

Date: _____

Cary Wenthur
Crest Net Lease, Inc.
600 La Terraza Boulevard
Escondido, California 92025

Re: _____

Dear Mr. Wenthur:

We are submitting a Letter of Intent on behalf of _____ (the "Buyer") for the purchase of the above-referenced property. The Buyer is interested in purchasing the property under the following terms and conditions:

PRICE: \$_____ ALL CASH; based on a cap rate of _____% on annual rent of \$_____.

DEPOSIT: Upon delivery of a fully executed Purchase and Sale Agreement by Seller to Buyer, Buyer will deposit \$25,000 to be held by escrow in an interest bearing account and to be increased to \$50,000 upon completion of the feasibility period. All interest earned shall accrue to the benefit of the buyer. The contract deposit plus interest is fully refundable if the Buyer does not approve all conditions of the contract within the stated time period.

TITLE & ESCROW: To be with a national title company of Seller's choice.

PURCHASE AGREEMENT: Within three (3) days from acceptance of the terms of this proposal, Seller will deliver to the Buyer a Purchase and Sale Agreement incorporating the terms and conditions of the sale.

DUE DILIGENCE ITEMS: Within five (5) days from acceptance of the terms of this proposal, Seller will deliver to the Buyer the following items:

1. Lease Agreement
2. Tenant's Insurance Certificates
3. Vesting Deed
4. Title Commitment & Exception Documents
5. ALTA Land Title Survey
6. Environmental inspection reports
7. Tenant's Certificate of Insurance
8. Tenant Estoppel Form
9. Tenant financials
10. Any other items that Buyer may reasonably request that are in Seller's possession

FEASIBILITY PERIOD:

The sale of the Property is subject to the following:

Buyer's approval of all due diligence items & physical inspection of the property within twenty-one (21) days from receipt of due diligence materials;

Upon written approval of all conditions, the full amount of the deposit will be non-refundable and released to the Seller. If Seller and Escrow do not receive written notice of Buyer's disapproval of any of the conditions within the stated time periods, all conditions shall be deemed satisfied.

FINANCING CONTINGENCY:

After the expiration of the feasibility period, Buyer shall have the right to terminate and receive the return of the deposit only if the Phase I, Property Condition Report or Appraisal fail to meet lender requirements.

CLOSING OF SALE:

The closing of the sale shall take place no later than _____.

CLOSING COSTS:

Seller and Buyer will pay for all costs, charges, fees, and expenses incurred in connection with the transaction in the amount that is usual and customary for the State and county where the property is located.

COMMISSION:

At close of escrow, Seller will pay a real estate commission of _____ (___%) percent of the sales price to _____.

1031 EXCHANGE:

Seller acknowledges that Buyer is involving this transaction in a 1031 tax deferred exchange. Seller agrees to accommodate the reasonable needs of Buyer's tax deferred exchange so long

as Seller does not incur any additional cost or liability.

REPRESENTATIONS:

Buyer shall purchase the Property "AS IS."

SITE VISIT:

Buyer agrees not to make contact or disturb tenant until site visit can be arranged with tenant by Seller. Buyer agrees to notify Seller five (5) business days prior to potential site visit so an appropriate point of contact with the tenant can be arranged.

If the terms of this Letter of Intent are acceptable, please acknowledge below. If we do not receive a response to this proposal prior to _____ at 5:00 p.m. PST, we will assume that your client has no interest in pursuing this transaction.

This letter is not intended to create a binding obligation but rather to set forth the general terms of the sale. There will be no binding obligation on the part of any party, unless and until all appropriate parties execute definitive documents.

If you have any questions, please feel free to contact me.

Sincerely,

Agreed to and Acknowledged by:

Buyer:

Cary Wenthur

Date:_____

Date:_____