

APARTMENT MANAGEMENT AGREEMENT

This Management Agreement (this "**Agreement**") is made and entered into as of the 10th day of December, 2012 by and between Carl Clark as Judicial Receiver for a Moonlight Apartments, LLC, a Kansas limited liability company ("**Owner**"), and **GREP Dallas, L.P.**, a Delaware limited partnership ("**Manager**").

WITNESSETH:

WHEREAS, Owner owns the Project described in Section 1, and desires that Manager manage, operate, maintain and service the Project, and supervise the leasing and renting operations of the same, subject to the terms and conditions set forth herein;

WHEREAS, Owner agrees to submit the Apartment Management Agreement to the United States Bankruptcy Court for the District of Kansas for approval and all of Receiver's obligations under the Apartment Management Agreement are subject to approval of the agreement by the Court; and

WHEREAS, Manager desires to accept and assume such responsibilities, upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Definitions.** As used in this Agreement, the following terms shall have the following meanings:

"Gross Collections" means all amounts actually collected in respect of the Project, including but not limited to rents, laundry room income, late charges, NSF charges, utility payments, and deposit forfeitures. Notwithstanding the foregoing provisions to the contrary, it is expressly agreed that Gross Collections shall exclude security and other deposits received from residents at the Project that have not been forfeited, any and all proceeds from property insurance policies (excluding any rent interruption proceeds relating to the Property), the proceeds of any taking by condemnation or eminent domain and any awards from suits not related to the collections of rent and related charges.

"Project" refers to a 294-unit apartment community located at the street address of 400 South Moonlight Road, Gardner, Kansas 66030 and commonly known as Moonlight Apartments.

2. **Appointment of Manager.** Owner hereby appoints Manager as the exclusive leasing and managing agent of the Project. Manager hereby accepts the appointment. It is the intent of the parties that the relationship between Manager and Owner is, in fact and intent,

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that of an independent contractor. Nothing contained herein shall be deemed to create an employer/employee, partnership, joint venture or other relationship between Manager and Owner unless expressly provided herein.

3. **Term.** The term of this Agreement shall commence on December 10, 2012 and shall continue for a period of twelve (12) months (the "**Term**"). Thereafter, this Agreement will continue on a month-to-month basis and may be terminated by either party giving thirty (30) days' prior written notice to the other. Additionally, this Agreement may be terminated by either party on the closing date of a sale of the Project to an unaffiliated third party by delivering to the other party at least thirty (30) days' prior written notice thereof, subject to the early termination or disposition fee set forth in Schedule 2, if applicable.

4. **Duties of Manager.** Manager, shall, as agent for and at the expense of Owner, perform the services provided herein, subject at all times to Owner's general supervision and control and as more particularly set forth in this Section 4. In connection therewith, Manager shall perform the following duties:

(a) Not later than forty-five (45) days before the beginning of each calendar year, submit to Owner for Owner's approval a proposed operating budget for the Project, setting forth all estimated receipts and disbursements relating to the Project for the ensuing calendar year or, in the case of the first proposed budget, for the balance of the current calendar year. The operating budget for a calendar year, as approved in writing by Owner, is hereinafter referred to as the "**Approved Budget**" for that year. Except as otherwise provided in this Agreement, Manager shall incur no expenses in connection with the Project that are not provided for in the Approved Budget or have not otherwise been approved by Owner. If a submitted budget is rejected by Owner, then Manager shall operate the Project under the last Approved Budget on an item-by-item basis with appropriate adjustments for variances in occupancy, for inflation, for adjustments in insurance premiums, taxes, debt service payments, and scheduled contract price increases, and for costs to comply with law or, if there is no prior Approved Budget, Manager shall incur such expenses as may be necessary to operate and maintain the Project in a reasonable manner. All expenses described in the previous sentence shall be deemed to be expenses incurred pursuant to an Approved Budget.

(b) Use diligent efforts in accordance with customary business practices to maximize occupancy at the Project (including marketing and advertising the Project subject to the limitations in the applicable Approved Budget); negotiate and execute, as agent for Owner, resident leases for the Project; and collect all rents and other income due to the Project.

(c) When, in Manager's judgment, it is necessary and prudent, institute legal actions or proceedings for the collection of delinquent rents and other income from the Project and for the dispossession of residents or other persons therefrom.

(d) Make or cause to be made all necessary repairs to the Project and purchase the necessary supplies and materials to maintain the Project in a neat and orderly condition. Unless otherwise provided for in the Approved Budget for the then current year, the expense to be incurred for any single repair or purchase shall not exceed the sum of five

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Manager

thousand (5,000.00) dollars without prior authorization by Owner; however, in the case of an emergency, Manager may spend such sums as Manager may deem reasonably necessary to protect persons from injury and minimize further damage to the Project, to prevent default by Owner under contracts which have been delivered to Manager and to avoid suspension of services in or to the Project. Manager shall promptly notify Owner of the nature of any such emergency and the action taken and expenses incurred in connection therewith.

(e) In the name of Owner, at Owner's expense, contract for electricity, gas, steam, water, telephone, window cleaning, pest control and such other services as shall be customary and advisable for the proper operation of the Project; however, Manager shall not contract for any services whose estimated cost would exceed the cost specified thereof in the Approved Budget without Owner's prior written consent unless the need for such services constitutes an emergency as indicate above. Manager shall not, without obtaining Owner's prior consent, enter into any contract which (1) will exceed the Approved Budgeted line item expense by two thousand five hundred (2,500.00) dollars or (2) cannot be canceled on not more than thirty (30) days' prior notice.

(f) Perform other services reasonably necessary for the care, protection, maintenance and operation of the Project and the prevention of waste, damage or injury thereto.

(g) Establish and maintain complete and orderly files containing correspondence, rent records, payroll records, leases, receipts, unpaid bills, vouchers and all other documents and papers pertaining to the Project and the management and operation thereof; all of which shall be and remain the property of Owner and shall be available to Owner and its representatives for inspection during the Term at any time during regular business hours, provided that Owner delivers to Manager at least two (2) business days' prior written notice thereof.

(h) Establish and maintain accurate and complete books of account with proper entries of all receipts, income and disbursements pertaining to the Project, recorded using Owner's preferred accounting method. These books of account shall be and remain the property of Owner and shall be available to Owner and its representative for inspection during the Term at any time during regular business hours, provided that Owner delivers to Manager at least two (2) business days' advance written notice thereof.

(i) By the 15th day of each month, deliver to the Owner the reports specified on Schedule 1 (attached hereto) for the previous month. All reports will be prepared and transmitted to the Owner in an electronic format, unless otherwise specified by Owner.

(j) Review all bills and statements received for services, work, supplies and other expenditures for the maintenance and operation of the Project and, subject to Owner's obligation to provide funds to pay expenses, pay or cause to be paid in a timely fashion all expenses specified in the Approved Budget and all other expenses approved by Owner.

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Owner

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Manager

(k) On the basis of an operating schedule, job standards and wage rates approved by Owner, investigate, hire, pay, supervise and discharge the personnel necessary to be employed to maintain and operate the Project.

(l) Maintain businesslike relations with the residents, whose service requests shall be received, considered and recorded in systematic fashion to show the action taken with respect thereto. Complaints of a serious nature shall, after investigation, be reported to Owner with appropriate recommendations.

(m) Promptly after becoming actually aware of the need thereof, take such actions as may be necessary to comply with all laws, orders and other legal requirements affecting the Project imposed by any federal, state, county, or municipal authority having jurisdiction thereover. Owner acknowledges Manager is not an expert or consultant regarding the Project's compliance with such requirements; accordingly, Manager's obligations hereunder shall be limited to taking action with respect to matters of which Manager is actually aware do not comply with such requirements.

Manager does not and shall not have any responsibility to provide security or alarm services or amenities to the Project or to advise Owner with respect to the need for such services or amenities. Owner acknowledges that, it is Owner's sole responsibility to implement any security services or amenities. Owner further acknowledges that it is Owner's responsibility to provide necessary funding to Manager to comply with any and all laws relating to the operation or management of the Project and that Manager recommends that Owner provide necessary funding for (which may include items necessary to comply with applicable laws in certain jurisdictions): (1) deactivation of all master keyed locks, including destruction of all master keys, (2) installation of deadbolt locks on exterior doors, (3) installation of pin locks on sliding glass doors, (4) installation of keyless deadbolts on exterior doors, (5) installation of any missing or non-working window latches and smoke alarms (6) change of keyed locks in units immediately prior to move-in of new residents, and (7) change of keyed locks in a unit after any reported unauthorized entry of that unit.

5. **Environmental Risk Management.** Notwithstanding anything to the contrary contained herein, Owner acknowledges and understands that Manager is not responsible to (1) evaluate the presence or absence of hazardous or toxic substances, mold, waste, materials, electromagnetic field, radon, or radioactive materials upon, within, above, or beneath the Project; (2) maintain or evaluate compliance with environmental, hazardous or solid materials or waste laws, rules and regulations; or (3) conduct or ensure clean-up or remediation of hazardous materials spills or contamination.

(a) Accordingly, Manager's obligations to Owner with respect to the presence of hazardous or toxic substances, mold, waste (including solid waste) gas, liquid, materials, electromagnetic fields, radon, lead, asbestos, radioactive materials, or other environmental concerns upon, within, above, or beneath the Project (hereinafter collectively "Hazardous Materials"), and/or with the compliance and enforcement of federal, state, and local laws, rules, regulations, directives, ordinances, and requirements relating to Hazardous Materials (hereinafter

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4

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collectively "Hazardous Materials Laws") shall be subject to, conditioned upon, and limited by the following:

(i) To the extent desired by Owner, Owner shall, at Owner's sole discretion and expense, obtain from an independent environmental consultant retained by Owner, and acceptable to Manager, an environmental assessment report on the Project, and shall have such assessment report periodically updated by such environmental consultant based upon the consultant's inspections of the Project, including resident spaces. The environmental assessment report and all updates thereto shall be delivered to Owner and Manager, and shall include evaluations by the consultant as to whether the Project or any resident's space is in violation of any Hazardous Materials Laws or whether the Project or any resident's space is one in which a specific disclosure regarding Hazardous Materials must be made.

(ii) In no event will Manager make an independent determination as to the presence or absence of Hazardous Materials, or whether the Project or any particular resident space is in violation or compliance with any Hazardous Materials Laws. Manager may seek, on Owner's behalf and at Owner's expense, to enforce a resident's compliance with any Hazardous Materials Laws in accordance with the environmental consultant's recommendations contained in the environmental assessment report. Manager shall not, and shall have no obligation to, determine whether or not Owner, any residents, the Project, or any portion thereof is in compliance with Hazardous Materials Laws.

(iii) Manager shall have absolutely no responsibility or obligation with respect to the abatement, clean-up or remediation of any spill of or contamination from any Hazardous Materials upon, beneath, or within all, or any portion, of the Project, and the entire responsibility for such clean-up, abatement, or remediation shall lie with Owner and Owner's environmental consultant. Owner agrees that, with respect to any abatement, clean-up or remedial action, Owner shall employ a qualified and licensed environmental clean-up company to undertake such clean-up and remediation, and Owner's environmental consultant shall oversee the entire abatement, clean-up and remediation process and the obtaining of any required governmental approvals. If the clean-up or remediation is the responsibility of any resident of the Project and/or Owner's environmental consultant, Manager shall, on Owner's behalf, require the resident to utilize qualified and licensed environmental clean-up companies and that the clean-up and remediation is conducted to Owner's satisfaction and in accordance with all Hazardous Materials Laws, governmental laws and approvals of which Manager is aware.

(iv) In connection with the foregoing, Owner hereby agrees to and shall indemnify, protect, defend, save, and hold harmless Manager, its affiliates and each of their respective officers, directors, representatives, agents, principals, partners, members, shareholders, agents, contractors, insurers and employees, and their respective successors and assigns (the "**Manager Indemnified Parties**") from any claim, cause of action, liability, loss, demand, damages (including damages associated with any environmental law), fine, penalty, injury, cost, or expense (including attorney's fees and expenses) arising out of or relating in any way to (1) the actions, or failure to act, by Manager in following Owner's and Owner's environmental consultant's directions; (2) Owner's failure or refusal to employ an environmental

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consultant with respect to the Project (and in such event, Manager shall have absolutely no responsibility or liability for enforcing compliance with Hazardous Materials Laws at the Project, and Owner specifically releases Manager there from); (3) the failure of Owner to authorize and fully fund expenses for the fulfillment of the recommendations contained in any environmental assessment reports and any updates; (4) the acts, omissions, or negligence of Owner, Owner's environmental consultant, or the failure of such environmental consultant, to fulfill its obligations with respect to the Project; (5) any violation, or alleged violation, of all, or any portion, of the Project with any Hazardous Materials Laws and/or Manager's efforts to enforce the Project's compliance with such laws; (6) any attempt by any person, group, entity, or governmental agency to designate Manager as "operator" or "regulated facility" under the Resource Conservation and Recovery Act (RCRA), or a Potentially Responsible Party (PRP) under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), or otherwise liable as a party under any other environmental law, or as a party in any claim for contribution, cost recovery or indemnity against Manager, or its insurer arising out of the foregoing; and (7) any condition or circumstance arising initially prior to the date of this Agreement (regardless of whether such condition or circumstance continues).

(b) The indemnities herein shall be immediately vested and shall survive the expiration or termination of this Agreement.

(c) Owner has provided Manager a copy of its most current Phase I survey covering the Project (which was conducted within the prior three (3) year period) and has implemented or will implement within thirty (30) days of the Effective Date an operations and maintenance program consistent with market standards. Owner will provide Manager with copies of any subsequent Phase I survey documents and changes to the operations and maintenance program.

6. Maintenance and Disbursement of Funds.

(a) **Operating Account:** Manager shall establish and maintain, in a bank in which deposits are insured by the Federal Deposit Insurance Corporation and in a manner to indicate the custodial nature thereof, a separate bank account (the "**Operating Account**") as an agent of Owner for the deposit of the monies of Owner. Manager may withdraw funds from the Operating Account to discharge any liabilities or obligations incurred for the Project pursuant to this Agreement, including payment of Manager's compensation. Owner shall provide sufficient funds to ensure that the Operating Account shall at all times contain funds equivalent to ten thousand (\$10,000) dollars (represents one month estimated minimum management fee plus one month estimated on-site payroll expense). If anticipated disbursements shall in any given month be in excess of the anticipated revenues, Owner shall advance such funds as are required to meet the Project obligations, including Manager's compensation, within ten (10) days after Manager's request. Under no circumstance shall Manager be required to advance funds on behalf of Owner. Manager's obligations under this Agreement relating to the maintenance, operation, management and servicing (including making payments under contracts and, if applicable, mortgage payments, escrow payments, and tax payments) of the Project are subject to there being adequate funds, either provided by Project

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Owner

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Manager

revenues or by Owner, to perform such obligations. If there are insufficient funds to pay all of the operating expenses of the Project, then Manager may pay the Employee Burden (defined in Section 9 below) before paying other operating expenses of the Project.

(b) **Security Deposit Account**: Should the law require that tenant security deposits be separately maintained, Manager shall establish and maintain, as an agent of Owner, a separate account at a bank approved by Owner (the "**Security Deposit Account**"). Such account shall be maintained in accordance with applicable law and shall be used only for maintaining tenant security deposits for the Project. Manager shall maintain detailed records of all security deposits deposited in such account, and such records shall be open for inspection by Owner's employees or appointees. Manager shall comply with all applicable laws with respect to all security deposits, including, without limitation, the giving of any and all notices and the payment of all interest, if any, legally required with respect to such security deposits.

7. **Compensation**. Owner shall pay Manager the following fees, as applicable:

(a) A management fee equal to the greater of three and one quarter (3.25%) percent of the Gross Collections or five thousand (\$5,500) dollars per month (the "**Base Fee**"). The Base Fee shall be payable, in arrears, on (1) the earlier of the books of account close-out date for each month and the last day of each month, and (2) the last day of the Term.

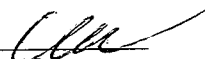
(b) Reimbursement of all operating expenses and direct costs associated with the operation of the Project, including, but not limited to, data processing expenses, travel for on-site personnel, long distance charges, postage, delivery charges, copy charges, software licensing, computer set-up, email hosting, employee training and data storage expenses directly related to the operation of the Project.

(c) A service fee to complete any significant or material services and reports that are not specifically outlined herein, should Owner request such services or reports, the amount of which shall be agreed upon by Owner and Manager at the time such request is made.

(d) A construction supervision fee for supervising construction, renovation, or deferred maintenance work at the Project. The construction supervision services and corresponding fee shall be agreed upon by Owner and Manager prior to commencement of any such services and shall be payable monthly, based on the percentage of completion of the work. Notwithstanding the foregoing, the terms and scope of any construction supervision services shall be mutually agreed upon by Owner and Manager prior to commencement of such services.

(e) A close-out fee equivalent to Fifty and No/100 (50.00%) percent of the last month's full management fee for providing any services to be performed by Manager, if and to the extent requested by Owner, for more than thirty (30) days after the termination of this Agreement, including, but not limited to: entering invoices and cutting checks, recording post-

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Manager

closing entries and preparing financial statements, reconciling bank statements and consulting with tax preparers or auditors.

If any sales tax or other tax (except federal and state income tax) is imposed on any of the fees, commissions, reimbursements or other compensation payable to Manager or its affiliates hereunder, then Owner shall pay such tax.

Additional details regarding Manager's compensation, fees and reimbursements are set forth in Schedule 2 (attached hereto).

8. Responsibilities of Owner.

8.1 Information to be Supplied to Manager. To facilitate the efficient operation of the Project, Owner shall provide to Manager such information, documents and certificates regarding the Project as Manager shall reasonably request and as Owner has in its possession, including, but not limited to, the following, to the extent available:

- (a) A current and complete rent roll.
- (b) An operating budget and capital budget for the past and current calendar year.
- (c) Income cash flow report and variances from the budgets for the prior and current calendar year.
- (d) Intentionally reserved.
- (e) Copies of lease documents and correspondence related thereto for all leases currently in force.
- (f) All leases currently in dispute or litigation.
- (g) All files on any litigation and/or disputes regarding any and all matters, including, but not limited to: equipment, furnishings, real property, easements, taxes, third party contracts, employer-employee relations, and the like.
- (h) Legal descriptions of the Project and any improvements.
- (i) Mortgagees' names and addresses, lien holders, loan payment information and the like.
- (j) Site plans and specifications.
- (k) An inventory of Owner's personal property at the Project, including all tools, equipment and supplies.

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Manager

- (l) A list of all vendors.
- (m) All pertinent books and records relating to the management, operation and leasing of the Project.
- (n) All third party contracts in force.
- (o) All insurance policies on the Project and schedules of Owner's current and past insurance policies.
- (p) Procedures for reporting claims and evaluating safety and loss prevention conditions.

The above and any and all books and records are and shall remain the property of Owner but shall be made available to Manager for its use and knowledge in assuming the duties and responsibilities of Manager under this Agreement.

8.2 Owner's Obligations. Throughout the Term of this Agreement, Owner agrees to do the following:

- (a) Furnish Manager, at Owner's sole cost and expense, (i) an on-site office, together with necessary furniture, fixtures and equipment (including printers, copiers, phones, office supplies and fax machines) at the Project for Manager's sole use that is suitable for the performance of Manager's duties hereunder, and (ii) computer equipment and software systems suitable for the performance of Manager's duties hereunder, including, but not limited to, properly licensed MS Office 2007 or above on all PC's. In addition, Owner shall, at Owners' sole cost and expense, provide technical support services and such connections as are necessary to allow Manager to access Manager's central corporate server.
- (b) Pay Manager for its services in the amounts and in the manner and at the times described in this Agreement.
- (c) Promptly reimburse Manager, upon written demand, to the full extent of all funds advanced by Manager for Owner's account in carrying out the terms and conditions of this Agreement.
- (d) Communicate with Manager through Manager's designated contact person(s) for the Project.
- (e) Maintain adequate funds in the Bank Account to fund all expenditures to be made by Manager pursuant to the terms of this Agreement.

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Owner

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Manager

- (f) Disclose promptly to Manager, upon Manager's request, the property and liability loss history of the Project as set forth in the records of Owner and Owner's insurance carriers.
- (g) Disclose promptly to Manager, in writing, any unresolved past or present claims, conditions, or occurrences which may become future claims, conditions, or occurrences which would not be covered by insurance policies maintained by Owner, including those policies required to be maintained by Owner under this Agreement.
- (h) Promptly inform Manager in writing of the existence on the Project of any structural defect which causes or threatens to cause a nuisance upon the Project or adjacent properties or poses or threatens to pose any hazard to the health or safety of any persons on or about the Project. Owner further agrees to correct or otherwise repair, at Owner's sole expense, any such structural defect within a reasonable time after informing Manager or being informed of the existence of any such defect.
- (i) Promptly inform Manager in writing of the existence on the Project of any Hazardous Material, the presence of which either:
 - (1) Requires investigation or remediation under any federal, state, or local laws, rules, codes, statutes, regulations, orders, notices, determinations, ordinances, or other requirements; or
 - (2) Causes or threatens to cause a nuisance upon the Project or adjacent properties or poses or threatens to pose any hazard to the health and safety of any persons on or about the Project.
- (j) Promptly take, at Owner's sole expense, all measures, including without limitation, the commission of inspections, tests, studies, and remediation activities to insure that the Project complies with all federal, state, or local laws, rules, codes, statutes, regulations, orders, notices, determinations, ordinances, or any other requirements relating to any such Hazardous Materials. Furthermore, Owner, at Owner's sole expense, shall obtain and maintain and require all contractors and consultants to obtain and maintain liability insurance in an amount sufficient to adequately insure against any identified or suspected environmental hazard at the Project or any other hazards relating to any such inspections, test, studies, and remediation activities. All such liability policies shall name Manager as an additional insured. Manager shall be entitled to receive certified copies of all such policies upon request.
- (k) Promptly comply with and abide by, at Owner's sole expense, all laws, rules, codes, statutes, regulations, orders, notices, determinations, ordinances, and any other requirements of any federal, state, municipal or other governmental authority, now in force or which may hereafter be in force, relating to the Project.

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Owner

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Manager

- (l) Not make any payments, whether for commissions, bonuses or other reasons, directly to Manager's employees.

9. **Management Personnel.** Manager shall hire and/or retain by contract, in its name or that of its affiliates, all personnel necessary to fulfill its obligations hereunder. Owner may review and approve a schedule of personnel required to reasonably operate the Project from time to time as requested by Owner ("**Project Staff**"). Owner shall reimburse to Manager, as an operating expense, an amount for Project Staff in accordance with the Approved Budget (collectively, "**Employee Burden**"). Owner acknowledges the amounts set forth on the Approved Budget are agreed-upon amounts for the items set forth therein. Such amounts may include compensation to Manager for assuming employee-related liabilities and administrative burden in connection with the Project Staff.

10. **Insurance.**

(a) It is the intention of the parties hereto to secure the broadest and most cost-effective insurance available to insure, defend and protect Owner and Manager in the operation, improvement and enhancement of the Project, including any project or construction management services performed relating to the Project. This has customarily been accomplished by insuring both parties under the same policy and/or policies of insurance. Thus, Owner shall maintain, at its expense, during the Term of this Agreement:

(i) "All-risk" direct damage property insurance on replacement cost terms for the full value of the structure and improvements, including builder's risk insurance and demolition, debris removal, loss adjustment expense, and increased cost coverage where applicable, to cover physical loss or damage to the Project from all perils, including but not limited to fire, flood, windstorm, earthquake, equipment breakdown, vandalism and malicious mischief;

(ii) Commercial general liability insurance, on an occurrence (not claims - made) form, in an amount not less than ten million (\$10,000,000) dollars each occurrence with respect to the Project and covering third-party personal injury, property damage, and bodily injury (including death). Such limits may be achieved through the purchase of an Excess or Umbrella insurance policy. Owner shall ensure that such commercial general liability insurance extends coverage for occurrences and offenses arising out of the Manager's own conduct and does not limit coverage to occurrences or offenses arising out of the Owner's conduct. Owner shall ensure that the definition of "insured contract" under such commercial general liability insurance encompasses this Agreement.

(iii) Loss of rental income, business interruption and extra expense coverage or similar insurance protecting against lost income due to damage to the Project; and

(iv) Boiler and machinery insurance covering the building, fixtures and equipment located at the Project for mechanical failure or explosion of pipes or boilers (such insurance to include loss of use coverage/business interruption due to such failures).

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Owner

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Manager

During the Term of this Agreement, all policies providing the coverages set forth in (i) through (iv) above shall waive all the insurer's and insureds' individual and/or mutual rights of subrogation against Manager and its affiliates and their respective employees, insurers, shareholders and authorized agents, and shall include Manager and its employees (within the scope and course of their employment) as insureds by definition or endorsement. Owner shall furnish Manager copies of all policies evidencing that such insurance is in force as of the Effective Date or such date as services are performed by Manager, whichever is earlier. In the event that corrections need to be made to any polic(ies), Owner shall cooperate with the Manager to ensure that all corrections are made in a timely manner at the Owner's expense. Owner shall make no material change to any policy without ten (10) days prior written notice to the Manager. All policies shall be placed with insurers authorized to do business in the state where the Project is located, having a rating of A-VIII or better as reported by Best's Property & Casualty Reports Key Rating Guide for the most current reporting period. Such insurance shall in all respects be the primary insurance for claims arising at or on the Project and any policy of Manager shall be excess and non-contributing in all respects. To the extent Owner incurs any deductibles or self-insured retentions to reduce or mitigate premium or risk cost, such deductibles or retentions will be incurred wholly for the account of Owner only and, with respect to Manager, will be treated as though it were first-dollar insurance. To the extent that Owner or the Project has insurance covering any actual or potential environmental or flood, wind or other disaster liability at the Project, Owner shall include either (1) a waiver of subrogation against Manager and its affiliates and their respective employees, insurers, shareholders and authorized agents; or (2) have Manager and its employees (within the scope and course of their employment) added as additional insureds to such policy(ies). All policies will provide Manager with an unconditional right of thirty (30) days' prior written notice of the insurer's decision to cancel (ten (10) days' notice, if cancellation is for non-payment of premium).

(b) Upon Owner's request, Manager shall refer Owner to a qualified insurance agent or broker to assist Owner in procuring such property, liability or other related insurance for Owner relating to the Project, at Owner's sole expense, with both Owner and Manager covered as insured parties thereunder. In connection with any such referral, Owner acknowledges that (i) Manager does not provide a guaranty for the types or amounts of insurance provided under any issued policies, (ii) Manager is not responsible for the financial viability of the insurance company issuing any such policies and (iii) Manager or an affiliate thereof may receive a third party referral fee or other profits in connection with the arrangement.

(c) Manager and Owner shall use commercially reasonable efforts at all times to comply with all warranties, terms, and conditions of Owner's insurance. Manager shall notify Owner within forty-eight (48) hours after Manager receives actual notice of any loss, damage, or injury, which in Manager's opinion may result in a claim under such insurance and shall not take any action which knowingly might prejudice Owner in its defense to any claim based on such loss, damage, or injury.

(d) During the Term of this Agreement, Manager shall maintain the following insurance for its business operations:

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Owner

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Manager

INSURANCE

Workers' Compensation
And Employers' Liability

LIMITS

Coverage A:

Limits required by statute in the state where the Project is located and where Manager has employees performing services pursuant to this Agreement.

Coverage B:

\$500,000 Bodily Injury by Accident (Each Accident)
\$500,000 Bodily Injury by Disease (Policy Limit)
\$500,000 Bodily Injury by Disease (Each Employee)

Commercial
General Liability Insurance

\$1,000,000 per occurrence/ \$2,000,000 aggregate

Business Automobile
(Single Limit Bodily Injury
and Property Damage)

\$1,000,000 per accident

Fidelity /Crime

\$1,000,000 per occurrence

Upon written request, Manager shall furnish Owner certificates of insurance evidencing the insurance coverage required under this subsection. Such certificates shall be issued by the insurer(s) or its authorized agent(s) and shall provide that Owner will be given thirty (30) days prior written notice of cancellation in Manager's coverage by underwriters or ten (10) days notice if cancelled for non-payment of premium. Except for workers' compensation or as otherwise set forth in the Approved Budget, all insurance policies of Manager required in this Section 10(d) shall be at Manager's sole cost. Manager may maintain such coverage through the use of "blanket coverage." In cases where Owner and Manager maintain insurance policies that duplicate coverage for the Project, then Owner's policies shall provide in all respects primary coverage, without regard to any "other insurance" clauses, and Manager's insurance shall be excess and noncontributing insurance.

(e) Contractors' and Subcontractors' Insurance.

(i) Except as provided hereafter, Manager shall require from contractors, subcontractors and vendors hired to perform work at the Project the following insurance, in the following minimum amounts:

INSURANCE

Workers' Compensation

MINIMUM LIMITS

As required by law in the state where the property is located and where any operations relating to the contract are located, with waiver of subrogation against Owner and Manager.

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Owner

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Manager

Employer's Liability	\$1,000,000 each accident and as to aggregate limits
Commercial General Liability*	\$1,000,000 per occurrence/\$2,000,000 aggregate
Excess/Umbrella Liability*	\$1,000,000 per occurrence
Comprehensive Auto Liability*	\$1,000,000 (any auto/owned/non-owned/hired)

*The intent is that these coverages shall be primary as to Owner and to Manager and will cover Owner and Manager as distinct insured parties for any allegation, claim, loss, damage, demand, or judgment, or other causes of action arising out of their presence or out of the contractors' or subcontractor's presence upon or out of operations or operations or work done at the Project by the contractor or subcontractor for or on behalf of Owner and Manager. Owner and Manager shall be named as additional insureds on such all general liability policies both for operations and, to the extent available in the insurance market, for completed operations of the named insured for as long as Owner or Manager may be exposed to loss arising out of such operations.

(ii) These insurance policies shall be written on an "occurrence" and not "claims-made" form basis. If contractor's work involves hazardous materials or environmental abatement work, contractor will be required to provide evidence of Contractor's Pollution Liability, with Owner and Manager as additional insureds. If the contractor's work involves professional design or engineering, special evidence of design professional liability (also known as E&O) coverage will also be required.

(iii) Owner or Manager may require additional coverage and may waive certain limits or requirements on a case-by-case basis. Manager shall require each contractor or subcontractor to submit Certificates of Insurance and endorsements in form and substance satisfactory to Owner or Manager as evidence of the coverages required. If Contractor's insurance is provided by means of a so-called "blanket policy," the aggregate must apply per project, or per location. All such policies shall be issued by insurers with a Best's rating of A-VIII or higher as reported in the most recent Property & Casualty Reports Key Rating Guide edition.

11. Indemnification and Subrogation

11.1 Indemnification.

(a) Owner shall indemnify, defend (using counsel acceptable to Manager) and hold harmless Manager and each of the Manager Indemnified Parties, from and against any and all liabilities, obligations, claims, losses, causes of action, suits, proceedings, awards, judgments, settlements, demands, damages, costs, expenses, fines, penalties and fees (including without limitation the fees, expenses, disbursements and costs of attorneys and advisors) (as used in this Article 11, "Claims") to the extent attributable to or resulting in any way from or in connection with the Project, the management of the Project, or the performance or exercise by Manager of the duties, obligations, powers, or authorities herein, or hereafter granted to Manager, except to

Initials *CLC*
Owner

Initials _____
Manager

the extent Manager is obligated to indemnify Owner pursuant to Section 11.1(b) below. It is expressly understood by Owner that this contractual provision is not a mere recitation and this provision expressly requires Owner to defend and indemnify Manager for all activity undertaken pursuant to this Agreement, including, but not limited to, the obligation to defend and indemnify Manager for Manager's own negligence. It is the intent of this provision to provide Manager with the broadest enforceable entitlement to indemnification and defense for its activities undertaken pursuant to this Agreement. Owner hereby acknowledges this express undertaking and indemnity obligation.

(b) Manager shall indemnify and hold harmless Owner and its affiliates and each of their respective officers, directors, employees, stockholders, partners, agents and representatives, and each of their respective successors and assigns, from and against any and all Claims to the extent attributable to (i) any acts or omissions of Manager, or any Manager Indemnified Party which have been held to be grossly negligent and are not otherwise insured under property or liability policies, including deductibles and retentions, required to be maintained by Owner, or (ii) any acts of Manager, its agents or employees that are beyond the scope of Manager's authority hereunder. However, it is agreed that, under no circumstances shall Manager be held liable to Owner or to any other party for loss or damage arising out of alleged or actual terrorist acts.

(c) "Indemnified Party" and "Indemnitor" shall mean Manager and Owner, respectively, as to Section 11.1(a) and shall mean Owner and Manager, respectively, as to Section 11.1(b). If any action or proceeding is brought against the Indemnified Party with respect to which indemnity may be sought under this Section 11.1, the Indemnitor, upon written notice from the Indemnified Party, shall assume the investigation and defense thereof, including the employment of counsel and payment of all reasonable expenses. The Indemnified Party shall have the right to employ separate counsel in any such action or proceeding and to participate in the defense thereof, but the Indemnitor shall not be required to pay the fees and expenses of such separate counsel, unless such separate counsel is employed with the written approval and consent of the Indemnitor.

Any and all indemnity obligations contained herein shall survive the expiration or termination of this Agreement by any party and are not extinguished as a result of this expiration or termination, regardless of the circumstances of termination.

11.2 Waiver of Claims.

(a) Notwithstanding anything to the contrary contained herein, with the exception of the indemnity obligation described in Section 11 of this Agreement, Owner and Manager each hereby waive and release one another of and from any and all right of recovery, claim, action, or cause of action against the other and its respective agents, officers and employees for any losses or damage that are insured against or required to be insured against under this Agreement or with respect to the Project. Such waiver shall apply regardless of whether the loss or claim is caused in whole or in part by the acts or omissions of a released party, and regardless of whether the waiving party maintains a third party policy against, or self-insures, all or any portion of the risks required to be insured against hereunder. Owner and

Initials
Owner

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Manager

Manager each agree to make such disclosure to its insurance carrier(s) and to use best efforts to obtain any necessary consents or endorsements to effect the foregoing mutual waivers and prevent any invalidation of the insurance coverages by reason of such waivers.

(b) Notwithstanding anything to the contrary contained herein, neither Owner nor Manager shall be liable for any lost or prospective profits or any other indirect, consequential, special, incidental, punitive or other exemplary losses or damages, whether in tort, contract or otherwise, regardless of the foreseeability or the cause thereof, that would not otherwise be covered under the standard liability or property insurance forms required of the parties hereunder.

(c) For the purposes of this Section 11, the term "Owner" shall be construed as meaning Owner, Owner's Representative and Owner's Asset Manager, and their respective affiliates, directors, officers, employees, agents and representatives.

12. **Default.** Except as otherwise provided herein, if either party defaults in performance of any of its obligations hereunder, which default continues for a period of ten (10) days in the case of monetary defaults and thirty (30) days in the case of non-monetary defaults, after receiving written notice thereof, then the non-defaulting party, in addition to pursuing all other rights, remedies and recourses available by law, may terminate this Agreement by written notice to the other party. In the case of non-monetary defaults, if within the thirty (30)-day cure period, the defaulting party diligently pursues a cure of the default, then, while the defaulting party continues to diligently pursue a cure, the defaulting party will have a reasonable period to cure such default (not to exceed ninety (90) additional days) during which it may cure the default.

13. **Effect of Termination.** At the termination of this Agreement, the following shall occur:

(a) Manager shall promptly deliver to Owner all books, computer data and records in Manager's possession relating to the Project (provided that Owner shall permit Manager access thereto for a period of two (2) years after the termination date or as otherwise necessary in any judicial or arbitration proceeding), all keys to the Project, and all other items of personal property owned by Owner and in Manager's possession.

(b) Manager shall vacate any space in the Project except as occupied under separate lease with Owner.

(c) The relationship created under this Agreement will cease, and Manager will have no further right and authority to act for Owner.

(d) Owner shall remain liable for and assume all obligations relating to the Project, including obligations under contracts executed by Manager in accordance with this Agreement.

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Owner

Initials
Manager

(e) Manager shall have no obligation to maintain any books or records relating to the Project for more than thirty (30) days after the termination of this Agreement, unless Manager is required by law to maintain the books and records for a longer period, in which case, Manager shall maintain such books and records for the duration required by law, subject to receiving compensation for such services as outlined in section 7(e).

14. Arbitration.

(a) General. Any dispute between Owner and Manager as to the interpretation of this Agreement or the rights and obligations of any party hereto shall be resolved through binding arbitration as hereinafter provided.

(b) Selection of Arbitrator. If arbitration is required to resolve a dispute hereunder, either party may notify the office of the American Arbitration Association ("AAA") in the city and state in which the Project is located, as indicated in Section 1 of this agreement, and request AAA to select one person, who has at least five years of property management experience, to act as the arbitrator for resolution of the dispute.

(c) Rules of Arbitration. The arbitrator selected pursuant to Section 14(b) will establish the rules for proceeding with the arbitration of the dispute, which will be binding upon all parties to the arbitration proceeding. The arbitrator may use the rules of the AAA for commercial arbitration, but is encouraged to adopt the rules the arbitrator deems appropriate to accomplish the arbitration in the quickest and least expensive manner possible. Accordingly, the arbitrator may (1) dispense with any formal rules of evidence and allow hearsay testimony so as to limit the number of witnesses required, (2) minimize discovery procedures as the arbitrator deems appropriate, (3) limit the time for presentation of any party's case as well as the amount of information or number of witnesses to be presented in connection with any hearing, and (4) impose any other rules which the arbitrator believes appropriate to effect a resolution of the dispute as quickly and inexpensively as possible. In any event, the arbitrator (A) shall permit each side no more than two depositions (including any deposition of experts), which depositions may not exceed four hours each, one set of ten interrogatories (inclusive of sub-parts) and one set of five document requests (inclusive of sub-parts), (B) shall not permit any requests for admissions, (C) shall limit the hearing, if any, to two days, and (D) shall render his or her decision within sixty (60) days of the filing of the arbitration.

(d) Costs of Arbitration. The arbitrator will have the exclusive authority to determine and award costs of arbitration and the costs incurred by any party for its attorneys, advisors and consultants.

(e) Award of Arbitrator. Any award made by the arbitrator shall be binding on all parties to the arbitration and shall be enforceable to the fullest extent of the law.

(f) Governing Law; Actual Damages; Etc. In reaching any determination or award, the arbitrator will apply the laws of the state in which the Project is located without giving effect to any principles of conflict of laws under the laws of that state. Except as permitted under Section 14(d), the arbitrator's award will be limited to actual damages

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Owner

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Manager

and will not include consequential, punitive or exemplary damages. Nothing contained in this Agreement will be deemed to give the arbitrator any authority, power or right to alter, change, amend, modify, add to or subtract from any of the provisions of this Agreement. All privileges under state and federal law, including attorney-client work product and party communication privileges, shall be preserved and protected. All experts engaged by a party must be disclosed to the other party within fifteen (15) days after the date of notice and demand for arbitration is given.

15. Notices. Any notices, demands, consents, approvals and other communications necessary or provided for under this Agreement shall be in writing and shall be addressed as follows, or at such other address as Owner and Manager individually may specify hereafter in writing:

Manager: GREP Dallas, L.P
Attn: Toni Reeves
600 E. Las Colinas Blvd., Suite 2100
Irving, Texas 75039
(496) 955-0040-Phone
(972)-444-2112-Fax

Owner: Carl Clark
Lentz Clark Deines PA
9260 Glenwood
Overland Park, KS 66212
Phone: 913.648.0688
Fax: 913.648.0664
E-mail: cclark@lcdlaw.com

Such notice or other communication shall be sent (a) via hand delivery, or (b) mailed by United States registered or certified mail, return receipt requested, postage prepaid, or (c) by a nationally recognized overnight delivery service (such as FedEx or UPS), or (d) via telecopy (provided that a copy of such notice is also delivered within 24 hours by one of the other methods listed herein). Such notice or other communication delivered by hand, by telecopy, or overnight delivery service shall be deemed received on the date of delivery and, if mailed, shall be deemed received upon the earlier of actual receipt or Forty-Eight (48) hours after having been deposited in the United States mail as provided herein.

16. Miscellaneous.

16.1 Severability. Each provision of this Agreement is intended to be severable. If any term or provision hereof or the application thereof to any party or circumstance shall be determined by a court of competent jurisdiction to be illegal or unenforceable for any reason whatsoever, such term, provision or application thereof shall be severed from this Agreement and shall not affect

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Owner

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Manager

the validity of the remainder of this Agreement or the application of such term or provision to any other party or circumstance.

16.2 Waiver. No consent or waiver, express or implied, by either party to or of any breach or default by the other party in the performance of its obligations hereunder, shall be valid unless in writing. No such consent or waiver shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such other party of any other obligations of such party hereunder. The failure of any party to declare the other party in default shall not constitute a waiver by such party of its rights hereunder, irrespective of how long such failure continues. The granting of any consent or approval in any one instance by or on behalf of Owner shall not be construed to waive or limit the need for such consent in any other or subsequent instance.

16.3 Confidentiality. Except as otherwise required by any law or court order, or as authorized or permitted by Owner and Manager, Owner and Manager shall not disclose or permit the disclosure of the terms and contents of this Agreement to anyone other than their respective employees, agents, or attorneys. The provisions of this Section 16.3 shall survive the expiration and termination of this Agreement.

16.4 Remedies Cumulative. No remedy herein contained or otherwise conferred upon or reserved to Owner shall be considered exclusive of any other remedy, but such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law, in equity or by statute. Every power and remedy given by this Agreement to Owner may be exercised from time to time and as often as occasion may arise or as may be deemed expedient.

16.5 Force Majeure; Cure Rights. The obligations of Owner and of Manager under this Agreement (except the obligation of Owner to provide funds to Manager for the timely payment of fees and expenses of Manager and expenses of the Property to be paid by Manager on behalf of Owner pursuant to this Agreement) shall be excused for that period of time that Owner or Manager, as applicable, cannot fulfill such obligations by reason of delays beyond its control, including without limitation acts of God, inclement weather, war, insurrection, terrorists acts, labor strikes, inability to obtain necessary materials or supplies, inability to obtain necessary permits, licenses or approvals, or any other event commonly included within the definition of force majeure.

16.6 Entire Agreement; No Implied Duties. This Agreement contains the entire agreement between the parties and supersedes all prior oral or written agreements, understandings, representations and covenants. The parties hereto acknowledge and agree that there are no implied duties or obligations imposed upon any party to this Agreement and the only duties and obligations of the parties to this Agreement are those that are expressly set forth in this Agreement.

16.7 Interpretation. No provision of this agreement shall be construed against or interpreted to the disadvantage of either Owner or Manager by any court or other governmental, judicial or arbitral authority by reason of either Owner or Manager having, or being deemed to have,

Initials _____


Owner

19

Initials _____

Manager

structured or dictated such provision, the parties hereto acknowledging that the parties have jointly participated in the negotiation and preparation of this Agreement.

16.8 Amendment. This Agreement may not be amended or modified except by an agreement in writing signed by both parties hereto.

16.9 Headings. All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of the agreement.

16.10 Pronouns. The pronouns used in this Agreement shall be understood and construed to apply whether the applicable person be an individual, partnership, corporation or other entity or an individual or individuals doing business under a firm or trade name.

16.11 Governing Law; Rule of Construction. This Agreement and the obligations of Owner and Manager shall be governed by, and construed and enforced in accordance with, the laws of the state where the Project is located.

16.12 Waiver of Jury Trial. Each party hereto, knowingly and voluntarily, and for their mutual benefit, waives any right to trial by jury in the event of litigation regarding the performance or enforcement of, or in any way related to, this Agreement.

16.13 OFAC. Owner and Manager each represent and warrant to the other (for themselves, only) that each is currently in compliance with, and shall at all times during the term of this Agreement (including any extension thereof) remain in compliance with, the regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) and any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action relating thereto.

16.14 Assignment. The rights and obligations of Manager or Owner hereunder may not be assigned without the prior written consent of the other. Provided, however, Manager may assign its rights and obligations to another party if such party (1) acquires all or substantially all of Manager's assets or all or substantially all of the assets of Manager's regional office through which the Project is being managed (the "Applicable Regional Office"), (2) is controlled by, is under common control with, or controls Manager or (3) is a party with Manager or the Applicable Regional Office in a merger, consolidation or other business combination and, in each case, assumes Manager's obligations arising hereunder from and after the date of the transaction. Manager shall be released from all liabilities hereunder after any such permitted assignment. This Agreement shall inure to the benefit of, and constitute a binding obligation upon, the parties hereto and their respective successors and permitted assigns.

16.15 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one single instrument.

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20

Initials

Manager

16.16 Authority. The undersigned parties have each been duly authorized and have all the requisite power to execute this Agreement on behalf of Owner and Manager, respectively.

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Owner

Initials _____
Manager

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and in the year first above written in multiple originals.

“MANAGER”

GREP Dallas, L.P.

a Delaware limited liability company

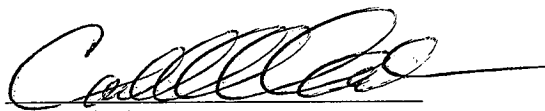
By: **GREP General Partner, LLC**
a Delaware Limited Liability Company
Its: General Partner

By: _____
Name: Toni Reeves
Title: Vice President

“OWNER”

**Carl Clark, as Judicial Receiver for
Moonlight Apartments, LLC**

a Kansas limited liability company

By: 
Name: Carl Clark
Title: Receiver

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Owner

Initials _____
Manager

Schedule 1 – Monthly Reports

1. Executive Summary
2. Budget Comparison Cash Flow - Current Month & YTD
3. Variance Report – Current Month
4. Balance Sheet
5. General Ledger
6. Check Summary Report
7. Payable – Aging Summary Report
8. Aged Receivables Report – Detail by Resident
9. Security Deposit Activity Report
6. Rent Roll with Lease Charges
11. Bank Statement
12. Bank Reconciliation

Initials


Owner

23

Initials

Manager

Schedule 2 – Additional Compensation

1. The expense reimbursements referenced in section 7.(b) are as follows for the initial term:

Education, Support, & Marketing (1)	Property Management Software (2)		Technology Services (3)	Other Costs (4)	Maintenance
Monthly	One-Time Setup	Monthly	Monthly	Office Supplies, Copies, Faxes, Postage	Monthly
\$275	\$1,000	\$250	\$80	\$102.90	Waived

1 Includes all onsite training provided by Greystar’s professional trainers, all software and operations training provided by Gemini Performance Solutions, including Fair Housing and Preventing Sexual Harassment training, as required by law, unlimited access to industry-related training via customized online training library and full Learning Management Service (LMS) support.

2 Yardi Accounting Software and Support (includes licensing, setup, training and support). Greystar custom reporting package included; additional custome reports are available at Owner’s expense.

3 Includes web-based e-mail accounts for all property office staff members, virus-protection, internet filtering, firewall and spyware protection for each property PC, Centralized, managed data storage of property files, unlimited phone support for technical issues, and use of Greystar’s RealBridge budget model.

4 Pass-through administrative expenses incurred by Greystar in support of property operations.

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Manager