CONFIDENTIALITY AGREEMENT

(Purchaser) is interested in the purchase of the property known as Newport News Luxury Apartments, Newport News, VA 23606.

You have requested that Coldwell Banker Commercial Brooks Real Estate, Inc. (Broker), exclusive agent for the Seller, furnish Owner information concerning the application of the Property. This information may include, without limitation, the offering memorandum prepared by Agent, various papers, documents, legal instruments, studies, brochures, computer output, and other materials, and any discussions or Property visitations which are conducted with or by Purchaser concerning the Property (all of the aforementioned information is collectively referred to as "Evaluation Material"). In this connection, we are prepared to consider the furnishing of the Evaluation Material to Purchaser only upon the condition that Purchaser agree to treat the Evaluation Material confidentially as hereinafter provided. Therefore, as a prerequisite to Agent furnishing this Evaluation Material to Purchaser, you hereby agree as follows:

1. All Evaluation Material furnished to Purchaser will not be used or duplicated by Purchaser for any purpose other than evaluating a possible sale of the Property by Owners. Therefore, Purchasers agrees to keep all Evaluation Material (other than information which is a matter of public record or is provided in other sources readily available to the public other than as a result of disclosure by Owner or a Related Party) strictly confidential; provided, however, that the Evaluation Material may be disclosed to directors, officers, and employees of Purchaser, and to Purchaser’s outside counsel and accounting firm (all of whom are collectively referred to as "Related Parties") who, in Purchaser judgment, need to know such information for the purpose of evaluating a possible purchase of the Property. These Related Parties shall be informed by Purchaser of the confidential nature of such information and shall be directed by Purchaser to keep such information in the strictest confidence and to use such information only for the purpose of evaluating a possible purchase by Purchasers. Owners will promptly, upon the request of Agent or Purchaser, deliver to Agent or Purchaser all written Evaluation Material furnished to it by Agent or Purchaser, whether furnished before or after the date of this letter, without retaining copies thereof.

2. Purchaser agrees not to make any of the Evaluation Material available, or disclose any of the contents of the Evaluation Material, or disclose either the fact that discussions or negotiations are taking place concerning a possible sale of the Property to Purchasers or any of the terms, covenants, conditions, or other facts with respect to any such investment proposal, including the status thereof, to any person other than as permitted by the preceding paragraph unless: (i) such person has been identified in writing to Agent and Owner; (ii) Agent and Owner have approved in writing the disclosure of the Evaluation Material to such person; and (iii) such person has entered into a written Confidentiality Agreement with Agent and Owner the provisions of which agreement shall be substantially the same as the provisions of this Agreement. The term “person” as used in this Agreement shall be interpreted broadly to include, without limitation, any corporation, partnership, association, or individual. Purchaser will direct Related Parties to whom Evaluation Material is made available not to make similar disclosures and any such disclosure shall be deemed, made by, and be the responsibility of Purchaser.

3. Although we have endeavored to include in the Evaluation Material information, which we believe to be relevant to your investigation, Purchaser understands and acknowledges that neither Agent nor Owner makes any representation or warranty as to the accuracy or completeness of the Evaluation Material. The financial information and projections contained in the Evaluation Material represent estimates based on assumptions considered reasonable under the circumstances although not independently verified by Agent. Agent and Owner make no representations or warranties, express or implied, that actual results of operations will conform to such projections. Owner and Agent expressly disclaim any and all liability for representations or warranties, express or implied, contained in this Evaluation Material or for omissions from this Evaluation Material, or in any other written or oral
communications transmitted or made available to Purchaser. Purchaser agrees that neither Agent nor Owner nor any affiliate of Agent or Owner shall have any liability to Purchaser or any of its representatives or Related Parties resulting from use of or reliance upon the Evaluation Material.

4. Owner and Agent expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property from Purchaser or any other person or entity and or to terminate discussions with Purchaser or any other person or entity at any time with or without notice. Owner shall have no legal commitment or obligation to Purchaser, or any other person or entity reviewing the Evaluation Material or making an offer to purchase the Property unless and until such purchase of the Property is approved on whatever terms deemed desirable by the necessary officers and/or Finance Committee of Seller, a written agreement for the purchase of the Property has been fully executed, delivered and approved by Owner and its legal counsel, any conditions to Owner obligations hereunder have been satisfied or waived, and any conditions to Owners obligations thereunder have, in the opinion of the Owner, been satisfied.

5. No failure or delay by Agent or Owner in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof or failure to exercise preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

6. This Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Virginia. Any litigation arising out of this Agreement or the transactions contemplated hereby shall be brought in the courts of the Commonwealth of Virginia, and the parties hereto consent to the jurisdiction of such courts. If you are in agreement with foregoing, please sign and return one of the two copies of this Agreement to:
   
   Coldwell Banker Commercial / Brooks Real Estate, Inc.
   ATTN: John Wilson, Managing Broker
   4071 Ironbound Road
   Williamsburg, Virginia 23188

7. All financial information provided to the Seller by the Purchaser, for Seller’s review, will be kept confidential as set forth within the terms of this agreement to protect the Seller will be provided to protect the Purchaser’s sensitive and private information.

8. All parties understand that once the hard copies of this document, as well as all other documents related to this agreement, is fully executed it will be scanned, captured and maintained as the legal document in an electronic format for filing, retention, and enforcement. Once captured in a digital format the original hard copy will be destroyed.

9. In Accordance with the Uniform Electronic Transactions Act (UETA) and the Electronic Signatures in Global and National Commerce Act, or E-Sign, regarding electronic signatures and transactions, the parties do hereby expressly authorize and agree to the use of electronic signatures as an additional method of signing and/or initialing this agreement. The parties hereby agree that either party may sign electronically by utilizing an electronic signature service.

A failure to return this fully executed letter agreement to us within ten (10) business days will render it null and void and of no further force and effect. A fully executed letter will constitute our agreement with respect to the subject matter of this letter.

ACCEPTED AND AGREED TO:

By: ________________________________  Date: ______

Print Name: __________________________