to herein jointly and severally as the "MIKLES Defendants"
15 which, on and after August 11, 2011 for all times relevant to this complaint, were under the
16 common control of MIKLES and LOCOH. Plaintiffs are informed and believe, and on that basis
17 allege, that at all times herein mentioned MIKLES and LOCOH used entities ARPT, ARP-OP,
18 ARPA, NWCCO and defendants NNNRI, IUC, CHEQUERS, SCMG, SSMF, GCL, SCMH and
19 Does 15-30 and 41-60 each of them, as a mere shell and naked framework to convert the equity
20 in all plaintiffs' real property to cash and securities and distribute the same to themselves and
21 their affiliates for their own personal financial gain.
22 32. Plaintiffs are informed and believe, and on that basis allege, that at all times
23 herein mentioned, MIKLES Defendants, and each of them, knowingly and willfully conspired,
24 joined and participated with each other in the conduct herein alleged in furtherance of a
25 conspiracy between and among MIKLES, LOCOH and as concerns the Congress Center Property
26 NORTHWOOD Defendants to enrich themselves at Beneficiaries' expense, and that each such
27 defendant is therefore liable with each other MIKLES Defendants for the conduct herein alleged,
28 for the damages suffered by plaintiffs and for the relief being sought herein.

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3. NORTHWOOD Defendants

33. Defendant NORTHWOOD INVESTORS, LLC ("NORTHWOOD"), is a Delaware limited liability company doing business in Los Angeles California for all times relevant to this complaint. NORTHWOOD individually and as agent for and venture capital partner of NW-1, NW-2, NW-3, defined below, is a principal of the joint venture formed upon information and belief not later than March 1, 2012 where MIKLES and LOCOH served as co-partners with and agents for the venture, with the objective and purpose of acquiring the Congress Center Property by misrepresentations and omissions through a series of conduit special purpose entities (herein describe in detail below as the "4 SPEs" that were to be funded prior to closing and became known as NW Congress Center Owner LLC ("NWCCO")).

a. NORTHWOOD was founded in 2006 by former Blackstone Real Estate Advisors President and CEO John Kukral.

b. NWCCO was a Delaware limited liability company, File No. 5214758, organized on September 18, 2012 described in various news releases including October 26, 2012 as a joint venture between MIKLES and LOCOH entities [ARPT and ARP-OP] on the one hand and NORTHWOOD on the other, as described below. NWCCO's existence was cancelled in 2016 shortly after the sale of the Congress Center Property.

34. Defendant NORTHWOOD EMPLOYEES LP ("NW-1") named as Doe 31, is a Delaware limited partnership that is managed by its agent and joint venture and venture capital partner NORTHWOOD, through conduit special purpose entities related to NWCCO received distributions through late 2015.

35. Defendant NORTHWOOD REAL ESTATE PARTNERS LP ("NW-2") named as Doe 32, is a Delaware limited partnership that is managed by its agent and joint venture and venture capital partner NORTHWOOD, through conduit special purpose entities related to NWCCO received distributions through late 2015.

36. Defendant NORTHWOOD REAL ESTATE PARTNERS TE LP ("NW-3") named as Doe 33, is a Delaware limited partnership that is managed by its agent and joint venture and venture capital partner NORTHWOOD, through conduit special purpose entities

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related to NWCCO received distributions through late 2015.

37. Defendants NW-1, NW-2, NW-3 and Does 34-40 may be referred to sometimes herein jointly and severally as the "NORTHWOOD Defendants". Plaintiffs are informed and believe, and on that basis allege, that at all times herein mentioned the NORTHWOOD Defendants, and each of them, were and remain the alter-egos of NORTHWOOD and each other; that they did dominate, influence and control each other; that there existed a unity of ownership between them; that the individuality and separateness of each entity was and remained non-existent; that each such entity was and remained a mere shell and naked framework which the other defendants used to conduct their business affairs; that each such entity was inadequately capitalized; and that an injustice and fraud upon Plaintiffs will result if the theoretical separateness of the defendant entities is not disregarded and each such defendant held liable for all relief being sought herein.

38. Plaintiffs are informed and believe, and on that basis allege, that at all times herein mentioned, NORTHWOOD Defendants, and each of them, knowingly and willfully conspired, joined and participated with each other in the conduct herein alleged in furtherance of a conspiracy between and among NORTHWOOD and NORTHWOOD Defendants to enrich themselves at Plaintiffs, the Beneficiaries' expense, and that each such defendant is therefore liable with each other defendant for the conduct herein alleged, for the damages suffered by Plaintiffs .

39. Plaintiffs are informed and believe, and on that basis allege, that as a result of the foregoing facts, the NORTHWOOD Defendants are, and at all times relevant to this Complaint were, the instrumentalities, conduits, and alter egos of NORTHWOOD and NORTHWOOD has managed and controlled the NORTHWOOD Defendants to avoid liability and to defraud the Beneficiaries as creditors of NORTHWOOD and the NORTHWOOD Defendants; that unless the fiction of such separateness of NORTHWOOD and the NORTHWOOD Defendants from each other is ignored, great injustice will result, and fraud will be sanctioned to the irreparable damage of Plaintiffs.

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C. The Doe Defendants

40. The Doe Defendants named herein as Does 2-10, 15-30 and 34-60 inclusive, and each of them, are unknown to Plaintiffs, who therefore sue such defendants by fictitious names pursuant to Code of Civil Procedure § 474. Plaintiffs are informed and believe, and thereon allege, that each fictitiously named Doe defendant is in some manner, means or degree responsible for the events and happenings herein alleged. Plaintiffs will amend this complaint, as necessary, to set forth the true names and capacities of the fictitiously designated Doe defendants when ascertained.

41. In the event future discovery establishes that one or more lawyers or law firms conspired with and/or aided or abetted the defendants and therefore should be named in the place of any of the foregoing Doe Defendants, then to the extent applicable, if at all, Plaintiffs will comply with his/her/its/their obligations under California Civil Code § 1714.10 by bringing a motion seeking advance Court approval for any such substitution and will, in the context of such motion, present evidence establishing a reasonable probability that he/she/it/they will prevail on the merits of its claims against such lawyers and/or law firms.

D. Agents, Co-Conspirators and Aiders and Abettors

42. At all relevant times, defendants, and each of them, were acting as each other's agents, and were acting within the course and scope of their agency with the full knowledge, consent, permission, authorization, and ratification, either express or implied, of each of the other defendants in performing the acts alleged in this Complaint.

43. As members of the conspiracy alleged below, defendants, and each of them, participated and acted with or in furtherance of said conspiracy, or aided or assisted in carrying out the purposes of the conspiracy, and have performed acts and made statements in furtherance of the conspiracy and other violations of law. Each of the defendants acted both individually and in alignment with other defendants with full knowledge of their respective wrongful conduct. As such, defendants conspired together, building upon each other's wrongdoing, in order to accomplish the acts outlined in this Complaint.

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44. Defendants are individually sued as principals, participants, co-conspirators and aiders and abettors in the wrongful conduct complained of and the liability of each arises from the fact that each has engaged in all or part of the improper acts, plans, conspiracies, or transactions complained of herein. The conspiracy "may be inferred from the nature of the acts done, the relations of the parties, the interests of the alleged conspirators, and other circumstances." See *Sales Corp. v. Olsen*, 80 Cal. App. 3d 645, 649 (1978).

IV.

PLAINTIFFS' CLASS ACTION ALLEGATIONS

45. This action on behalf of Plaintiffs is brought pursuant to and may be properly maintained and certified as a class action in general, under Code of Civil Procedure section 382 and Federal Rules of Civil Procedure, Rule 23(a)(1)-(4); (b) Rule 23(b)(3)(as made applicable to state courts by *City of San Jose v. Superior Court* (1974) 12 Cal.3d 447, 453) as to the plaintiff class.

46. This action satisfies the numerosity, commonality, typicality, adequacy, predominance, and superiority requirements of the foregoing provisions of the Code of Civil Procedure section 382 and the Federal Rules of Civil Procedure.

47. Plaintiffs bring this action on behalf of themselves and a class of similarly situated Beneficiaries, persons defined as:

All persons who as of January 1, 2012 owned Beneficial Interests in GREIT Liquidating Trust (the "Class").

48. Based upon information and belief, the class members number in excess of Thirteen Thousand Eight Hundred Fifty Six (13,856) persons who are citizens of the United States, including in excess of Two Thousand (2,000) persons from the State of California and, as such, are sufficiently numerous and geographically dispersed throughout the country that joinder of all class members is impracticable. Said persons each invested an average of $31,561 in G REIT, Inc. stock which in turn became, at the time of liquidation, the basis for the Beneficial Interests, the Units, described herein, and in many instances are elderly and without sufficient funds to protect their interests, and require representation in this action so that their Beneficial

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Interests will be protected. Said Beneficiaries are so numerous and diversely situated as to make it wholly impracticable, if not impossible, to bring them all before the Court in this action. The object of this action on behalf of the Beneficiaries is the adjudication of claims and rights which do or may affect specific property, securities and transactions involved in this action, to wit, the corpus and income of the G-Trust including claims described herein, and a community of interest exists between Plaintiffs and the members of the Class described herein as to questions of law and fact involved, in that the principal object of this action for the Beneficiaries is to secure an accounting of the affairs of the G-Trust and to recover for and on behalf of the Beneficiaries damages including without limitation money, property and interests which have been wrongfully diverted from them. The Beneficial Interests of the Beneficiaries as members of the Class are in some instances small, could not be vindicated without resort to repeated litigation with respect to the same issues, and their representation herein is necessary to prevent a failure to do justice, as more particularly hereinafter appears. The interests of the members of the Class and Plaintiffs as Beneficiaries are identical except for the quantum of their Beneficial Interest in the G-Trust, and the named Plaintiffs herein will fairly insure adequate representation and protection on behalf of all of such Beneficiaries. Accordingly, it is necessary to maintain this action as a class action on behalf of the Beneficiaries of the G-Trust.

49. Plaintiffs and the Class, as Beneficiaries of the express trust terminated January 28, 2014, share a common interest in the fidelity of the terminated Trustee Defendants and others acting or purporting to act on behalf of the Beneficiaries and the proper accounting for and distribution of trust income and corpus due to the Beneficiaries as well as damages for the breaches of duty and aiding and abetting thereof as identified herein.

50. Excluded from the foregoing Class are the officers, directors, partners, members and employees of defendants and its/his/their legal representatives, heirs, successors, and assigns, of such defendants.

51. There are questions of law or fact common to the class, including, but not limited to, the following:

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a. Whether defendants breached fiduciary duties and/or conspired with others to breach such duties and/or aided and abetted others to breach such duties;

b. Whether the defendants misrepresented material facts in publishing communications regarding G-Trust transactions and certifying reports thereon;

c. Whether the defendants misrepresented material facts in failing to timely and accurately publish communications regarding G-Trust transactions;

d. Whether the defendants must disgorge and return the profits derived from the use and taking and/or transfers of the G-Trust 's monies, properties and opportunities;

e. Whether the defendants must disgorge and return the monies, income and profits derived from the monies, ownership and operation of the Western Place Property from 2012 through and including its February 2014 sale as well as all fees charged for the 2011 and 2014 dispositions thereof;

f. Whether the defendants must disgorge and return the monies, income and profits derived from the ownership and operation of the Congress Center Property from 2012 through and including its 2015 sale as well as all fees charged for the 2012 and 2015 dispositions thereof;

g. Whether the defendants must disgorge and return the monies, income and profits derived from the ownership and operation of the Sutter Square Property from 2012 through and including its 2016 sale as well as all fees charged for the 2012 and 2016 dispositions thereof;

h. Whether the defendants must disgorge and return the monies, income, fees and profits derived from the use of the not less than $12,000,000 of Western Place Property equity obtained via the American Recovery Property Trust, Inc. ("ARPT") stock purchase and sale in 2012.

i. Whether the defendants must disgorge and return the monies, income, fees and profits derived from the sale of the 1,200,000 shares of ARPT common stock in April 2015 or answer for damages related thereto.

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j. Whether the defendants must disgorge and return the monies, income, fees and profits derived from the $12,000,000 SSMF promissory note purportedly used to acquire 1,200,000 shares of ARPT stock on May 15, 2015;

k. Whether Defendants received monies and assets derived from the misconduct of MIKLES Defendants used to acquire property and/or securities that must be disgorged to Beneficiaries;

l. Whether Plaintiffs and members of the class are entitled to compensatory, general and special damages and the amount thereof; and

m. Whether Plaintiffs and members of the class are entitled to punitive and/or exemplary damages and the amount thereof.

52. Plaintiffs are members of the Class and their claims are typical of the claims of other class members.

53. Plaintiffs will fairly and adequately protect the interests of the Class. There is no conflict of interest between Plaintiffs and other members of the Class. Plaintiffs are represented by counsel experienced in class actions, trust and company governance, fiduciary duties and obligations, real estate and securities law. Moreover, Plaintiffs' counsel on behalf of Plaintiffs and other objecting creditors devoted from November 2018 until December 2020 in service to the Beneficiaries, obtained a denial of the MIKLES and affiliates Chapter 11 Plan with a bar order virtually identical to the Bar Order sought by the BK Trustee, sought and obtained conversion of the Chapter 11 to Chapter 7, defeated the Mikles BK Movants, Cottonwood movants, NORTHWOOD movants and BK Trustee's efforts in the BK Case to approve the BK Settlement and with it the Bar Order to bar Plaintiffs and other creditors claims and dissolved the BK-ADV.

54. The questions of law or fact, common to the claims of the Class predominate over any questions affecting only individual class members, so that the certification of this case as a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

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55. For these reasons, the proposed class may be certified under Code of Civil Procedure section 382 and Rule 23 of the Federal Rules of Civil Procedure.

V.

CAUSES OF ACTION

FIRST CAUSE OF ACTION

Breach of Fiduciary Duty

Against HUNT, INLOW, JOHNSON, WALLACE, WESCOMBE, NNNRI, IUC, CHEQUERS, SCMG, NORTHWOOD, NW-1, NW-2, NW-3 and Does 2-10, 15-30, and 34-60

56. Plaintiffs repeat and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as if set forth fully herein.

57. This cause of action is asserted by Plaintiffs against:

a. HUNT, INLOW, JOHNSON, WALLACE, WESCOMBE and Does 2-10;

b. NNNRI, IUC, CHEQUERS, SCMG and Does 15-30 and 41-60; and

c. NORTHWOOD, NW-1, NW-2, NW-3 and Does 34-40.

58. Plaintiffs and the Class acquired their common stock in G REIT, Inc. in the time period July 22, 2002 through December 31, 2004 investing an average of $31,561 and as of January 22, 2008 were Beneficiaries of the G-Trust and hold the Beneficial Interests therein.

59. G REIT, Inc. was formed as a Real Estate Investment Trust operating in an umbrella partnership structure in which it served as general partner of its subsidiary partnership G REIT, L.P. and limited liability companies, including without limitation GREIT Congress Center, LLC, which in turn owned the respective real estate investments and properties or fractional interests therein as "Tenants in Common" (sometimes "TIC" or "TICS").

60. On December 19, 2005, the board of directors of G REIT, Inc. approved a plan of liquidation which was thereafter also approved by the stockholders of G REIT, Inc. at the Special Meeting of Stockholders held on February 27, 2006. At the time of adoption, the G REIT plan of liquidation contemplated the orderly, prudent and economical management and sale of all of G REIT, Inc.'s remaining assets, the payment of its liabilities, the winding up of operations and

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the dissolution of G REIT, Inc.

61. The G-Trust was organized on January 22, 2008, as a liquidating trust pursuant to a plan of liquidation of G REIT, Inc. On January 28, 2008, G REIT, transferred its then remaining assets and liabilities to the Trustee Defendants with WESCOMBE as Chairman of G-Trust. Upon the transfer of the assets and liabilities of each stockholder of G REIT, Inc. as of January 22, 2008, the Record Date, automatically became Beneficiaries of the G-Trust and the holder of one "Unit" of Beneficial Interest therein, for each share of G REIT, Inc. common stock then held of record by such stockholder. As trustees, Trustee Defendants owed fiduciary duties to Plaintiffs. At no time was the purported trust document signed or approved by ARESH nor by the Beneficiaries.

62. The stated purpose of the G-Trust was to wind up the affairs of G REIT by liquidating the remaining assets, in an orderly, prudent and economical manner, distributing the proceeds from the liquidation of the remaining assets to the Plaintiffs and the Class.

63. The G-Trust was to end or terminate upon a date certain for distribution of all the remaining "Trust Assets" unless the Trustee Defendants obtained a "no-action assurance" from the Securities and Exchange Commission ("SEC").

64. On August 5, 2010 G-Trust obtained a "no-action assurance" letter from the SEC which expressly provided:

> ...the Liquidating Trust will terminate upon the earlier of the distribution of all of its assets in accordance with the terms of the Liquidating Trust Agreement or January 28, 2014 (provided that if the Liquidating Trust's existence is extended beyond such date, the Liquidating Trust will request and receive additional no-action assurance from the Division prior to such extension)…/

65. A 2010 announcement from Trustee Defendants also confirmed "Our existence will terminate upon the earlier to occur of (I) the distribution of all of our remaining assets in accordance with the terms of the Liquidating Trust Agreement, or (ii) January 28, 2014."

66. Plaintiffs allege that Trustee Defendants breached his/their fiduciary duties by continuing to recklessly and indifferently manage the G-Trust on and afer January 28, 2014, without the power and authority to do so, when the G-Trust had not liquidated and distributed all of its assets, because the G-Trust's term was not further extended on or before that date by an

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1 SEC "no-action" letter and as such the G-Trust by its terms terminated on January 28, 2014 and
2 with it the Trustee Defendants' power to act.
3 67. As a matter of background, Grubb & Ellis Company ("Grubb & Ellis") was, by
4 the mid-1980s, the third largest commercial real estate firm in the United States. On December
5 10, 2007 (approximately five years *after* G REIT, Inc. was formed and its stock subscribed, and
6 almost two years *after* its liquidation plan was approved but *only two months before* transfer of
7 its assets to G-Trust), Grubb & Ellis merged with NNN Realty Advisors, Inc. (the parent
8 company of Triple Net Properties, LLC, the predecessor of Defendant NNNRI, the
9 sponsor/promoter of G REIT, Inc.), succeeding to the management rights to its 1031 Tenant in
10 Common ("TIC"and plural "TICS") DPR managed portfolio of commercial and apartment
11 properties and the NNNRI advisory contracts to various entities including the G-Trust. The
12 predecessor of NNNRI, had sponsored more than 150 TIC programs and a substantial number of
13 other securities offerings including G REIT, Inc., including the TIC interests in the Congress
14 Center and Western Place Properties purchased by various TICS including Plaintiffs.
15 68. On December 20, 2010 the Hon. Frederick P. Horn entered "Judgment
16 Confirming Arbitration Award" in Orange County Superior Court Case No. 30-20 I 0-0043032
17 1-CU-PA-CJC against Respondent GERI here NNNRI confirming that GERI/NNNRI's conduct
18 constituted both fraud and gross negligence against the TICs in the Met Center management of
19 their property and supported termination for cause of both the property management agreement
20 (the "Fraud Judgment"). The Fraud Judgment was not appealed.
21 69. Post merger in 2011, Grubb & Ellis created Daymark Realty Advisors, Inc.
22 ("Daymark" which was one of the Debtors in the BK Case) as a wholly owned subsidiary which
23 in turn owned the various Triple Net named affiliated companies including DPR, the asset and
24 property manger to the TIC portfolio of commercial real estate, as well as the remaining three
25 assets held then by G-Trust and Beneficiaries and various advisory contracts through NNNRI. As
26 a result, the Daymark entities including DPR and NNNRI continued to serve as asset and
27 property manager as well as Advisor, to G-Trust.
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70. In August, 2011, Grubb & Ellis sold its entire interest in Daymark to MIKLES and LOCOH, the "Daymark Acquisition", and therein they assumed control of the entire Daymark portfolio of TIC properties, the asset and property manager of which was DPR, and the numerous advisory contracts with NNNRI, including all those it had acquired in the 2007 merger with NNN Realty Advisors, Inc.

71. In October and November 2011, MIKLES and LOCOH sent announcement letters to investors and property owners of all of the real properties under management by DPR and NNNRI, including the Trustee Defendants, declaring that a joint venture of MIKLES and SCMG, and LOCOH and IUC had taken over control of the Daymark entities in August 2011. Subsequent to August 2011, and for all times relevant herein, LOCOH, MIKLES and his/its/their affiliates through Daymark had complete control over NNNRI the Advisor to G-Trust and DPR the asset and property manager of all three of the then remaining real estate assets. Under terms of the Advisory Agreement, a copy of which is attached hereto as Exhibit "A", which was ratified and approved by G-Trust and DPR and then continuously renewed without interruption from inception of G REIT, Inc. in 2002, the Advisor NNNRI and in 2013 SCMG, the control persons of which were LOCOH and MIKLES as of August 11, 2011, by which G-Trust (through managers MIKLES and LOCOH) agreed:

a. That NNNRI, as Advisor, has responsibility for G-Trust day-to-day operations, administers G-Trust accounting and bookkeeping functions, serves as a consultant in connection with policy decisions to be made by the Trustee Defendants, manages G-Trust properties and renders other services deemed appropriate by the Trustees Defendants and MIKLES and LOCOH. (Exhibit A pages 6-8 generally and specifically Paragraph 2 internal pages 5-8.)

b. NNNRI, as Advisor, represented and acknowledged that it had fiduciary duties to the Shareholders until G REIT Inc. liquidated and then to the Beneficiaries. (Exhibit A specifically Paragraph 2 p. last sentence, page 9 (internal page 8)).

c. NNNRI, as Advisor, and its Affiliates including DPR would be compensated with commissions, fees (and disposition fees) as set out at Paragraph 9.

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d. A Property Management fee payable to DPR equal to 5% of the Gross Income from the G-Trust properties. (Exhibit A Paragraph 9(f)).

e. An Incentive Distribution of 15% of Operating Cash Flow after the Beneficiaries had been paid a particular level of return. (Exhibit A Paragraph 9(h)).

f. Administrative fees not to exceed 2% of the assets under management or 25% of the Net Income of the G-Trust. (Exhibit A Paragraph 14).

g. NNNRI, as Advisor, and its Affiliates including DPR received the above fees on a continuous basis on and after January 1, 2012 including during the course of the transactions described herein and thereafter, including while the ARPT Shares, described below, were acquired and held by G-Trust and then sold on April 15, 2015 for the $12,000,000 "SSMF Note" also described below and attached hereto as Exhibit "B".

72. SCMG and IUC are vicariously liable as alter egos of DPR and NNNRI. Plaintiffs are informed and believe, and on that basis allege, that post closing of the Daymark Acquisition MIKLES and LOCOH individually and as officers, agents and directors of NNNRI, DPR, SCMG and IUC, used SCMG (and its affiliate SSMF) and IUC usurped and assumed control over DPR and NNNRI's corporate assets and function with the intent of stripping all available assets for MIKLES, LOCOH, SCMG, SSMF and IUC's purposes as follows:

a. MIKLES and LOCOH were fully informed during the course of due diligence and thereby prior to the Daymark Acquisition that NNNRI was then insolvent and the Fraud Judgment would allow G-TRUST to terminate NNNRI and DPR for cause. (Exhibit C Section 10.1).

b. MIKLES, LOCOH, SCMG and IUC did not maintain nor recognize corporate formalities for NNNRI and DPR with the overall plan and scheme to strip NNNRI and DPR of its/their assets sending them to SCMG and IUC and from SCMG and IUC to MIKLES and LOCOH affiliates, including Cook Islands entities and purported irrevocable trusts in transfers without fair and adequate consideration.

c. For all times relevant, post August 2011 NNNRI and DPR were separately and collectively insolvent as their debts exceeded their assets and it/they were unable to

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1 pay their debts as those debts came due.

2 d. To conceal NNNRI's and DPR's insolvency, SCMG at MIKLES direction
3 and IUC at LOCOH's direction, funded their cash flow obligations from his/its/their own
4 account and/or accounts of other entities under its and MIKLES and LOCOH's control.

5 e. NNNRI, DPR, SCMG and IUC shared legal counsel, internal accountants,
6 computer and server systems, and personnel as regarded NNNRI and DPR.

7 f. NNNRI, DPR SCMG and IUC shared offices, furniture and equipment as
8 regarded NNNRI and DPR.

9 g. At all relevant times SCMG at MIKLES direction and IUC at LOCOH's
10 direction and authorization, controlled the day-to-day activities and affairs of NNNRI and
11 DPR, such that they were operating as a single integrated enterprise.

12 h. MIKLES, LOCOH, NNNRI, DPR, SCMG and IUC failed to maintain
13 arms-length relationships.

14 i. The records and financials of MIKLES, LOCOH, NNNRI, DPR, SCMG
15 and IUC were not kept segregated, were handled by the very same accounting staff under
16 total control of MIKLES and LOCOH, did not observe any accounting formalities in
17 maintaining or closing books for each separate company, left books open and prepared
18 books and journal entries long after the transactions were completed in order to facilitate
19 the overall appearance of separate entities which MIKLES, LOCOH, NNNRI, DPR,
20 SCMG and IUC knew to be false and misleading.

21 j. Further, upon information and belief, accrued but unpaid Advisory
22 Agreement fees and management fees due by NNNCC to NNNRI and DPR, were
23 assigned without consideration to SCMG, IUC and other MIKLES and LOCOH affiliates
24 without consideration.

25 k. In order to avoid injustice or inequity DPR and NNNRI should be treated
26 as alter egos of MIKLES, LOCOH, SCMG and IUC and found liable for each other's acts
27 and omissions as if they were the acts and omissions of each other, and all allegations
28 concerning one should be deemed to include like allegations against the others.

1 **A. The Western Place, Congress Center and Sutter Square Property Sale**
2 **Misrepresentations**
3 73. At all times relevant, Plaintiffs had and have a claim against SCMG and IUC as
4 alter egos of NNNRI and DPR which arises from their and their partners', misconduct post the
5 August 11, 2011 acquisition of entities which owned DPR and NNNRI, at the time the property
6 and asset managers of Plaintiffs' beneficial ownership of three real estate projects as follows:
7 a. A TIC interest in the Western Place I & II Property, the "Western Place
8 Property", owned 78.5% by Plaintiffs and Beneficiaries through G-Trust subsidiary, G
9 REIT Western Place, L.P. and owned 21.5% by other tenant in common owners of a
10 431,000 square foot Class A office building located in Fort Worth, TX, which had been
11 acquired July 23, 2004 for a total purchase price of $33,500,000. Prior to 2012 all third
12 party debt secured by that property had been retired. G REIT Western Place, L.P.
13 acquired its 78.5% interest in the Western Place Property as an agent of G-Trust and for
14 the benefit of G-Trust. G-Trust's position as principal of G REIT Western Place, L.P.
15 was known by purchaser ARPT. G REIT Western Place, L.P. sold its interests in the
16 Western Place Property to ARPT at the direction of G-Trust trustees for the benefit of
17 G-Trust.
18 b. A combined 30% TIC interest in the "Congress Center Property" owned
19 30.000% Plaintiffs and Beneficiaries through G-Trust subsidiary, GREIT Congress
20 Center, LLC, 28.879% owned by NNN Congress Center, LLC ("NNNCC"), and the
21 remainder by various other TICS, of a 525,000 square foot Class A office building
22 located in Chicago, IL, which had been acquired January 9, 2003 from an unrelated seller
23 for $136,108,000 with related original balance purchase money debt of $95,950,000.
24 GREIT Congress Center, LLC acquired its 30% interest in the Congress Center Property
25 as an agent of G-Trust and for the benefit of G-Trust. G-Trust's position as principal of
26 GREIT Congress Center, LLC was known by purchaser NWCCO. GREIT Congress
27 Center, LLC sold its interests in the Congress Center Property to NWCCO at the direction
28 of G-Trust trustees for the benefit of G-Trust.

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c. Plaintiffs and Beneficiaries' 100% interest in Sutter Square Galleria, the "Sutter Square Property", owned by G-Trust subsidiary GREIT Sutter Square, L.P., a 61,036 square foot mixed use building on 2.48 acres, acquired on October 28, 2003 subject to a ground lease expiring 2030 with a 10 year option for a purchase price of $8,240,000. Prior to 2012 all debt secured by that property had been retired. GREIT Sutter Square, L.P. acquired its 100.00% interest in the Sutter Square Property as an agent of G-Trust and for the benefit of G-Trust. G-Trust's position as principal of GREIT Sutter Square, L.P. was known by purchaser CHEQUERS. GREIT Sutter Square, L.P. sold its interests in the Sutter Square Property to CHEQUERS at the direction of G-Trust trustees for the benefit of G-Trust.

d. Each of the G-Trust subsidiaries, G REIT Western Place, L.P., GREIT Congress Center, LLC and GREIT Sutter Square, L.P., were wholly owned by G-Trust over which Trustee Defendants acted and which were advised by NNNRI and DPR have been dissolved with its/their rights and interests having passed to G-Trust as their successor and as a successor the Beneficiaries of G-Trust may maintain the action.

74. The three properties described in Paragraph 72 were managed by DPR as Plaintiffs' asset and property manager. MIKLES, LOCOH, SCMG and IUC, on and after August 11, 2011, for times relevant were control persons of alter egos DPR and NNNRI which managed G-Trust, and MIKLES was the DRE designated officer of DPR and responsible for supervision of its operations and personnel, together MIKLES, LOCOH, SCMG and IUC were responsible to Plaintiffs for asset and property management services regarding their interests in the Western Place, Congress Center and Sutter Square Properties.

75. Upon information and belief in 2011, the seller of the parent of DPR and NNNRI, Grubb & Ellis, knew and disclosed to MIKLES, LOCOH, SCMG and IUC both the Fraud Judgment and that the parent of DPR and its affiliates, NNNRI, guarantor on the Congress Center Property loan, were required to have a net worth of not less than $10,000,000 but had a deficit net worth of not less than $4,775,114 [of December 31, 2011 tax return Capital Stock (Common) of $4,500,000 and Retained Earnings of -$9,275,114] and disclosed that a required

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material capital contribution exceeding $14,775,114, roughly $15,000,000, would be required to cure existing and avoid future such material defaults, including without limitation for change of control, in various secured lending agreements, including for the Congress Center Property. MIKLES, LOCOH, SCMG and IUC were thus fully informed at the time of his/its/their Daymark Acquisition that a minimum $14,775,114 plus in capital contribution to DPR's affiliate NNNRI, guarantor of the purchase money loan secured by the Congress Center Property, was required to cure the then noticed net worth defaults which had blocked the owners' access to $4,700,000 of tenant improvements and leasing commission reserves.

76. Upon information and belief prior to the change in control resulting from MIKLES, LOCOH, SCMG and IUC's Daymark Acquisition in August 2011 and the net worth covenant default, the Congress Center Property was able to pay its operating expenses and service its loans without difficulty. The Western Place and Sutter Square Properties, were at that time, third party debt free and enjoyed positive cash flows.

1. The Western Place Property Sale Misrepresentations

77. Based upon information and belief, in April 2012 with a closing date of June 15, 2012 MIKLES, LOCOH, SCMG and IUC recommended that G-Trust and the remaining tenants in common sell the Western Place Property and its related deposits and accounts for, a below market price of $32,000,000 (less than the original $33,500,000 July 23, 2004 purchase price), to the MIKLES, LOCOH, SCMG and IUC controlled ARPT, payable:

a. To G-Trust for its 78.5% $20,000,000 in cash and the issuance of 1,200,000 shares of non-voting common stock purportedly valued at $10.00 per share, with a "put option" that would have required ARPT to purchase the shares for $12,000,000 cash on or before June 15, 2014 if the ARPT shares were not registered for sale on a national exchange within two years of closing (the "Put Option") - Plaintiffs allege the present value of this consideration is not more than $30,000,000; and

b. To the other 21.5% tenants in common for their entire 21.5% $2,000,000 cash.

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78. At the time of MIKLES, LOCOH, SCMG and IUC sale recommendation each represented to G-Trust and the other tenant in common owners that the price paid pursuant to Paragraph 75.a. and b. was fair because he/it/they had provided and represented was the only recent appraisal for sale they had obtained for the ownership dated February 8, 2012 for $31,550,000.

79. In November 2019 Plaintiffs, from discovery in the BK Cases obtained from the BK Trustee, first learned that MIKLES, LOCOH, SCMG and IUC however had in his/its/their possession, at the time of representation of the sole appraisal for $31,550,000 and recommendation to sell and when the contract for sale of the Western Place Property was entered, an April 2012 current value appraisal at $40,000,000, upon information and belief paid by G-Trust and the other TICS but withheld from them, and also knew the Western Place Property accounts had $5,000,000 of cash, receivables and other deposits all of which facts were concealed from G-Trust and the Beneficiaries who also allege that they could not with reasonable diligence have discovered the $40,000,000 appraisal at that time because it was never disclosed by MIKLES and LOCOH and was issued to MIKLES. Instead MIKLES, LOCOH, SCMG and IUC affirmatively represented that the appraisal upon which they made the recommendation was the one at $31,550,000 concealing the true facts.

80. Plaintiffs allege that the G-Trust, trustees HUNT, INLOW, JOHNSON, WALLACE and WESCOMBE acted with reckless indifference, were corrupt and /or themselves fraudsters, were acting intentionally against the Beneficiaries, and or were grossly negligent, thereby abdicating their office and duties as trustees to the equally corrupt MIKLES, LOCOH, SCMG, IUC and others such that G-Trust in fact had no trustees actually acting for the protection and benefit of Beneficiaries.

81. Plaintiffs allege the June 15, 2012 recommendation and sale of G-Trust's 78.5% and the other tenants in common 21.5% of TIC interests in the Western Place Property at a gross price of $40,000,000 with the $5,000,000 accounts of cash, receivables and other assets, would have been at a gross value of $45,000,000. Further, because G-Trust had made a related party loan of $25,000,000 to the property ownership to pay off an earlier third party loan, there was

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$20,000,000 of equity to be divided as follows:

a. Plaintiffs would have received $15,700,000 for its 78.5% TIC interest plus repayment of the $25,000,000 for a total of $40,700,000 in cash (the $20,000,000 plus at best $12,000,000 purported value of the 1,200,000 shares of non-voting common would have been lower in an amount to be proven at the time of trial) at the time of closing resulting in damages on the June 15, 2012 sale below market value alone of not less than $8,700,000.

b. The 21.5% tenants in common share of the $20,000,000 equity share would have received $3,100,000 of which they received collectively only $2,000,000.

82. In closing the purchase of the Western Place Property, MIKLES, LOCOH, SCMG and IUC through property manager DPR and as to Plaintiffs asset manager NNNRI, and as directors, officers and control persons of ARPT as issuer of the 1,200,000 shares of non-voting common stock, had actual knowledge he/it/they were acquiring the same at substantially less than its market value reflected by the $40,000,000 appraisal (with the $5,000,000 in cash, receivables and accounts), and were issuing 1,200,000 shares of non-voting ARPT common stock to G-Trust that was valued, given its non-control and non-voting rights, at substantially less than $10.00 per share.

83. Plaintiffs discovered during the BK Case and Trial, the Western Place Property was sold upon information and belief in February 2014 for $40,000,000, the Put Option was never advised by MIKLES or LOCOH to be exercised, and MIKLES, SCMG and affiliated SSMF, all of the membership interests of which are believed to be owned by SCMG, retained 100% of the proceeds, which after a $24,000,000 loan payment (which had been used to pay the $20,000,000 cash component, $2,000,000 to buyout the 21.5% other tenants in common interests) and $2,000,000 to MIKLES, LOCOH, SCMG and IUC's pockets, netted not less than $16,000,000 of sales proceeds when accounts and reserves are considered.

84. Also unknown to Plaintiffs until discovery in the BK Case not less than $13,000,000, of the $16,000,000 sales proceeds, was immediately transferred to SSMF without a note or security interest as first disclosed at the BK Trial.

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85. Recall, ARPT had just acquired the Western Place Property with, in part 1,200,000 non-voting shares issued to G-Trust valued at $10 each. Meanwhile, MIKLES, LOCOH, SCMG, IUC and an ARPT entity controlled 310,000 voting common shares, valued at the same amount of not less than $10 per share or $3,100,000. Further, recall that the outstanding loan of $24,000,000 had resulted in a $2,000,000 cash reserve to ARPT.

86. Plaintiffs allege that at the time of sale of the Western Place Property by ARPT in February 2014 the $3,100,000 due from MIKLES and LOCOH had not been paid to ARPT, plus the $2,000,000 excess cash from the $24,000,000 loan at time of purchase in May 2012, and without considering interest, the assets of ARPT were thus $21,100,000 ($16,000,000+$3,100,000+$2,000,000) with 79.5% (1,200,000 non-voting common + 3,100,000 voting common) due to G-Trust and Beneficiaries or the sum of **$16,774,500** (not counting the May 2012 sale of not less than $8,700,000 loss to G-Trust) which would have been paid out of the $16,000,000 in cash plus funds due from ARPT accounts.

87. Not discovered by Plaintiffs until the BK Trial, later on April 15, 2015 without disclosing a number of material facts described herein, omitting other material facts including without limitation the February 2014 sale of the Western Place Property and the $13,000,000 derived from that sale sitting with SCMG's SSMF affiliate accounts, nor the whereabouts and accounting of the $16,774,500 (paragraph 86), MIKLES, recommended and advised HUNT, INLOW, JOHNSON, WALLACE, WESCOMBE, each and all who knew they had no power to act on and after January 28, 2014 but did so in an effort to cover up their respective misconduct, to "sell" the 1,200,000 ARPT non-voting common shares to SSMF (not ARPT) by payment in the form of a $12,000,000 unsecured promissory note payable to G-Trust then terminated, a copy of which is attached hereto as Exhibit "B" (the "SSMF Note").

88. Recall that SSMF already alone had $13,000,000 on its books due to ARPT and hence Plaintiffs without any accounting of the remaining $4,774,000 plus interest due to them, i.e. the $16,774,400 described at Paragraph 86 less the $12,000,000 SSMF Note. Plaintiffs allege that MIKLES as agent and issuer of the SSMF Note had no intent of ever repaying the amount but solely intended to buy more time to conceal MIKLES' assets while he planned his

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bankruptcy bar order strategy. The SSMF Note, carried a significantly below market interest rate of 5% and would have a principal and interest obligation in excess of $20,000,000 by the time of the BK Case but only $2,100,000 has been paid, as described below.

89. Plaintiffs allege that HUNT, INLOW, JOHNSON, WALLACE and WESCOMBE conducted no investigation of any of the Western Place Property sales transactions nor the ARPT shares and accounts and notwithstanding their individual and collective substantial real estate transaction expertise in transactions of this type, recklessly and indifferently simply rubber stamped and ratified the fraud of MIKLES, LOCOH, SCMG, IUC and ARPT, and later the same with regard to the SSMF Note.

90. Plaintiffs allege that on the Western Place Property alone they have due the $16,774,500 as of February 2014 which, with pre-judgment interest, is alone an amount due in excess of $28,000,000 (again not counting the $8,700,000 in damages for the sale below market value in May 2012) and to the extent more was earned, all profits of breaching fiduciaries below are due to Plaintiffs subject to proof at the time of trial.

2. The Congress Center Property Sale Misrepresentations.

91. Importantly, Grubb & Ellis also disclosed to MIKLES, LOCOH, SCMG and IUC that the lender for the Congress Center Property had already pronounced a default under "change of control" provisions of various lending agreements from the earlier reverse merger by which Grubb & Ellis had taken the former Triple Net company public. Grubb & Ellis also disclosed to MIKLES, LOCOH, SCMG and IUC would result in yet another claim by lenders of a "change of control" default for the Congress Center Property. MIKLES, LOCOH, SCMG and IUC were thus fully informed of the change in control and its implications vis a vis default on the Congress Center Property secured loans, including the guaranty agreement of NNNRI to maintain a net worth of not less than roughly $15,000,000 described above at Paragraph 75, at the time of his/its/their Daymark Acquisition of DPR, NNNRI, SCMG and its/their affiliates which managed the Congress Center Property for Plaintiffs, NNNCC and the other tenants in common.

92. Plaintiffs allege MIKLES, LOCOH, SCMG and IUC, on or before October 23, 2012, failed and refused to adequately capitalize NNNRI and DPR with the approximate

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$15,000,000 and instead devised a plan and scheme whereby taking advantage of Plaintiffs, NNNCC and remaining tenants in common, NNNRI, DPR, MIKLES, LOCOH, SCMG and IUC caused, ratified and failed to disclose the Fraud Judgment and to cure lender defaults from the breach of the net worth and change in control covenants, which locked up the $4,700,000 tenant improvement and leasing commission reserve, recommended the sale of the Congress Center Property to make millions in fees and transfer the equity thereof to his/its/their various affiliates and joint venture partners.

93. Plaintiffs allege MIKLES, LOCOH, SCMG and IUC were also fully informed of the facts related to the Congress Center Property at the end of 2011, including that the Congress Center Property was paying its mortgage by its terms, that the loan was not due until 2014 and had excellent prospects in the Chicago market, all of which facts MIKLES, LOCOH, SCMG and IUC concealed from Plaintiffs, NNNCC and remaining tenants in common while simultaneously misrepresenting facts and working against their best interests as described herein.

94. To implement the MIKLES and LOCOH scheme to force Plaintiffs to sell the Congress Center Property, MIKLES, LOCOH, SCMG and IUC were simultaneously negotiating the purchase of the Congress Center Property as agent for an affiliate and joint venture they formed on or before March 14, 2012 between NORTHWOOD on the one hand and the soon to be organized MIKLES, LOCOH, SCMG and IUC affiliates on the other hand (the "Northwood Venture"). In fact MIKLES organized the Mikles 2012 Irrevocable Trust on March 14, 2012 in anticipation of concealing the fruits of his fraudulent schemes. The Northwood Venture terms required that MIKLES, LOCOH, SCMG and IUC secure a commitment from all of the owners of the Congress Center Property for the property sale to an affiliate at a below market price as well as a loan workout with the lender that had declared the net worth violation and change of control defaults, and if MIKLES, LOCOH, SCMG and IUC accomplished that goal, then NORTHWOOD would, prior to closing, pursuant to the Northwood Venture, fund a special purpose entity with sufficient cash ranging between $20,000,000 to $30,000,000 whereupon MIKLES, LOCOH, SCMG and IUC and their to-be-formed affiliate would receive compensation for acting as NORTHWOOD and the Northwood Venture's agent on the purchase and thereby

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granted a percentage interest in the to-be-formed special purpose entity, valued upon information and belief at approximately $5,000,000 for MIKLES, LOCOH, SCMG and IUC and their affiliates.

95. NORTHWOOD knew from its negotiations on the Northwood Venture with MIKLES and LOCOH that MIKLES, LOCOH, SCMG and IUC had just acquired Daymark and were using the net worth and change in control defaults, as well as MIKLES, LOCOH, SCMG and IUC's influence and control of the owners of the Congress Center Property as its/their asset and property manager, through NNNRI and DPR in obtaining a commitment from the owners, including Plaintiffs, NNNCC and remaining tenants in common duping them into selling the Congress Center Property at less fair market value, a discount not justified by the market, notwithstanding the purported distress which MIKLES, LOCOH, SCMG and IUC and his/their predecessors had caused by failing to adequately maintain the capital of NNNRI at $15,000,000 capital contribution for purposes of the Carveout Guaranty and having failed to disclose the Fraud Judgment.

96. Plaintiffs, NNNCC and remaining tenants in common were unaware of the true facts and that the MIKLES, LOCOH, SCMG and IUC recommended sale was at less than fair market value. In other words MIKLES, LOCOH, SCMG and IUC commencing not later than March of 2012 at formation of the Northwood Venture, while simultaneously acting as asset and property manager via their control of their alter egos NNNRI and DPR, were adverse to, on the opposite side of, and in actual conflict on the very same transaction representing NORTHWOOD, the Northwood Venture and its venture capital source partner affiliates (NORTHWOOD, NW-1, NW-2 and NW-3) as a joint venture partner in the Northwood Venture with MIKLES, LOCOH, SCMG, IUC and affiliates as the Congress Center Property owners' agents and co-partners in the joint venture, which funded the purchase of the Congress Center Property from ARESH Plaintiffs, NNNCC and remaining tenants in common on October 23, 2012.

97. In order to convince the owners of the Congress Center Property to sell MIKLES, LOCOH, SCMG and IUC, with the actual knowledge of NORTHWOOD and the Northwood

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Venture, falsely claimed that they had obtained a market value appraisal of the Congress Center Property at $95,000,000 for purposes of sale by the ownership. MIKLES, LOCOH, SCMG and IUC did not disclose to any independent non-conflicted manager of NNNCC (managed by MIKLES and LOCOH) upon information and belief with the knowledge and approval of NORTHWOOD, that they had provided materially false rent roll, lease data and related rental and property information to the appraiser who was appraising over one hundred Daymark managed properties at a discounted price and that the appraisal was restricted and issued to only MIKLES, LOCOH, SCMG and IUC for "internal planning, decision making purposes, and possible mortgage financing purposes" and not to the owners, NNNCC, for contemplated sale of the Congress Center Property. MIKLES, LOCOH, SCMG, IUC, NORTHWOOD and Northwood Venture knew and intended that the false rent roll, lease data and related rental and property information would negatively influence the appraisal downward to $95,000,000 in a restricted appraisal, a price well below market value and the direct product of their misrepresentations to the appraiser. Alternatively, NORTHWOOD and Northwood Venture knowingly ratified the misrepresentations of MIKLES, LOCOH, SCMG and IUC.

98. Plaintiffs allege upon information and belief that NORTHWOOD Defendants were also on notice the $95,000,000 appraisal being used was not the market value of the Congress Center Property having done their own internal valuation for their investment underwriting purposes reflecting a valuation of $115,000,000.

99. Plaintiffs allege that they were unaware of the true facts regarding the false rent roll, lease data and related rental and property information set out in Paragraph 97 until **September 2019** and could not with reasonable diligence have learned of the same earlier because they did not prior thereto have the benefit of discovery first received in FINRA Claim No. 18-03614 (the "FINRA Case") in the case styled *Katherine Looper, Trustee of the Looper Family Trust, Individually and as liquidating trustee of limited liability companies NNN Congress Center 4, LLC and NNN Congress Center Member 4, LLC; et al. Claimants, vs. PRIMEX PRIME ELECTRONIC EXECUTION, INC. (CRD #29394) a New York corporation; WILLIAM FITZGERALD WHITE (CRD# 2168943), an individual; MOLLIE LYNN BOYCE -*

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FIELD (CRD# 2907737), an individual; and WILFREDO FELIX JR. (CRD# 2693672), an individual, Respondents which disclosed the false rent roll, lease data and related rental and property information.

100. Further, when one of the other Congress Center Property TIC owners, the Moffats through their ownership entity Willowbrook Apartments, Limited Company (the "Moffats") as the sole member of NNN Congress Center 5, LLC ("TIC 5"), who had strongly advocated that the price to be paid to the owners for the Congress Center Property should be not less than $110,000,000, a price received as an unsolicited offer from a price offered by an unrelated buyer and evaluated by Moffat, MIKLES, LOCOH, SCMG and IUC silenced the Moffats by secretly buying them out in August, 2012 paying $268,134.31 for their 1.625% interest which correlates to a $107,500,000 purchase price and $16,500,572 as total tenant in common ownership equity for 100% ownership. MIKLES, LOCOH, SCMG and IUC informed NORTHWOOD Defendants of the Moffats buyout. However, MIKLES, LOCOH, SCMG and IUC, NORTHWOOD Defendants and Northwood Venture, never disclosed the Moffats' buyout let alone at a price that was on a 100% ownership equivalent basis $12,500,000 more than they were recommending as a fair market value of $95,000,000 for the Plaintiffs. MIKLES and LOCOH insisted upon a confidentiality clause so that he/they were assured Moffats would remain silent.

101. Finally, Plaintiffs in late 2019 in association with claimants in a FINRA Case obtained an 'as of October 1, 2012' appraisal of the Congress Center Property, using the correct rent rolls and leasing data and arriving at the correct fair market value delivered to the owners for purposes of contemplating a sale of $114,100,000, a price $19,100,000 higher than the MIKLES, LOCOH, SCMG and IUC, as agents for both the Beneficiaries and the Northwood Venture recommended as a fair market selling price.

102. With the Moffats out of the way and the misrepresentation of MIKLES, LOCOH, SCMG, IUC, NORTHWOOD Defendants and Northwood Venture about the false and fraudulent appraisal concealed, MIKLES, LOCOH, SCMG and IUC continued the pressure campaign to have the owners of the Congress Center Property sell at a price of $95,000,000, all the while concealing the true facts described above. Plaintiffs' Trustee Defendants blindly followed the

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1 recommendations of MIKLES, LOCOH, SCMG and IUC and agreed to sell on October 23, 2012
2 for the $95,000,000 not knowing the true facts and Beneficiaries would not have sold had they
3 been informed of the true facts.
4 103. As a result of the sale of the Congress Center Property, Plaintiffs and their co-
5 owners of 100% of the property, on October 23, 2012, received in return total consideration for
6 100% of the property $5,488,020 on their original cash investment on January 9, 2003 of
7 $40,258,000, a loss of $34,769,980 or 86.33% of their investment - Plaintiffs at 30% here
8 suffered a loss on their original investment of $10,430,994.
9 104. Plaintiffs allege that the true fair market value of the Congress Center Property
10 was in fact not less than $114,100,000 a separate loss share of $19,100,000 from the $95,000,000
11 at 100% ownership as of October 23, 2012. Comparing the same to the $5,488,020 results in a
12 separate loss measure of $13,611,980 - Plaintiffs at 30% here suffered a loss on actual appraised
13 value of $4,083,594.
14 105. Alternatively, Plaintiffs if they had been properly advised by their fiduciaries
15 should have been informed of the Fraud Judgment and insolvency, and the related rights to
16 terminate NNNRI and DPR, as well as the option of using the true fair value and equity of
17 $24,200,000 (secured debt at the time was $89,900,000 or 78% of market value) and secured
18 another property and asset manager, and carve out guarantor with the required net worth to cure
19 defaults and retain the Congress Center Property for future sale.
20 106. At closing on October 23, 2012 MIKLES, LOCOH, SCMG and IUC and affiliates
21 received over $1,250,000 million in fees and costs as well as an interest in the Northwood
22 Venture joint venture purchaser.
23 107. Thereafter the NORTHWOOD Defendants with MIKLES, LOCOH, SCMG and
24 IUC, and his/its/their respective affiliates as participants, sold the Congress Center Property in
25 2015 for $135,000,000, a $40,000,000 profit in less than three years, as a direct and proximate
26 result of the fraudulently recommended sale by MIKLES, LOCOH, SCMG and IUC, joined in
27 and ratified by NORTHWOOD Defendants and the Northwood Venture, which purchase had
28 been not less than $20,000,000 ($19,100,0000 based upon the Plaintiffs' as of appraisal) below

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market value on October 23, 2012. Alternatively, Plaintiffs allege the recommendation to sell the Congress Center Property was itself a breach of duty in that a replacement property manager should have been recommended with a new carve out guarantor (to meet the requisite net worth) such that Plaintiffs damages are their share of the entire $40,000,000 plus refinance proceeds and net operating income post October 23, 2012, subject to proof at the time of trial.

108. Plaintiffs allege on information and belief that on October 23, 2012 or soon thereafter, that MIKLES, LOCOH, SCMG and IUC received not less than $5,000,000 in profits participation and cash from the Northwood Venture, approved by the NORTHWOOD Defendants, in addition to $1,250,000 of fees and costs for not less than $6,250,000 to which they were not entitled, subject to proof at the time of trial.

3. The Sutter Square Property Sale Misrepresentations.

109. In December 2012 MIKLES, LOCOH, SCMG and IUC recommended that G-Trust sell the Sutter Square Property to CHEQUERS the managing member of which was SCMG for $2,500,000, a loss to G-Trust and the Plaintiffs measured against its $8,240,000 original purchase, of $5,740,000. However, upon information and belief CHEQUERS also received all cash, receivables and lease deposit accounts which exceeded the required $2,500,000 payment.

110. MIKLES, LOCOH, SCMG and IUC acting on behalf of alter egos NNNRI and DPR indicated to G-Trust that there was no independent appraisal for the Sutter Square Property and that they believed the $2,500,000 purchase price was the market value.

111. The Trustee Defendants, without any due diligence adopted and ratified the MIKLES, LOCOH, SCMG and IUC statements at Paragraph 109 as true and reported to the Plaintiffs and Beneficiaries their "belief" the $2,500,000 was in fact market value. Given the obvious expertise of each of the Trustee Defendants, Beneficiaries believed and relied upon their statements.

112. Plaintiffs learned for the first time at the BK Trial that the statements of no appraisal were all false. In fact MIKLES, LOCOH, SCMG and IUC ordered, were invoiced, and caused G-Trust to pay for an appraisal in late 2012 from the Sutter Square Property accounts, which appraisal MIKLES and LOCOH had in his/their possession at the time he/they

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recommended Trustee Defendants on behalf of G-Trust sell the Sutter Square Property for $2,500,000. MIKLES, LOCOH, SCMG and IUC have refused after demand to produce the 2012 Sutter appraisal.

113. Plaintiffs further allege upon information and belief that MIKLES and LOCOH concealed the balances in the Sutter Square Property accounts which held more than $2,500,000 which amount MIKLES used to pay for the Sutter Square Property such that CHEQUERS incurred no out of pocket capital expenditures.

114. On July 9, 2014 MIKLES concealed the use of the equity in the Sutter Square Property to acquire his primary residence for a purchase price of $6,900,000 commonly referred to as 17431 Los Morros, Rancho Santa Fe, CA 92067, APN: 266-091-78-00 San Diego County (the "Los Morros Property"). MIKLES in December 2020 while Plaintiffs were enjoined by the BK ADV sold the Los Morros Property and pocketed in excess of $7,000,000 which he has sole control of today. Of course this was only 18 months after the original below market Mikles $2,500,000 purchase. Later in September 2016 Mikles sold the Sutter property to Dhir Capital for approximately $8,000,000.

B. The SSMF Note Misrepresentations

115. Recall the SSMF Note (Exhibit "B") described at paragraph 87 was signed by MIKLES on behalf of his alter ego SSMF on April 15, 2015.

116. As an inducement for the SSMF Note used to acquire the 1,200,000 ARPT shares MIKLES promised WESCOMBE that as soon as a then pending transaction closed the $12,000,000 note would be paid off. The statements by MIKLES were false as MIKLES had no intention of ever paying the $12,000,000, further MIKLES knew that WESCOMBE and the Trustee Defendants were since August of 2011 recklessly without any reasonable basis and in a grossly negligent manner relying totally upon MIKLES' statements, conducting no independent 'vouch and verify' investigation or due diligence, and hence not acting in the best interests of Plaintiffs and the Beneficiaries. Alternatively, Plaintiffs allege each and all of the Trustee Defendants were in some manner, to be determined through discovery, being compensated directly or indirectly for their deliberate and knowing misconduct in rubber stamping the

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MIKLES and LOCOH multiple frauds, under the belief the Beneficiaries would never figure out the true facts.

117. On April 21, 2015 Mikles (6 days after signing the SSMF Note), SCMG and SSMF received in excess of $23,000,000 from the sale of a building in Philadelphia, 1818 Market Street, the pending transaction described to WESCOMBE and the other Trustee Defendants, that had been pending sale for months. A portion of the $23,000,000 (likely the $2,000,000 remaining from the Western Place $24,000,000 loan, a $2,500,000 loan in 2013 by CHEQUERS and part of the funds from the February 2014 sale of Western Place by ARPT) was the result of earlier fraudulent takings of MIKLES from G-Trust that he used without authorization or an accounting to fund his wrongful takeover of the ownership interests of 1818 Market Street.

118. True to form with the false promise that MIKLES had no intention of keeping, MIKLES transferred the $23,000,000 from the 1818 Market Property sale entirely to SCMG and SSMF, without fair and adequate consideration, and nothing was paid to G-Trust on the $12,000,000 SSMF Note.

119. Thereafter SCMG and SSMF transferred, disguised as a loan, which was also without consideration, with MIKLES having no intention of repayment, $23,000,000 to another MIKLES affiliate Global Lending Resources, LLC ("Global") a Cook Islands limited liability company without consideration unsecured on an open account. That is the MIKLES plan was to fraudulently transfer his likewise fraudulently obtained funds from himself, SCMG, SSMF, IUC and LOCOH to entities allegedly controlled by his various alleged Cook Islands trusts, but in fact controlled by MIKLES, which he did without fair and adequate consideration with the intent to defraud his creditors including Plaintiffs.

120. Shortly after April 21, 2015 through June 8, 2015 Global which had received a transfer of $23,000,000 from SCMG's owned SSMF, transferred allegedly by a loan $18,000,000 pursuant to a promissory note secured by a trust deed to GCL which it used to acquire 1,700 acres of valuable San Diego County California land from bankrupt developer Gregory Canyon Ltd., the "Gregory Canyon Property". However this purported $18,000,000 was used by GCL and

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MIKLES to acquire debt in the Gregory Canyon bankruptcy and Plaintiffs allege the amount actually used to acquire such debt was, upon information and belief $9,000,000, subject to proof at the time of trial, leaving GLOBAL with $14,000,000 of cash comprised of the initial net of $5,000,000 ($23,000,000 - $18,000,000) and the remainder from the various bankruptcy note purchases of $9,000,000.

121. Plaintiffs allege that had Trustee Defendants acted as fiduciaries to Beneficiaries, they would have insisted upon the payment on April 15, 2015 of not less than a full and complete accounting of the fair value of the 1,200,000 ARPT shares at not less than $16,774,500 as of February 2014 (as described in Paragraph 86) with 10% interest for 14 months through April 15, 2015 resulting in fair value of **$18,731,525** (monthly interest of $139,787.50 for 14 months or $1,957,025 of interest due). As a result the $12,000,000 SSMF Note was itself the product of a fraudulent misrepresentation either known to the Trustee Defendants or a matter which they recklessly and indifferently failed to discover and pursue in the best and required interests of Beneficiaries if they were to act at all.

122. As alleged on April 21, 2015 MIKLES has control of $23,000,000 which could and should have been used to pay in full the sum of not less than **$18,731,525** to G-Trust yet Trustee Defendants breached fiduciary duties to Beneficiaries by acting recklessly and indifferently post termination on January 28, 2014 when they each and all claimed to have assumed fiduciary duties but failed to act in the best interests of Beneficiaries.

123. After the $23,000,000 Global purported loan transfers SCMG/SSMF still had not less than $16,000,000 from the February 2014 Western Place Property sale remaining, yet MIKLES paid nothing to G-Trust and the Trustee Defendants aiding and abetting the aforementioned fraudulent transfer scheme of MIKLES which had also paid millions to LOCOH and IUC for his/its/their knowing assistance in aiding and abetting the very same scheme, did nothing to collect the not less than $18,731,525 due to Beneficiaries on the ARPT stock ownership.

124. A November 2016 news article described MIKLES 2015 acquisition and takeover of the Gregory Canyon Property comprised of 1,700 acres and the sale of 700 acres for

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1 $13,000,000 on November 15, 2016 as follows: "[GCL]... **sold roughly 700 acres of the 1,700**
2 **acre site to the Pala tribe for $13 million,** effectively killing the landfill plan. The agreement
3 includes a pledge that the tribe won't oppose residential and commercial development on the rest
4 of the property." describing [Mikles], as a principal of GCL. *Underline and bold emphasis*
5 *added.*

6 125. From the Nov ember 2016 $13,000,000 sale of 700 acres of Gregory Canyon Land
7 MIKLES paid only $1,000,000 on the SSMF Note to G-Trust and Trustee Defendants each of
8 whom aided and abetted the fraud with actual knowledge that they had no authority to act as of
9 January 28, 2014, and by acting thereafter each of them assumed new and separate duties as
10 trustees including the knowledge that extending the SSMF Note while Mikles, SSMF, SCMG,
11 GCL and Does 2-10, 15-30, and 34-60 retained the $12,000,000 remainder of these funds was
12 facilitating the fraudulent transfer of those funds and breaching fiduciary duties to Plaintiffs.

13 126. Plaintiffs allege upon information and belief that in November of 2016 MIKLES,
14 LOCOH and their affiliates in addition to various properties had control of not less than
15 $49,024,000 of cash from Plaintiffs' funds subject to proof at the time of trial:

16 a. $26,000,000 at GCL, Global and affiliates comprised of $12,000,000
17 transferred by GCL from the 700 acres sale and the $14,000,000 from the original April
18 21, 2015 transfer of $23,000,000, a combined $26,000,000 transferred in cash and
19 investments;

20 b. $16,774,000 transferred to SCMG and SSMF from the Western Place
21 Property sale; and

22 c. $6,250,000 from the Congress Center Property sale transferred to Mikles,
23 Locoh, IUC and Does 2-10, 15-30 and 34-60.

24 127. Notwithstanding the filing and service of Plaintiffs class action complaint against
25 Trustee Defendants in March to April 2018, each and all of them were defiant and continued to
26 act as if they had powers as trustees which had ended January 28, 2014 and continued to allow
27 MIKLES to control without supervision or critical analysis communications to the Beneficiaries
28 as if no complaint was pending and they were acting in their best interests. To the contrary they

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were continuing to aid and abet the misconduct of MIKLES, SCMG, SSMF and Does 2-10, 15-30 and 34-60 compounding their breaches and fraud as described herein. Plaintiffs allege that Trustee Defendants acted with self-interest to support the conduct of MIKLES with the goal of reducing their liability to Beneficiaries.

128. In late October to November of 2019 while the stay was imposed by the BK-ADV, MIKLES and WESCOMBE ratified by all Trustee Defendants engaged in further misconduct to deceive and damage Beneficiaries. WESCOMBE and MIKLES met and visited the GCL owned 1,000 acres supporting the false contention that an appraisal at a value of $12,000,000 was realistic. Instead, even fact even a rudimentary competent investigation by the vastly experienced Trustee Defendants would have immediately proven the appraisal as false and misleading.

129. Plaintiffs' independently investigated the remaining GCL owned 1,000 acres and immediately disputed the contention the remaining GCL land was worth anywhere near a $12,000,000 valuation.

130. On April 24, 2020 during the course of the BK Case and while Plaintiffs were enjoined by the BK-ADV, MIKLES' GCL sold at auction the remaining 1,000 acres of the Gregory Canyon Property with the support and approval of the Trustee Defendants for roughly $4,250,000 and what would amount to $3,400,000 after accrued real estate taxes, fees and expenses due to governmental agencies.

131. Then to compound their breaches MIKLES, WESCOMBE and the remaining Trustee Defendants engaged on behalf of Beneficiaries Wolfgang Hahn (State of California Bar #61385) as attorney for G-Trust to represent the Beneficiaries in closing and distribution of funds available from the 1,000 acre GCL land sale. Trustee Defendants were on actual notice that Hahn was conflicted because he was at that same time simultaneously representing MIKLES in a San Diego Superior Court Case against one of the 1818 Market Street Property tenant in common owners.

132. Plaintiffs immediately put Trustee Defendants and their counsel Joe Campo as well as Hahn on notice that no monies from the sale could be paid to MIKLES or his affiliates.

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133. Over objection of Plaintiffs to Trustee Defendants, Campo and Hahn, $1,000,000 (precisely $983,068.71) was transferred to MIKLES' controlled and alter ego SCMH allegedly for real estate taxes in earlier years, a false statement, reducing the remaining earmarked funds due to G-Trust and the Beneficiaries to $2,400,000.

134. With the approval of MIKLES, SCMH, Trustee Defendants, Campo and Hahn, the $2,400,000 remainder from the 1,000 acre GCL sale was paid directly to HAHN as follows "Wolfgang Hahn, Esq. Client Trust Account" at US Bank for the benefit of Plaintiffs, the G-Trust Beneficiaries.

135. HAHN accepted the $2,400,000 knowing the amount was to be distributed to the Beneficiaries, indeed he knew the Plaintiffs were at that very time contesting that Trustee Defendants had any authority over the G-Trust and certainly HAHN knew that claims for millions were being asserted against his client MIKLES including on behalf of Beneficiaries.

136. Rather than distribute the $2,400,000 Hahn held in his client trust account to the Beneficiaries as he was required to do HAHN, with the knowledge, ratification and approval of MIKLES and the Trustee Defendants, transferred another $1,300,000, to MIKLES' SCMH without authorization and without fair and adequate consideration. Then HAHN distributed the remaining $1,064,320 with a letter from WESCOMBE to the Beneficiaries that simply mentioned the $12,000,000 principal on the note, that only $1,000,000 had been paid in 2016 and now all that could be collected on the SSMF Note, and thereby from MIKLES was $1,064,320. The Trustee Defendants thereby aided and abetted the 2020 $2,300,000 transfers to MIKLES' SCMH and therein MIKLES by acting as if they had power to do so as G-Trust trustees when in fact their powers ended January 28, 2014 and any effort to act as trustee thereafter was prohibited from their unwaivable conflict which they were put on notice of in March to April 2018 by Plaintiffs initial Complaint. Importantly, these transfers to MIKLES and SCMH by WESCOMBE and approved and or ratified by the remaining Trustee Defendants were recklessly over the warning and objection of counsel for Plaintiffs which each and all ignored.

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D. Plaintiffs' Breach of Fiduciary Claims against Trustee Defendants, MIKLES, LOCOH, NNNRI, IUC, SCMG, SSMF, CHEQUERS, NORTHWOOD, NW-1, NW-2, NW-3

1. Trustee Defendants

137. Plaintiffs allege HUNT, INLOW, JOHNSON, WALLACE and WESCOMBE, the Trustee Defendants, owed Beneficiaries the "same obligation of undivided service and loyalty" owed by trustees to their beneficiaries, and each were and are required to act in the "highest good faith" toward their principals the Beneficiaries, and after August 2011 with reckless indifference to the interests of the Beneficiaries as described above, without limitation and for illustration purposes, breached those duties in at minimum the following manner:

a. They sold the sale of the Western Place Property for $32,000,000, with only $20,000,000 cash and 1,200,000 shares of ARPT non-voting common stock which was nothing more than a $12,000,000 loan at 0% interest to MIKLES and LOCOH for two years while even the most fundamental diligence and investigation, such as getting an owners appraisal for sale at market, would have informed them the fair value was $40,000,000. Worse each of the Trustee Defendants, lawyers, CPAs and development executives could not even bother to look at the books and records, and the bank, receivables and security deposit accounts which were a combined $5,000,000 of value - they gave that away to MIKLES. WESCOMBE testified in a January 20, 2020 deposition that he did not even look at the books or bank accounts and when asked how much cash moved to MIKLES he had no idea or estimate when over $3,000,000 had moved.

b. They knowingly allowed ARPT's equity of over $15,000,000 to be used by ARPT as a participant in the Northwood Venture to replace NNNRI as the carveout guarantor of the 88,000,000 loan balances against the Congress Center Property in order to facilitate a buyout at the below market value of $95,000,000, including the G-Trusts' 30% interest, when another manager and carveout guarantor should have been obtained to cure the loan defaults and re-market the Congress Center Property for the benefit of all owners at a market value in excess of $115,000,000 or retain it until the end of the loan

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term in 2014.

c. The sale of the Congress Center Property for $95,000,000, a massive loss, giving up in the process cash and security deposit accounts and receivables, without any investigation as to what a fair value appraisal secured for the selling parties would yield. WESCOMBE in January 2020 had not reviewed rent rolls or how they related to the deliberately fraudulent and fixed appraisal MIKLES and LOCOH had obtained for the Northwood Venture for “financing” not sale purposes. Plaintiffs secured their own independent appraisal with the corrected rent roll numbers as of October 2012 at $114,500,000 as market value or $19,100,000 higher than the property was recklessly and indifferently sold for.

d. Having received emails from John Moffat advocating that the $95,000,000 offered price by the Northwood Venture was too low and that offers of $110,000,000 that had been received from unrelated parties should be pursued never investigated the basis of Moffat, a co-owner’s concerns, nor did they investigate when Moffat went silent to learn that MIKLES and LOCOH had bought out Moffats at a price equivalent to $107,500,000 (Paragraph 98) with a confidentiality clause to silence Moffat’s advocacy that the fair market value of the Congress Center Property was not less than $110,000,000 and conceal that the $95,000,000 fraudulently based appraised value sales price was unfair.

e. The sale of Sutter Square Property for $2,500,000 at a massive loss actually stating there was no appraisal when in fact they had actually paid for one but did not read it and then reporting that they believed the property was valued at $2,500,000 when it was worth $8,000,000 (the original purchase price) and the amount in the bank and receivable accounts was more than $2,500,000 which they gave to MIKLES and LOCOH.

f. The Trustee Defendants, while aggressively growing their real estate investment trusts to make themselves millions in increased share and membership interest value, did not investigate the Western Place Property via their retained 79.5% ownership

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or 1,200,000 shares of ARPT. At the WESCOMBE deposition on January 20, 2020 he admitted he did not even know that MIKLES had sold the Western Place Property on February 14, 2014 and pocketed approximately $16,000,000. He also admitted he had never asked for a financial statement for ARPT, to learn its income and assets, from June of 2012 and then ignorantly admitted his and his co-Trustee Defendants acted recklessness when he was asked why he did not exercise the Put Option on June 15, 2014 and testified that he and the other trustees had not even bothered to calendar the liquidity event that would have garnered at least $12,000,000 in cash for all Beneficiaries (and when MIKLES had $16,000,000 just from the February 2014 Western Place Property).

g. Even more shocking WESCOMBE admitted at his deposition that on April 15, 2015 when he incompetently and recklessly agreed to sell the 1,200,000 ARPT shares for a general unsecured promissory note from SSMF for $12,000,000, that he did not investigate what the ARPT stock was worth, did not ask for financial statements, did not ask what happened to the Western Place Property or its operating income and had no knowledge about the transactions. Plaintiffs allege that any competent trustee investigation would have disclosed that as of April 15, 2015 MIKLES owed the Beneficiaries $18,731,525 (paragraphs 119-121). Yet none of the Trustee Defendants bothered to investigate simply abdicating their trustee duty of care in reckless indifference to the Beneficiaries. In fact WESCOMBE after being told by MIKLES the SSMF Note would be paid as soon as the 1818 Market Property sold, did not investigate and learn that it sold 6 days later on April 21, 2015 while MIKLES pocketed $23,000,000 but again paid nothing.

h. Then the Trustee Defendants again did not pay attention to SSMF Note due dates and failed to insist in November 2016 to be paid when MIKLES sold 700 acres of the GCL property for $13,000,000 and ignorantly and recklessly accepted only $1,000,000 allowing MIKLES to retain the $12,000,000.

i. Finally, after they were all sued in March of 2018, the Trustee Defendants committed the ultimate betrayal in the summer of 2020 when the final 1,000 GCL acres

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sold by again ignorantly, incompetently, recklessly, indifferently and punitively to the Beneficiaries allowed MIKLES to take in payments $2,300,000 while the Beneficiaries received only $1,100,000 and then lamely writing, without disclosing this litigation or that their co-defendant in the litigation was taking two-thirds of their money, explained that 'unfortunate events' had resulted in a lower sales price and the remainder of the $12,000,000 SSMF Note was now a complete loss. That bit of clear dishonesty failed to explain that the unfortunate event was the Beneficiaries being lied to about the Trustee Defendants actually acting as trustees when they did not act to protect the Beneficiaries as they were required to do from MIKLES.

138. In summary the Trustee Defendants each acted not only with reckless indifference towards the Beneficiaries but they did so both fraudulently and punitively.

139. In the alternative, the Trustee Defendants, also aided and abetted the breach of fiduciary duties of Defendants LOCOH, MIKLES, NNNRI as Advisor and Manager and DPR as asset and property manager, when with actual knowledge that NNNRI and DPR had a fiduciary duty to disclose that LOCOH, MIKLES, ARPT and affiliates, were the cause of the losses on the three property sales, the SSMF Note sale and the April 2020 SSMF Note payoff.

2. MIKLES, LOCOH, NNNRI, IUC, SCMG, SSMF and CHEQUERS

140. Plaintiffs allege MIKLES, LOCOH, IUC, SCMG, SSMF and CHEQUERS acting through his/its/their alter egos NNNRI and DPR owed Beneficiaries the "same obligation of undivided service and loyalty" owed by trustees to their beneficiaries, each were and are required to act in the "highest good faith" toward their principals the Beneficiaries and after August 2011 with fraudulent and with reckless indifference to the interests of the Beneficiaries as described above, without limitation and for illustration purposes, breached those duties in the following manner:

a. While having an appraisal for $40,000,000 with $5,000,000 of bank, security deposits and receivables, recommended the sale of the Western Place Property in a conflict of interest transaction for only $32,000,000, with only $20,000,000 cash and 1,200,000 shares of ARPT non-voting common stock which was nothing more than a

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$12,000,000 loan at 0% interest to MIKLES and LOCOH while even the most fundamental diligence and investigation, such as getting an owners appraisal for sale at market, would have informed a non-conflicted asset and property manager the fair value was $40,000,000 and looking at bank, security deposits and receivables were $5,000,000.

b. They knowingly manipulated the purchase of the Western Place Property in order to capitalize ARPT to demonstrate equity of over $15,000,000 to be used by ARPT as a participant in the Northwood Venture to replace NNNRI as the carveout guarantor of the 88,000,000 loans against the Congress Center Property in order to facilitate a buyout at the below market value of $95,000,000 when another manager and carveout guarantor should have been obtained to cure the loan defaults and re-market the Congress Center Property for the benefit of all owners at a market value in excess of $115,000,000 or retain it until at least the end of the loan term in 2014.

c. With actual knowledge that the lease and related data provided to the appraiser had been manipulated by them to show materially lower lease income and resulting, they recommended the sale of the Congress Center Property at the falsely resulting $95,000,000 appraised value, a massive loss, again giving up in the process bank, security deposits and receivables, while in active conflict of interest with the Northwood Venture. Further they over-stated the NWCCO equity contribution by millions while understating the value of rollup investors in order to give more equity to themselves and NORTHWOOD Defendants.

d. MIKLES and LOCOH had bought out Moffats at a price equivalent to $107,500,000 (paragraph 100) with a confidentiality clause to silence their advocacy that the fair market value of the Congress Center Property was not less than $110,000,000 and conceal that the $95,000,000 appraised value was unfair.

e. They recommended the sale of the Sutter Square Property for only $2,500,000 at a massive loss, actually stating there was no appraisal when in fact MIKLES and LOCOH had the appraisal and concealed the number after charging G-Trust for the same, then falsely reported the $2,500,000 price as market when each knew that

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was false when it was worth not less than $8,000,000 (the original purchase price) and the amount in the bank, security deposits and receivables accounts was more than $2,500,000 which they took for themselves.

f. Failed to disclose or seek shareholder approval for the sale of substantially all of the ARPT assets, the sale of Western Place on February 14, 2014 while concealing the resulting millions moved out of ARPT. The sale resulted in total assets that should have been held by ARPT of **$16,774,500** (paragraph 84) promptly moved millions out of ARPT to SCMG and then SSMF without consideration.

g. Failed to provide ARPT financial statements to reflect operating income and sales proceeds as well as bank, security deposits and receivables accounts from the Western Place Property sale in February 2014 to inform the 79.5% stockholders, the Beneficiaries.

h. Failed to pay for their 20.5% of ARPT stock 310,000 voting shares payment consideration of $3,100,000 with market interest.

i. Failed to at a minimum provide notice that Trustee Defendants must exercise the Put Option on June 15, 2014 on the 1,200,000 shares for $12,000,000 while holding $16,000,000 from the February 2014 sale itself.

j. Recommending the sale of the 1,200,000 ARPT shares for $12,000,000 while not informing Trustee Defendants about the sale of the Western Place Property and the bank, security deposits and receivables accounts and that $20,000,000 was the fair value for the shares.

k. Issuing an unsecured promissory note, the SSMF Note, itself an unregistered security, to purchase the 1,200,000 ARPT shares for $12,000,000 while not informing Trustee Defendants of all material facts and that the fair value of those same shares was not less than $18,731,525 including the MIKLES plan to fraudulently transfer all of his assets out of his name to shield them from his creditors pursuing and expected to pursue him for his knowing misconduct.

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l. On April 15, 2015 promising to pay the $12,000,000 SSMF Note when MIKLES had no intention of making such a payment.

m. Later in November 2016 after selling 700 acres of the GCL property for $13,000,000 promising to pay $1,000,000 now and if given more time will soon pay the not less than $12,000,000 (because of interest accrued) balance if Trustee Defendants agreed, while having no intention to do so.

n. Finally, after MIKLES multiple promises to pay the balance due on the SSMF Note, extensions of past due dates for payment and being sued in March of 2018, conspired with the Trustee Defendants in the summer of 2020 to convert $2,300,000 from the sale of the remaining 1,000 acres of the GCL property while falsely claiming rights to do so when no such right existed.

o. In the summer of 2020 preferring the interests of MIKLES over those of Beneficiaries by paying MIKLES and his alter ego SCMH $2,300,000 out of $3,400,000 and the Beneficiaries only $1,100,000.

p. Fraudulently transferring millions of dollars to various entities without consideration in order to conceal assets from his creditors so he would not be required to answer for his misconduct.

141. In summary the MIKLES, LOCOH, ARPT, ARP-OP, ARPA, NNNRI, IUC, SCMG, SSMF, SCMH, NWCCO and CHEQUERS each and all acted not only with reckless indifference towards the Beneficiaries but they did so fraudulently.

142. In the alternative, defendants LOCOH and MIKLES acting as the agents of NNNRI as trust advisor and manger, DPR as asset and property manager, also aided and abetted the breach of fiduciary duties of the Trustee Defendants, when with actual knowledge that Trustee Defendants were not discharging their fiduciary duties to Beneficiaries and were acting with reckless indifference to the Beneficiaries, they took advantage of those facts and did not report such misconduct to Beneficiaries nor did they seek court intervention.

143. Defendants LOCOH and MIKLES are each directly liable as participating agents of NNNRI and DPR, ARPT, ARP-OP, ARPA, IUC, SCMG, SSMF, SCMH, NWCCO and

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CHEQUERS. Alternatively, LOCOH and MIKLES are vicariously liable for NNNRI and DPR's wrongful conduct having with knowledge ratified NNNRI and DPR breaches having received and retaining the benefits of NNNRI and DPR's misconduct.

3. NORTHWOOD, NW-1, NW-2, NW-3

144. NNNCC alleges Defendants NORTHWOOD, NW-1, NW-2, NW-3 are vicariously liable for MIKLES', LOCOH's, NNNRI's and DPR's breaches of fiduciary duty and misconduct in connection with the Congress Center Property transaction as participants in the Northwood Venture as described herein.

a. NORTHWOOD, NW-1, NW-2, and NW-3's Aiding and Abetting Thereof and/or Conspiracy in Furtherance of NNNRI and DPR's Breach of Fiduciary Duties Owed to Plaintiffs.

145. As alleged above, the acquisition purchase price for 100% of Congress Center or 100% of fractional ownership therein was based upon a March 29, 2012 $95 million appraisal issued to MIKLES that was restricted in use for "internal planning, decision making purposes, and possible mortgage financing purposes" for the client MIKLES, not the TIC owners or Plaintiffs. NORTHWOOD had a copy of the limited use appraisal.

146. NORTHWOOD, NW-1, NW-2 and NW-3 knew that NNNRI and DPR owed fiduciary duties to Plaintiffs and that these entities were under control of MIKLES, LOCOH, SCMG and IUC. NORTHWOOD, NW-1, NW-2, NW-3, MIKLES, LOCOH, SCMG, IUC, ARPT and ARPOP all knew, prior to October 23, 2012 of the concealed Moffat buyout and that the $95 million Congress Center appraisal was based upon false information supplied by MIKLES and LOCOH to the appraiser. The appraisal was known to be based upon a falsely claimed "certified" rent roll containing purported "abatements" or a type of rent concession to a large Congress Center tenant over the course of three years that did not in fact exist with a minimum $4 million in "free" rent over the abatement period. NORTHWOOD, NW-1, NW-2, NW-3, MIKLES, LOCOH, SCMG, IUC, ARPT and ARPOP all knew that the $95 million Congress Center appraisal would be used to induce Plaintiffs' agreement to sell the Congress Center Property for $95,000,000.

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147. Upon information and belief NORTHWOOD, NW-1, NW-2 and NW-3 had also developed their own internal valuations of the fair market value of the Congress Center Property at a value of approximately $115,000,000 thereby knowing the false rent roll data which resulted in the manipulated $95,000,000 appraisal was confirmed as false.

148. NORTHWOOD, NW-1, NW-2 and NW-3 also agreed to pay MIKLES and LOCOH entities undisclosed millions in compensation for their respective known misconduct in order to gain participation in the Northwood Venture and the unjustified capital account and percentage interest of 95.1% of NWCCO.

149. Plaintiffs remained completely ignorant and unaware of the Moffat buyout and that the $95 million Appraisal proffered by MIKLES, LOCOH, SCMG, IUC, NORTHWOOD and NWCCO was based upon false information supplied to the appraiser. In fact Plaintiffs were provided Daymark quarterly reports which showed no rent abatements at all for the same tenant. The false rent abatements were not discovered by Plaintiffs until at earliest September 30, 2019 when a retrospective appraisal was secured by Congress Center owners in a FINRA arbitration.

150. NORTHWOOD, NW-1, NW-2 and NW-3 had actual knowledge that NNNRI and DPR were breaching their fiduciary duties to Plaintiffs when NNNRI and DPR concealed the Moffat buyout and represented to Plaintiffs that the fair value of the Congress Center Property was $95,000,000 to induce the sale of the Property for $95,000,000 to NWCCO. NORTHWOOD, NW-1, NW-2, NW-3 knew that the $95,000,000 representation was false, that the actual value of the property was approximately $115,000,000 and that an appraisal of $95,000,000 was obtained through MIKLES and LOCOH's delivery of false rent roll information to the appraiser causing the appraiser to undervalue the property at $95,000,000. NORTHWOOD, NW-1, NW-2 and NW-3 knew that DPR and NNNRI's recommendation to sell the Congress Center Property at $95,000,000 was a breach of their fiduciary duties to Plaintiffs. NORTHWOOD, NW-1, NW-2 and NW-3 encouraged NNNRI and DPR's breach of fiduciary duty by agreeing to fund and funding NWCCO's purchase of the Congress Center Property at $95,000,000, a price at less than fair value because NORTHWOOD, NW-1, NW-2, NW-3 together with SCMG, IUC, ARPT, ARPOP, MIKLES and LOCOH were the beneficial owners of

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NWCCO. NORTHWOOD, NW-1, NW-2 and NW-3's agreement to fund and funding NWCCO's purchase of the Congress Center Property was a substantial factor in injuring Plaintiffs through the sale of the Congress Center Property at less than fair value. Thus, NORTHWOOD, NW-1, NW-2 and NW-3 are liable for aiding and abetting NNNRI and DPR's breach of fiduciary duty when recommending the sale of Congress Center Property at $95,000,000 knowing the representation the $95,000,000 was a fair price for the property was false while also concealing the Moffat buyout.

151. NORTHWOOD, NW-1, NW-2, NW-3 knew that NNNRI and DPR planned to breach their fiduciary duties to Plaintiffs by representing to Plaintiffs that the fair value of the Congress Center Property was $95,000,000 in order to induce the sale of the property for $95,000,000 to NWCCO. NORTHWOOD, NW-1, NW-2, NW-3 together with MIKLES, LOCOH, SCMG and IUC agreed and/or intended to co-operate with NNNRI and DPR's breach of fiduciary duty as each of them owned a beneficial interest in NWCCO which would profit from NNNRI and DPR's breach of fiduciary duty. NORTHWOOD, NW-1, NW-2, NW-3 furthered the scheme to breach fiduciary duties by agreeing to fund and funding NWCCO's purchase with actual knowledge that the Congress Center Property was worth approximately $115,000,000 and that NNNRI and DPR were representing to Plaintiffs through MIKLES and LOCOH's alter egos NNNRI and DPR that $95,000,000 was fair value for the property through a false and fraudulent appraisal while also concealing the Moffat buyout.

b. NORTHWOOD, NW-1, NW-2, NW-3 Alter Ego Allegations.

152. NORTHWOOD is a venture capital firm which raises funding for various limited partnerships such as NW-1, NW-2 and NW-3, each billion dollar plus entities, and then manages those entities receiving payment for a share of its overhead and in the profits of investments that it recommends and manages on their behalf. NORTHWOOD as general partner of NW-1, NW-2 and NW-3 operated through four special purpose entities (collectively the "4 SPEs") established to exist for only a limited period of time until sale of the property. This complaint concerns only the acquisition, retention, and disposition of the Congress Center Property through the below described 4 SPEs all of which were alter egos of NORTHWOOD, NW-1, NW-2, and NW-3.

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153. NORTHWOOD, NW-1, NW-2, and NW-3's use of the 4 SPEs as a conduit to implement the Joint Venture with MIKLES and LOCOH controlled American Recovery Property O.P., LP ("ARP OP"), where American Recovery Property Trust ("ARPT") was the general partner of ARP OP. The Joint Venture was formed for the contemplated purchase of acquiring the entire Congress Center property, either through purchasing fractional Tenant in Common ("TIC") interests directly from the existing TIC owners by NWCCO or by having the existing TIC owners "roll up" into the Joint Venture via exchanging their TIC interests by deeding those interests to NWCCO in exchange for limited partnership units and a portion of the Joint Venture.

154. The nominal acquisition entity SPE, namely NWCCO was a special purpose entity designed to hold legal title to the Congress Center property after acquisition, was a shell wholly owned by the other SPEs through the Joint Venture entity known as NW Congress Center, LLC ("Joint Venture"). The 4 SPEs were NWCCO which was owned by NW Congress Center, LLC, owned 5% by ARPT/ARPOP and 95% owned by NW Congress Center Manager LLC which owned 95% and NW Congress Center Holdings LLC which owned 100% of the 95% for the benefit of NORTHWOOD, NW-1, NW-2, and NW-3 pursuant to the venture capital expense and profit sharing agreements set out in their respective limited partnership and related agreements of NW-1, NW-2, and NW-3. The Congress Center Structure Chart (the "Chart") of which follows:

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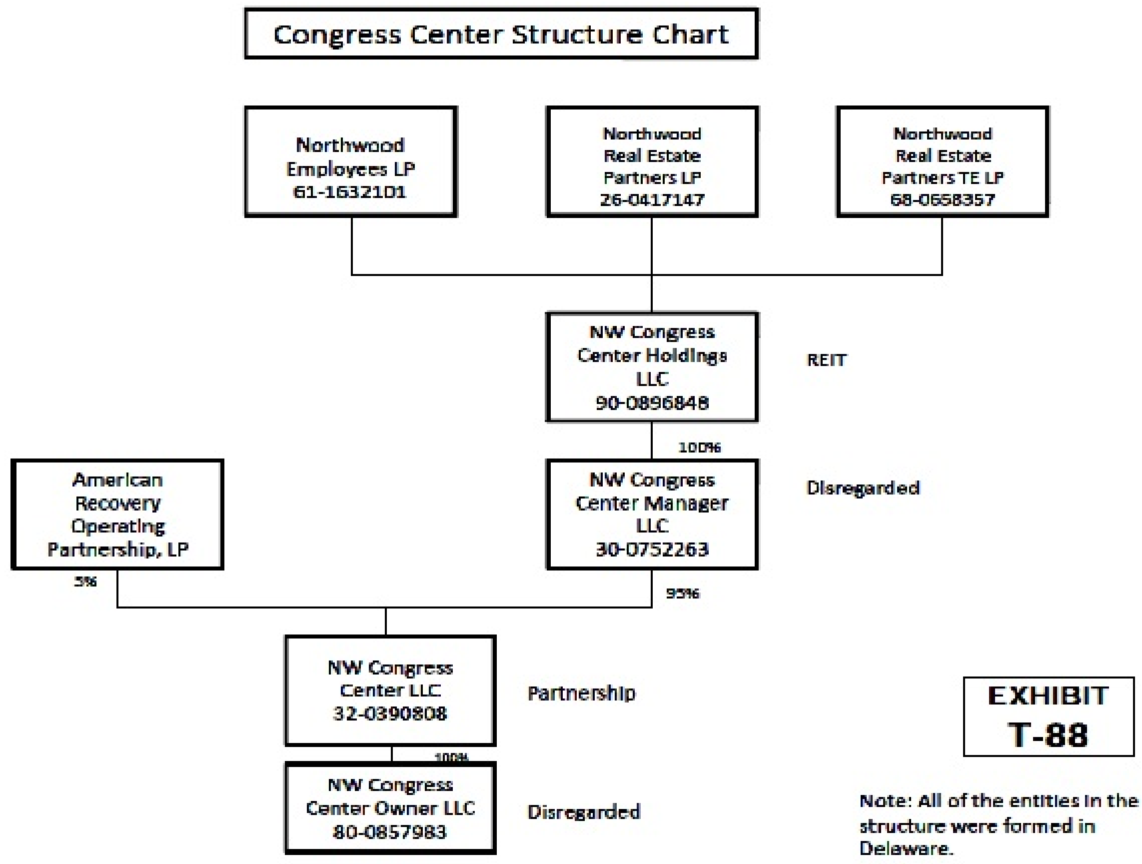

155. NORTHWOOD, NW-1, NW-2, and NW-3 had a unity of interest in ownership of the 4 SPEs as indicated in the Chart. Each of the 4 SPEs was to exist solely for this singular Congress Center Property purchase, management and sale at which time all would be cancelled after the funds were distributed to the joint venture participants pursuant to the NW-1, NW-2, and NW-3 limited partnership and related agreements the general partner of which was NORTHWOOD.

156. The 4 SPEs were established with inadequate capital because NORTHWOOD acting directly and as general partner of NW-1, NW-2, and NW-3, as well as a member of the Joint Venture was working in concert with MIKLES and LOCOH and knew, such knowledge attributable to NW-1, NW-2, and NW-3 through their general partner NORTHWOOD, that the $95,000,000 appraisal was false because NORTHWOOD had been informed of the false information provided to the appraiser and had that as a result the appraisal had been manipulated to generate a false market as well as having knowledge of the concealed Moffat buyout.

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NORTHWOOD also had obtained its own valuation assessment for the Congress Center property as is of $115,000,000. As such NORTHWOOD had actual knowledge that the market value of $115,000,000, a price $20,000,000 higher, would have required not less than $10,000,000 to $15,000,000 more in capital contribution which because of the misconduct was not required to be committed.

157. The 4 SPEs commingled the income from the Congress Center Property by flowing income into NWCCO and the Joint Venture, where it was commingled in bank accounts and flowed up to the joint venture and then 95% went to the venture capital participants NORTHWOOD, NW-1, NW-2, and NW-3 until it stopped with the sale of the property in August 2015. Thereafter, the 4 SPEs would cease operations and dissolve after receiving all income and profits from the Joint Venture.

158. NORTHWOOD, NW-1, NW-2, and NW-3 operated as one cohesive unit via general partner NORTHWOOD over the 4 SPEs and the Joint Venture, each operating as a passthrough or conduit to the alter egos of the 4 SPEs. The 4 SPEs did not follow corporate formalities instead acting as an extension of NORTHWOOD as the general partner of NW-1, NW-2, and NW-3. NWCCO and NW Congress Center, LLC shared the same addresses in both California and New York. All 4 SPEs shared the same address in New York, the same address as NORTHWOOD, NW-1, NW-2, and NW-3. NWCCO was 100% owned by the Joint Venture and there is no substantive distinction between the two entities. Likewise NW Congress Center Manager LLC and NW Congress Center Holdings LLC have no substantive differences. The 4 SPEs were controlled by NORTHWOOD the general partner of NW-1, NW-2, and NW-3 on the one hand, with MIKLES, SCMG, LOCOH, IUC and ARP OP on the other hand. The 4 SPEs were formed without any intent to operate as separate businesses of an indefinite duration but instead for the sole purposes of making a joint venture investment through NORTHWOOD as general partner of NW-1, NW-2, and NW-3 as a part of its management of billion dollar funds, designed to be controlled by NORTHWOOD from offices in New York and Los Angeles.

159. In the end the 4 SPEs were structured and designed as a conduit to make the investment from the three billion dollar NORTHWOOD managed funds namely NW-1, NW-2,

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and NW-3, the equitable ownership of which was overseen by NORTHWOOD as general partner in relation to their relative investment amount.

160. The employees or agents of NORTHWOOD as general partner of NW-1, NW-2, and NW-3 operated as the agents over the 4 SPEs. There was no arm's length relationship between the 4 SPEs and general partner NORTHWOOD in that NORTHWOOD, NW-1, NW-2, and NW-3 were participants in a Joint Venture with ARP OP, MIKLES, LOCOH, SCMG and IUC.

161. There was no formal segregation of the records of the 4 SPEs instead each and all operated collectively as a conduit for the benefit of NORTHWOOD, NW-1, NW-2, and NW-3 to make the Joint Venture investment with MIKLES and LOCOH affiliates.

162. NORTHWOOD, NW-1, NW-2, and NW-3 manipulated the assets of the 4 SPEs keeping the capital artificially low through means of participating in the fraudulent purchase of the Congress Center Property at the manipulated price of $95,000,000 substantially below the market value of not less than $114,000,000 and concealment of the Moffat buyout so that once sold the liability for participation in the fraud so that they could argue the closed up 4 SPEs with no assets to answer for the misconduct alleged alone are liable. Hence the profits including the roughly $20,000,000 from the manipulated purchase price would be passed to NORTHWOOD, NW-1, NW-2, and NW-3 without reserving for the liability for the misconduct alleged herein thus concentrating that liability in the 4 SPEs with no assets.

163. The officers and directors of the 4 SPEs were those of NORTHWOOD acting in its joint venture role as general partner of NW-1, NW-2, and NW-3, including without limitation Michael O'Shaughnessy and Shiva Viswanathan.

164. Failing to recognize the 4 SPEs as alter egos of NORTHWOOD, NW-1, NW-2, and NW-3 would cause and inequitable result.

F. Reasonable Reliance By Plaintiffs

165. Based upon the above Plaintiffs and his/her/its/their respective agents reasonably relied upon the above representations made to them in taking the actions to sell the Western Place, Congress Center and Sutter Square Properties and to sell the 1,200,000 shares of ARPT

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stock for receipt of the $12,000,000 SSMF Note, each and all to their detriment, and were damaged according to proof at the time of trial. In acting as they did Plaintiffs were ignorant of the true facts.

166. Had Plaintiffs been informed of the true facts then they would not have entered into the transactions described herein.

F. Punitive and Exemplary Damages

167. Because the conduct of the all defendants named in this cause of action was oppressive, malicious, and/or fraudulent, plaintiffs are also entitled to punitive and exemplary damages from each of such defendants in an amount to be proved at time of trial.

G. Delayed Discovery and Estoppel Against Defendants to Assert Statute of Limitations Defenses

168. As above described many of the material facts regarding the misconduct of the named defendants in this cause of action and their respective roles in the misconduct towards these plaintiffs was not fully discovered until during the course of the BK Case and while plaintiffs were enjoined by the BK ADV.

169. Initially as related to the filing of the initial complaint, not until an investigation was conducted on behalf of Plaintiffs in December 2017 did they discover the relationship of the MIKLES and LOCOH's acquisition of Daymark, the Western Place Property sale, the 1,200,000 ARPT share issuance and the related Congress Center and Sutter Square Properties sales.

170. Thereafter during the course of the BK Case and the Looper Arbitration FINRA Case plaintiffs first learned the following:

a. That as of December 31, 2011 NNNRI had a negative net worth of approximately $5,000,000. Obtained from the tax returns of the debtors during the BK Trial discovery in December 2019.

b. That at the time of the Western Place Property sale MIKLES and LOCOH had a $40,000,000 appraisal which they concealed. The appraisal was obtained from the BK Trustee in December 2019.

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c. That the $95,000,000 Congress Center Property appraisal had been materially manipulated by use of falsified lease data in order to materially depress the value by not less than $19,100,000 confirmed by an independent appraisal as of October 2021 of $114,100,000 obtained by Plaintiffs' counsel in 2019. The actual leasing data was obtained from respondents in the FINRA Case.

d. That the Moffats had been bought out in 2012 to keep them silent. The actual settlement agreement documents were obtained as a result of a Subpoena issued by the arbitrators in the FINRA Case in 2019.

e. That there was and is a still an undisclosed Sutter Square Property appraisal which was paid for by G-Trust but withheld in order to allow a sale for $2,500,000 when the value was likely $8,000,000. The payment information and invoice were obtained from the BK Trustee in late 2019.

f. That the 1,200,000 share Put Option for ARPT stock was never even considered or exercised. This information obtained during the BK Trial.

g. That the Western Place Property was sold by ARPT for $40,000,000 on February 14, 2014 but the Trustee Defendants did not ask and MIKLES did not tell them that he then had not less than $16,000,000 but paid nothing on the 79.5% interest in ARPT held by G-Trust. This information obtained during the BK Trial.

h. That on April 15, 2015 while ARPT was worth not less than $18,731,525 MIKLES fraudulently induced a sale from Trustee Defendants of all 1,200,000 ARPT shares for $12,000,000 paid for by the issuance of the SSMF Note with a promise to repay as soon as the 1818 Market Street Property sold. This information obtained during the BK Trial and related depositions.

i. That on April 21, 2015 the 1818 Market Street Property sold and MIKLES had $23,000,000 but said nothing to the Trustee Defendants nor did they bother to ask. Obtained from the BK Trustee in late 2019 and during the BK Trial.

j. That after a November 2016 sale of 700 acres of GCL land for $13,000,000 MIKLES once again falsely promised to promptly pay the SSMF Note but

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paid only $1,000,000. This information obtained during the WESCOMBE deposition in the BK Case in January 2020.

k. The SSMF Note at Exhibit "B" was not produced to Plaintiffs until done so by the BK Trustee Mr. Paiva in December 2019.

l. That when the remaining 1,000 acres of GCL land sold in 2020 the net proceeds were divided by Trustee Defendants and MIKLES $2,300,000 to MIKLES and only an insulting $1,100,000 to the Beneficiaries.

171. Not until the above events were discovered by means of investigation of what has now been shown to be the material misconduct of these defendants were plaintiffs aware of any facts that made him/her/it/them suspicious of the veracity of the defendants.

172. Plaintiffs allege that they were unaware of the true facts and could not with reasonable diligence have learned of the same earlier because they did not have the benefit of the BK Case Debtors' tax returns, withheld Western Place Property appraisal, the Congress Center Property falsified rent roll information, the evidence of the Sutter Square Property appraisal and other documents and investigation as well as independent research and investigation which their lawyers conducted through multiple third party sources incident to the BK Case in efforts to secure denial of the requested Bar Order until the previously concealed true facts were disclosed. As such the statute of limitations concerning these causes of action were tolled until December of 2017 regarding the initial complaint and until January 28, 2020 pursuant to 11 U.S.C. 108(c). As such all claims are timely.

H. The Need for a Constructive Trust

173. All defendants would be unjustly enriched if allowed to keep the assets, capital and profits derived from the wrongful conduct described herein and plaintiffs subject to proof at trial, are therefore entitled to a determination and judgment that defendants hold such converted assets, capital and profits, as constructive trustees for their respective benefit.

I. The Need for an Accounting

174. Plaintiffs do not know the exact amount owing to him/her/it/them as a result of Defendants and Does 2-10, 15-30 and 34-60 misconduct above described. An accounting is

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therefore necessary to determine this amount and his requested hereby.

SECOND CAUSE OF ACTION

Securities Fraud - Violation Cal. Corp. Code § 25401

Against MIKLES, SSMF and Does 15-30 and 34-60

175. Plaintiffs incorporate by reference each and every allegation set forth above as though fully set forth herein.

176. Plaintiffs bring this claim against Defendants MIKLES, SSMF and Does 15-30 and 34-60.

177. The G-Trust terminated by its own terms as of January 28, 2014 and was not otherwise extended or renewed.

178. Plaintiffs allege HUNT, INLOW, JOHNSON, WALLACE and WESCOMBE (jointly and collectively the "Trustee Defendants") were either fully aware of the G-Trust termination as of January 28, 2014 or charged constructively with such knowledge. On and after January 28, 2014 Plaintiffs allege Trustee Defendants voluntarily accepted a separate new confidential or fiduciary relationship to each of the Beneficiaries as a trustee to protect the Beneficiaries' interests.

179. Cal. Corp. Code § 25401 provides that "[i]t is unlawful for any person to offer or sell a security in this state or buy or offer to buy a security in this state by means of any written or oral communication which includes an untrue statement of material fact or omits to state a material fact necessary in order to make the statement made, in the light of the circumstances under which they were made, not misleading."

180. On or about April 15, 2015 G-Trust was induced by MIKLES then the chief executive officer and director of ARPT in such capacity, and acting individually for his own self interest to sell its 1,200,000 common shares in ARPT then constituting 79.5% of the total outstanding common shares to SSMF in exchange for a $12,000,000 Note dated April 15, 2015 (the "SSMF Note").

181. The SSMF Note at Exhibit "B" was not produced to Plaintiffs until done so by the BK Trustee Mr. Paiva in December 2019. At that time Plaintiffs were enjoined by the BK-ADV

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which remained in effect until January 28, 2020 (paragraph 5).

182. The SSMF Note signed April 15, 2015 by its terms was unsecured and all due April 15, 2016 with a below market 5% annual interest rate.

183. Thereafter the SSMF Note came to maturity multiple times often in default and multiple extensions, without notice to Beneficiaries, were entered between MIKLES and the Trustee Defendants and fees all added to principal and interest at 5% per annum are executed until a payment June 2020 of $1,100,000 leaving a balance well in excess of $18,000,000 plus attorneys fees and costs.

184. Plaintiffs allege that as the term of the SSMF Note became due, each extension was itself a new securities sale in that the amount of payment was due in full, the extension of the obligation to pay $12,000,000 plus extension fees and accrued interest were a new and distinct security offered and accepted by G-Trust Trustee Defendants although they had no power to do so and were thereby breaching fiduciary duties to Beneficiaries.

185. The following representations were made by MIKLES on behalf of SSMF, alternatively the representations were made by other persons with authorization from SSMF and MIKLES as an officer and principal of SSMF:

a. On or about January to April 2015 represented to WESCOMBE and the Trustee Defendants by means of oral and written communications that G-Trust would not be able to receive or realize the equivalent of the expired put option of $12,000,000 for the 1,200,000 ARPT shares thus G-Trust should instead sell its ARPT stock to SSMF in exchange for the $12,000,000 SSMF Note. This representation was known by MIKLES and SSMF as being untrue and materially misleading because ARPT had at that time assets valued at approximately **$18,700,000** (See Paragraphs 86 and 121-122) and MIKLES as officer and agent of ARPT intended to immediately liquidate those assets for the benefit of SSMF and MIKLES as the beneficial owner of SSMF transferring the same to GCL for a 1,700 acre San Diego County land purchase.

b. On or about April 2015 MIKLES and Robert Sparks represented WESCOMBE by means of an email that payment in full on the $12,000,000 SSMF Note

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would be made as soon as the 1818 Market Street building was sold. This was known by MIKLES and SSMF as being untrue and materially misleading because MIKLES as a principal and beneficial owner of SSMF never intended to repay the $12,000,000 SSMF Note. Rather, it was MIKLES intent to take all the assets of SSMF and transfer them to himself or to entities through which he was the beneficial owner such as GCL and Cook Islands companies in order to leave SSMF unable to repay the $12,000,000 SSMF Note.

c. On or about April 2015 MIKLES and Robert Sparks represented to WESCOMBE by means of an email that payment on the $12,000,000 SSMF Note would be made not later than one year. This representation was known by MIKLES and SSMF as being untrue and materially misleading because MIKLES as a principal and beneficial owner of SSMF never intended to repay the $12,000,000 SSMF Note. Rather, it was MIKLES' intent to take all the assets of SSMF and transfer them to himself or to entities through which he was the beneficial owner such as GCL and Cook Islands companies in order to leave SSMF unable to repay the $12,000,000 SSMF Note.

d. By MIKLES failing as director and officer of ARPT to disclose the financial condition of ARPT as to the sale of the Western Place Property, that he had not paid the $3,100,000 for the 310,000 shares of voting common stock, he had borrowed all the cash from the company without interest and without security and that the fair value of the 1,200,000 shares were valued in excess of $18,700,000 on April 15, 2015.

186. MIKLES and SSMF recommended the sale of the 1,200,000 ARPT shares to SSMF and sold the SSMF promissory note securities to Plaintiffs in the State of California, by means of untrue statements of material fact and through the omission of material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

187. Plaintiffs' Trustee Defendants relied on these written and oral misrepresentations and omissions of material facts in deciding to sell the ARPT 1,200,000 shares to SSMF and to invest in the SSMF Note and to rely upon MIKLES and SSMF to determine the amount due on the SSMF Note as fair value for the ARPT 1,200,000 shares sold.

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188. As a result of MIKLES, SSMF and Does 2-10, 15-30 and 34-60's misrepresentations, Plaintiffs' sustained damages. Under California Corporations Code § 25501, Plaintiffs are entitled to recover damages. Recession for the ARPT stock is unavailable because:

a. ARPT's going concern status has ceased;

b. ARPT's assets have been liquidated and disbursed to its shareholders believed to be MIKLES or an affiliate that he controls;

c. ARPT's status as an entity has been forfeited; and

d. on information and belief SSMF no longer possess ownership of the stock of ARPT.

189. MIKLES as agent for SSMF make the representations that SSMF would pay the $12,000,000 SSMF Note while never intending to do so but instead to transfer funds away from SSMF leaving it insolvent to Cook Islands entities and other entities purportedly controlled by the 2012 Mikles Irrevocable trust.

190. MIKLES and Does 15-30 and 34-60 are liable as "control persons" under California Corporations Code § 25504, and therefore liable to the same extent as SSMF. Specifically, MIKLES violated Corporations Code §25403 by exercising his control over SSMF to direct the above omissions and misrepresentations, known by MIKLES to be untrue and/or to be materially misleading, to the then purporting to act trustees of G-Trust inducing G-Trust to sell its ARPT stock to SSMF in exchange for the $12,000,000 SSMF Note.

191. MIKLES, simultaneously as an executive officer and director of SSMF and ARPT and as a person who otherwise indirectly controls SSMF and ARPT is liable as a control person under California Corporations Code, §§25504. Does 15-30 and 34-60 are persons who directly or indirectly control SSMF and/or is/are a partner, principal, executive, director or persons otherwise occupying a similar role and function of a partner, principal, executive or director of SSMF. Alternatively, Does 15-30 and 34-60 are employed by SSMF and materially aided in the deceit described above that induced G Trust to sell its ARPT stock in exchange for the $12,000,000 note.

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THIRD CAUSE OF ACTION

Sale of Unregistered Securities - Violation of Cal. Corp. Code 25110

Against MIKLES, SSMF and Does 2-10, 15-30 and 34-60

192. Plaintiffs incorporate by reference each and every allegation set forth above as though fully set forth herein.

193. Plaintiffs bring this claim against Defendants MIKLES, SSMF and Does 2-10, 15-30 and 34-60.

194. California Corporations Code § 25110 provides in pertinent part: "It is unlawful for any person to offer or sell in this state any security in an issuer transaction ... unless such sale has been qualified under Section 25111, 25112, or 25113 ... or unless such security or transaction is exempted or not subject to qualification under Chapter 1 (commencing with section 25100) of this part."

195. The SSMF Note and each extension thereof are "securities" within the meaning of California Corporations Code § 25019.

196. MIKLES as agent for SSMF made the representations that SSMF would pay the $12,000,000 SSMF Note while never intending to cause SSMF to do so but instead to transfer funds away from SSMF to Cook Islands entities and other entities purportedly controlled by the 2012 Mikles Irrevocable trust but nevertheless to entities under MIKLES' control leaving it insolvent and now in liquidation because it has no assets.

197. MIKLES, SSMF and Does 2-10, 15-30 and 34-60 "offered and sold" the securities within the State of California within the meaning of California Corporations Code §§ 25008 and 25017. The California Corporations Commissioner has not issued a permit or other form of qualification authorizing MIKLES, SSMF and Does 2-10, 15-30 and 34-60 to offer and sell the subject securities in the State of California.

198. The SSMF Note and each extension were unregistered, nonexempt securities. The transactions with Plaintiffs and Beneficiaries did not qualify for an exemption from registration because Plaintiffs were solicited to purchase for their accounts to the Trustee Defendants after and while the G-Trust had been terminated before MIKLES ever met Plaintiffs in person. See

California Corporations Code § 25102(f)(2).

199. Plaintiffs have been damaged as set forth herein. Under California Corporations Code § 25503, Plaintiffs are entitled to recover at minimum the purchase price of $12,000,000 along with interest at the legal rate or alternatively the fair value of the 1,200,000 ARPT shares exchanged which were $18,731,525 (paragraphs 119-121) according to proof at time of trial.

200. California Corporations Code § 25504 provides in pertinent part that "[e]very person who directly or indirectly controls a person liable under Section 25501 or 25503, every partner in a firm so liable, every principal executive officer or director of a corporation so liable, every person occupying a similar status or performing similar functions, every employee of a person so liable who materially aids in the act or transaction constituting the violation, and every broker-dealer or agent who materially aids in the act or transaction constituting the violation, are also liable jointly and severally with and to the same extent as such person."

FOURTH CAUSE OF ACTION

Operating as an Unlicensed Broker - Violation of Cal. Corp. Code § 25210

Against MIKLES and Does 15-30 and 34-60

201. Plaintiffs incorporate by reference each and every allegation set forth above as though fully set forth herein.

202. Plaintiffs bring this claim against Defendants MIKLES and Does 15-30 and 34-60.

203. A broker is one who effects transactions in securities for compensation.

204. California Corporations Code § 25210(a) provides that "no broker-dealer shall affect any transaction in, or induce or attempt to induce the purchase or sale of, any security in this state unless the broker-dealer has first applied for and secured from the commissioner a certificate, then in effect, authorizing that person to act in that capacity."

205. Here, MIKLES operated as an unregistered broker-dealer. MIKLES holds himself out as being an investment professional. MIKLES sold Plaintiffs and Beneficiaries securities without being duly qualified as a securities broker dealer, and collected money from management thereof and other fees.

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206. MIKLES purchased from Plaintiffs and Beneficiaries the 1,200,000 shares of ARPT common stock and then sold those securities in SSMF in return for the SSMF Note that he indirectly owns and controls. Indeed, MIKLES is the sole manager of SSMF as well as SCMG which purports to own all of the membership interests of SSMF and MIKLES through multiple layers of trusts and companies controls SSMF. All money loaned to SSMF went directly to MIKLES or entities under his control. There is a unity of interest between SSMF and MIKLES that the separate personalities of the company and the manager and member do not in reality exist. There is also a unity of interest between SSMF and MIKLES that the separate personalities of the company and the member and managers do not in reality exist.

207. MIKLES' and Does 15-30 and 34-60's conduct as described herein required him to be licensed as a securities broker dealer. His unlicensed activities as a broker dealer violates California securities laws. Plaintiffs have incurred damages as a proximate result of MIKLES' and Does 15-30 and 34-60's actions, as set forth herein.

208. Under California Corporations Code § 25501.5, Plaintiffs may either rescind the purchase or recover damages, and are entitled to an award of reasonable attorneys' fees.

FIFTH CAUSE OF ACTION

Joint and Several Liability under Cal. Corp. Code §§ 25504, 25504.1

Against MIKLES, SSMF and Does 2-10, 15-30 and 34-60

209. Plaintiffs incorporate by reference each and every allegation set forth above as though fully set forth herein.

210. Plaintiffs bring this claim against Defendants MIKLES, SSMF and Does 2-10, 15-30 and 34-60.

211. MIKLES as agent for SSMF made the representations that SSMF would pay the $12,000,000 SSMF Note while never intending to cause SSMF to do so but instead to transfer funds away from SSMF to Cook Islands entities and other entities purportedly controlled by the 2012 Mikles Irrevocable trust but nevertheless to entities under MIKLES' control leaving it insolvent and now in liquidation because it has no assets.

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1 212. MIKLES, SSMF and Does 2-10, 15-30 and 34-60 knowingly provided substantial
2 assistance to one another in making untrue statements of material fact and omitted to disclose
3 adverse material facts necessary in order to make the statements made, in light of the
4 circumstances under which they were made, not misleading for the purpose of inducing the sale
5 of the 1,200,000 ARPT shares and the purchase of the $12,000,000 SSMF Note and each and all
6 of its separate extensions for the account of the Beneficiaries.
7 213. Each of the statements made related to the purchase of the 1,200,000 shares of
8 ARPT in the accounts of each Beneficiary and the purchase of the $12,000,000 SSMF Note for
9 each Beneficiaries' account followed by multiple and separate extensions was made for the
10 purpose of the purchase and sales described above through oral and written representations.
11 214. MIKLES, SSMF and Does 2-10, 15-30 and 34-60 knowingly provided substantial
12 assistance to one another in selling the 1,200,000 ARPT shares and purchasing the $12,000,000
13 SSMF Note and the multiple extensions thereof for the account of the Beneficiaries that were
14 neither qualified for sale nor eligible for an exemption from qualification.
15 215. In engaging in such conduct, MIKLES, SSMF and Does 2-10, 15-30 and 34-60
16 acted with an intent to deceive, manipulate, or defraud, or with a severe reckless disregard for the
17 rights of Plaintiffs and the Beneficiaries.
18 **SIXTH CAUSE OF ACTION**
19 **Violation of Section 10(b) of the Securities Exchange Act of 1934**
20 **(15 U.S.C. § 78a et seq.)("Exchange Act") and Rule 10b**-5
21 **Against MIKLES, SSMF and Does 15-30 and 34-60**
22 216. Plaintiffs incorporate by reference each and every allegation set forth above as
23 though fully set forth herein.
24 217. Plaintiffs bring this claim against Defendants MIKLES, SSMF and Does 15-30
25 and 34-60.
26 218. MIKLES, SSMF and Does 15-30 and 34-60 made material misrepresentations and
27 omissions in the purchase of the 1,200,000 ARPT shares and in the sale of the SSMF Note
28 valued at $18,731,525 (paragraphs 119-121) above in violation of Section 10(b) and Rule 10b-5.

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219. MIKLES as agent for SSMF made the representations that SSMF would pay the $12,000,000 SSMF Note while never intending to cause SSMF to do so but instead to transfer funds away from SSMF to Cook Islands entities and other entities purportedly controlled by the 2012 Mikles Irrevocable trust but nevertheless to entities under MIKLES' control leaving it insolvent and now in liquidation because it has no assets.

220. MIKLES, SSMF and Does 15-30 and 34-60 knew these representations and omissions were false and misleading when they were made, or acted with reckless disregard for their falsity. Their scienter is evidenced by MIKLES, SSMF and Does 15-30 and 34-60's failure to pay any promised amounts on the $12,000,000 SSMF Note as MIKLES had and realized money but elected not to pay the Beneficiaries on the SSMF Note.

221. Plaintiffs agents' the Trustee Defendants relied on these material misrepresentations and omissions when he/they agreed to sell the ARPT shares and be issued the SSMF Note and thereafter its extensions.

222. MIKLES, SSMF and Does 15-30 and 34-60 knew these statements were false or acted with reckless disregard to their falsity. MIKLES, SSMF and Does 15-30 and 34-60 were aware that MIKLES never intended to pay the SSMF Note but instead to delay until he could transfer his assets and set up his fraudulent scheme.

223. The misrepresentations and omissions of MIKLES were made individually and as manager of SSMF and as such both have violated Section 10(a) and Rule 10b-5 and this primary violation may be the basis for secondary liability as set forth below.

224. Although Plaintiffs have and do hereby tender the SSMF Note and otherwise seek rescission, Plaintiffs have not been made whole and have suffered consequential damages as a result of the material misrepresentations and omissions of MIKLES, SSMF and Does 15-30 and 34-60 including the loss of the value of their purchased 1,200,000 shares of ARPT stock valued at $18,731,525 (paragraphs 119-121) .

225. Plaintiffs are entitled to damages in an amount to be proven at trial, plus prejudgment interest, costs, and attorneys' fees.

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SEVENTH CAUSE OF ACTION

Violation of Section 20(a) of the Exchange Act (15 U.S.C. § 78t)

Against MIKLES, SSMF and Does 15-30 and 34-60

226. Plaintiffs incorporate by reference each and every allegation set forth above as though fully set forth herein.

227. Plaintiffs bring this claim against Defendants MIKLES, SSMF and Does 15-30 and 34-60.

228. MIKLES as agent for SSMF made the representations that SSMF would pay the $12,000,000 SSMF Note while never intending to cause SSMF to do so but instead to transfer funds away from SSMF to Cook Islands entities and other entities purportedly controlled by the 2012 Mikles Irrevocable trust but nevertheless to entities under MIKLES' control leaving it insolvent and now in liquidation because it has no assets.

229. MIKLES and Does 15-30 and 34-60 were control persons of the SSMF that was to repay the SSMF Note in one year. MIKLES had the power to control, and actually did exercise control over decisions such as failing to send funds to SSMF to pay the $12,000,000 pursuant to the SSMF Note terms.

230. By virtue of their status as control persons, MIKLES and Does 2-10, 15-30 and 34-60 are jointly and severally liable for the primary violations of Section 10(b) and Rule 10b-5 by SSMF as set forth above.

EIGHTH CAUSE OF ACTION

Tortious Interference with Congress Center Property Management Agreement

Against MIKLES, LOCOH, NNNRI, IUC, SCMG,

NORTHWOOD, NW-1, NW-2, NW-3 and Does 15-30 and 34-60

231. Dismissed without prejudice.

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NINTH CAUSE OF ACTION

Intentional Interference with Prospective Economic Advantage

Against MIKLES, LOCOH, NNNRI, IUC, SCMG,

NORTHWOOD, NW-1, NW-2, NW-3 and Does 15-30 and 34-60

232. Plaintiffs repeat and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as if set forth fully herein.

233. This cause of action is asserted by Plaintiffs against:

a. MIKLES, LOCOH, NNNRI, IUC, SCMG and Does 15-30 and 41-60; and

b. NORTHWOOD, NW-1, NW-2, NW-3 and Does 34-40.

234. As above alleged Plaintiffs owned 30% of the Congress Center Property through wholly owned G-Trust subsidiary, GREIT Congress Center, LLC which acquired the interest as agent of G-Trust and for the benefit of G-Trust. G-Trust's position as principal of GREIT Congress Center, LLC was known by purchaser NWCCO and the 4 SPEs. GREIT Congress Center, LLC sold its interests in the Congress Center Property to NWCCO at the direction of G-Trust trustees for the benefit of G-Trust. GREIT Congress Center, LLC was advised by NNNRI and DPR and has been dissolved with its/their rights and interests having passed to G-Trust as their successor and as a successor the Beneficiaries of G-Trust may maintain the action.

235. Plaintiffs as owners of the Congress Center Property were involved in a valid and existing business relationship with the numerous tenants (collectively the "Tenants") of the Congress Center Property, in that Plaintiffs as landlord pursuant to leases with the tenants had the expectation of an economic benefit, for continued receipt of rents and net operating income along with the continued debt service principal reduction creating equity as well as growth in rents and net operating income resulting in an increased value of the Congress Center Property and its equity all to be realized in the future.

236. Defendants MIKLES, LOCOH, NNNRI, IUC, SCMG, NORTHWOOD, NW-1, NW-2, NW-3 and Does 15-30 and 34-60 knew of the relationship between Plaintiffs and the Tenants.

237. Defendants MIKLES, LOCOH, NNNRI, IUC, SCMG, NORTHWOOD, NW-1, NW-2, NW-3 and Does 15-30 and 34-60 intentionally disrupted the relationship between Plaintiffs and Tenants by committing the above described wrongful acts, including without limitation, the distress to the Property caused by the Daymark Acquisition, the use of LOCOH and MIKLES via SCMG, LOCOH via IUC's alter egos NNNRI and DPR to recommend and executing the sale of the Congress Center Property in a conflicted transaction without disclosing the secret dual agency relationship, conflicts of interest and the injury caused to Plaintiffs' interest by selling the property at less than fair market value thereby terminating Plaintiff's interest in keeping the Congress Center Property for continued rental purposes.

238. Defendants MIKLES, LOCOH, NNNRI, IUC, SCMG, NORTHWOOD, NW-1, NW-2, NW-3 and Does 15-30 and 34-60 engaged in the above alleged acts with intent to and knowledge that their conduct would interfere with Plaintiffs' relationship with the Tenants and was done in order to convert Plaintiffs' equity at fair market value in the Congress Center Property into cash and distribute the same to themselves at Plaintiffs' expense and loss. As a result of Defendants MIKLES, LOCOH, NNNRI, IUC, SCMG, NORTHWOOD, NW-1, NW-2, NW-3 and Does 15-30 and 34-60's intentional acts, the business relationship between Plaintiffs and Tenants was disrupted in that Plaintiffs were induced to sell the Congress Center Property when if it/he/she/they had been told the truth they would never have sold.

239. Defendants MIKLES, LOCOH, NNNRI, IUC, SCMG, NORTHWOOD, NW-1, NW-2, NW-3 and Does 15-30 and 34-60's interference with the business relationship between Plaintiffs and Tenants has resulted in damage to Plaintiffs in an amount according to proof at the time of trial.

240. MIKLES, LOCOH, NNNRI, IUC, SCMG, NORTHWOOD, NW-1, NW-2, NW-3 and Does 15-30 and 34-60, and each of them, did the things alleged herein above intentionally, oppressively and maliciously, and Plaintiffs are thereby entitled to reasonable punitive or exemplary damages according to proof at trial.

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TENTH CAUSE OF ACTION

Negligence

Against MIKLES, LOCOH, IUC, SCMG, HUNT, INLOW, JOHNSON, WALLACE, WESCOMBE NORTHWOOD, NW-1, NW-2, NW-3 and Does 2-10, 14-30 and 34-60

241. Plaintiffs repeat and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as if set forth fully herein.

242. This cause of action is asserted by Plaintiffs against: HUNT, INLOW, JOHNSON, WALLACE, WESCOMBE (jointly and collectively the "Trustee Defendants"), MIKLES, LOCOH, IUC, SCMG, NORTHWOOD, NW-1, NW-2, NW-3 and Does 2-10, 34-40 and 41-60.

243. Plaintiffs allege that HUNT, INLOW, JOHNSON, WALLACE, WESCOMBE, MIKLES, LOCOH, IUC, SCMG, NORTHWOOD, NW-1, NW-2, NW-3 and Does 2-10, 34-40 and 41-60 each of them owed Plaintiffs a duty of care post Daymark Acquisition and subsequent management and sale of the Western Place, Congress Center and Sutter Square Properties as well as the sale of the ARPT Stock and the purchase of the SSMF Note HUNT, INLOW, JOHNSON, WALLACE, WESCOMBE, MIKLES, LOCOH, IUC, SCMG, NORTHWOOD, NW-1, NW-2, NW-3 and Does 2-10, 34-40 and 41-60's actions described above were negligent in failing to meet that standard of care in the undertaking and acting in the manner above described causing loss, injury and damage to G-Trust and Beneficiaries in an amount to be determined according to proof at the time of trial.

244. As a result of HUNT, INLOW, JOHNSON, WALLACE, WESCOMBE and Does 2-10's negligent acts Plaintiffs and the Beneficiaries were harmed by the sale of the Western Place, Congress Center and Sutter Properties at prices less than the fair market value thereof as well as on the sale of the ARPT Stock at less than its fair value and the purchase of the $12,000,000 SSMF Note which was worth less than the purported $12,000,000 to be paid, alternatively loss of fair consideration for the properties and securities consummate with the properties' and securities' true fair value.

245. As a result of MIKLES, LOCOH, IUC, SCMG and Does 34-40's negligent acts in failing to cause NNNRI and DPR to secure independent and error free appraisals the

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Beneficiaries were harmed by the sale of the Western Place, Congress Center and Sutter Properties as well as on the sale of the ARPT Stock and the purchase of the SSMF Note at less than fair market value and alternatively loss of consideration for the properties and securities consummate with the properties' and securities' true fair value.

246. As a result of NORTHWOOD, NW-1, NW-2, NW-3 and Does 41-60's negligent acts in failing to disclose that NNNRI and DPR had failed to secure an independent and error free appraisal of the Congress Center Property the Plaintiffs and the Beneficiaries were harmed by loss of the fair market value of their interest in the Congress Center Property.

247. The foregoing negligence related to the purchase and sale of real property as well as sale and purchase of common stock for an unsecured promissory note:

a. Were each and all transactions intended to affect the Plaintiffs, knowing G-Trust was the real party in interest with respect to the real properties and common stock and that these transaction were intended to acquire that property interest for defendants own;

b. Negligence associated with each of the transactions described above would foreseeably cause Plaintiffs harm, by loss of their property interests at less than fair value;

c. Defendants conduct and each of the transactions as alleged caused Plaintiffs injury, by loss of their property interests at less than fair value;

d. The conduct of each of the Defendants in concealing and/or misrepresenting fair value of the property interests was closely related to the injury suffered by Plaintiffs;

e. Defendants in concealing and/or misrepresenting fair value of the property interests and Plaintiffs as numerous small investors in G-Trust in relation to the substantial values associated with the transactions at issue give rise to moral blame for the defendant's conduct; and

f. As a matter of policy on these facts defendants should be adjudged liable to prevent future harm.

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248. Plaintiffs' and the Beneficiaries' harm was the proximate result of HUNT, INLOW, JOHNSON, WALLACE, WESCOMBE, MIKLES, LOCOH, IUC, SCMG, NORTHWOOD, NW-1, NW-2, NW-3 and Does 2-10, 34-40 and 41-60's negligent conduct described above.

ELEVENTH CAUSE OF ACTION

Negligent Misrepresentation

Against MIKLES, LOCOH, NNNRI, IUC, SCMG, CHEQUERS NORTHWOOD, NW-1, NW-2, NW-3 and Does 15-30 and 34-60

249. Plaintiffs repeat and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as if set forth fully herein.

Count One: Western Place Misrepresentations

250. This Count One is asserted by Plaintiffs against MIKLES, LOCOH, NNNRI, IUC, SCMG and Does 15-30 and 41-60.

251. MIKLES and LOCOH on behalf of NNNRI and DPR and persons authorized by MIKLES (e.g., Robert Sparks), through e-mail and telephone communications, represented to WESCOMBE and through WESCOMBE to the rest of the G-Trust trustees that the $32,000,000 was a fair price for the Western Place Property based upon a $32,000,000 appraisal- the "Western Place Misrepresentations".

252. Although MIKLES and LOCOH may have honestly believed that the representation was true, he/they had no reasonable grounds for believing the Western Place Misrepresentations were true when made.

253. The representations were false because MIKLES and LOCOH and those speaking on their behalves for NNNRI and DPR had in his/their possession a $40,000,000 appraisal for the Western Place Property prior to sale and had arranged to borrow $32,000,000 which he/they did not disclose to Plaintiffs nor to WESCOMBE or the Trustee Defendants.

254. MIKLES and LOCOH intended that G-Trust and its trustees rely on the Western Place Misrepresentations and thereby induced them into authorizing the sale of the Western Place Property to ARPT. Alternatively to anything to the contrary herein, G-Trust and its trustees

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reasonably and justifiably relied on the Western Place Misrepresentations because MIKLES and LOCOH delivered the Western Place Misrepresentations as an agent of and on behalf of DPR and NNNRI, fiduciaries of G-Trust.

255. G-Trust was harmed by this sale as the sale was made at substantially less than fair value for the Western Place Property. G-Trust and its trustees' reliance on the Western Place Misrepresentations was a substantial factor in causing G-Trust's harm.

256. MIKLES, LOCOH, SCMG and IUC each financially benefitted from this transaction as having a beneficial interest in ARPT including acting as officers and directors and owning all of the voting common stock share block.

257. MIKLES on behalf of SCMG and LOCOH on behalf of IUC had actual knowledge that the Western Place Misrepresentations were being delivered to G-Trust and its trustees and that the Western Place Misrepresentations were false. SCMG and IUC had actual knowledge that MIKLES and LOCOH had no reasonable grounds for believing the Western Place Misrepresentations when made were true. SCMG and IUC substantially assisted NNNRI and DPR by arranging for the issuance of the ARPT voting common stock to themselves and affiliates which voting control block was a substantial factor in causing G-Trust to sell the Western Place Property. SCMG and IUC are liable as aiders and abetters of NNNRI and DPR regarding the Western Place Misrepresentations.

258. MIKLES on behalf of SCMG and LOCOH on behalf of IUC knew that MIKLES and LOCOH's plan to make and deliver the Western Place Misrepresentations to G-Trust and its trustees was in order to induce the sale of the Western Place Property. SCMG through MIKLES and IUC through LOCOH knew that they had no reasonable basis to believe the truth of the Western Place Misrepresentations. SCMG and IUC agreed and/or intended to co-operate with MIKLES and LOCOH's plan to deliver the Western Place Misrepresentations to the G-Trust trustees. SCMG and IUC furthered this plan by arranging the block of voting control common stock of ARPT to be held and controlled by MIKLES and LOCOH affiliates. SCMG and IUC are liable having conspired with MIKLES and LOCOH to make and deliver the Western Place Misrepresentations to G-Trust and its trustees.

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Count Two: Congress Center Misrepresentations

259. This Count Two is asserted by Plaintiffs against:

a. MIKLES, LOCOH, NNNRI, IUC, SCMG and Does 15-30 and 41-60; and

b. NORTHWOOD, NW-1, NW-2, NW-3 and Does 34-40.

260. MIKLES and LOCOH on behalf of NNNRI and DPR and persons authorized by MIKLES (e.g., Robert Sparks), through e-mail and telephone communications, represented to WESCOMBE and through WESCOMBE to the rest of the G-Trust trustees that $95,000,000 was the fair market price for the Congress Center Property based upon an appraisal- the "Congress Center Misrepresentations".

261. Although MIKLES and LOCOH may have honestly believed that the representation was true, he/they had no reasonable grounds for believing the Congress Center Misrepresentations were true when made.

262. The representations were false because MIKLES and LOCOH and those speaking on their behalves for NNNRI and DPR had in his/their possession documents they had delivered to the appraiser with false rent roll abatement numbers that would materially downward value the property and also knew that with proper rent roll numbers the property would appraise for not less than $114,100,000. The true rent roll numbers were not disclosed to Plaintiffs nor to WESCOMBE or the Trustee Defendants.

263. MIKLES and LOCOH intended that G-Trust and its trustees rely on the Congress Center Misrepresentations and thereby induced them into authorizing the sale of the Congress Center Property to NWCCO. Alternatively to anything to the contrary herein, G-Trust and its trustees reasonably and justifiably relied on the Congress Center Misrepresentations because MIKLES and LOCOH delivered the Congress Center Misrepresentations as an agent of and on behalf of DPR and NNNRI, fiduciaries of G-Trust.

264. G-Trust was harmed by this sale as the sale was made at substantially less than fair value for the Congress Center Property. G-Trust and its trustees' reliance on the Congress Center Misrepresentations was a substantial factor in causing G-Trust's harm.

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265. MIKLES, LOCOH, SCMG and IUC each financially benefitted from this transaction as having a beneficial interest in ARPT and the Northwood Venture including acting as officers and directors and owning all of the voting common stock of ARPT.

266. MIKLES on behalf of SCMG, LOCOH on behalf of IUC and NORTHWOOD on behalf of NW-1, NW-2 and NW-3 had actual knowledge that the Congress Center Misrepresentations were being delivered to G-Trust and its trustees and that the Congress Center Misrepresentations were false. SCMG, IUC and NORTHWOOD had actual knowledge that MIKLES and LOCOH had no reasonable grounds for believing the Congress Center Misrepresentations when made were true. SCMG, IUC, NORTHWOOD, NW-1, NW-2 and NW-3 and substantially assisted NNNRI and DPR by arranging for the funding of NWCCO the Northwood Venture for the benefit of themselves and affiliates which funding was a substantial factor in causing G-Trust to the sell the Congress Center Property. SCMG, IUC, NORTHWOOD, NW-1, NW-2 and NW-3 are liable as aiders and abetters of NNNRI and DPR regarding the Congress Center Misrepresentations.

267. MIKLES on behalf of SCMG, LOCOH on behalf of IUC and NORTHWOOD on behalf of NW-1, NW-2 and NW-3 knew that MIKLES and LOCOH's plan to make and deliver the Congress Center Misrepresentations to G-Trust and its trustees in order to induce the sale of the Congress Center Property. SCMG through MIKLES, IUC through LOCOH and NW-1, NW-2 and NW-3 through NORTHWOOD knew that they had no reasonable basis to believe the truth of the Congress Center Misrepresentations. SCMG, IUC, NORTHWOOD, NW-1, NW-2 and NW-3 agreed and/or intended to co-operate with MIKLES and LOCOH's plan to deliver the Congress Center Misrepresentations to the G-Trust trustees. SCMG, IUC, NORTHWOOD, NW-1, NW-2 and NW-3 furthered this plan by arranging for the funding of NWCCO the Northwood Venture for the benefit of themselves and affiliates which funding was necessary to consummate the purchase. SCMG, IUC, NORTHWOOD, NW-1, NW-2 and NW-3 are liable having conspired with MIKLES and LOCOH to make and deliver the Congress Center Misrepresentations to G-Trust and its trustees.

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Count Three: Sutter Square Misrepresentations

268. This Count Three is asserted by Plaintiffs against MIKLES, LOCOH, NNNRI, IUC, SCMG, CHEQUERS and Does 15-30 and 41-60.

269. MIKLES and LOCOH on behalf of NNNRI and DPR and persons authorized by MIKLES (e.g., Robert Sparks), through e-mail and telephone communications, represented to WESCOMBE and through WESCOMBE to the rest of the G-Trust trustees that $2,500,000 was a fair price for the Sutter Square Property based upon market conditions and the absence of an appraisal- the "Sutter Square Misrepresentations".

270. Although MIKLES and LOCOH may have honestly believed that the representation was true, he/they had no reasonable grounds for believing the Sutter Square Misrepresentations were true when made.

271. The representations were false because MIKLES and LOCOH and those speaking on their behalves for NNNRI and DPR had in his/their possession an appraisal which has not been disclosed although paid for by G-Trust and upon information and belief the same appraised the property at substantially more than $2,500,000 which he/they did not disclose to Plaintiffs nor to WESCOMBE or the Trustee Defendants.

272. MIKLES and LOCOH intended that G-Trust and its trustees rely on the Sutter Square Misrepresentations and thereby induced them into authorizing the sale of the Sutter Square Property to CHEQUERS. Alternatively to anything to the contrary herein, G-Trust and its trustees reasonably and justifiably relied on the Sutter Square Misrepresentations because MIKLES and LOCOH delivered the Sutter Square Misrepresentations as an agent of and on behalf of DPR and NNNRI, fiduciaries of G-Trust.

273. G-Trust was harmed by this sale as the sale was made at substantially less than fair value for the Sutter Square Property. G-Trust and its trustees' reliance on the Sutter Square Misrepresentations was a substantial factor in causing G-Trust's harm.

274. MIKLES, LOCOH, SCMG, IUC and CHEQUERS each financially benefitted from this transaction as having a beneficial interest in CHEQUERS including acting as officers and directors and its managers.

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275. MIKLES on behalf of SCMG and LOCOH on behalf of IUC had actual knowledge that the Sutter Square Misrepresentations were being delivered to G-Trust and its trustees and that the Sutter Square Misrepresentations were false. SCMG and IUC had actual knowledge that MIKLES and LOCOH had no reasonable grounds for believing the Sutter Square Misrepresentations when made were true. SCMG and IUC substantially assisted NNNRI and DPR by arranging for the $2,500,000 funding for CHEQUERS which was a substantial factor in causing G-Trust to sell the Sutter Square Property. SCMG, IUC and CHEQUERS are liable as aiders and abetters of NNNRI and DPR regarding the Sutter Square Misrepresentations.

276. MIKLES on behalf of SCMG and LOCOH on behalf of IUC knew that MIKLES and LOCOH's plan to make and deliver the Sutter Square Misrepresentations to G-Trust and its trustees in order to induce sale of the Sutter Square Property. SCMG through MIKLES and IUC through LOCOH knew that they had no reasonable basis to believe the truth of the Sutter Square Misrepresentations. SCMG and IUC agreed and/or intended to co-operate with MIKLES and LOCOH's plan to deliver the Sutter Square Misrepresentations to the G-Trust trustees. SCMG and IUC furthered this plan by arranging the $2,500,000 funding for CHEQUERS to consummate the purchase. SCMG, IUC and CHEQUERS are liable having conspired with MIKLES and LOCOH to make and deliver the Sutter Square Misrepresentations to G-Trust and its trustees.

General Allegations Common to All Counts

277. As a direct and proximate result of MIKLES, LOCOH, NNNRI, IUC, SCMG, CHEQUERS, NORTHWOOD, NW-1, NW-2, NW-3 and Does 15-30 and 34-60's negligent misrepresentations, as described above, Plaintiffs have suffered damages in an amount to conform to proof at trial, but in no event less than the jurisdictional minimum of this Court.

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TWELFTH CAUSE OF ACTION

Fraud and Deceit in Violation of *Civil. Code* §§ 1572, 1709 and 1710

Against MIKLES, LOCOH, NNNRI, IUC, SCMG,

NORTHWOOD, NW-1, NW-2, NW-3 and Does 15-30 and 34-60

278. Plaintiffs repeat and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as if set forth fully herein.

Count One: Western Place Misrepresentations

279. This Count One is asserted by Plaintiffs against MIKLES, LOCOH, NNNRI, IUC, SCMG and Does 15-30 and 41-60.

280. MIKLES and LOCOH on behalf of NNNRI and DPR and persons authorized by MIKLES (e.g., Robert Sparks), through e-mail and telephone communications, represented to WESCOMBE and through WESCOMBE to the rest of the G-Trust trustees that the $32,000,000 was a fair price for the Western Place Property based upon a $32,000,000 appraisal- the "Western Place Misrepresentations".

281. MIKLES and LOCOH knew the Western Place Misrepresentations were false when he/they made them.

282. The representations were false because MIKLES and LOCOH and those speaking on their behalves for NNNRI and DPR had in his/their possession a $40,000,000 appraisal for the Western Place Property prior to sale and had arranged to borrow $32,000,000 which he/they did not disclose to Plaintiffs nor to WESCOMBE or the Trustee Defendants.

283. MIKLES and LOCOH intended that G-Trust and its trustees rely on the Western Place Misrepresentations and thereby induced them into authorizing the sale of the Western Place Property to ARPT. Alternatively to anything to the contrary herein, G-Trust and its trustees reasonably and justifiably relied on the Western Place Misrepresentations because MIKLES and LOCOH delivered the Western Place Misrepresentations as an agent of and on behalf of DPR and NNNRI, fiduciaries of G-Trust.

284. G-Trust was harmed by this sale as the sale was made at substantially less than fair value for the Western Place Property. G-Trust and its trustees' reliance on the Western Place

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Misrepresentations was a substantial factor in causing G-Trust's harm.

285. MIKLES, LOCOH, SCMG and IUC each financially benefitted from this transaction as having a beneficial interest in ARPT including acting as officers and directors and owning all of the voting common stock share block.

286. MIKLES on behalf of SCMG and LOCOH on behalf of IUC had actual knowledge that the Western Place Misrepresentations were being delivered to G-Trust and its trustees and that the Western Place Misrepresentations were false. SCMG and IUC had actual knowledge that MIKLES and LOCOH's Western Place Misrepresentations were false when made. SCMG and IUC substantially assisted NNNRI and DPR by arranging for the issuance of the ARPT voting common stock to themselves and affiliates which voting control block was a substantial factor in causing G-Trust to sell the Western Place Property. SCMG and IUC are liable as aiders and abetters of NNNRI and DPR regarding the Western Place Misrepresentations.

287. MIKLES on behalf of SCMG and LOCOH on behalf of IUC knew that MIKLES and LOCOH's plan to make and deliver the Western Place Misrepresentations to G-Trust and its trustees was in order to induce the sale of the Western Place Property. SCMG through MIKLES and IUC through LOCOH knew that the Western Place Misrepresentations were false when made. SCMG and IUC agreed and/or intended to co-operate with MIKLES and LOCOH's plan to deliver the Western Place Misrepresentations to the G-Trust trustees. SCMG and IUC furthered this plan by arranging the block of voting control common stock of ARPT to be held and controlled by MIKLES and LOCOH affiliates. SCMG and IUC are liable having conspired with MIKLES and LOCOH to make and deliver the Western Place Misrepresentations to G-Trust and its trustees.

Count Two: Congress Center Misrepresentations

288. This Count Two is asserted by Plaintiffs against:

a. MIKLES, LOCOH, NNNRI, IUC, SCMG and Does 15-30 and 41-60; and

b. NORTHWOOD, NW-1, NW-2, NW-3 and Does 34-40.

289. MIKLES and LOCOH on behalf of NNNRI and DPR and persons authorized by MIKLES (e.g., Robert Sparks), through e-mail and telephone communications, represented to

WESCOMBE and through WESCOMBE to the rest of the G-Trust trustees that $95,000,000 was the fair market price for the Congress Center Property based upon an appraisal- the "Congress Center Misrepresentations".

290. MIKLES and LOCOH knew the Congress Center Misrepresentations were false when he/they made them.

291. The representations were false because MIKLES and LOCOH and those speaking on their behalves for NNNRI and DPR had in his/their possession documents they had delivered to the appraiser with false rent roll abatement numbers that would materially downward value the property and also knew that with proper rent roll numbers the property would appraise for not less than $114,100,000. The true rent roll numbers were not disclosed to Plaintiffs nor to WESCOMBE or the Trustee Defendants.

292. MIKLES and LOCOH intended that G-Trust and its trustees rely on the Congress Center Misrepresentations and thereby induced them into authorizing the sale of the Congress Center Property to NWCCO. Alternatively to anything to the contrary herein, G-Trust and its trustees reasonably and justifiably relied on the Congress Center Misrepresentations because MIKLES and LOCOH delivered the Congress Center Misrepresentations as an agent of and on behalf of DPR and NNNRI, fiduciaries of G-Trust.

293. G-Trust was harmed by this sale as the sale was made at substantially less than fair value for the Congress Center Property. G-Trust and its trustees' reliance on the Congress Center Misrepresentations was a substantial factor in causing G-Trust's harm.

294. MIKLES, LOCOH, SCMG and IUC each financially benefitted from this transaction as having a beneficial interest in ARPT and the Northwood Venture including acting as officers and directors and owning all of the voting common stock of ARPT.

295. MIKLES on behalf of SCMG, LOCOH on behalf of IUC and NORTHWOOD on behalf of NW-1, NW-2 and NW-3 had actual knowledge that the Congress Center Misrepresentations were being delivered to G-Trust and its trustees and that the Congress Center Misrepresentations were false. SCMG, IUC and NORTHWOOD had actual knowledge that MIKLES and LOCOH's Congress Center Misrepresentations were false when made. SCMG,

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1 IUC, NORTHWOOD, NW-1, NW-2 and NW-3 and substantially assisted NNNRI and DPR by
2 arranging for the funding of NWCCO the Northwood Venture for the benefit of themselves and
3 affiliates which funding was a substantial factor in causing G-Trust to the sell the Congress
4 Center Property. SCMG, IUC, NORTHWOOD, NW-1, NW-2 and NW-3 are liable as aiders and
5 abetters of NNNRI and DPR regarding the Congress Center Misrepresentations.
6 296. MIKLES on behalf of SCMG, LOCOH on behalf of IUC and NORTHWOOD on
7 behalf of NW-1, NW-2 and NW-3 knew that MIKLES and LOCOH's plan to make and deliver
8 the Congress Center Misrepresentations to G-Trust and its trustees in order to induce sale of the
9 Congress Center Property. SCMG through MIKLES, IUC through LOCOH and NW-1, NW-2
10 and NW-3 through NORTHWOOD knew that the Congress Center Misrepresentations were false
11 when made. SCMG, IUC, NORTHWOOD, NW-1, NW-2 and NW-3 agreed and/or intended to
12 co-operate with MIKLES and LOCOH's plan to deliver the Congress Center Misrepresentations
13 to the G-Trust trustees. SCMG, IUC, NORTHWOOD, NW-1, NW-2 and NW-3 furthered this
14 plan by arranging for the funding of NWCCO the Northwood Venture for the benefit of
15 themselves and affiliates which funding was necessary to consummate the purchase. SCMG,
16 IUC, NORTHWOOD, NW-1, NW-2 and NW-3 are liable having conspired with MIKLES and
17 LOCOH to make and deliver the Congress Center Misrepresentations to G-Trust and its trustees.
18 **Count Three: Sutter Square Misrepresentations**
19 297. This Count Three is asserted by Plaintiffs against MIKLES, LOCOH, NNNRI,
20 IUC, SCMG, CHEQUERS and Does 15-30 and 41-60.
21 298. MIKLES and LOCOH on behalf of NNNRI and DPR and persons authorized by
22 MIKLES (e.g., Robert Sparks), through e-mail and telephone communications, represented to
23 WESCOMBE and through WESCOMBE to the rest of the G-Trust trustees that $2,500,000 was
24 a fair price for the Sutter Square Property based upon market conditions and the absence of an
25 appraisal- the "Sutter Square Misrepresentations".
26 299. MIKLES and LOCOH knew the Sutter Square Misrepresentations were false
27 when he/they made them.
28 //

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300. The representations were false because MIKLES and LOCOH and those speaking on their behalves for NNNRI and DPR had in his/their possession an appraisal which has not been disclosed although paid for by G-Trust and upon information and belief the same appraised the property at substantially more than $2,500,000 which he/they did not disclose to Plaintiffs nor to WESCOMBE or the Trustee Defendants.

301. MIKLES and LOCOH intended that G-Trust and its trustees rely on the Sutter Square Misrepresentations and thereby induced them into authorizing the sale of the Sutter Square Property to CHEQUERS. Alternatively to anything to the contrary herein, G-Trust and its trustees reasonably and justifiably relied on the Sutter Square Misrepresentations because MIKLES and LOCOH delivered the Sutter Square Misrepresentations as an agent of and on behalf of DPR and NNNRI, fiduciaries of G-Trust.

302. G-Trust was harmed by this sale as the sale was made at substantially less than fair value for the Sutter Square Property. G-Trust and its trustees' reliance on the Sutter Square Misrepresentations was a substantial factor in causing G-Trust's harm.

303. MIKLES, LOCOH, SCMG, IUC and CHEQUERS each financially benefitted from this transaction as having a beneficial interest in CHEQUERS including acting as officers and directors and its managers.

304. MIKLES on behalf of SCMG and LOCOH on behalf of IUC had actual knowledge that the Sutter Square Misrepresentations were being delivered to G-Trust and its trustees and that the Sutter Square Misrepresentations were false. SCMG and IUC had actual knowledge that MIKLES and LOCOH's Sutter Square Misrepresentations were false when made. SCMG and IUC substantially assisted NNNRI and DPR by arranging for the $2,500,000 funding for CHEQUERS which was a substantial factor in causing G-Trust to sell the Sutter Square Property. SCMG, IUC and CHEQUERS are liable as aiders and abetters of NNNRI and DPR regarding the Sutter Square Misrepresentations.

305. MIKLES on behalf of SCMG and LOCOH on behalf of IUC knew that MIKLES and LOCOH's plan to make and deliver the Sutter Square Misrepresentations to G-Trust and its trustees in order to induce sale of the Sutter Square Property. SCMG through MIKLES and IUC

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1 through LOCOH knew that the Sutter Square Misrepresentations were false when made. SCMG
2 and IUC agreed and/or intended to co-operate with MIKLES and LOCOH's plan to deliver the
3 Sutter Square Misrepresentations to the G-Trust trustees. SCMG and IUC furthered this plan by
4 arranging the $2,500,000 funding for CHEQUERS to consummate the purchase. SCMG, IUC
5 and CHEQUERS are liable having conspired with MIKLES and LOCOH to make and deliver the
6 Sutter Square Misrepresentations to G-Trust and its trustees.

7 **General Allegations Common to All Counts**

8 306. As a direct and proximate result of MIKLES, LOCOH, NNNRI, IUC, SCMG,
9 CHEQUERS, NORTHWOOD, NW-1, NW-2, NW-3 and Does 15-30 and 34-60's negligent
10 misrepresentations, as described above, Plaintiffs have suffered damages in an amount to
11 conform to proof at trial, but in no event less than the jurisdictional minimum of this Court.

12 307. The aforementioned conduct of MIKLES, LOCOH, NNNRI, IUC, SCMG,
13 NORTHWOOD, NW-1, NW-2, NW-3 and Does 15-30 and 34-60 was an intentional
14 misrepresentation, deceit, or concealment of material facts known by MIKLES, LOCOH,
15 NNNRI, IUC, SCMG, NORTHWOOD, NW-1, NW-2, NW-3 and Does 15-30 and 34-60 thereby
16 depriving Plaintiffs of property and legal rights or otherwise causing injury, and was despicable
17 conduct that subjected plaintiffs to a cruel and unjust hardship in conscious disregard of
18 plaintiffs' rights, so as to justify an award of exemplary and punitive damages.

19 **THIRTEENTH CAUSE OF ACTION**

20 **Conversion - Congress Center Equity**

21 **Against MIKLES, LOCOH, IUC, SCMG,**

22 **NORTHWOOD, NW-1, NW-2, NW-3 and Does 15-30 and 34-60**

23 308. Dismissed without prejudice.

24 //

25 //

26 //

27 //

28 //

FOURTEENTH CAUSE OF ACTION

Conversion- GCL Land Sale

Plaintiffs Against MIKLES, SCMH, HUNT, INLOW, JOHNSON, WALLACE, WESCOMBE and Does 2-10, 15-30 and 41-60

309. Plaintiffs repeat and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as if set forth fully herein.

310. This cause of action is asserted by Plaintiffs against:

a. MIKLES, SCMH and Does 15-30 and 41-60; and

b. HUNT, INLOW, JOHNSON, WALLACE, WESCOMBE (jointly and collectively the "Trustee Defendants") and Does 2-10.

311. Recall that in April 2020 MIKLES via GCL sold the remaining 1,000 acres of the Gregory Canyon Property at auction and netted $3,400,000.

312. MIKLES had continued to represent during the BK Case to WESCOMBE and the Trustee Defendants that he would pay at first $12,000,000 to G-Trust based upon an appraisal of that same land.

313. Later in 2020 MIKLES continued to represent to WESCOMBE and the Trustee Defendants that he would pay all of the proceeds from the auction land sale to G-Trust.

314. In April 2020 incident to the Gregory Canyon Property sale MIKLES directly and on behalf of his alter ego SCMH, aided and abetted by Trustee Defendants, directly and indirectly received two payments from the net proceeds of a combined $2,300,000 to which he had no legal rights but wrongfully sanctioned by the serial breaching Trustee Defendants for the serial breaching MIKLES.

315. Plaintiffs allege MIKLES and SCMH had no right to the $2,300,000 and the Trustee Defendants who Plaintiffs had already sued for misconduct and acting against their interest had no right to sanction such payments.

316. Trustee Defendants and Does 1-100 with full knowledge of the fact that MIKLES and SCMG had no right to the $2,300,000 and knowing the same was to be used to make distributions to the Beneficiaries, aided and abetted MIKLES participation in and/or with

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knowledge approved of and ratified the wrongful conduct. Plaintiffs' have repeatedly requested an accounting from MIKLES and his conflicted attorney Wolfgang Hahn ("Hahn") which he has failed and refused to provide without justification.

317. MIKLES, SCMH, Trustee Defendants and Does 1-100's unlawful conversion of the $2,300,000 proximately and actually caused damages to Plaintiffs in an amount to be proven at trial.

318. MIKLES, SCMH, Trustee Defendants and Does 1-100's conduct as above alleged was willful, wanton, and in reckless disregard for the rights, property, and interest of Plaintiffs, by reason of which he/it/they should be held liable for reasonable exemplary, or punitive damages in an amount to be determined at trial.

FIFTEENTH CAUSE OF ACTION

Fraudulent Transfer

Against MIKLES, GCL, Doe 25 and Does 41-50

319. Plaintiffs repeat and incorporate herein by reference the allegations in the preceding paragraphs of this complaint as if set forth fully herein.

320. This cause of action is asserted by Plaintiffs individually and in their capacity as representative of the Class of Beneficiaries against MIKLES, GCL, Does 25 and 41-50.

321. At all times relevant, Plaintiffs claims against MIKLES arise from his participation in breach of fiduciary duties owed to and fraud against Plaintiffs as alleged above. Further Plaintiffs have a claim against MIKLES for not less than $15,000,000 due on the SSMF Note which has not be paid, all of which serial delays to avoid payment, MIKLES secured for his own benefit through the use of insiders and entities all of which he controls.

322. Recall that on April 15, 2015 the Trustee Defendants sold the 1,200,000 ARPT shares to MIKLES' affiliate SSMF for issuance of the SSMF Note, a general unsecured obligation for $12,000,000. The SSMF Note remains unpaid.

323. Plaintiffs allege that at all relevant times the transfer of 1,200,000 ARPT non-voting common stock to G-Trust in lieu of cash due was a transfer for less than reasonably equivalent value done in an effort to delay, hinder and defraud Plaintiffs by depriving them of not

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less than $12,000,000 cash due on the sale of the Western Place Property. Plaintiffs allege that transfer of $12,000,000 of cash equivalent equity for 1,200,000 for the ARPT stock was illusory because MIKLES and his fellow ARPT Board of Directors members unilaterally controlled disclosures to the Beneficiaries as shareholders.

324. On April 15, 2015 the SSMF Note was issued as above described with no intention by MIKLES to ever pay the not less than $12,000,000 amount due. The SSMF Note was illusory and/or alternatively at terms less than equivalent value done in an effort to further, delay, hinder and defraud Plaintiffs by depriving them of the money due on the sale of the Western Place Property in February 2014.

325. When the $12,000,000 SSMF Note came due on each due date rather than paying the amount due per terms, MIKLES requested and the breaching Trustee Defendants extended the term for an illusory extension payment simply added to principal which went unpaid all in an effort to further, delay, hinder and defraud Plaintiffs by depriving them of the money due on the sale of the Western Place Property and the purchase of the ARPT 1,200,000 common shares.

326. Plaintiffs allege upon information and belief that in February 2014 MIKLES did not use funds he had readily available on behalf of ARPT to repurchase the 1,200,000 shares of ARPT stock at not less than $12,000,000, and instead pursued another of his self-serving transactions described herein as the "Philadelphia Transaction" [also known as the 1818 Market Street Property] which concerned his exploitation of TIC investors in the restructuring of a 1,000,000 square foot office tower in Philadelphia, Pennsylvania (the "Philadelphia Property"). MIKLES intended to take control of the TIC ownership of the 1818 Market Street Property so that he could force a sale of the building and reap $23,000,000 in excessive and unwarranted fees and costs he had charged the investors.

327. In order to accomplish the Philadelphia Transaction MIKLES had to negotiate a buy out of dissenting TIC owners including nine individuals who owned a combined 20.125% of the ownership equity for a combined $4,143,087 which he paid in April 2014. As a result not less than $4,143,087 of the funds that were required to be paid to acquire the ARPT 1,200,000 shares was used by MIKLES instead to acquire ownership in the 1818 Market Street Property.

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328. Plaintiffs allege the Philadelphia Transaction building sale closed on April 21, 2015 and as a result MIKLES and his affiliates, upon information and belief, received a payment of $5,500,000 on his April 2014 purchase of the 20.125% from the nine owners and $23,000,000 in fees, commissions and profits that he would not have received had he not been able to purchase the TIC interests of those same nine owners.

329. Upon information and belief, notwithstanding that MIKLES in April 2015 had not less than $28,500,000 from the Philadelphia Transaction and not less than $16,774,500 (paragraphs 84) from the sale of the Western Place Property on February 14, 2014, he still did not purchase the 1,200,000 shares of ARPT stock at fair value which ARESH Plaintiff alleges was $18,731,525 (paragraphs 119-121) and instead in a virtually simultaneous transaction in April 2015, MIKLES used $18,000,000 of the $28,500,000 he, received from the Philadelphia Transaction to fund GCL in which MIKLES acting as its agent, took control of the 1,700 acres of valuable San Diego County California land from bankrupt developer Gregory Canyon Ltd.

330. Plaintiffs allege, upon information and belief, that the funds of not less than $5,500,000 derived from the acquisition of the 20.125% TIC interests is traceable first into the Philadelphia Transaction funding and then to the Philadelphia Transaction 1818 Market Street Property sale which garnered $28,500,000 and then in a pre-arranged funding of $18,000,000 of that amount was rolled over as another co-investment into GCL. That co-investment within the April 2015 to November 2016 time period resulted in a $13,000,000 payment for 700 of the 1,700 acres, which funds are to be traced subject to proof at the time of trial to other investments to which Plaintiffs are entitled on tracing and disgorgement remedies.

331. On information and belief MIKLES took the$10,500,000 plus remaining of the $28,500,000 derived from the Philadelphia Transaction and from the Western Place Property February 15, 204 sale of $16,774,500, for a total of $27,274,500 and disbursed these funds by transferring same through one or more transfers to Doe 25 and Does 41-50 so as to make MIKLES insolvent within the meaning of the Uniform Voidable Transactions Act (collectively the "Transfers"). The Transfers were made without consideration or at terms that were for less than reasonably equivalent value for the exchange. The Transfers made directly or indirectly by

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MIKLES, were made to Doe 25 and Does 41-50 through which MIKLES is an insider and retains control of the $27,274,500. The foregoing Transfers by MIKLES to Doe 25 and Does 41-50 were indirect transfers by MIKLES done for the benefit of MIKLES to accomplish the purpose of preserving MIKLES' control of the Plaintiffs' funds and using Doe 25 and Does 41-50's bare legal title over the funds and property to shield MIKLES from his creditors.

332. At the time of the transfers by MIKLES of the $18,000,000 to GCL, MIKLES knew of the right to payment from ARPT and MIKLES made such "GCL Transfers" without disclosing the ability and need to pay the money due to Plaintiffs. The GCL Transfers by MIKLES to GCL were indirect transfers by MIKLES done for the benefit of MIKLES to accomplish the purpose of preserving MIKLES' control of the Plaintiffs' funds and using GCL's bare legal title over the funds and property to shield MIKLES from his creditors.

333. On information and belief, MIKLES transfers of the resulting total approximately $28,000,000 to GCL, Doe 25, and Does 41-50 were made with the specific intent of hindering, delaying and defrauding Plaintiffs and other creditors.

334. The circumstances surrounding MIKLES transfer of $18,000,000 to GCL alone illustrates MIKLES intent to delay, hinder and defraud creditors including, but are not limited to:

a. The transfer was made to an insider as GCL, an affiliate entity under the common control of MIKLES;

b. MIKLES retains control over the transferred funds and acquired property;

c. In exchange for the transfer from MIKLES to GCL and Does 41-50 consideration of reasonably equivalent value was not given;

d. The transfer of the $18,000,000 was made after the above wrongful conduct occurred and duty to pay Plaintiffs; and

e. MIKLES provided no disclosure of an ability to repay the minimum $12,000,000 due on the $12,000,000 SSMF Note.

335. At the time of the $28,000,000 transfers to GCL, Doe 25 and Does 41-50, Plaintiffs claims against MIKLES.

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336. The purpose of MIKLES' transfer to GCL, Doe 25 and Does 41-50, was to place the monies received by ARPT due to Plaintiffs beyond the reach of his/its/their creditors including Plaintiffs.

337. Plaintiffs' harm was proximately caused by the transfers of $28,000,000 from MIKLES to GCL, Doe 25 and Does 41-50 by putting those funds beyond Plaintiffs' reach and otherwise rendering MIKLES insolvent within the meaning of the Uniform Voidable Transactions Act.

338. Plaintiffs have been harmed by at least the $28,000,000 due on the SSMF Note and more arising from MIKLES' misconduct t alleged above to be determined by proof of trial.

339. The transfers of $28,000,000 to GCL, Doe 25 and Does 41-50 were each a substantial factor in causing Plaintiffs' harm.

340. As a direct and proximate cause of MIKLES, GCL, Doe 25 and Does 41-50 misconduct, Plaintiffs have been damaged in an amount to be determined, according to proof at trial.

VI.

JURY DEMAND

341. Plaintiffs demand a trial by jury on all claims so triable.

VII.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray that the Court enter judgment in his/her/its/their favor as follows:

1. For compensatory damages according to proof.

2. For general damages according to proof.

3. For special damages according to proof.

4. For a constructive and resulting trust over real and personal property interests derivative of Plaintiffs's claims as well as funds as a result of the fraudulent transfers.

5. For an order setting aside as fraudulent transfers.

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6. For rescission of the purchase and sale of the securities regarding the SSMF Note.

7. For exemplary and punitive damages according to proof.

8. Declaring that this is a proper class action and certifying ARESH as the representatives of the Class, pursuant to Code of Civil Procedure section 382.

9. For compensation for the reasonably necessary loss of time, attorney's fees, and other expenditures suffered or incurred under the "tort of another" doctrine as required to act in the protection of Plaintiffs' interests by bringing this action in accordance with *Prentice v. North Am. Title Guaranty Corp.*, Alameda Division (1963) 59 Cal.2d 618; *Electrical Electronic Control, Inc. v. Los Angeles Unified School Dist.* (2005) 126 Cal.App.4th 601.

10. For attorneys fees pursuant to any applicable contracts.

11. For attorneys fees pursuant to statute.

12. For costs of suit incurred.

13. For statutory damages, if any.

14. For prejudgment and post judgment interest, according to law.

15. For such other and further relief as the court may deem just and proper.

DATED: March 16, 2022.

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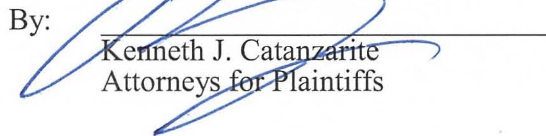
By: 

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Exhibit A

EXHIBIT "A"

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EXHIBIT 10.6

ADVISORY AGREEMENT

ADVISORY AGREEMENT made as of _________________, 2002 between G REIT, Inc., a Virginia corporation (the "Company"), and Triple Net Properties, LLC, a Virginia limited liability company (the "Advisor").

WITNESSETH:

WHEREAS, the Company intends to qualify as a real estate investment trust (a "REIT") as defined in Sections 856 through 860 of the Internal Revenue Code of 1986, as amended (the "Code"), and to make investments of the type permitted to qualified REITs under the Code and not inconsistent with the Articles of Incorporation of the Company, (the "Articles of Incorporation"), and the Bylaws of the Company; and

WHEREAS, the Company desires to avail itself of the experience, sources of information, advice and assistance of the Advisor and to have the Advisor undertake the duties and responsibilities hereinafter set forth, on behalf of and subject to the supervision of the Board of Directors of the Company (the "Board of Directors"), as provided herein; and

WHEREAS, the Advisor is willing to undertake to render such services, subject to the supervision of the Board of Directors, on the terms and conditions herein set forth;

NOW, THEREFORE, in consideration of the mutual covenants herein set forth, the parties hereto agree as follows:

1. Definitions.

As used herein, the following terms shall have the meanings set forth below:

(a) "Acquisition Expenses" shall mean expenses related to selecting, evaluating and acquiring properties, whether or not acquired, including, but not limited to, legal fees and expenses, travel and communications expenses, cost of appraisals and surveys, nonrefundable option payments on property not acquired, accounting fees and expenses, computer use related expenses, architectural and engineering reports, environmental and asbestos audits, title insurance and escrow fees, and personnel and miscellaneous expenses related to the selection and acquisition of properties.

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(b) "Affiliate" shall mean: (i) any Person directly or indirectly owning, controlling or holding, with the power to vote 10% or more of the outstanding voting securities of such other Person; (ii) any Person 10% or more of whose outstanding voting securities are directly or indirectly owned, controlled or held, with the power to vote, by such other Person; (iii) any Person directly or indirectly controlling, controlled by or under common control with such other

Person; (iv) any executive officer, director, trustee or general partner of such other Person; and (v) any legal entity for which such Person acts as an executive officer, director, trustee or general partner.

(c) "Average Invested Assets" shall mean, for any period, the average of the aggregate Book Value of the assets of the Company invested, directly or indirectly, in equity interests in and loans secured by real estate, before reserves for depreciation or bad debts or other similar non-cash reserves, computed by taking the average of such values at the end of each month during such period.

(d) "Book Value" of an asset shall mean the value of such asset on the books of the Company, before allowance for depreciation or amortization.

(e) "Common Stock" shall mean the common stock, par value $.01 per share, of the Company.

(f) "Competitive Real Estate Commission" shall mean the real estate or brokerage commission paid for the purchase or sale of a property which is reasonable, customary and competitive in light of the size, type and location of such property.

(g) "Cumulative Return" shall mean a cumulative, non-compounded return equal to 8% per annum on Invested Capital commencing upon acceptance by the Company of an investor's subscription.

(h) "Fiscal Year" shall mean any period for which any income tax return is submitted by the Company to the Internal Revenue Service and which is treated by the Internal Revenue Service as a reporting period.

(i) "Gross Offering Proceeds" shall mean the total proceeds from the sale of Shares before deductions for Organizational and Offering Expenses. For purposes of calculating Gross Offering Proceeds, the purchase price for all Shares issued in the Company's initial public offering, including those for which volume discounts apply, shall be deemed to be $10.00 per Share.

(j) "Gross Income From Properties" shall mean all cash receipts derived from the operation of the Company's property, excluding (i) tenant

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security deposits unless and until such deposits are forfeited upon a tenant default, and (ii) proceeds from insurance claims, condemnation proceedings, sales or refinancings.

(k) "Incentive Distribution" shall mean an amount equal to 15% of the Partnership's operating cash flow payable to the Advisor after the Company has received and paid to Shareholders the sum of (i) the Cumulative Return, and (ii) and remaining shortfall in the recovery of Invested Capital with respect to prior sales of properties as described in Section 9(h).

(l) "Incentive Distribution Upon Dispositions" shall mean an

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Complaint Exhibits 000004

amount equal to 15% of the net proceeds from the sale of a property after the Company has received and paid to Shareholders the sum of (i) Invested Capital initially allocated to that property, and (ii) any remaining shortfall in the recovery of Invested Capital with respect to prior sales of properties, and (iii) any remaining shortfall in the Cumulative Return as described in Section 9(i).

(m) "Independent Directors" shall mean a Director who is not, and within the last two (2) years has not been, directly or indirectly associated with a Sponsor or the Advisor by virtue of (i) ownership of an interest in a Sponsor, the Advisor or their Affiliates, (ii) employment by a Sponsor, the Advisor or their Affiliates, (iii) service as an officer or director of a Sponsor, the Advisor or their Affiliates, (iv) performance of services, other than as a Director, for the Company, (v) service as a director or trustee of more than three (3) real estate investment trusts organized by a Sponsor or advised by the Advisor, or (vi) maintenance of a material business or professional relationship with a Sponsor, the Advisor or any of their Affiliates. An indirect relationship shall include circumstances in which a Director's spouse, parents, children, siblings, mothers- or fathers-in-law, sons- or daughters-in-law or brothers- or sisters-in-law is or has been associated with a Sponsor, the Advisor, any of their Affiliates or the Company. A business or professional relationship is considered material if the gross revenue derived by the Director from a Sponsor, the Advisor and Affiliates exceeds five percent (5%) of either the Director's annual gross revenue during either of the last two (2) years or the Director's net worth on a fair market value basis.

(n) "Invested Capital" shall mean the total proceeds from the sale of Shares. When a property is sold, Invested Capital will be reduced by the lesser of (1) the net sale proceeds available for distribution from such sale or (2) the sum of (A) the portion of Invested Capital that initially was allocated to that property and (B) any remaining shortfall in the recovery of Invested Capital with respect to prior sales of properties.

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(o) "Net Income" shall mean, for any period, total revenues applicable to such period, less the operating expenses applicable to such period other than additions to or allowances for reserves for depreciation, amortization or bad debts or other similar noncash reserves; provided, however, that Net Income shall not include any gain from the sale of the Company's assets.

(p) "Organizational and Offering Expenses" shall mean those expenses incurred by and to be paid from the assets of the Company in connection with and in preparing the Company for registration and subsequently offering and distributing Shares to the public, including, but not limited to, total underwriting and brokerage discounts and commissions (including fees of the underwriters' attorneys), expenses for printing, engraving, mailing, salaries of employees while engaged in sales activity, charges of transfer agents, registrars, trustees, escrow holders, depositaries, experts, expenses of qualification of the sale of the securities under federal and state laws, including taxes and fees, and accountants' and attorneys' fees.

(q) "Partnership" shall mean G REIT, L.P., a Virginia limited partnership.

(r) "Property Disposition Fee" shall mean a real estate disposition fee, payable (under certain conditions) to the Advisor and its Affiliates upon the sale of the Company's property as described in Section 9(e).

(s) "Property Management Fee" shall mean any fee paid to an Affiliate or third party as compensation for management of the Company's properties as described in Section 9(f).

(t) "Person" shall mean any natural person, partnership, corporation, association, trust, limited liability company or other legal entity.

(u) "Prospectus" shall mean the final prospectus of the Company in connection with the initial registration of Shares filed with the Securities and Exchange Commission on Form S-11, as supplemented and amended from time to time.

(v) "Real Estate Commission" shall mean the real estate or brokerage commission paid in connection with the purchase of a property.

(w) "Shares" shall mean the shares of Common Stock of the Company.

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(x) "Shareholders" shall mean holders of the Shares.

(y) "Sponsor" shall mean any Person directly or indirectly instrumental in organizing, wholly or in part, the Company or any Person who will control, manage or participate in the management of the Company, and any Affiliate of such Person. Not included is any Person whose only relationship with the Company is that of an independent property manager of Company assets, and whose only compensation is as such. Sponsor does not include wholly independent third parties such as attorneys, accountants, and underwriters whose only compensation is for professional services. A Person also may be deemed a Sponsor of the Company by:

(i) taking the initiative, directly or indirectly, in founding or organizing the business or enterprise of the Company, either alone or in conjunction with one or more other Persons;

(ii) receiving a material participation in the Company in connection with the founding or organizing of the business of the Company, in consideration of services or property, or both services and property;

(iii) having a substantial number of relationships and contacts with the Company;

(iv) possessing significant rights to control Company properties;

(v) receiving fees for providing services to the Company which are paid on a basis that is not customary in the industry; or

(vi) providing goods or services to the Company on a basis

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which was not negotiated at arms length with the Company.

(z) "Total Operating Expenses" shall mean the aggregate expenses of every character paid or incurred by the Company as determined under generally accepted accounting principles, including fees paid to the Advisor, such as the Incentive Distribution, but excluding:

(i) the expenses of raising capital such as Organizational and Offering Expenses, legal, audit, accounting, underwriting, brokerage, listing, registration and other fees, printing and other such expenses, and taxes incurred in connection with the issuance, distribution, transfer, registration and stock exchange listing of the Shares;

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(ii) interest payments;

(iii) taxes;

(iv) non-cash expenditures such as depreciation, amortization and bad debt reserves;

(v) the Incentive Distribution Upon Dispositions; and

(vi) Acquisition Expenses, real estate commissions on resale of property and other expenses connected with the acquisition, disposition (whether by sale, exchange or condemnation) and ownership of real estate interests, mortgage loans or other property (such as the costs of foreclosure, insurance premiums, legal services, maintenance, repair and improvement of property).

2. Duties of Advisor.

The Advisor shall consult with the Company and shall, at the request of the Board of Directors or the officers of the Company, furnish advice and recommendations with respect to all aspects of the business and affairs of the Company. In general, the Advisor shall inform the Board of Directors of factors that come to its attention which could influence the policies of the Company. Subject to the supervision of the Board of Directors and consistent with the provisions of the Articles of Incorporation, the Advisor shall use its best efforts to:

(a) Present to the Company a continuing and suitable investment program and opportunities to make investments consistent with the investment policies of the Company and the investment program adopted by the Board of Directors and in effect at the time and furnish the Company with advice with respect to the making, acquisition, holding and disposition of investments and commitments therefor. The Advisor also is obligated to provide the Company with the first opportunity to purchase any income producing properties located in the Focus States (as such term is defined in the Prospectus) placed under contract by the Advisor or its Affiliates, provided that: (1) the Company has funds available to make the purchase; (2) the Board of Directors votes to make the purchase within 7 days of being offered such property by the Advisor; and (3) the property meets the Company's acquisition criteria as disclosed to the Advisor from time to time;

(b) Manage the Company's day-to-day operations to effect the

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investment program adopted by the Board of Directors and perform or supervise the performance of such other administrative functions necessary

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in connection with the management of the Company as may be agreed upon by the Advisor and the Company;

(c) Serve as the Company's investment advisor in connection with policy decisions to be made by the Board of Directors and, as requested, furnish reports to the Board of Directors and provide research, economic and statistical data in connection with the Company's investments and investment policies;

(d) On behalf of the Company, investigate, select and conduct relations with lenders, consultants, accountants, brokers, property managers, attorneys, underwriters, appraisers, insurers, corporate fiduciaries, banks, builders and developers, sellers and buyers of investments and persons acting in any other capacity specified by the Company from time to time, and enter into contracts with, retain and supervise services performed by such parties in connection with investments which have been or may be acquired or disposed of by the Company;

(e) Perform such property management services and other activities relating to the Company's assets as the Advisor shall deem appropriate in the particular circumstances, subject to the requirement that the Advisor qualify as an "independent contractor" as that phrase is used in connection with applicable laws, rules and regulations affecting REITs that own real property;

(f) Upon request of the Company, act, or obtain the services of others to act, as attorney-in-fact or agent of the Company in making, acquiring and disposing of investments, disbursing and collecting the funds, paying the debts and fulfilling the obligations of the Company and handling, prosecuting and settling any claims of the Company, including foreclosing and otherwise enforcing mortgage and other liens and security interests securing investments;

(g) Assist in negotiations on behalf of the Company with investment banking firms and other institutions or investors for public or private sales of securities of the Company or for other financing on behalf of the Company, but in no event in such a way that the Advisor shall be acting as a broker, dealer or underwriter of securities of the Company;

(h) On behalf of the Company, maintain, with respect to any real property and to the extent available, title insurance or other assurance of title and customary fire, casualty and public liability insurance with respect to the Company's assets;

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(i) At the direction of the Board of Directors, invest and reinvest any money of the Company;

(j) Supervise the preparation and filing and distribution of returns and reports to governmental agencies and to investors and act on behalf of

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the Company in connection with investor relations;

(k) Provide office space, equipment and personnel as required for the performance of the foregoing services as advisor;

(l) Advise the Company of the operating results of the Company's properties, prepare on a timely basis, and review, for such properties, operating budgets, maintenance and improvement schedules, projections of operating results and such other reports as may be requested by the Board of Directors;

(m) As requested by the Company, make reports to the Company of its performance of the foregoing services and furnish advice and recommendations with respect to other aspects of the business of the Company;

(n) Prepare on behalf of the Company, or engage independent professionals to prepare, all reports and returns required by the Securities and Exchange Commission, Internal Revenue Service and other state or federal governmental agencies, provided that the Company is responsible for the fees of such independent professionals;

(o) Undertake and perform all services or other activities necessary and proper to carry out the investment objectives of the Company; and

(p) Undertake communications with Shareholders in accordance with applicable law and the Articles of Incorporation;

provided, however, that Affiliates of the Advisor have no obligations to the Company other than as expressly stated herein, and the Advisor and its Affiliates have no obligations to present to the Company any specific investment opportunity except as described in the Prospectus. Notwithstanding the foregoing, the Advisor hereby represents and acknowledges that it will have fiduciary duties to the Shareholders and that the Company is making a statement to that effect in its registration statement filed with the Securities and Exchange Commission.

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3. No Partnership or Joint Venture.

The Company and the Advisor are not, and shall not be deemed to be, partners or joint venturers with each other.

4. Records.

The Advisor shall maintain appropriate books of account and records relating to services performed hereunder, which shall be accessible for inspection by the Company at any time during ordinary business hours.

5. REIT Qualifications.

Notwithstanding any other provision of this Agreement to the contrary, the Advisor shall refrain from any action which, in its reasonable judgment or in any judgment of the Board of Directors of which the Advisor has written notice, would adversely affect the qualification of the Company as a REIT under the Code or which would violate any law, rule or regulation of any governmental body or agency having jurisdiction over the Company or its securities, or which would otherwise not be permitted by the Articles of Incorporation. If any such

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action is ordered by the Board of Directors, the Advisor shall promptly notify the Board of Directors of the Advisor's judgment that such action would adversely affect such status or violate any such law, rule or regulation or the Articles of Incorporation, and shall thereafter refrain from taking such action pending further clarification or instruction from the Board of Directors.

6. Bank Accounts.

At the direction of the Board of Directors, the Advisor may establish and maintain bank accounts in the name of the Company, and may collect and deposit into and disburse from such accounts any money on behalf of the Company, under such terms and conditions as the Board of Directors may approve, provided that no funds in any such account shall be commingled with funds of the Advisor. The Advisor shall from time to time, as the Company may require, render appropriate accountings of such collections, deposits and disbursements to the Board of Directors and to the auditors of the Company.

7. Fidelity Bond.

The Advisor shall not be required to obtain or maintain a fidelity bond in connection with the performance of its services hereunder.

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8. Information Furnished Advisor.

The Board of Directors will keep the Advisor informed in writing concerning the investment and financing policies of the Company. The Board of Directors shall notify the Advisor promptly in writing of its intention to make any investments or to sell or dispose of any existing investments. The Company shall furnish the Advisor with a certified copy of all financial statements, a signed copy of each report prepared by independent certified public accountants, and such other information with regard to its affairs as the Advisor may reasonably request.

9. Compensation.

The Advisor and its Affiliates shall be paid for services rendered by the Advisor under this Agreement as follows:

(a) The Company will reimburse the Advisor for Organizational and Offering Expenses incurred on behalf of the Company.

(b) In property acquisitions in which an Affiliate of the Advisor or the Company acts as real estate broker, such Affiliate may receive a Real Estate Commission from the seller or the Company of up to 3% of the purchase price of the property.

(c) The Company will reimburse the Advisor for Acquisition Expenses. The total of all Acquisition Expenses paid when added to any Real Estate Commission paid in connection with the purchase of a property may not exceed an amount equal to 6% of the contract purchase price for the property. The total of all Acquisition Expenses paid in connection with the purchase of all properties by the Company may not exceed 0.5% of the Gross Offering Proceeds.

(d) The Company will reimburse the Advisor and its Affiliates for: (i) the cost to the Advisor or its Affiliates of goods and services used for and by the Company and obtained from unaffiliated parties, and (ii) administrative services related thereto.

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"Administrative Services" include only ministerial services such as typing, recordkeeping, preparation and dissemination of Company reports, preparation and maintenance of records regarding Shareholders, recordkeeping and administration of the Company's Dividend Reinvestment Plan, preparation and dissemination of responses to Shareholder inquiries and other communications with Shareholders and any other recordkeeping required for Company purposes. Such reimbursements are subject to limitations imposed by Sections 10(b) and (c) hereof;

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(e) A Property Disposition Fee, payable out of the proceeds of the sale of a property, equal to the lesser of (i) 3% of the contracted for sales price of the property; or (ii) 50% of the Competitive Real Estate Commission. The amount paid, when added to the sums paid to unaffiliated parties, shall not exceed the lesser of the Competitive Real Estate Commission or an amount equal to 6% of the contracted for sales price. Payment of such fee shall be made only if the Advisor provides a substantial amount of services in connection with the sale of the property;

(f) The Company will pay to an Affiliate of the Advisor or a third party a Property Management Fee equal to 5% of the Gross Income from Properties. This fee will be paid monthly; and

(g) The Company will pay to the Advisor fees for property-level services including leasing fees, construction management fees, loan origination and servicing fees and risk management fees; provided that any such compensation to the Advisor will not exceed the amount which would be paid to unaffiliated third parties providing such services and all such compensation must be approved by a majority of the Independent Directors.

(h) The Partnership will pay an Incentive Distribution to the Advisor equal to 15% of the Partnership's operating cash flow after the Company has received and paid to the Shareholders the sum of (i) the Cumulative Return, and (ii) any remaining shortfall in the recovery of Invested Capital with respect to prior sales of properties. If there is a shortfall in the Cumulative Return to Shareholders at the end of any calendar year and the Advisor previously has received Incentive Distributions, other than those that have been repaid previously, the Advisor will repay to the Partnership such portion of those Incentive Distributions sufficient to cause the Cumulative Return to be met. In no event will the aggregate amount repaid by the Advisor to the Partnership exceed the aggregate amount of Incentive Distributions that the Advisor has received previously.

(i) Upon the sale of a property by the Company, the Partnership will pay an Incentive Distribution on Dispositions equal to 15% of the net proceeds from the sale after the Company has received and paid to the Shareholders the sum of (i) the Invested Capital that initially was allocated to that property, (ii) any remaining shortfall in the recovery of Invested Capital with respect to prior sales of properties, and (iii) any remaining shortfall in the Cumulative Return. If the Company, and in turn the Shareholders, have not received a return of Invested Capital or if there is a shortfall in the Cumulative Return after the sale of the last property and the Advisor previously has received Incentive Distributions, other than Incentive

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Distributions that have been repaid previously, the Advisor will repay to the Partnership a portion of those distributions sufficient to cause the Company, and in turn the Shareholders, to receive a full return of Invested Capital and the full Cumulative Return. In no event will the aggregate amount repaid by the Advisor to the Partnership exceed the aggregate amount of Incentive Distributions that the Advisor previously received.

10. Compensation for Additional Services, Certain Limitations.

(a) If the Company shall request the Advisor or its Affiliates to render services for the Company other than those required to be rendered by the Advisor hereunder, such additional services, if the Advisor elects to perform them, will be compensated separately on terms to be agreed upon between such party and the Company from time to time in accordance with this Section. The rate of compensation for such services shall be approved by a majority of the Board of Directors, including a majority of the Independent Directors, and shall not exceed an amount that would be paid to nonaffiliated third parties for similar services.

(b) In extraordinary circumstances fully justified to the official or agency administering the state securities laws, the Advisor and its Affiliates may provide other goods and services to the Company if all of the following criteria are met: (i) the goods or services must be necessary to the prudent operation of the Company; or (ii) the compensation, price or fee must be equal to the lesser of 90% of the compensation, price or fee the Company would be required to pay to independent parties who are rendering comparable services or selling or leasing comparable goods on competitive terms in the same geographic location, or 90% of the compensation, price or fee charged by the Advisor or its Affiliates for rendering comparable services or selling or leasing comparable goods on competitive terms. In addition, any such payment will be subject to the further limitation described in paragraph (c) below. Extraordinary circumstances shall be presumed only when there is an emergency situation requiring immediate action by the Advisor or its Affiliates and the goods or services are not immediately available from unaffiliated parties. Services which may be performed in such extraordinary circumstances include emergency maintenance of Company properties, janitorial and other related services due to strikes or lock-outs, emergency tenant evictions and repair services which require immediate action, as well as operating and re-leasing properties with respect to which the leases are in default or have been terminated.

(c) No reimbursement will be permitted to the Advisor or its Affiliates under Section 9(d)(ii) above for items such as rent, depreciation, utilities, capital equipment and other administrative items and the salaries,

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fringe benefits, travel expenses and other administrative items of any controlling persons of the Advisor, its Affiliates or any other supervisory personnel except in those instances in which the Company believes it to be in the best interest of the Company that the Advisor or its Affiliates operate or otherwise deal with, for an interim

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period, a property with respect to which the lease is in default or terminated. Permitted reimbursements, except as set forth above, include salaries and related salary expenses for non-supervisory services which could be performed directly for the Company by independent parties such as legal, accounting, transfer agent, data processing and duplication. Controlling persons, for purposes of this Section, include, but are not limited to those entities or individuals holding 5% or more of the ownership interests of the Advisor or a person having the power to direct or cause the direction of the Advisor, whether through ownership of voting securities, by contract or otherwise, and any person, irrespective of his or her title, who performs functions for the Advisor similar to those of: (a) chairman or member of the board of directors; or (b) president or executive vicepresident.

Notwithstanding the foregoing, and subject to the approval of the Board of Directors, the Company may reimburse the Advisor for expenses related to the activities of controlling persons undertaken in capacities other than those which cause them to be controlling persons. The Advisor believes that the employees of the Advisor, its Affiliates and controlling persons who perform services for the Company for which reimbursement is allowed pursuant to Section 10(b) have the experience and educational background, in their respective fields of expertise, appropriate for the performance of such services.

The Advisor and its Affiliates may not be reimbursed by the Company for their overhead, nor can overhead costs or expenses of the Advisor or its Affiliates be allocated to or paid by the Company. The foregoing reimbursements of expenses, as limited by this Agreement, will be made regardless of whether any cash distributions are made to the Shareholders.

11. Statements.

The Advisor shall furnish to the Company not later than the 30th day following the end of each Fiscal Year, a statement showing a computation of the fees or other compensation payable to the Advisor or an Affiliate of the Advisor with respect to such Fiscal Year under Sections 9 and 10 hereof. The final settlement of compensation payable under Sections 9 and 10 hereof for each Fiscal Year shall be subject to adjustments in accordance with, and upon completion of, the annual audit of the Company's financial statements.

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12. Listing of the Shares.

If this Agreement is terminated in connection with listing for trading of the Shares on a national exchange or market or otherwise, the Advisor will receive, in exchange for terminating this Agreement and the giving up or waiving of its fees then earned but not paid and all future fees, such consideration to be determined by the Independent Directors and the Advisor. In addition, at such time, the Company will cause the Partnership to redeem the Advisor's "Incentive Limited Partnership Interests" (as defined in the Partnership's Agreement of Limited Partnership) for cash, or if agreed by both parties, units of interest in the Partnership or Shares, for the amount the Advisor would have received if the Partnership immediately sold all of its assets at fair market value. In the event of such a termination of this Agreement, the Company shall thereafter be relieved of its obligation to pay the fees contemplated by this Agreement.

13. Expenses of the Company.

The Company shall pay all of its expenses and shall reimburse the

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Advisor for its expenses as provided in Sections 9 and 10 hereof and, without limiting the generality of the foregoing, it is agreed that the following expenses of the Company shall be paid by the Company:

(a) To the extent the Advisor is not expressly required to pay such expenses pursuant to this Agreement, salaries and other employment expenses of the personnel employed by the Company, directors' fees and expenses incurred in attending directors' meetings, travel and other expenses incurred by directors, officers and employees of the Company and the cost of directors' liability insurance;

(b) The cost of borrowed money;

(c) All taxes applicable to the Company;

(d) Legal, accounting, auditing, underwriting, brokerage, listing, registration and other expenses and taxes incurred in connection with the organization or operations of the Company, the issuance, distribution, transfer, registration and stock exchange or quotation system listing of the Company's securities;

(e) Fees and expenses paid to advisors, independent contractors and Affiliates of the Advisor (as described herein), consultants, managers and other agents employed directly by the Company or by the Advisor at the Company's request for the account of the Company;

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(f) Expenses connected with the acquisition, disposition, leasing and ownership of investments, including to the extent not paid by others, but not limited to, legal fees and other expenses of professional services, maintenance, repair and improvement of property and brokerage and sales commissions, expenses of maintaining and managing property equity interests;

(g) All insurance costs incurred in connection with the Company and its properties;

(h) Expenses connected with payments of dividends or interest or distributions in cash or any form made or caused to be made by the Board of Directors to Shareholders;

(i) All expenses connected with communications to Shareholders and the other bookkeeping and clerical work necessary in maintaining relations with Shareholders and in complying with the continuous reporting and other requirements of governmental bodies or agencies, including the cost of printing and mailing certificates for securities and proxy solicitation materials and reports to Shareholders;

(j) Transfer agent and registrar's fees and charges; and

(k) Expenses relating to any office or office facilities maintained by the Company separate from the office or offices of the Advisor.

14. Reimbursement by Advisor.

The parties acknowledge that pursuant to the "Statement of Policy Regarding Real Estate Investment Trusts," as revised and adopted by the North American Securities Administrators Association on September 29, 1993, Total

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Operating Expenses of the Company shall be deemed to be excessive if in any Fiscal Year they exceed the greater of (a) 2% of the Company's Average Invested Assets for such Fiscal Year; or (b) 25% of the Net Income for such Fiscal Year. The Independent Directors shall have the fiduciary responsibility of limiting such expenses to amounts that do not exceed such limitations. Within 60 days after the end of any fiscal quarter of the Company for which Total Operating Expenses (for the 12 months then ended) exceed 2% of Average Invested Assets or 25% of Net Income, whichever is greater, the Company shall send to the Shareholders written notice of such fact together with the determination of the Independent Directors as to whether such higher operating expenses were justified and if so justified, an explanation of the facts the Independent Director considered in arriving at that conclusion also shall be included. If the Independent Directors determine that such excess expenses are not justified, then the Advisor shall reimburse the Company the

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amount by which the aggregate expenses incurred by the Company exceed the limitations described above at the end of the Fiscal Year; provided, however, that the Company may instead permit such reimbursements to be effected by a reduction in the amount of the next payments of compensation under Section 9.

15. Other Activities of the Advisor.

Subject to the provisions specifically set forth herein, the Advisor and its Affiliates currently engage, and may engage in the future, in other businesses or activities including the rendering of services and investment advice with respect to real estate investment opportunities to other persons or entities and may manage other investments (including the investments of the Advisor and its Affiliates), including those in competition with the Company.

Directors, officers, employees and agents of the Advisor or of Affiliates of the Advisor may serve as directors, officers, employees or agents of the Company.

16. Term; Termination of Agreement.

This Agreement will continue in force until ___________________, 2003, subject to successive one year renewals with the written mutual consent of the parties including approval of a majority of the Independent Directors.

Notwithstanding any other provision of this Agreement to the contrary, either the Company or the Advisor may terminate this Agreement, or any extension hereof, or the parties by mutual consent or a majority of the Independent Directors may do so, in each case upon 60 days written notice without cause or penalty. In the event of the termination of this Agreement, the Advisor will cooperate with the Company and take all reasonable steps requested to assist the Board of Directors in making an orderly transition of the advisory function.

If this Agreement is terminated pursuant to this Section, such termination shall be without any further liability or obligation of either parry to the other, except as provided in Section 19.

If this Agreement is terminated for any reason other than the listing of the Shares as contemplated in Section 12, all obligations of the Advisor and its Affiliates to offer property to the Company for purchase, as described in Section 2(a), also shall terminate.

17. Assignments.

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The Company may terminate this Agreement immediately in the event of its assignment by the Advisor except an assignment to a successor organization which

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acquires substantially all of the property and carries on the affairs of the Advisor, provided that following such assignment the persons who controlled the operations of the Advisor immediately prior thereto shall control the operations of the successor organization, including the performance of its duties under this Agreement; however, if at any time subsequent to such assignment such persons shall cease to control the operations of the successor organization, the Company may thereupon immediately terminate this Agreement. This Agreement shall not be assignable by the Company without the consent of the Advisor, except in the case of assignment by the Company to a corporation, trust or other organization which is a successor to the Company. Any assignment of this Agreement shall bind the assignee hereunder in the same manner as the assignor is bound hereunder.

18. Default, Bankruptcy, etc.

At the sole option of the Company, this Agreement shall be terminated immediately upon written notice of termination from the Board of Directors to the Advisor if any of the following events occurs:

(a) The Advisor violates any material provisions of this Agreement and, after receipt of written notice of violation, such violation is not cured within 30 days; or

(b) A court of competent jurisdiction enters a decree or order for relief in respect of the Advisor in any involuntary case under the applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appoints a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Advisor or for any substantial part of its property or orders the winding up or liquidation of the Advisor's affairs; or

(c) The Advisor commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, or consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Advisor or for any substantial part of its property, or makes any general assignment for the benefit of creditors, or fails generally to pay its debts as they become due.

The Advisor agrees that if any of the events specified in subsections (b) and (c) of this Section 18 occur, it will give written notice thereof to the Company within 7 days after the occurrence of such event.

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19. Action Upon Termination.

The Advisor shall not be entitled to compensation after the date of termination of this Agreement for further services hereunder, but shall be paid

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all compensation accruing to the date of termination. Subject to the provisions of Section 12, the Advisor shall forthwith upon a termination caused by factors other than the listing for trading of the Shares on a national stock exchange or market:

(a) Pay over to the Company all monies collected and held for the account of the Company pursuant to this Agreement, after deducting any accrued compensation and reimbursement for its expenses to which it is then entitled;

(b) Deliver to the Board of Directors a full accounting, including a statement showing all payments collected by it and a statement of all monies held by it, covering the period following the date of the last accounting furnished to the Board of Directors;

(c) Deliver to the Board of Directors all property and documents of the Company then in the custody of the Advisor; and

(d) Cooperate with the Company and take all reasonable steps requested by the Company to assist the Board of Directors in making an orderly transition of the advisory function.

20. Amendments.

This Agreement shall not be amended, changed, modified, terminated or discharged in whole or in part except by an instrument in writing signed by both parties hereto, or their respective successors or assigns.

21. Successors and Assigns.

This Agreement shall bind any successors or permitted assigns of the parties hereto as herein provided.

22. Governing Law.

The provisions of this Agreement shall be governed, construed and interpreted in accordance with the laws of the Commonwealth of Virginia, without regard to its conflict of laws provisions.

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23. Liability and Indemnification.

(a) The Company shall, to the fullest extent permitted by Virginia statutory or decisional law, as amended or interpreted, indemnify and pay or reimburse reasonable expenses to the Advisor and its Affiliates, provided, that: (i) the Advisor or other party seeking indemnification has determined, in good faith, that the course of conduct which cased the loss or liability was in the best interest of the Company; (ii) the Advisor or other person seeking indemnification was acting on behalf of or performing services on the part of the Company; (iii) such liability or loss was not the result of negligence, misconduct or a knowing violation of the criminal law or any federal or state securities laws on the part of the indemnified party; and (iv) such indemnification or agreement to be, held harmless is recoverable only out of the net assets of the Company and not from the Shareholders.

(b) The Company shall not indemnify the Advisor or its Affiliates for losses, liabilities or expenses arising from or out of an alleged violation of federal or state securities laws by such party unless one

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or more of the following conditions are met: (i) there has been a successful adjudication on the merits of each count involving alleged securities law violations as to the particular indemnitee; (ii) such claims have been dismissed with prejudice on the merits by a court of competent jurisdiction as to the particular indemnitee; or (iii) a court of competent jurisdiction approves a settlement of the claims and finds that indemnification of the settlement and related costs should be made and the court considering the request has been advised of the position of the Securities and Exchange Commission and the published opinions of any state securities regulatory authority in which securities of the Company were offered and sold as to indemnification for securities law violations.

(c) The Company may advance amounts to persons entitled to indemnification hereunder for legal and other expenses and costs incurred as a result of any legal action for which indemnification is being sought only if all of the following conditions are satisfied: (i) the legal action relates to acts or omissions with respect to the performance of duties or services by the indemnified party for or on behalf of the Company; (ii) the legal action is initiated by a third party and a court of competent jurisdiction specifically approves such advancement; and (iii) the indemnified party receiving such advances undertakes to repay the advanced funds to the Company, together with the applicable legal rate of interest thereon, in which such party would not be entitled to indemnification.

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24. Notices.

Any notice, report or other communication required or permitted to be given hereunder shall be in writing unless some other method of giving such notice, report or other communication is accepted by the party to whom it is given and shall be given by being delivered at the following addresses of the parties hereto:

The Company and/or the Board of Directors:

G REIT, Inc.
Suite 650
1551 N. Tustin Avenue
Santa Ana, CA 92705

The Advisor:

Triple Net Properties, LLC
Suite 650
1551 N. Tustin Avenue
Santa Ana, CA 92705

Either party may at any time give notice in writing to the other party of a change of its address for the purpose of this Section 24.

25. Headings.

The section headings hereof have been inserted for convenience of reference only and shall not be construed to affect the meaning, construction or effect of this Agreement.

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IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

COMPANY:

G REIT, INC., a Virginia corporation

By:____
Title:____

ADVISOR:

TRIPLE NET PROPERTIES, LLC, a
Virginia limited liability company

By:____
Title:____

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Exhibit B

UNSECURED PROMISSORY NOTE

(Buyer Term Note)

Date: April 15, 2015 **$12,000,000.00**

This PROMISSORY NOTE (the "*Note*") is made as of April 15, 2015 (the "*Effective Date*") by **SOVEREIGN STRATEGIC MORTGAGE FUND, LLC,** a California limited liability company (the "*Debtor*"), having an address of 750 B Street, Suite 2620, San Diego, California 92101, to and in favor of **G REIT LIQUIDATING TRUST** (the "*Holder*") having an address of 1551 N. Tustin Avenue, Suite 740, Santa Ana, California 92705.

FOR VALUE RECEIVED, the receipt and sufficiency of which are hereby acknowledged by Debtor, Debtor unconditionally promises to pay to the order of Holder, without any counterclaim, setoff, or deduction whatsoever, subject to the terms and conditions set forth herein, with payment in full on or before the Maturity Date (as hereinafter defined), at the office of Holder or at such other place as Holder may designate from time to time in writing, the principal amount of TWELVE MILLION AND 00/100 DOLLARS ($12,000,000.00) advanced by Holder to Debtor as of the Effective Date (the "*Loan*"), together with interest on so much thereof as is outstanding and unpaid from time to time (the "*Unpaid Principal Balance*"), from the Effective Date, at the rate per annum of FIVE PERCENT (5.0%) (the "*Note Rate*", and, together with Default Interest, as defined herein, the "*Interest*"), in lawful money of the United States of America which shall at the time of payment be legal tender in payment of all debts, public and private. The Loan shall be evidenced by this Note, and the date and amount of all payments on account of principal thereof shall be recorded by Holder (such balance reflected in Holder's records shall conclusively be deemed to be correct absent manifest error) and, prior to any transfer hereof, endorsed on the grid attached hereto as Exhibit A and incorporated herein as part of this Note (the "*Grid*"); provided that the failure to so record any payment on account thereof shall not affect the payment obligations of Debtor hereunder.

1. Interest shall be computed hereunder based upon a THREE HUNDRED SIXTY (360) day year, and shall be paid for the actual number of days elapsed for any whole or partial month in which Interest is being calculated. In computing the number of days during which Interest accrues, the day on which funds are initially advanced shall be included regardless of the time of day such advance is made, and the day on which advances are repaid shall be included unless repayment is credited prior to close of Holder's business on such day. Payments in federal funds immediately available in the place designated for payment received by Holder prior to 2:00 pm California time at said place of payment on a day in which Holder is open for business (a "*Business Day*") shall be credited prior to close of business, while other payments may, at the option of Holder, not be credited until immediately available to Holder in federal funds in the place designated for payment prior to 2:00 pm California time at said place of payment on a Business Day.

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2. Payment in full of Interest and Unpaid Principal Balance shall be made by or on behalf of Debtor to Holder on the Maturity Date and any additional extensions thereof as may be mutually agreed by the Holder and Debtor. Debtor may pre-pay any amount due hereunder without penalty or premium. All unpaid Interest and the total then-outstanding Unpaid Principal Balance, shall be paid in full by or on behalf of Debtor to Holder on or before the earliest to occur of:

(i) **April 15, 2016**

(ii) upon the occurrence of an Event of Default described in any of clauses (c) through (g) of paragraph 3 hereof; and

(iii) upon demand by Holder following the occurrence and during the continuation of any other Event of Default (as hereinafter defined).

(The earliest of such dates, the "*Maturity Date*".) Debtor shall pay Costs (as hereinafter defined) to Holder immediately, and in no event later than the earlier to occur of (x) ten (10) days after written notice of demand therefore is made by Holder to Debtor, and (y) the Maturity Date. Each payment made by Debtor to Holder hereunder shall be applied to Costs, Interest, or Unpaid Principal Balance in such order as Holder shall determine in the exercise of Holder's sole and absolute discretion. For purposes of making payments hereunder, but not for purposes of calculating accrual of Interest, if the Maturity Date is not a Business Day, then the amounts due on such day shall be due on the immediately preceding Business Day.

3. Upon the occurrence of (a) failure by Debtor to repay in full when due all Costs, Interest, and Unpaid Principal Balance, (b) a breach by Debtor of any of Debtor's covenants hereunder and Debtor's failure to cure such breach within ten (10) days after notice thereof from Holder, (c) the voluntary or involuntary commencement of a case or proceeding by or against Debtor under Title 11, United States Code, (d) commencement of any other state or federal law receivership or insolvency proceedings by or against Debtor, (e) any declaration by Debtor or judicial or administrative finding that Debtor is not or is not capable of generally paying Debtor's obligations as they become due, (f) insolvency (as defined in Title 11, United States Code) of Debtor, (g) Debtor's dissolution, or (h) any other event as a result of which Holder determines, in the exercise of Holder's sole and absolute discretion, that repayment in full of all then-outstanding but unpaid Costs, Interest, and/or Unpaid Principal Balance is endangered or rendered materially less probable (each an "*Event of Default*"), the indebtedness evidenced hereby, including all then-outstanding but unpaid Costs, Interest, and Unpaid Principal Balance, shall, at the option of Holder in the exercise of its sole and absolute discretion and without notice of any kind to Debtor, become immediately due and payable and may be collected forthwith, regardless of whether there has been prior demand for payment and without regard to clauses (i) and (ii) of the definition of Maturity Date contained in paragraph 2 of this Note. So long as any Event of Default exists hereunder, regardless of whether or not there has been an acceleration of the indebtedness evidenced hereby, and at all times after the occurrence of the Maturity Date or any acceleration hereof, interest (the "*Default Interest*") shall accrue on all then-outstanding and unpaid Costs, Interest,

and Unpaid Principal Balance at a rate per annum equal to (x) EIGHT PERCENT (8.0%) inclusive of the Note Rate, or (y) if such increased rate of interest may not be collected from Debtor under applicable law, then simple interest at the maximum rate of interest, if any, which may be collected from Debtor under applicable law (the "*Default Interest Rate*"). All Default Interest shall be immediately due and payable. Because it may be extremely difficult or impracticable to determine Holder's actual damages resulting from any late payment or Event of Default, all Default Interest as provided herein constitutes a reasonable estimate of those damages and do not and shall not constitute a penalty. The remedies of Holder in this Note or otherwise at law or in equity shall be cumulative and concurrent, and may be pursued singly, successively, or together, in the exercise by Holder of its sole and absolute discretion. Time is of the essence with respect to all terms contained in this Note.

4. If all amounts payable by Debtor under this Note are not paid by Debtor when due, or if an Event of Default occurs, Debtor shall pay, immediately upon written demand therefore by Holder, all costs and expenses (including without limitation reasonable attorneys fees and other costs of litigation) incurred by Holder as a result thereof or relating hereto, including (without limitation) costs and expenses incurred in (a) any action or proceeding for the collection of the debt evidenced hereby, and (b) any litigation or controversy arising from or relating in any way to this Note, including (without limitation) any action to protect or enhance Holder's rights in any case or proceeding by or against Debtor under Title 11, United States Code or any other state or federal law receivership or insolvency proceedings by or against Debtor (collectively the "*Costs*"). The Costs shall include all costs and expenses incurred by Holder, whether or not litigation is commenced with respect to this Note, for advice and for any and all other services that Holder determines, in the exercise of its sole and absolute discretion, are necessary or advisable by virtue of a delinquency in payment or the occurrence or reasonably anticipated occurrence of any other Event of Default. All Costs incurred by Holder shall be added to the debt evidenced hereby and shall bear interest at the Default Interest Rate until paid in full by Debtor.

5. No (a) failure to accelerate the debt evidenced hereby following the occurrence of an Event of Default, (b) acceptance of a partial or past due payment, or (c) indulgences granted from time to time by Holder shall be construed (i) as a novation of this Note or as a reinstatement of any of Debtor's rights hereunder absent the occurrence of an Event of Default, or as a waiver by Holder thereafter of Holder's right to require strict compliance with the terms contained in this Note, or (ii) to prevent the exercise of the right of acceleration or of any other right granted Holder hereunder or by any applicable laws. Debtor hereby expressly waives the benefit of any and all statutes and rules of law or equity, now or hereafter in effect, which would produce a result contrary to or in conflict with the foregoing. No extension of time for any payment due from Debtor under the terms contained in this Note shall operate to release, discharge, modify, change, or affect Debtor's liability under the terms contained in this Note, in whole or in part, unless Holder agrees thereto in writing executed by and through a duly and fully authorized representative of Holder. Debtor hereby waives presentment for payment, demand, protest and notice of demand, protest and nonpayment, notice of intent to accelerate maturity, notice of acceleration of maturity and all other notices. Debtor

hereby waives, to the fullest extent permitted by law, all rights to benefits of any statute of limitations and any moratorium, reinstatement, marshalling, forbearance, valuation, stay, extension, redemption, appraisement, exemption, and homestead now or hereafter provided by the Constitution and laws of the United States of America and of each state thereof, both as to himself and in and to all of his property, real and personal, against the enforcement and collection of the obligations evidenced by this Note.

6. The terms contained in this Note and of all other agreements between Debtor and Holder, whether now existing or hereafter arising and whether oral or written, whether pertaining to the subject matter hereof or otherwise, are hereby expressly limited so that in no contingency or event whatsoever, whether by reason of demand or acceleration of the maturity of this Note or otherwise, shall the amount paid, or agreed to be paid, to Holder for the use, forbearance, retention or detention of the money loaned under the terms contained in this Note and related indebtedness (if any) exceed the maximum amount permissible under applicable law. If, from any circumstance whatsoever (including, without limitation, the receipt of any late charge or similar amount), performance or fulfillment of any term contained herein or in any agreement between Debtor and Holder shall, at the time of performance or fulfillment of such term shall be due, exceed the limit for interest prescribed by law or otherwise transcend the limit of validity prescribed by applicable law, then *ipso facto* the obligation to be performed or fulfilled shall be reduced to such limit and if, from any circumstance whatsoever, Holder ever receives anything of value deemed interest by applicable law in excess of the lawful maximum amount, an amount equal to any excessive interest shall be (i) if there is any Unpaid Principal Balance, applied to the reduction of the Unpaid Principal Balance then due and owing under this Note, or at Holder's option in the exercise of its sole and absolute discretion, paid to Debtor, and not to the payment of Interest, or (b) once the Unpaid Principal Balance has been paid in full, paid to Debtor, and not to the payment of Interest. All interest (including without limitation any amounts or payments deemed by applicable law to be interest) contracted for, charged, taken, reserved, paid or agreed to be paid to Holder shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread through and across the full term of this Note, including any extensions or renewals hereof, until payment in full of the Unpaid Principal Balance of this Note so that the interest thereof for such full period shall not exceed at any time the maximum amount permitted by applicable law. This Paragraph 7 shall control all agreements between Debtor and Holder.

7. Debtor is and shall be obligated to pay principal, interest, and any and all other amounts which become payable hereunder absolutely and unconditionally and without any abatement, postponement, diminution or deduction and without any reduction for counterclaim or setoff. In the event that at any time any payment received by Holder hereunder may be deemed by a court of competent jurisdiction to have been a voidable preference or fraudulent conveyance under any bankruptcy, insolvency or other debtor relief law, then the obligation to make such payment shall survive any cancellation or satisfaction of this Note or return thereof to Debtor and shall not be discharged or satisfied with any prior payment thereof or cancellation of this Note, but shall remain a valid and binding obligation enforceable in accordance with its terms, and such payment shall be immediately due and payable upon demand.

8. Debtor shall execute and acknowledge (or cause to be executed and acknowledged) and deliver to Holder all reasonable documents, and take all reasonable actions, reasonably required by Holder from time to time to confirm the rights created under the terms contained in this Note, to protect and further the validity, priority and enforceability of this Note, or otherwise carry out the purposes of this Note; *provided, however*, that no such further actions, assurances, and confirmations shall increase, modify, or change Debtor's obligations under the terms contained in this Note.

9. DEBTOR, TO THE FULLEST EXTENT PERMITTED BY LAW, HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY, WITH AND UPON THE ADVICE OR AVAILABILITY OF ADVICE OF COMPETENT COUNSEL, (A) SUBMITS TO PERSONAL JURISDICTION IN SAN DIEGO COUNTY, CALIFORNIA, WITH RESPECT TO ANY LAWSUIT, ACTION, OR PROCEEDING BY ANY PERSON ARISING FROM OR RELATING IN ANY WAY TO THIS NOTE, (B) ACKNOWLEDGES AND AGREES THAT ANY SUCH ACTION, LAWSUIT OR PROCEEDING MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION WITHIN OR OVER SAID COUNTY, (C) SUBMITS TO THE JURISDICTION OF SUCH COURTS, AND (D) STIPULATES THAT DEBTOR SHALL NOT BRING ANY ACTION, LAWSUIT OR PROCEEDING IN ANY OTHER FORUM. DEBTOR CONSENTS AND AGREES TO SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER LEGAL PROCESS IN ANY SUCH LAWSUIT, ACTION OR PROCEEDING BY REGISTERED OR CERTIFIED U.S. MAIL, POSTAGE PREPAID, TO DEBTOR AT THE ADDRESS SET FOR ON THE FIRST PAGE HEREOF, AND CONSENTS AND AGREES THAT SUCH SERVICE SHALL CONSTITUTE IN EVERY RESPECT VALID AND EFFECTIVE SERVICE (PROVIDED THAT NOTHING HEREIN SHALL AFFECT THE VALIDITY OR EFFECTIVENESS OF PROCESS SERVED IN ANY OTHER MANNER PROVIDED BY APPLICABLE LAW).

10. DEBTOR, TO THE FULLEST EXTENT PERMITTED BY LAW, HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY, WITH AND UPON THE ADVICE OR AVAILABILITY OF ADVICE OF COMPETENT COUNSEL, WAIVES, RELINQUISHES AND FOREVER FORGOES THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO THIS NOTE OR ANY CONDUCT, ACT OR OMISSION OF HOLDER OR DEBTOR, OR ANY OF THEIR DIRECTORS, OFFICERS, PARTNERS, MEMBERS, EMPLOYEES, AGENTS OR ATTORNEYS, OR ANY OTHER PERSONS AFFILIATED WITH HOLDER OR DEBTOR, IN EACH OF THE FOREGOING CASES, WHETHER IN CONTRACT, TORT, OR OTHERWISE.

11. THIS NOTE SHALL BE INTERPRETED, CONSTRUED AND ENFORCED IN ACCORDANCE WITH AND SUBJECT TO THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO THE CONFLICT OF LAWS PROVISIONS THEREOF THAT WOULD RESULT IN THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

12. The terms and provisions contained in this Note shall apply to and bind the permitted successors and assigns of the parties hereto. Any notice pursuant to this Note shall be given in writing by (a) personal delivery, (b) reputable overnight delivery service with proof of delivery, (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested, or (d) legible facsimile or other image transmission, sent to the intended addressee at the address set forth above, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance herewith. Any notice so given shall be deemed to have been given upon receipt or refusal to accept delivery, or, in the case of facsimile or other image transmission, as of the date of the facsimile or other image transmission, provided that an original of such facsimile or other image is also sent to the intended addressee by means described hereinabove. This Note shall not be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought. This Note contains the entire agreement between the parties hereto pertaining to the subject matter hereof and fully supersedes all prior written or oral agreements and understandings between the parties pertaining to such subject matter. No right under this Note may be waived except by written instrument executed by the party waiving such right. No extension of time for performance or any obligations or acts shall be deemed an extension of the time for performance of any other obligations or acts. If any term or provision contained in this Note is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Note shall nonetheless remain in full force and effect; provided that the invalidity or unenforceability of such provision does not materially adversely affect the benefits accruing to any party hereunder.

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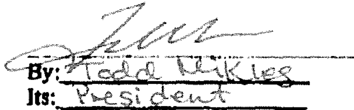
[Signature page to Unsecured Promissory Note.]

This Note shall be effective as of the date set forth on the first page hereof.

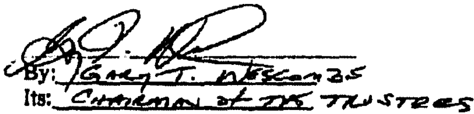
DEBTOR:

SOVEREIGN STRATEGIC MORTGAGE FUND, LLC
a California limited liability company



HOLDER:

G REIT LIQUIDATING TRUST



FIRST AMENDMENT TO UNSECURED PROMISSORY NOTE

This FIRST AMENDMENT TO PROMISSORY NOTE (the "*First Amendment*") is made as of April 15, 2016 (the "*First Amendment Effective Date*") by and between **SOVEREIGN STRATEGIC MORTGAGE FUND, LLC**, a California limited liability company ("*SSMF*") and **G REIT LIQUIDATING TRUST** (the "*Trust*").

RECITALS

WHEREAS, SSMF and the Trust entered into that certain Unsecured Promissory Note (the "*Promissory Note*") dated April 15, 2015, whereby SSMF promised to pay the Trust, or the holder of the Promissory Note, in accordance with the terms and conditions referenced therein, the aggregate principal amount of the Loan of $12,000,000, together with Interest payable thereon commencing on the Effective Date of April 15, 2015 at the rate of five percent (5%) per annum, payable in full upon the Maturity Date or the continuance of any portion of the Loan being outstanding thereunder prior to the Maturity Date, in the manner as set forth in such Promissory Note;

WHEREAS, the Promissory Note provides that the principal amount of the Loan, together with all outstanding Interest thereon, is due and payable by SSMF to the Trust on or before 2:00 p.m. (California time) on the Maturity Date, which is defined in the Promissory Note to mean April 15, 2016;

WHEREAS, SSMF and the Trust wish to amend the terms of the Promissory Note to extend the Maturity Date to September 15, 2016 and to allow SSMF the option to further extend the Maturity Date, on up to two occasions, as further set forth herein.

TERMS

NOW, THEREFORE, in consideration of the respective covenants and agreements herein contained, SSMF and the Trust covenant and agree to amend the Promissory Note as follows:

1. Certain Defined Terms – Capitalized terms not otherwise herein defined shall have the meaning ascribed to them in the Promissory Note.

2. Extension Fee – Upon receipt of a fully executed copy of this First Amendment, SSMF shall pay to the Trust an extension fee of thirty thousand and 00/100 dollars ($30,000.00) (the "*First Extension Fee*"), which Extension Fee shall be added to the then Unpaid Principal Balance of the Loan.

3. Maturity Date – Section 2(i) of the Promissory Note is hereby amended to replace "April 15, 2016" with "September 15, 2016" in the definition of "Maturity Date".

4. Extension Options – Section 2 of the Promissory Note is further amended to add Section 2.1 after the existing language, as amended hereby, which Section 2.1 shall state:

> "2.1. At any time up to and including the Maturity Date, Debtor shall have a non-revocable option, on up to two (2) occasions, to extend the Maturity Date for an additional ninety (90) days (each an "*Extension Option*"). As

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additional consideration for each extension, if exercised, Debtor shall provide Holder, together with written notice of exercise of an Extension Option, an extension fee of thirty thousand and 00/100 dollars ($30,000.00) (the "*Second Extension Fee*" and "*Third Extension Fee*", respectively), which Second Extension Fee and Third Extension Fee, if applicable, shall be added to the then Unpaid Principal Balance of the Loan."

5. Note in Effect – Except as expressly amended hereby, the Promissory Note is in all respects ratified and confirmed and all the terms, conditions, and provisions thereof shall remain in full force and effect as of the date hereof.

6. Entire Agreement – This First Amendment constitutes the entire agreement between the parties hereto, and supersedes every previous agreement, communication, expectation, negotiation, representation or understanding, whether oral or written, express or implied, statutory or otherwise between the parties hereto, with respect to the subject matter of this First Amendment. Nothing in this Section 6 will limit or restrict the effectiveness and validity of any document with respect to the subject matter of this First Amendment that is executed and delivered contemporaneously with or pursuant to this First Amendment.

7. Governing Law – The terms of this First Amendment shall be subject to the governing law and jurisdiction provisions set forth at Sections 9, 10 and 11 of the Promissory Note.

8. Counterparts – This First Amendment may be executed in any number of counterparts, in original form or by facsimile, each of which will together, for all purposes, constitute one and the same instrument, binding on the parties hereto, and each of which will together be deemed to be an original, notwithstanding that each party hereto is not a signatory to the same counterpart.

9. Headings – The descriptive headings of the several Sections of this Amendment were formulated, used and inserted in this Amendment for convenience only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

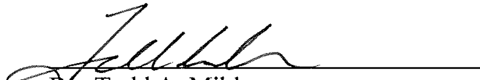
(This space intentionally blank. Signature page follows.)

(Signature page to First Amendment to Unsecured Promissory Note.)

IN WITNESS WHEREOF this First Amendment has been executed by the parties hereto effective as of the day and year first above written.

DEBTOR:

SOVEREIGN STRATEGIC MORTGAGE FUND, LLC
a California limited liability company



By: Todd A. Mikles
Its: President

HOLDER:

G REIT LIQUIDATING TRUST

By: Gary T. Wescombe
Its: Chairman of the Trustees

SECOND AMENDMENT TO UNSECURED PROMISSORY NOTE

This SECOND AMENDMENT TO PROMISSORY NOTE (the "*Second Amendment*") is made as of March 14, 2016 (the "*Second Amendment Effective Date*") by and between **SOVEREIGN STRATEGIC MORTGAGE FUND, LLC**, a California limited liability company ("*SSMF*") and **G REIT LIQUIDATING TRUST** (the "*Trust*").

RECITALS

WHEREAS, SSMF and the Trust entered into that certain Unsecured Promissory Note (the "*Promissory Note*") dated April 15, 2015, whereby SSMF promised to pay the Trust, or the holder of the Promissory Note, in accordance with the terms and conditions referenced therein, the aggregate principal amount of the Loan of $12,000,000, together with Interest payable thereon commencing on the Effective Date of April 15, 2015 at the rate of five percent (5%) per annum, payable in full upon the Maturity Date of April 15, 2016, or the continuance of any portion of the Loan being outstanding thereunder prior to the Maturity Date, in the manner as set forth in such Promissory Note;

WHEREAS, on April 15, 2016, SSMF and the Trust entered into that certain First Amendment to Unsecured Promissory Note (the "*First Amendment*") which extended the Maturity Date of the Promissory Note to September 15, 2016 and granted SSMF the right to extend the Maturity Date for two (2) additional ninety (90) day periods, up to an including March 15, 2017 (the "*Extension Options*");

WHEREAS, SSMF exercised each of its Extension Options, paid each of the extension fees, and extended the maturity Date to March 14, 2017;

WHEREAS, SSMF and the Trust now, in consideration for additional fees paid to the trust, wish to further amend the terms of the Promissory Note, as amended by the First Amendment, to extend the Maturity Date to December 31, 2017.

TERMS

NOW, THEREFORE, in consideration of the respective covenants and agreements herein contained, SSMF and the Trust covenant and agree to further amend the Promissory Note as follows:

1. Certain Defined Terms – Capitalized terms not otherwise herein defined shall have the meaning ascribed to them in the Promissory Note.

2. Extension Consideration – In consideration for the Trust entering into this Second Amendment, SSMF agrees as follows:

(a) Upon receipt of a fully executed copy of this Second Amendment, SSMF shall pay to the Trust an extension fee of thirty thousand and 00/100 dollars ($30,000.00) (the "*Fourth Extension Fee*"), which Fourth Extension Fee shall be added to the then Unpaid Principal Balance of the Loan; and

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(b) On or before June 16, 2017, SSMF shall make a partial payment of the total amount due under the Promissory Note in the amount of one million dollars ($1,000,000.00), which funds will be promptly distributed to Trust beneficiaries; and

3. Maturity Date – Section 2(i) of the Promissory Note, as amended, is hereby amended to replace "April 15, 2016" with "December 31, 2017" in the definition of "Maturity Date".

4. Note in Effect – Except as expressly amended hereby, the Promissory Note, as previously amended, is in all respects ratified and confirmed and all the terms, conditions, and provisions thereof shall remain in full force and effect as of the date hereof.

5. Entire Agreement – This Second Amendment constitutes the entire agreement between the parties hereto, and supersedes every previous agreement, communication, expectation, negotiation, representation or understanding, whether oral or written, express or implied, statutory or otherwise between the parties hereto, with respect to the subject matter of this Second Amendment. Nothing in this Section 5 will limit or restrict the effectiveness and validity of any document with respect to the subject matter of this Second Amendment that is executed and delivered contemporaneously with or pursuant to this Second Amendment.

6. Governing Law – The terms of this First Amendment shall be subject to the governing law and jurisdiction provisions set forth at Sections 9, 10 and 11 of the Promissory Note.

7. Counterparts – This Second Amendment may be executed in any number of counterparts, in original form or by facsimile, each of which will together, for all purposes, constitute one and the same instrument, binding on the parties hereto, and each of which will together be deemed to be an original, notwithstanding that each party hereto is not a signatory to the same counterpart.

8. Headings – The descriptive headings of the several Sections of this Second Amendment were formulated, used and inserted in this Second Amendment for convenience only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

(This space intentionally blank. Signature page follows.)

(Signature page to Second Amendment to Unsecured Promissory Note.)

IN WITNESS WHEREOF this Second Amendment has been executed by the parties hereto effective as of the day and year first above written.

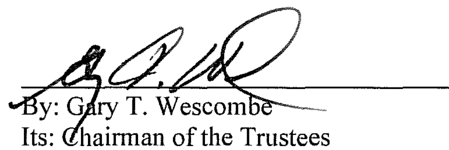
DEBTOR:

SOVEREIGN STRATEGIC MORTGAGE FUND, LLC
a California limited liability company

By: Todd A. Mikles
Its: President

HOLDER:

G REIT LIQUIDATING TRUST



By: Gary T. Wescombe
Its: Chairman of the Trustees

THIRD AMENDMENT TO UNSECURED PROMISSORY NOTE

This THIRD AMENDMENT TO PROMISSORY NOTE (the "*Third Amendment*"), is entered as of August 10, 2018, but shall be made effective retroactively, as of December 31, 2017 (the "*Third Amendment Effective Date*"), by and between **SOVEREIGN STRATEGIC MORTGAGE FUND, LLC**, a California limited liability company ("*SSMF*") and **G REIT LIQUIDATING TRUST** (the "*Trust*").

RECITALS

WHEREAS, SSMF and the Trust entered into that certain Unsecured Promissory Note (the "*Promissory Note*") dated April 15, 2015, whereby SSMF promised to pay the Trust, or the holder of the Promissory Note, in accordance with the terms and conditions referenced therein, the aggregate principal amount of the Loan of $12,000,000, together with Interest payable thereon commencing on the Effective Date of April 15, 2015 at the rate of five percent (5%) per annum, payable in full upon the Maturity Date of April 15, 2016, or the continuance of any portion of the Loan being outstanding thereunder prior to the Maturity Date, in the manner as set forth in such Promissory Note; and

WHEREAS, on April 15, 2016, SSMF and the Trust entered into that certain First Amendment to Unsecured Promissory Note (the "*First Amendment*") which extended the Maturity Date of the Promissory Note to September 15, 2016 and granted SSMF the right to extend the Maturity Date for two (2) additional ninety (90) day periods, up to an including March 15, 2017 (the "*Extension Options*"); and

WHEREAS, SSMF exercised each of its Extension Options, paid each of the extension fees, and extended the maturity Date to March 14, 2017; and

WHEREAS, on March 14, 2017, SSMF and the Trust entered into that certain Second Amendment to Unsecured Promissory Note (the "*Second Amendment*") which extended the Maturity Date of the Promissory Note to December 31, 2017; and

WHEREAS, SSMF and the Trust now, in consideration for additional fees paid to the Trust, wish to further amend the terms of the Promissory Note, as amended by the First Amendment and the Second Amendment, to further extend the Maturity Date as set forth herein.

TERMS

NOW, THEREFORE, in consideration of the respective covenants and agreements herein contained, SSMF and the Trust covenant and agree to further amend the Promissory Note as follows:

1. Certain Defined Terms – Capitalized terms not otherwise herein defined shall have the meaning ascribed to them in the Promissory Note.

2. Extension Fee – Upon receipt of a fully executed copy of this Third Amendment, SSMF shall pay to the Trust an extension fee of fifty thousand and 00/100 dollars ($50,000.00) (the "*Fifth Extension Fee*"), which Fifth Extension Fee shall be added to the then Unpaid Principal Balance of the Loan.

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3. Maturity Date – Section 2(i) of the Promissory Note, as amended, is hereby further amended to replace "December 31, 2017" with "December 31, 2018" in the definition of "Maturity Date".

4. Extension Options – Section 2.1 of the Promissory Note, as previously added by the First Amendment, is hereby amended and shall state:

> "2.1. At any time up to and including the Maturity Date, Debtor shall have a non-revocable option, on up to two (2) occasions, to further extend the Maturity Date for an additional ninety (90) days (each an "*Extension Option*"). As additional consideration for each extension, if exercised, Debtor shall provide Holder, together with written notice of exercise of an Extension Option, an extension fee of twenty-five thousand and 00/100 dollars ($25,000.00) (the "*Sixth Extension Fee*" and "*Seventh Extension Fee*", respectively), which Sixth Extension Fee and Seventh Extension Fee, if applicable, shall be added to the then Unpaid Principal Balance of the Loan."

5. Note in Effect – Except as expressly amended hereby, the Promissory Note, as previously amended, is in all respects ratified and confirmed and all the terms, conditions, and provisions thereof shall remain in full force and effect as of the date hereof.

6. Entire Agreement – This Third Amendment constitutes the entire agreement between the parties hereto, and supersedes every previous agreement, communication, expectation, negotiation, representation or understanding, whether oral or written, express or implied, statutory or otherwise between the parties hereto, with respect to the subject matter of this Third Amendment. Nothing in this Section 6 will limit or restrict the effectiveness and validity of any document with respect to the subject matter of this Third Amendment that is executed and delivered contemporaneously with or pursuant to this Third Amendment.

7. Governing Law – The terms of this Third Amendment shall be subject to the governing law and jurisdiction provisions set forth at Sections 9, 10 and 11 of the Promissory Note.

8. Counterparts – This Third Amendment may be executed in any number of counterparts, in original form or by facsimile, each of which will together, for all purposes, constitute one and the same instrument, binding on the parties hereto, and each of which will together be deemed to be an original, notwithstanding that each party hereto is not a signatory to the same counterpart.

8. Headings – The descriptive headings of the several Sections of this Third Amendment were formulated, used and inserted in this Third Amendment for convenience only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

(This space intentionally blank. Signature page follows.)

(Signature page to Third Amendment to Unsecured Promissory Note.)

IN WITNESS WHEREOF this Third Amendment has been executed by the parties hereto effective as of the day and year first above written.

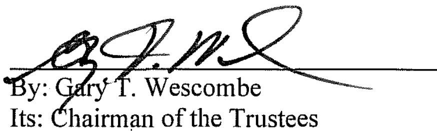
DEBTOR:

SOVEREIGN STRATEGIC MORTGAGE FUND, LLC
a California limited liability company

By: Todd A. Mikles
Its: President

HOLDER:

G REIT LIQUIDATING TRUST



By: Gary T. Wescombe
Its: Chairman of the Trustees

FOURTH AMENDMENT TO UNSECURED PROMISSORY NOTE

This FOURTH AMENDMENT TO UNSECURED PROMISSORY NOTE (the "*Fourth Amendment*"), is entered as of August 21, 2019, but shall be made effective retroactively, as of June 28, 2019 (the "*Fourth Amendment Effective Date*"), by and between **SOVEREIGN STRATEGIC MORTGAGE FUND, LLC**, a California limited liability company ("*SSMF*") and **G REIT LIQUIDATING TRUST** (the "*Trust*").

RECITALS

WHEREAS, SSMF and the Trust entered into that certain Unsecured Promissory Note (the "*Promissory Note*") dated April 15, 2015, whereby SSMF promised to pay the Trust, or the holder of the Promissory Note, in accordance with the terms and conditions referenced therein, the aggregate principal amount of the Loan of $12,000,000, together with Interest payable thereon commencing on the Effective Date of April 15, 2015 at the rate of five percent (5%) per annum, payable in full upon the Maturity Date of April 15, 2016, or the continuance of any portion of the Loan being outstanding thereunder prior to the Maturity Date, in the manner as set forth in such Promissory Note; and

WHEREAS, on April 15, 2016, SSMF and the Trust entered into that certain First Amendment to Unsecured Promissory Note (the "*First Amendment*") which extended the Maturity Date of the Promissory Note to September 15, 2016 and granted SSMF the right to extend the Maturity Date for two (2) additional ninety (90) day periods, up to an including March 15, 2017 (the "*Extension Options*"); and

WHEREAS, SSMF exercised each of its Extension Options, paid each of the extension fees, and extended the maturity Date to March 14, 2017; and

WHEREAS, on March 14, 2017, SSMF and the Trust entered into that certain Second Amendment to Unsecured Promissory Note (the "*Second Amendment*") which extended the Maturity Date of the Promissory Note to December 31, 2017; and

WHEREAS, effective December 31, 2017, SSMF and the Trust entered into that certain Third Amendment to Unsecured Promissory Note (the "*Third Amendment*") which extended the Maturity Date of the Promissory Note to December 31, 2018 and granted SSMF the right to extend the Maturity Date for two (2) additional ninety (90) day periods, up to an including June 29, 2019 (the "*Extension Options*"); and

WHEREAS, SSMF exercised each of its Extension Options, paid each of the extension fees, and extended the maturity Date to June 29, 2019; and

WHEREAS, SSMF and the Trust now, in consideration for additional fees paid to the Trust, wish to further amend the terms of the Promissory Note, as amended by the First Amendment, the Second Amendment and the Third Amendment, to further extend the Maturity Date as set forth herein.

EXHIBIT
T-72

TERMS

NOW, THEREFORE, in consideration of the respective covenants and agreements herein contained, SSMF and the Trust covenant and agree to further amend the Promissory Note as follows:

1. Certain Defined Terms – Capitalized terms not otherwise herein defined shall have the meaning ascribed to them in the Promissory Note.

2. Extension Fee – Upon receipt of a fully executed copy of this Fourth Amendment, SSMF shall pay to the Trust an extension fee of seventy-five thousand and 00/100 dollars ($75,000.00) (the "*Eighth Extension Fee*"), which Eighth Extension Fee shall be added to the then Unpaid Principal Balance of the Loan.

3. Maturity Date – Section 2(i) of the Promissory Note, as amended, is hereby further amended to replace "December 31, 2018" with "December 31, 2019" in the definition of "Maturity Date".

4. Extension Options – Section 2.1 of the Promissory Note, as previously modified by the First Amendment, Second Amendment and Third Amendment hereby further amended and shall state:

> "2.1. At any time up to and including the Maturity Date, Debtor shall have a non-revocable option, on up to two (2) occasions, to further extend the Maturity Date for an additional ninety (90) days (each an "*Extension Option*"). As additional consideration for each extension, if exercised, Debtor shall provide Holder, together with written notice of exercise of an Extension Option, an extension fee of fifty thousand and 00/100 dollars ($50,000.00) (the "*Ninth Extension Fee*" and "*Tenth Extension Fee*", respectively), which Ninth Extension Fee and Tenth Extension Fee, if applicable, shall be added to the then Unpaid Principal Balance of the Loan."

5. Note in Effect – Except as expressly amended hereby, the Promissory Note, as previously amended, is in all respects ratified and confirmed and all the terms, conditions, and provisions thereof shall remain in full force and effect as of the date hereof.

6. Entire Agreement – This Fourth Amendment constitutes the entire agreement between the parties hereto, and supersedes every previous agreement, communication, expectation, negotiation, representation or understanding, whether oral or written, express or implied, statutory or otherwise between the parties hereto, with respect to the subject matter of this Fourth Amendment. Nothing in this Section 6 will limit or restrict the effectiveness and validity of any document with respect to the subject matter of this Fourth Amendment that is executed and delivered contemporaneously with or pursuant to this Fourth Amendment.

7. Governing Law – The terms of this Fourth Amendment shall be subject to the governing law and jurisdiction provisions set forth at Sections 9, 10 and 11 of the Promissory Note.

8. Counterparts – This Fourth Amendment may be executed in any number of counterparts, in original form or by facsimile, each of which will together, for all purposes, constitute one and the same instrument, binding on the parties hereto, and each of which will together be deemed to be an original, notwithstanding that each party hereto is not a signatory to the same counterpart.

9. Headings – The descriptive headings of the several Sections of this Fourth Amendment were formulated, used and inserted in this Fourth Amendment for convenience only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

IN WITNESS WHEREOF this Fourth Amendment has been executed by the parties hereto effective as of the day and year first above written.

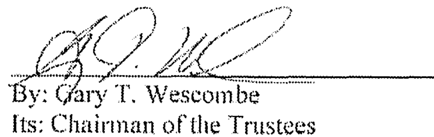
DEBTOR:

SOVEREIGN STRATEGIC MORTGAGE FUND, LLC
a California limited liability company

By: Todd A. Mikles
Its: President

HOLDER:

G REIT LIQUIDATING TRUST



By: Gary T. Wescombe
Its: Chairman of the Trustees

Exhibit C

MANAGEMENT AGREEMENT

This MANAGEMENT AGREEMENT (the "Agreement") is dated as of this ___ day of _______, 200__ between the Tenants in Common whose signatures appear at the end hereof (collectively, the "Tenants in Common"), and Triple Net Properties Realty, Inc., a California corporation ("Property Manager").

The Tenants in Common own certain real property and improvements in Chicago, Illinois, commonly known as the Congress Center, as more particularly described in Exhibit "A" attached hereto and incorporated herein (the "Property"). The Tenants in Common have entered into a Tenants in Common Agreement (the "Tenants in Common Agreement") concurrently herewith to provide for the orderly ownership and operation of the Property. The Tenants in Common desire to engage Property Manager to manage, lease, operate, and maintain the Property. It is intended by the parties hereto that this Agreement comply with all of the requirements of Revenue Procedure 2002-22, 2002-14 IRB (the "Rev. Proc.").

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

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

1.1 Commencement and Termination. Property Manager's duties and responsibilities under this Agreement shall begin on the date of this Agreement (the "Start Date") and shall terminate on the earlier of (a) the sale of the Property or any portion thereof, as to such portion of the Property sold only (other than any sale of an undivided interest held by a Tenant in Common to a party that will acquire such interest subject to the Tenants in Common Agreement), (b) termination as provided in Section 10.1, or (c) December 31, 2012.

1.2 Approval of the Tenants in Common. Whenever in this Agreement the approval, consent or other action by the Tenants in Common is required or otherwise appropriate, the unanimous approval, consent or other action of the Tenants in Common shall be required to approve: (a) this Management Agreement and all amendments and renewals hereof in accordance with Section 10.1; (b) all leases and amendments thereof in accordance with Sections 2.5 and 2.6; (c) all financing and refinancing of the Property; and (d) sale of the Property (other than a sale pursuant to the Purchase Option described in Section 11 of the Tenants in Common Agreement). All other actions in this Agreement requiring approval of the Tenants in Common may be taken by the Tenants in Common holding more than fifty percent (50%) of the undivided interests in the Property. Whenever in this Agreement the consent or approval of the Tenants in Common is required or otherwise requested, each Tenant in Common generally shall have thirty (30) days after the date on which the request for consent or approval is submitted to it by Property Manager in which to approve or disapprove of the matter in writing (unless a longer or shorter period for response is expressly provided for herein, for example, the ten (10) day period to review and approve leasing matters). A Tenant in Common who does not disapprove of the matter within such thirty (30) day period (or such longer or shorter period expressly provided for herein) shall be deemed to have approved the matter. Property Manager shall have no obligation hereunder to comply with any requests or direction made by less than all of the appropriate percentage of the Tenants in Common pursuant to Section 1.2 of this Agreement.

2. PROPERTY MANAGER'S RESPONSIBILITIES.

2.1 Status of Property Manager. The Tenants in Common and Property Manager do not intend to form a joint venture, partnership or similar relationship. Instead, the parties intend that Property Manager shall act solely in the capacity of an independent contractor for the Tenants in Common. Nothing in this Agreement shall cause Property Manager and the Tenants in Common to be joint ventures or partners of each other, and neither shall have the power to bind or obligate the other party by virtue of this Agreement, except the powers of Property Manager as expressly provided in this Agreement. Nothing in this Agreement shall deprive or otherwise affect the right of either party to own, invest in, manage, or operate, or to conduct business activities which compete with, the Property.

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

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

2.4 Compliance with Laws, Mortgages and Other Matters

2.4.1 Property Manager shall use reasonable efforts to comply with all applicable governmental requirements, including by way of illustration, but not limitation, Board of Fire Underwriters or other similar body, relative to the performance of its duties hereunder, and cause the Property to comply with all applicable governmental laws, ordinances, rules, regulations, and requirements. Property Manager may implement such procedures with respect to the Property as Property Manager may deem advisable for the more efficient and economic management and operation thereof. Property Manager shall pay from the Operating Account (defined in Section 6.1) expenses incurred to remedy violations of laws. However, Property Manager shall not be obligated to remedy violations of law if sufficient funds are not available in the Operating Account or if the Tenants in Common do not provide sufficient additional funds to do so.

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

2.5 Budgets and Operating Plan.

2.5.1 Property Manager shall prepare and submit to the Tenants in Common, upon written request, an initial capital and operating budget ("Budget") for the promotion, operation, leasing (including leasing parameters for the Property), repair, maintenance and improvement of the Property for the first full calendar year of ownership on or before November 15th of the calendar year in which the Property was acquired. The Budget shall be on a monthly, cash basis. Property Manager shall also deliver a Budget for each subsequent calendar year on or about November 15th of the calendar year before the budget year. The Budget shall be approved by each Tenant in Common. Each Tenant in Common shall be deemed to have approved the Budget and the leasing parameters contained therein unless the Tenant in Common provides written notice to Property Manager and the other Tenants in Common indicating specific objection to certain Budget items within (a) thirty (30) days from receipt of the Budget for all matters except leasing matters and (b) ten (10) days with respect to all leasing matters. In the event any Tenant in Common disagrees with any item in the Budget, the disputing Tenant in Common shall negotiate in good faith with Property Manager and the other Tenants in Common for fifteen (15) days to resolve the issue. If the parties are unable to reach an agreement on any issue other than leasing matters, the issue shall be resolved by arbitration as set forth in Section 2.5.5 with (a) each of the disputing Tenant(s) in Common paying his pro rata share of fifty percent (50%) of the cost of arbitration, and (b) all the other Tenants in Common paying his pro rata share of fifty percent (50%) of the costs of the arbitration. The Property Manager may proceed under the terms of the proposed Budget for items that are not objected to and may take any action with respect to items not

approved for Emergency Expenditures (as defined in Section 2.5.2). Property Manager shall provide the Tenants in Common with such information regarding the Budget as may be, from time to time, reasonably requested by the Tenants in Common. Property Manager may at any time submit a revised Budget to the Tenants in Common.

2.5.2 Property Manager shall charge all expenses to the proper account as specified in the Budget, provided that Property Manager may reallocate savings from one line item to other line items, so long as not more than ten percent (10%) of the amount of any line item is reallocated in any calendar year. Property Manager shall submit a revised Budget to the Tenants in Common prior to making any expenditure not within the Budget unless the expenditure is (a) less than Ten Thousand Dollars ($10,000), or (b) in the Property Manager's reasonable judgment, required to avoid personal injury, significant property damage, a default under any loan encumbering the Property, a violation of applicable law or the suspension of a service (collectively, "Emergency Expenditures").

2.5.3 During each year, Property Manager shall inform the Tenants in Common of any material increases in costs and expenses not foreseen and not included in the Budget within a reasonable time after Property Manager learns of such changes.

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

2.5.5 Any controversy arising out of, or related to, any dispute regarding the Budget as set forth in Section 2.5.1 shall be settled by binding arbitration in Orange County, California, in accordance with the rules of The American Arbitration Association (the "AAA"). The arbitration panel shall consist of one member, and shall be a person agreed to by each party to the dispute within fifteen (15) days following the end of the ten (10) day period set forth in Section 2.5.1. If the parties are unable within such fifteen (15) day period to agree upon an arbitrator, then the panel shall be comprised of one arbitrator selected solely by the Orange County office of the AAA, which arbitrator shall be experienced in the area of real estate and who shall be knowledgeable with respect to the subject matter area of the dispute. The disputing Tenants in Common and all the other Tenants in Common shall each pay fifty percent (50%) of any fees and expenses of the arbitrator and other tribunal fees and expenses; each Tenant in Common's share shall be computed separately for the disputing and non-disputing Tenants in Common as a group, by taking each Tenant in Common's undivided interest in the Property over all such non-disputing (or disputing) Tenants in Common (as the case may be). Each party shall pay their own legal fees and other costs. Each party shall submit a written proposal with respect to the issues in dispute. The arbitrator shall render a binding, non-appealable decision within fifteen (15) days (or as soon thereafter as may be practicable) following the close of presentation by the parties of their cases and any rebuttal. The arbitrator shall be limited to picking either alternative submitted without any change. Property Manager shall proceed with the alternative selected by the arbitrator.

2.6 Leasing.

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

2.6.2 Property Manager shall use its commercially reasonable efforts to obtain tenants for all rental units in the Property and to renew leases and rental agreements (collectively, "Leases") as provided herein. In accordance with Section 6.5 of the Rev. Proc., lease terms must be approved by a unanimous vote of the Tenants in Common unless (a) a lease is for 1,000 square feet or less of the net rentable area of the Property in which case the Property Manager can approve such lease; or (b) a lease is for more than 1,000 square feet but less than 2,100 square feet of the net rentable area of the Property and such lease, which is consistent with the approved Budget and Operating Plan, is on a standard form which has been unanimously approved in advance by the Tenants in Common in which case the Property Manager can approve such lease. Property Manager will forward to each Tenant in Common by certified United States mail, with return receipt requested, a copy or summary of all new leases, material lease modifications and lease renewals (other than automatic renewals contained in previously

approved leases). The Tenants in Common are encouraged to review all such leasing materials or summary and contact the Property Manager to discuss any questions and comments they may have with respect to any leasing matters. Lease terms will be deemed approved unless a Tenant in Common gives notice of rejection to the Property Manager within seventy-two (72) hours of receipt of such lease terms. In addition, the Tenants in Common will grant to the Property Manager a special power of attorney to execute all approved leases and any subordination, non-disturbance and attornment agreements with respect to such approved leases. If any Tenant in Common objects to any such leasing matters, the Property Manager will not have authority to execute the rejected leases on behalf of the Tenants in Common. In connection with its leasing efforts, the Property Manager may advertise the Property for lease.

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

2.6.4 Except as provided in the Operating Plan, Property Manager shall not, without the prior written approval of the Tenants in Common, give free rental or discounts or rental concessions to any employees, officers or shareholders of Property Manager or anyone related to such employees, officers or shareholders, unless such discounts or concessions are in lieu of salaries or other benefits to which they would be contractually entitled. Property Manager shall not lease any space in the Property to itself or to any of its affiliates or subsidiaries, except as provided in the Operating Plan, without the prior written consent of the Tenants in Common.

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

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

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

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

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

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

reasonable precautions against fire, vandalism, burglary and trespass to the Property. However, Property Manager shall only provide ordinary and customary services to tenants of the Property and shall provide no other services to the tenants or others on behalf of the Tenants in Common.

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

2.10 Service Contracts, Supplies and Equipment.

2.10.1 Property Manager may enter into or renew any customary contract for cleaning, maintenance, repairing or servicing the Property or any of the constituent parts of the Property (including contracts for fuel oil, security or other protection, extermination, landscaping, architects or engineering services) contemplated by the Budget and/or the Operating Plan with any unrelated third party without the consent of the Tenants in Common. Each such service contract shall (a) be in the name of the Tenants in Common, (b) be assignable to the transferee of the Tenants in Common, and (c) be for a term not to exceed one (1) year. Unless the Tenants in Common specifically waive such requirements or approve a particular contract, all service contracts for amounts in excess of $50,000 per year shall be subject to bid under the procedure specified in Section 2.9.

2.10.2 If this Agreement terminates pursuant to Section 10, Property Manager, at the option of the Tenants in Common, shall assign to the nominee of the Tenants in Common all of Property Manager's interest in the service agreements pertaining to the Property.

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

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

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

Manager may make any such payments without the approval of the Tenants in Common. Expenses for any Taxes that are based upon the assessed valuation of the Property (or any portion thereof or interest therein) shall not be allocated to the Tenants in Common on a pro rata basis. Instead, each Tenant in Common shall be responsible for all such Taxes attributable to the Tenant in Common's undivided interest in the Property, as reasonably determined by Property Manager, based on the Taxes that would have been allocated to the undivided interest if it was a separate assessor's parcel.

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

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

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

3. **INSURANCE.**

3.1 Insurance.

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

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

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

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

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

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

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

4. FINANCIAL REPORTING AND RECORD KEEPING.

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

4.2 Financial Reports. On or about the twentieth (20th) day of each month, Property Manager shall furnish to the Tenants in Common a report of all significant transactions occurring during the prior month. These reports shall show all collections, delinquencies, uncollectible items, vacancies and other matters pertaining to the management, operation, and maintenance of the Property during the month. Property Manager also shall deliver to the Tenants in Common within a reasonable time after (a) the close of a calendar year and (b) the termination of this Agreement, a balance sheet for the Property. The statement of income and expenses, the balance sheet, and all other financial statements and reports shall be prepared on a cash basis.

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

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

6. **BANK ACCOUNTS.**

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

6.2 Operating Account. Property Manager shall be permitted to deposit and make withdrawals from a master Bank Account. Property Manager shall maintain books and records of deposits and withdrawals credited and charged to each Tenant in Common's subaccount (such master account together with and any interest earned thereon, shall hereinafter be referred to as the "Operating Account"). The Tenants in Common shall maintain the Operating Account so that an amount at least as great as the budgeted expenses for such month is in the Operating Account as of the first of each month. Property Manager shall pay from the Operating Account, on behalf of each Tenant in Common with respect to their share of Property operating expenses, based on their undivided interests in the Property, the operating expenses of the Property and any other payments relating to the Property as required by this Agreement. If more than one bank account is necessary to operate the Property, each account shall have a unique name.

6.3 Security Deposit Account. If applicable law requires a segregated account of security deposits, Property Manager will open, on behalf of each Tenant in Common, a separate account at a reputable bank or other financial institution. Property Manager shall maintain such account in accordance with applicable law. Property Manager shall use the account only to maintain security deposits on behalf of the Tenants in Common. Property Manager shall inform the bank or financial institution to hold the funds in trust for the Tenants in Common.

Property Manager shall maintain detailed records of all security deposits deposited, and allow the Tenants in Common or their designees access to such records. Property Manager may return such deposits to any tenant in the ordinary course of business in accordance with the terms of the applicable lease and applicable law. If interest is earned on any interest-bearing accounts in excess of $2,500 in any given month, each Tenant in Common shall be entitled to its share of such interest; otherwise, Property Manager shall be entitled to retain such interest.

6.4 Access to Account. As authorized by signature cards, representatives of Property Manager shall have access to and may draw upon all funds in the accounts described in Sections 6.1, 6.2 and 6.3 without the approval of the Tenants in Common. The Tenants in Common may not withdraw funds from such accounts without Property Manager's prior written consent.

7. **PAYMENTS OF EXPENSES.**

7.1 Costs Eligible for Payment from Operating Account. Property Manager shall pay all expenses of the operation, maintenance and repair of the Property contemplated by the Budget directly from the Operating Account, subject to the conditions set forth in Section 2.5, including the following: (a) costs of the gross salary and wages or proportional shares thereof, payroll taxes, worker's compensation insurance, and all other benefits of employees (for example, on-site personnel) required to manage, operate and maintain the Property properly, adequately, safely and economically, subject to this Agreement, provided that Property Manager shall not pay such employees in advance; (b) cost to correct the violation of any governmental requirement relating to the leasing, use, repair and maintenance of the Property, or relating to the rules, regulations or orders of the local Board of Fire Underwriters or other similar body, if such cost is not the result of Property Manager's gross negligence or willful misconduct; (c) actual and reasonable cost of making all repairs, decorations and alterations if such cost is not the result of Property Manager's gross negligence or willful misconduct; (d) cost incurred by Property Manager in connection with all service agreements; (e) cost of collection of delinquent rents collected by a collection agency or attorney; (f) legal fees of attorneys; (g) cost of capital expenditures subject to the restrictions in Section 2.9 and in this Section; (h) cost of printed checks for each account required for the Property and the Tenants in Common; (i) cost of utilities; (j) cost of advertising; (k) cost of printed forms and supplies required for use at the Property; (l) management compensation set forth in Section 9; (m) the cost of tenant improvements to the Property; (n) all hiring, relocation and termination costs for any employee, including those individuals whose salaries and benefits are paid by the Tenants in Common; (o) broker's commissions; (p) debt service; (q) the cost of utilities, services, contractors and insurance; (r) reimbursement of Property Manager's out-of-pocket costs and expenses to the extent not prohibited by Section 8 below; (s) general accounting and reporting services within the reasonable scope of the Property Manager's responsibility to the Tenants in Common; (t) cost of forms, papers, ledgers, and other supplies and equipment used in connection with the Property for the preparation of reports, information and returns to be prepared by Property Manager under the terms of this Agreement; (u) all expenses of Property Manager's on-site office; (v) all other costs directly related to the Property, including, but not limited to, communication costs (telephone, postage, etc.), computer rentals or time, supplies (paper, envelopes, business forms, checks, payroll forms and record cards, forms for governmental reports, etc.), printing, insurance, fidelity bonds, taxes and license fees, and general office expenses allocable to the Property; and (w) cost of routine travel by Property Manager's employees or associates to and from Property. Except as expressly set forth in the Budget, Property Manager shall be paid $5,000 per year as reimbursement for the items set forth above in Subsection 7.1(r), (s) and (t). All other amounts not directly related to the Property or the Tenants in Common shall be payable solely by Property Manager, and shall not be paid out of the Operating Account or reimbursed by the Tenants in Common.

7.2 Operating Account Deficiency. If there are not sufficient funds in the Operating Account to make any such payment, Property Manager shall notify the Tenants in Common, if possible, at least ten (10) days prior to any delinquency so that the Tenants in Common have an opportunity, based on their interests in the Property, to deposit sufficient funds in the Operating Account to allow for such payment prior to the imposition of any penalty or late charge. No later than the twentieth (20th) day of each month, Property Manager shall remit to the Tenants in Common all unexpended funds for the prior month, except for a reserve for contingencies reflected in the Budget which shall remain in the Operating Account in the amount equal to the expenses budgeted for the month in which the remittance is to be made. All expenses of the Property shall be allocated to the Tenants in Common in accordance with their interests in the Property.

7.3 Interest on Funds Advanced or Loaned by Property Manager. Property Manager, Cunningham Lending Group, LLC, an Affiliate of Anthony W. Thompson, President of the Property Manager, may (but shall not be obligated to) loan funds to the Tenants in Common in the future, with simple interest thereon at its cost of funds not to exceed twelve percent (12%) per annum (or, if lower, the highest rate permitted by law). Such loan, if any, shall be fully recourse to each Tenant in Common and must be repaid within thirty one (31) days of funding. If the Tenant in Common is a single member limited liability company, the owner of the limited liability company will be personally liable to repay this loan.

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

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

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

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

9.1 Property Management Fee. Property Manager, or an Affiliate, shall receive, for its services in managing the Property in accordance with the terms of this Agreement, a monthly management fee (the "Property Management Fee"), of up to six percent (6%) of Gross Revenues (defined below), which Property Management Fee shall be in addition to out-of-pocket and on-site personnel costs that are reimbursable pursuant to Section 7, and the other fees provided in this Agreement. "Gross Revenues" shall be all gross billings from the operations of the Property, including rental receipts and reimbursements by tenants for common area expenses, operating expenses and taxes and similar pass-through, obligations paid by tenants, but excluding (a) security deposits received from tenants and interest accrued thereon for the benefit of the tenant until such deposits or interest are included in the taxable income of the Tenants in Common, (b) advance rents until the month in which payments are to apply as rental income, (c) reimbursements by tenant's for work done for that particular tenant, (d) insurance proceeds received by the Tenants in Common as a result of any insured loss (except proceeds from rent insurance), (e) condemnation proceeds not attributable to rent, (f) capital contributions made by the Tenants in Common, (g) proceeds from capital, financing and any other transaction not in the ordinary course of the operation of the Property, (h) income derived from interest on investments or otherwise, (i) abatement of taxes, awards arising out of takings by eminent domain, discounts and dividends on insurance policies, and (j) rental concessions not paid by third parties. The Property Management Fee shall be payable monthly, following calculation thereof, upon submission of a monthly statement from the Operating Account or from other funds timely provided by the Tenants in Common. Upon termination of this Agreement, the parties will prorate the Property Management Fee on a daily basis to the effective date of such cancellation or termination. If Property Manager engages local property managers or other parties to provide property management services in accordance with Section 2.14, Property Manager shall be obligated to pay such third parties, it being intended that the Property Management Fee shall be inclusive of such third party fees.

9.2 Leasing Commissions. Property Manager or an Affiliate shall receive, for its services in leasing the Property in accordance with the terms of this Agreement, a leasing commission (the "Leasing Commission") equal to six percent (6%) of the value of any lease entered into during the term of this Agreement and three percent (3%) with respect to any renewals. Any leasing fees due outside leasing agents or brokers, except for any who are on site will be paid by the Property Manager from these commissions. The value of the lease shall be alculated by totaling the minimum monthly rent (or similar rent) for the term of the lease. The term of the lease shall not exceed five (5) years for purposes of the foregoing computation and shall be exclusive of option periods. If another broker represents the tenant, then Property Manager may cooperate with that broker on terms and conditions

acceptable to Property Manager, in its sole discretion, with commissions to the other broker to be paid by the Property Manager.

9.3 Construction Management Fee. Property Manager, or an Affiliate, shall receive, for its services in supervising any construction or repair project in or about the Property, including the anticipated improvements described in Section 2.14, a construction management fee (the "Construction Management Fee") equal to five percent (5%) of any amount (including related professional services) up to Twenty-Five Thousand Dollars ($25,000.00), four percent (4%) of any amount over Twenty-Five Thousand Dollars ($25,000.00) but less than Fifty Thousand Dollars ($50,000.00), and three percent (3%) of any amount over Fifty Thousand Dollars ($50,000.00) which is expended in any calendar year for construction or repair projects.

9.4 Selling Commission. The Tenants in Common hereby grant Property Manager, or an Affiliate, the exclusive right to sell the Property on terms acceptable to the Tenants in Common as described herein. Property Manager shall be entitled to receive a sales commission (the "Selling Commission") from the Tenants in Common equal to up to six percent (6%) maximum of the gross sales price of the Property if the Property Manager obtains a buyer for the Property (or portion thereof) on terms approved by the Tenants in Common or if Property Manager or an Affiliate purchases the Property pursuant to the Purchase Option set forth in Section 11 of the Tenants in Common Agreement. The Property Manager or an Affiliate will be entitled to a maximum of four percent (4%) of the Selling Commission; any third party real estate agents and brokers who assist in the sale will also be paid a portion of the Selling Commission up to a maximum of six percent (6%) including the Selling Commission paid to the Property Manager. Notwithstanding anything to the contrary contained herein, if the Property Manager is terminated "for cause" pursuant to Section 10.1 of this Agreement, the Property Manager shall not thereafter have the right to sell the Property and shall not receive the Selling Commission.

9.5 Loan Fee. Property Manager or an Affiliate shall receive a loan fee (the "Loan Fee") in the amount of one percent (1%) of the principal amount of all loans obtained for the Property by the Property Manager during the term of this Agreement. Property Manager or an Affiliate shall pay any loan brokers or other parties (other than the lender) who assist in such financings.

9.6 Payment of Fees. The Property Management Fee shall be paid monthly in arrears. The Leasing Commission, Construction Management Fee and Loan Fee shall each be paid when the Lease is signed, the construction is substantially completed and the new financing has closed escrow. The Selling Commission shall be paid upon closing escrow, after the Tenants in Common have received a return of their unrecovered investment in the Property but before any net profits are distributed to the Tenants in Common.

10. **TERMINATION.**

10.1 Termination by Tenants in Common. Each of the Tenants in Common shall have the right to terminate this Agreement: (a) without cause, within thirty (30) days of each anniversary of the date hereof and upon payment of their *pro rata* share of a termination fee of One Million Three Hundred Forty-Two Thousand Three Hundred Fifty and 00/100 ($1,342,350) and (b) "for cause," upon thirty (30) days prior written notice. However, the Lender is required to approve the termination in writing before any such termination shall be effective. For purposes of this Agreement, termination "for cause" shall mean termination due to the (a) gross negligence or fraud of Property Manager, (b) willful misconduct or willful breach of this Agreement by Property Manager, (c) bankruptcy, insolvency or inability of the Property Manager to meet its obligation as the same come due, or (d) a conviction of a felony by Anthony W. Thompson, President of Property Manager. Property Manager or an affiliate of Property Manager that owns a tenant in common interest in the Property or a membership interest in NNN Congress Center, LLC, hereby agrees not to participate in any vote to terminate this Agreement. The parties acknowledge that the termination fee is due on termination without cause in recognition of the substantial costs that Property Manager has incurred in start-up and other expenses to be prepared to manage, and to manage, the Property. In addition, this Agreement, on each anniversary date, shall be subject to renewal or termination by the Tenants in Common as provided by Section 6.12 of the Rev. Proc. Thirty (30) days before each such anniversary date, the Property Manager shall give written notice to each Tenant in Common of its right to renew or not renew ("Original Notice"). Absent receipt by the Property Manager of a written demand not to renew from any Tenant in Common within fifteen (15) days of the Original Notice, this Agreement shall be deemed renewed until the next anniversary date.

10.2 Termination by Property Manager. Property Manager shall have the right to terminate this Agreement, provided that the Tenants in Common are in default in the performance of any of its obligations hereunder, and such default remains uncured for thirty (30) days following Property Manager's giving of written notice of such default to the Tenants in Common.

10.3 Termination On Sale. This Agreement shall automatically terminate upon the sale of the entire Property without payment of any termination fee.

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

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

12. **NOTICES.**

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

Tenants in Common:	At the addresses specified in the Tenants in Common Agreement
Property Manager:	Triple Net Properties Realty, Inc., Property Manager 1551 N. Tustin Avenue, Suite 650 Santa Ana, California 92705 Attn: Anthony W. Thompson, President
With a copy to:	Hirschler Fleischer P. O. Box 500 Richmond, Virginia 23218-0500 Attn: Louis J. Rogers, Esquire

Such notice or other communication may be delivered by a recognized overnight delivery service providing a receipt, facsimile transmission or mailed by United States registered or certified mail, return receipt requested, postage prepaid if deposited in a United States Post Office or depository for the receipt of mail regularly maintained by the post office. Notices sent by overnight courier shall be deemed given one (1) business day after mailing;

notices sent by registered or certified mail shall be deemed given two (2) business days after mailing; and notices sent by facsimile transmission shall be deemed given as of the date sent (if sent prior to 5:00 p.m. PST and if receipt has been acknowledged by the operator of the receiving machine).

13. **MISCELLANEOUS.**

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

13.2 Gender. Each gender shall include each other gender. The singular shall include the plural and vice-versa.

13.3 Amendments. Except as otherwise provided, each amendment, addition or deletion to this Agreement shall not be effective unless approved by the parties in writing.

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

13.5 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois without regard to any choice of law rules.

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

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

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

13.9 Indemnification by the Tenants in Common. The Tenants in Common shall indemnify, defend and hold Property Manager and its shareholders, officers, directors and employees harmless from any and all claims, demands, causes of action, losses, damages, fines, penalties, liabilities, costs and expenses, including reasonable attorney's fees and court costs, sustained or incurred by or asserted against Property Manager by reason

of the operation, management, and maintenance of the Property and the performance by Property Manager of Property Manager's obligations under this Agreement but only to the extent of each Tenants in Common's interest in the Property, except those which arise from Property Manager's gross negligence or fraud. If any person or entity makes a claim or institutes a suit against Property Manager on any matter for which Property Manager claims the benefit of the foregoing indemnification, then (a) Property Manager shall give the Tenants in Common prompt notice thereof in writing; (b) the Tenants in Common may defend such claim or action by counsel of its own choosing provided such counsel is reasonably satisfactory to Property Manager; (c) neither Property Manager nor the Tenants in Common shall settle any claim without the other's written consent; and (d) this subsection shall not be so construed as to release the Tenants in Common or the Property Manager from any liability to the other for a breach of any of the covenants agreed to be performed under the terms of this Agreement.

13.10 Complete Agreement. This Agreement shall supersede and take the place of any and all previous agreements entered into between the parties with respect to the management of the Property.

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

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

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

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

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

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

PROPERTY MANAGER:

TRIPLE NET PROPERTIES REALTY, INC.,
a California corporation

By:

TENANTS IN COMMON:

NNN CONGRESS CENTER, LLC
a Delaware limited liability company

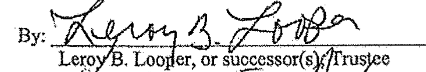
By: TRIPLE NET PROPERTIES, LLC,
a Virginia limited liability company
Its: Manager

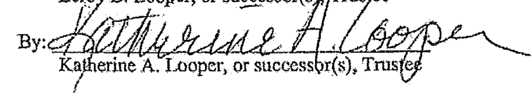
By:

NNN Congress Center 4, LLC, a Delaware limited liability company

By: NNN Congress Center Member 4, a Delaware limited liability company
Its: Sole Member

By: The Leroy and Katherine Looper Family Trust under Revocable Trust Agreement dated November 22, 1999, as amended.
Its: Sole Member

By: 
Leroy B. Looper, or successor(s), Trustee

By: 
Katherine A. Looper, or successor(s), Trustee

PROOF OF SERVICE

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss:

The undersigned certifies and declares as follows:

I am over the age of 18 and not a party to this action. My business address is 2331 West Lincoln Avenue, Anaheim, California 92801, which is in the county where the mailing described below took place.

On June 3, 2022 I served the within **Fifth Amended Complaint** by:

[ ] (Mail) I placed a true and correct copy thereof in a sealed envelope addressed as set forth on the attached service list and caused such envelope, with first class postage thereon fully prepaid, to be placed in the U.S. Mail at Anaheim, California, and certify that such envelope was placed for collection and mailing following ordinary business practices.

[ ] (Overnight Delivery) I placed a true and correct copy thereof in a sealed envelope addressed as set forth on the attached service list and caused such envelope to be delivered the next day by overnight courier to the addressee(s) listed on the attached service list.

[X] (By OneLegal Electronic Service) I caused the above-entitled document(s) to be served through OneLegal addressed to all parties appearing on the OneLegal electronic service list for the above-entitled case. The "OneLegal Filing Receipt" page(s) will be maintained with the original document(s) in our office.

[ ] (E-mail) I caused the above mentioned document to be served via PDF e-mail attachment to the parties at the e-mail addresses listed on the attached service list.

[X] (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed June 3, 2022 at Anaheim, California.

____
Typed Name: Becky Phillips

SERVICE LIST

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