NAME OF OFFEREE ____________________ **COPY NO. __________**

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

ECRV EAGLE PINNACLE MEDICAL, LLC

Address: 1040 and 1050 Eagles Landing Parkway, Stockbridge, Georgia 30281
100 Limited Liability Company Units at $56,100 Per Unit
Minimum Purchase: 0.4456 Units ($25,000)
Maximum Offering Amount: $5,610,000

ECRV Eagle Pinnacle Medical, LLC (also referred to herein as the "Company") is a newly-formed Delaware limited liability company formed to acquire and operate an undivided tenant in common interest in Eagle Medical Complex and Pinnacle 200, two contiguous medical office buildings containing in the aggregate approximately 79,387 square feet of leaseable space, located at 1040 and 1050 Eagles Landing Parkway, Stockbridge, Georgia 30281, a suburb of Atlanta. The Property is currently approximately 98.39% leased and is occupied by 15 tenants. See "Description of the Property." Capitalized terms used herein have the meanings set forth in "Glossary" below.

The Company will also sell undivided tenant in common interests in the Property to Purchasers. The Company anticipates that the Property will be acquired from an unrelated third party Seller on or about March 16, 2006 pursuant to that certain Acquisition Agreement dated December 9, 2005. The Acquisition Price to be paid to the Seller pursuant to the Acquisition Agreement is $16,500,000. The Company anticipates that a Loan in the original principal amount of approximately $12,375,000 will be obtained from SunTrust Bank to acquire the Property and to fund reserves. The Company will enter into or assume its pro rata share of the Loan. The Total Investment Cost the Company and other Purchasers of Interests will pay for their Interests (determined on a pro rata basis) will be $17,985,000 which includes: (i) the Acquisition Price (including debt and equity), and (ii) the fees, cost and expenses described in "Estimated Use of Proceeds" below, some of which will be paid to the LLC Manager and its Affiliates. See "Estimated Use of Proceeds" and "Compensation of the LLC Manager and Its Affiliates."

The Company is offering Units pursuant to this Memorandum. At the same time, the Company is offering Interests to Purchasers, as set forth in the Addendum. The number of Units available for purchase will depend, in part, on the number of Interests sold by the Company, which will determine the portion of the Property available for purchase by the Company. The Offering of Units is being made exclusively by this Memorandum, which prospective investors should read carefully before deciding to invest.

For the purposes of this investment, the price of a Unit includes a proportionate share of: (i) the Acquisition Price (including debt and equity), and (ii) the fees, cost and expenses described in "Estimated Use of Proceeds" below, some of which will be paid to the LLC Manager and its Affiliates.

The Company will offer the Units until the earlier of: (i) a combined $5,610,000 of Units and Interests are sold, or (ii) June 30, 2006, which date may be extended until December 31, 2006 in the sole and absolute discretion of the LLC Manager. All subscription payments received for Units pending acquisition of the Property will be held in the Depository Account by Bank of America, N.A., located in Olney, Maryland, as described in "Distribution Plan" below. The Company is a newly-formed Delaware limited liability company and is managed by East Coast Realty Ventures, LLC, a Nevada limited liability company. The Company, as a Tenant in Common along with the Purchasers, will enter into or assume the Tenants in Common Agreement, the Call Agreement and the Property Management Agreement.

An investment in the Units is highly speculative and involves substantial risks. See "Risk Factors" beginning on page 16 for a complete discussion of the risks, including, but not limited to, the following:

- a lease representing approximately 14.6% of the net rentable area of the Property expires in February, 2006, leases representing another approximately 6.0% of the net rentable area of the Property expire during the balance of 2006; leases representing approximately 1.9% of the net rentable area of the Property terminate in 2007; and the remainder of the leases expire between 2008 and 2015;

- the terms of the Loan have not been finalized and could differ materially from those described in this Memorandum;
- the LLC Manager, the Property Manager and their Affiliates will be subject to certain conflicts of interest and will receive substantial compensation in connection with this Offering;
- it is anticipated that the Property will have a Loan-to-Acquisition Price ratio of 75.0%, and a Loan-to-Total Acquisition Cost ratio of 68.8%;
- unanimous approval of the Tenants in Common, including the Company, is required to make certain decisions affecting the Property, including, but not limited to, the sale, exchange, transfer or refinancing of the Property;
- there is no assurance that all of the Interests will be sold and if some of the Interests are not sold, the LLC Manager or its Affiliates, including the Property Manager, may acquire Interests, which could give rise to conflicts of interest between the LLC Manager and its Affiliates and the Members;
- the Units and Interests represent an investment in a single property and are not a diversified investment; and
- there are significant limitations on the ability to sell or transfer Units.

The Company reserves the right, in its sole discretion, to waive the minimum purchase requirement. The Offering of Units is being made for the purpose of capitalizing the Company with an amount sufficient, when coupled with its share of the proceeds of the Loan, to pay for its Interest, repay any funds loaned to the Company and pay certain costs and expenses, as described herein. Any investor who desires to purchase an Interest in the Property, and not Units, must obtain and thoroughly read the Addendum and this Memorandum.

The principal objectives of the Company will be to: (i) preserve the Members' capital investment; (ii) realize income through the acquisition, operation and sale of the Company's Interest; (iii) make monthly distributions to the Investors and Members that will be passive income and may be partially offset as a result of depreciation and amortization expenses; and (iv) within approximately three to five years, subject to market conditions, have the potential to realize income likely to be taxable, in part, at capital gains rates on the sale of the Property. THERE IS NO ASSURANCE THAT ANY OF THESE OBJECTIVES WILL BE ACHIEVED. See "Risk Factors."

	Price to Investors	Selling Commissions and Expenses(1)	Proceeds to Company(2)
Per Unit(3)	$56,100	$5,049	$51,051
Maximum Offering Amount	$5,610,000	$504,900	$5,105,100

This Memorandum is dated January 30, 2006

(1) Units will be offered and sold on a "best efforts" basis by broker-dealers who are members of the NASD. Capwest Securities, Inc., a member of the NASD, will act as the Managing Broker-Dealer. The Managing Broker-Dealer will receive Selling Commissions of up to 7.0% of the Gross Proceeds, which it will reallow to the Selling Group. The amount of Selling Commissions may be reduced, however, if a lower commission rate is negotiated with a Selling Group member. The Managing Broker-Dealer will also receive 2.0% of the Gross Proceeds as a nonaccountable due diligence and marketing allowance, which it may reallow to the Selling Group in an amount of up to 1.0%. The Managing Broker-Dealer may also sell Units as part of the Selling Group and receive Selling Commissions. The total aggregate amount of commissions, allowances and placement fees paid by the Company will not exceed 9.0% of the Gross Proceeds. The Managing Broker-Dealer may receive other fees and expense reimbursements from an Affiliate of the Manager. See "Distribution Plan – Marketing of Units and Interests" below.

(2) Amounts shown are proceeds after deducting Selling Commissions and Expenses, but before deducting Offering and Organization Expenses and the other fees and expenses described in this Memorandum. The LLC Manager anticipates that Offering and Organization Expenses will be approximately 3% of the Maximum Offering Amount or $168,300. See "Estimated Use of Proceeds" below. The Company will also pay a pro rata amount of any transfer expenses and carrying costs for the Property at the actual cost of funds.

(3) The minimum purchase is 0.4456 Units for a total purchase price of $25,000. The LLC Manager may, in its sole and absolute discretion, waive or lower the minimum purchase requirement.

(4) The Company will be capitalized and subscription payments released to the Company from the Depository Account at closing on the acquisition of the Property from the Seller.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or passed upon the accuracy or adequacy of this Memorandum. Any representation to the contrary is a criminal offense.

The Units are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act of 1933, as amended, and applicable state securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time.

The offer and sale of the Units is being made only to Accredited Investors, as defined in Rule 501(a) of Regulation D promulgated under the Securities Act. See "Who May Invest" for suitability requirements for investors.

No person has been authorized to give any information or make any representations other than those contained in this Memorandum and the Addendum, and, if given or made, you must not rely on such information or representations as having been given or made by the Company, the LLC Manager or their Affiliates.

This Memorandum does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized, or in which the person making such offer is not qualified to do so, or to any person to whom it is unlawful to make an offer or solicitation. This Memorandum is an offer only to the offeree whose name appears in the appropriate space on the cover page.

Prospective investors should not construe the contents of this Memorandum or the Addendum, or any prior, contemporaneous or subsequent communication, as legal, investment or tax advice. Prospective investors should consult their own legal and tax advisors to ascertain the merits and risks of an investment in the Units before investing.

This Memorandum contains forward-looking statements that involve risks and uncertainties. The Company's results may differ significantly from those disclosed in this Memorandum.

During the course of the Offering and prior to sale, you are invited to ask questions of and obtain additional information from the Company concerning the terms and conditions of the Offering, the Company, the LLC Manager, the Property Manager, the Units, the Interests and any other relevant matters, including, but not limited to, additional information to verify the accuracy of the information set forth in this Memorandum and in the Addendum. The Company will provide such information to the extent it possesses it or can acquire it without unreasonable effort or expense.

BEFORE MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS SHOULD CAREFULLY READ THIS ENTIRE MEMORANDUM. PROSPECTIVE INVESTORS WHO ARE INTERESTED IN PURCHASING INTERESTS SHOULD ALSO READ THE ENTIRE ADDENDUM. PROSPECTIVE INVESTORS SHOULD ALSO CONSIDER THE FOLLOWING:

1. The LLC Manager may reject a prospective investor's subscription for Units or Interests for any reason in the LLC Manager's sole discretion, including for failure to conform to the requirements of this Offering. A Subscription Agreement or Purchase Agreement may not be revoked, canceled, or terminated by the subscriber thereunder except as expressly provided in the Subscription Agreement. The LLC Manager may withdraw, cancel or modify this Offering without notice.

2. If the Property has not been acquired by the Offering Termination Date, (i) none of the Units or Interests will be sold, and (ii) all payments received for the purchase of Units and Interests will be returned to the subscriber. There is no guarantee that this deadline will be met.

3. This Memorandum and the Addendum include projected financial results prepared by the LLC Manager. See Exhibit G, "Projection of Income and Cash Flow for the Property." The Projections are based on various assumptions relating to, among others, the rate of growth and expansion of the local and regional economy where the Property is located, future rental rates, lease renewals, and operating expenses. There can be no assurance that the assumptions are correct or that the Projections accurately predict future events or performance. Prospective investors should carefully review the assumptions used in the Projections.

4. This Memorandum and the Addendum were prepared solely for the benefit of persons buying Units or Interests. Neither this Memorandum nor the Addendum may be copied or distributed, in whole or in part, nor may any of their contents be disclosed without the prior written consent of the Company other than to the prospective investor's tax and financial advisors, attorneys and accountants, who will likewise be required to maintain the confidentiality of this Memorandum. By accepting delivery of this Memorandum and the Addendum, the recipient hereof and thereof agrees to the foregoing and to return this Memorandum, the Addendum and all other documents furnished in connection with this Memorandum and the Addendum to the Company immediately upon request if such recipient does not buy any Units or Interests or if the offering of Units or Interests, as applicable, is withdrawn or terminated.

5. This Offering is made exclusively by this Memorandum and the Addendum, which contain summaries of certain agreements and other documents. While the LLC Manager believes these summaries are accurate, prospective investors should refer to the actual agreements and documents, each of which is hereby incorporated by reference, for more complete information about the rights, obligations and other matters in the agreements and documents. The LLC Manager will make the agreements and documents relating to this investment available to prospective investors and/or their advisors upon request, if the requested agreements and documents are readily available to the LLC Manager.

6. Trustees, custodians, investment managers and fiduciaries of retirement and other plans subject to the fiduciary responsibility provisions of ERISA or Section 4975 of the Code (including IRAs) should consider, among other things: (i) that the plan, although generally exempt from federal income tax, would be subject to income tax if its income from an investment in Units and other unrelated business taxable income is more than $1,000 in any taxable year; (ii) whether an investment in Units is advisable given the definition of plan assets; (iii) whether an investment in Units is in accordance with plan documents and satisfies the diversification requirements of Section 404(a) of ERISA, if applicable; (iv) whether the investment is prudent under Section 404(a) of ERISA, if applicable, given the nature of an investment in, and the compensation structure of, the Company and the potential lack of liquidity of the Units; (v) that neither the LLC Manager or the Company has any history of operations; and (vi) whether the Company, the LLC Manager, the Asset Manager or any of their Affiliates is a fiduciary or party in interest to the plan. Fiduciaries and other persons responsible for the investment of certain governmental and church plans that are subject to any provision of federal, state or local law that is substantially similar to the fiduciary responsibility provisions of Title I of ERISA or Code Section 4975 that is considering the purchase of Units should consider the applicability of the provisions of such similar law and whether the Units would be an appropriate investment under such similar law. The responsible fiduciary must take into account all of the facts and circumstances of the plan and of the investment when determining if a particular investment is prudent. See "Federal Income Tax Consequences" below.

Treasury Department Circular 230 notice: to ensure compliance with Treasury Department Circular 230, prospective investors are hereby notified that any discussion of tax issues contained or referenced in this Memorandum is not intended or written to be used, and cannot be used, by prospective investors for the purpose of avoiding penalties that may be imposed on them under the Code; such discussion is written in connection with the promotion or marketing by the Company of the transactions or matters addressed in this Memorandum; and prospective investors should seek advice based on their particular circumstances from an independent tax advisor.

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<u>EXHIBITS</u>:

WHO MAY INVEST

The Units are being offered and sold in reliance on an exemption from the registration requirements of the Securities Act and state securities laws. Accordingly, distribution of this Memorandum has been strictly limited to persons who meet the requirements and make the representations set forth below. The LLC Manager reserves the right, in its sole discretion, to reject any Subscription Agreement based on any information that may become known or available to the LLC Manager about the suitability of a prospective investor or for any other reason.

Investor Suitability Requirements

An investment in the Units involves a high degree of risk and is suitable only for persons of substantial financial means who have no need for liquidity in this investment. Units will be sold only to investors who (i) buy a minimum of 0.4456 Units for a purchase price of $25,000 per Unit, subject to certain exceptions in the discretion of the LLC Manager, and (ii) represent in writing that they meet the investor suitability requirements established by the LLC Manager and as may be required under federal or state law.

The written representations investors make will be reviewed to determine suitability. The LLC Manager may, in its sole discretion, refuse a subscription for Units if the LLC Manager believes that an investor does not meet the applicable investor suitability requirements, the Units are otherwise an unsuitable investment for the investor, or for any other reason.

An investor must represent in writing to the Company that he meets, among others, all of the following requirements:

(a) The investor has received, read and fully understands this Memorandum, is basing his decision to invest on the information contained in this Memorandum, has relied only on the information contained in this Memorandum and has not relied on any representations made by any other person;

(b) The investor understands that an investment in the Units is highly speculative and involves substantial risks and is fully cognizant of, and understands all of, the risks relating to an investment in the Units, including, but not limited to, those risks discussed in the sections entitled "Risk Factors" in this Memorandum and in the Addendum;

(c) The investor's overall commitment to investments that are not readily marketable is not disproportionate to the investor's individual net worth, and an investment in the Units will not cause such overall commitment to become excessive;

(d) The investor has adequate means of providing for his financial requirements, both current and anticipated, and has no need for liquidity in this investment;

(e) The investor can bear and is willing to accept the economic risk of losing his entire investment in the Units;

(f) The investor is acquiring the Units for his own account and for investment purposes only and has no present intention, agreement or arrangement for the distribution, transfer, assignment, resale or subdivision of the Units;

(g) The investor has such knowledge and experience in financial and business matters that he is capable of evaluating the merits of investing in the Units and has the ability to protect his own interests in connection with such investment; and

(h) The investor is an "Accredited Investor" as defined in Rule 501(a) of Regulation D under the Securities Act. An "Accredited Investor" is:

- Any natural person that has (i) an individual net worth, or joint net worth with his or her spouse, in excess of $1,000,000; or (ii) individual income in excess of $200,000, or joint income with his or her spouse in excess of $300,000, in each of the two most recent years and has a reasonable expectation of reaching the same income level in the current year;

- Any corporation, Massachusetts or similar business trust, partnership, or organization described in Section 501(c)(3) of the Code, not formed for the specific purpose of acquiring Units, with total assets over $5,000,000;

- Any trust, with total assets over $5,000,000, not formed for the specific purpose of acquiring Units and whose purchase is directed by a person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of an investment in Units as described in Rule 506(b)(2)(ii) of Regulation D under the Securities Act;

- Any broker-dealer registered under Section 15 of the Securities Exchange Act of 1934, as amended;

- Any investment company registered under the Investment Company Act or a business development company (as defined in Section 2(a)(48) of the Investment Company Act);

- Any small business investment company licensed by the Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958, as amended;

- Any employee benefit plan within the meaning of ERISA, if the investment decision is made by a plan fiduciary (as defined in Section 3(21) of ERISA), which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if such employee benefit plan has total assets over $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are Accredited Investors;

- Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended);

- Any bank as defined in Section 3(a)(2) of the Securities Act, any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity, or any insurance company as defined in Section 2(13) of the Securities Act;

- Any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets of more than $5,000,000;

- Any executive officer of the Company or the LLC Manager; or,

- Any entity in which all of the equity owners are Accredited Investors.

For purposes of calculating net worth, "net worth" is defined as the difference between total assets and total liabilities, including home, home furnishings, and personal automobiles. In the case of fiduciary accounts, the net worth and/or income suitability requirements must be satisfied by the beneficiary of the account, or by the fiduciary, if the fiduciary directly or indirectly provides funds for the purchase of the Units.

The LLC Manager may modify the investor suitability requirements stated above in its sole discretion, which may include raising the suitability requirements for investors. In addition, the Loan documents may require Lender approval of investors acquiring more than a specified minimum amount of Units. There is no assurance the Lender will approve any investor or that the Loan documents will not require Lender approval of other investors.

HOW TO SUBSCRIBE

Units. If, after carefully reading this Memorandum, a prospective investor would like to subscribe for Units, such investor should complete, execute and deliver the Subscription Agreement attached hereto as Exhibit B, with a check payable to "Bank of America, N.A. as Escrow Agent for ECRV Eagle Pinnacle Medical, LLC" in the full amount of the purchase price for the Units such investor wishes to buy, to:

ECRV Eagle Pinnacle Medical, LLC
11710 Old Georgetown Road, #808
Rockville, Maryland 20852
Attn: Frederic S. Richardson

Upon receipt of a signed Subscription Agreement, verification of the subscriber's investment qualifications, and acceptance of the subscriber's subscription by the LLC Manager (in the LLC Manager's sole discretion) and the Lender (if required), the LLC Manager will notify the subscriber of the receipt and acceptance of his subscription. For more information, see "Distribution Plan – How to Buy Units" below.

Interests. Prospective Purchasers who would like to purchase Interests should carefully read this Memorandum and the Exhibits hereto and the Addendum and the Exhibits thereto. Prospective Purchasers must then follow the instructions set forth in "How to Subscribe" in the Addendum.

The Company reserves the right, in the sole discretion of the LLC Manager, to accept or reject subscriptions for Units or Interests.

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SUMMARY

The following summary provides certain limited information about the Company and this Offering. It should be read in conjunction with, and is qualified in its entirety by, the detailed information appearing elsewhere in this Memorandum. **Prospective investors are urged to read this entire Memorandum before making an investment. Prospective investors who are interested in purchasing Interests should also read the entire Addendum before making an investment.**

The Offering

Securities Offered:	The Company is offering Units, which are limited liability company interests in the Company, pursuant to this Memorandum. The Company was recently formed to acquire and operate an Interest, and to sell Interests to Purchasers pursuant to the Addendum. See "Description of the Units" and "Description of the Property" below.
Sponsor:	East Coast Realty Ventures, LLC, a recently formed Nevada limited liability company wholly owned by Frederic S. Richardson, is the sponsor of this Offering.
Investor Suitability Requirements:	This Offering is strictly limited to Accredited Investors who meet certain minimum financial and other requirements. See "Who May Invest" above.
Minimum Purchase:	The Company is offering up to 100 Units at $56,100 per Unit. The minimum purchase is 0.4456 Units ($25,000), although the LLC Manager may waive or lower the minimum purchase requirement for certain investors in its sole discretion. See "Distribution Plan" below.
Offering Termination Date:	The Company will offer Units until a combined $5,610,000 of Units and Interests are sold or until June 30, 2006 (whichever is earlier), which date may be extended until December 31, 2006 in the sole and absolute discretion of the LLC Manager.
Depository Account:	All subscription payments received for Units will be held in escrow in the Depository Account by the Escrow Agent, pending the acquisition of the Property from the Seller. If the Property is not acquired from the Seller by the Offering Termination Date, none of the Units will be sold and all investor funds held in the Depository Account will be returned in full and without offset to investors, without interest. See "Distribution Plan" below.
Use of Proceeds:	This Offering is being made to capitalize the Company with an amount sufficient to pay for its Interest, subject to the Loan. See "Estimated Use of Proceeds" below.
Risks:	An investment in the Units is speculative and involves substantial risks. See "Risk Factors" below.

The Company

Organization:	ECRV Eagle Pinnacle Medical, LLC is a newly-formed Delaware limited liability company.
Goals:	The Company's main goals will be to: (i) preserve the Members' capital investment; (ii) realize income through the acquisition and operation of the Property or an Interest therein; (iii) make monthly distributions to Members from cash generated by operations in an amount estimated to equal at least a

7.5% annual return on the Members' investment, which will be passive income and may be partially offset by depreciation and amortization expenses; and (iv) within approximately three to five years, realize income taxable in part at capital gains tax rates on the sale of the Property. There is no assurance that the Company will be able to meet any of these goals.

LLC Manager:	East Coast Realty Ventures, LLC, a recently formed Nevada limited liability company which is wholly owned by Frederic S. Richardson, will be the LLC Manager. The LLC Manager will manage and control the affairs of the Company in accordance with the LLC Agreement, the form of which is attached hereto as Exhibit A. The LLC Manager's mailing address is 11710 Old Georgetown Road, #808, Rockville, Maryland 20852, Attention: Mr. Frederic S. Richardson, and its telephone number is (301) 230-9674. See "The LLC Manager" below.
Members:	Investors in the Units will become Members of the Company. Each Member's liability should be limited to the amount of the Member's initial Capital Contribution to the Company (*e.g.* $56,100 per Unit and including, in some cases, prior distributions to the Members), plus undistributed profits; provided, however, in certain instances a Member's interest in the Company may be diluted if a Member fails to make additional capital contributions under the LLC Agreement. The Units may be transferred only upon the satisfaction of certain requirements, including obtaining the consent of the LLC Manager and, in certain circumstances, the consent of the Lender. The LLC Manager became the initial Member in order to form the Company and may retain Units as a Member of the Company. See "Summary of the Limited Liability Company Agreement" below.
Term of the Company:	Pursuant to the LLC Agreement, the Company will continue until (i) the later of the sale of the last portion of the undivided interest in the Property held by the Company or the receipt of the final payment on any seller financing provided by the Company on the sale of the last undivided interest in the Property; (ii) the determination of the LLC Manager, with a Majority Vote, to terminate the Company; or (iii) the happening of certain other events specified in the LLC Agreement. See "Summary of the Limited Liability Company Agreement" below.
Compensation of the LLC Manager and its Affiliates:	The LLC Manager, the Property Manager and their Affiliates will receive substantial fees and compensation in connection with this Offering and the management of the Company's assets, including a $205,803 fee paid to the LLC Manager on the Offering Termination Date from the Gross Proceeds, fees paid to the Property Manager for duties performed as Property Manager and otherwise as described below. See "Compensation of the LLC Manager and Its Affiliates" below.
Distributions of Cash from Operations:	The Company's Cash from Operations will be distributed to the LLC Manager and the Members as follows: (i) Cash from Operations in an amount up to 105% of the Annual Revenue Target shall be allocated and distributed 100% to the Members in proportion to their Units; (ii) Cash from Operations greater than 105% of the Annual Revenue Target but less than 115% of the Annual Revenue Target shall be allocated and distributed 5% to the LLC Manager and 95% to the Members in proportion to their Units; (iii) Cash from Operations greater than 115% of the Annual Revenue Target but less than 125% of the Annual Revenue Target shall be allocated and distributed 10% to the LLC Manager and 90% to the Members in proportion to their Units; (iv) Cash from Operations greater than 125% of the Annual Revenue Target but less than 150% of the

Annual Revenue Target shall be allocated and distributed 15% to the LLC Manager and 85% to the Members in proportion to their Units; and (v) Cash from Operations in excess of 150% of the Annual Revenue Target shall be allocated and distributed 20% to the LLC Manager and 80% to the Members in proportion to their Units.

The Company's Cash from Operations generally will consist of its portion of the net cash flow from the Property, if any, based on its Interest in the Property, and certain other items as described in the LLC Agreement less reserves and other requirements imposed by Lender. See "Business Plan" below.

Distributions on Liquidation: Any cash remaining upon the dissolution and termination of the Company will be distributed 15% to the LLC Manager and 85% to the Members in proportion to their positive Capital Account balances.

Allocation of Net Income/Loss: Net Income and Net Loss will, subject to certain limitations in the LLC Agreement, be allocated to the Members in proportion to their Units.

Sale of Interests: In addition to the Offering of Units by the Company, the Company will offer Interests to Purchasers pursuant to this Memorandum and the Addendum. The minimum purchase is a 5% Interest ($899,250, consisting of $280,500 of cash and $618,750 of debt representing the assumption of a pro rata portion of the Loan), unless lowered in the sole discretion of the LLC Manager. The Company and the Purchasers will be Tenants in Common as to the Property.

Tenants in Common Agreement: The Company will enter into, or take its Interest subject to, the Tenants in Common Agreement with the Purchasers, in the form attached as Exhibit C. The Tenants in Common Agreement will govern the rights and obligations of the Company and Purchasers with respect to the Property. All of the Tenants in Common, including the Company, must approve any sale, exchange or transfer of the Property (but not an Interest in the Property) and any lease or refinancing of the Property. With respect to certain issues, including any sale, exchange, transfer or refinancing of the Property, Members will vote on such issues and the LLC Manager will vote the Company's Interest in a manner consistent with the Members' vote. On other matters, the LLC Manager will vote the Company's Interest, without input or vote of the Members, in accordance with the votes of the other Tenants in Common. See "Summary of the Tenants in Common Agreement" below.

Call Agreement: The Tenants in Common, including the Company, will enter into, or take their Interests subject to, a Call Agreement with the Property Manager, in the form attached as Exhibit D. Pursuant to the Call Agreement, certain Tenants in Common or the Property Manager will have the right to buy the Interests of Dissenting Tenants in Common at the greater of appraised fair market value or (if applicable) the value set forth in an offer to purchase the Property. Payment under the Call Agreement will be the earlier of the date of sale of the Property or 180 days from exercise of the right to buy. The Call Agreement provides that if a Dissenting Tenant in Common does not (i) pay Property Expenses (as that term is defined in the Tenants in Common Agreement), or (ii) consent to (A) a sale, lease or refinancing of the Property, (B) any other matter requiring the unanimous consent of the Tenants in Common, or (C) to take action to prevent or cure an event of default under secured Loan documents relating to the Property, and Consenting Tenants in Common owning 80% or more of the Property do consent to such a sale, lease or refinancing or other matter requiring the unanimous consent of the Tenants in Common, or to take action to prevent or cure an event of default under secured loan documents relating to the

Property, the Property Manager and the Consenting Tenants in Common, have the right, but not the obligation, to purchase any Interests of the Dissenting Tenants in Common. The Call Agreement grants a limited power of attorney to the Property Manager with respect to the Interest of the Dissenting Tenant in Common, which is effective immediately upon providing written notice of exercise to the Dissenting Tenants in Common. See "Summary of the Call Agreement" and "Summary of the Tenants in Common Agreement" below.

The Property

Description: The Property consists of Eagle Medical Complex and Pinnacle 200, two contiguous medical office buildings containing in the aggregate approximately 79,387 square feet of leaseable space, located at 1040 and 1050 Eagles Landing Parkway, Stockbridge, Georgia 30281. The Property is currently approximately 98.39% leased and is occupied by 15 tenants. See "Description of the Property".

The Property is comprised of two contiguous parcels of real property (Eagle Medical Complex and Pinnacle 200). Accordingly, prospective Purchasers who are acquiring Interests as replacement property in an exchange pursuant to Section 1031 of the Code may have to identify their Interests as two separate properties. See the section in the Addendum entitled "Risk Factors – Tax Risks – The identification rules under Section 1031 of the Code and the related Treasury Regulations are strictly construed."

Acquisition: The Property will be acquired from the Seller on or about March 16, 2006 for an Acquisition Price of $16,500,000.00.

The Company may retain an Interest in the Property and will pay its pro rata share of the Total Investment Cost ($17,985,000) which includes (i) the Acquisition Price (including debt and equity), and (ii) the fees, cost and expenses described in "Estimated Use of Proceeds" below, some of which will be paid to the LLC Manager and its Affiliates. The Company will assume, or take its Interest subject to, its pro rata share of the Loan. See "Estimated Use of Proceeds" and "Acquisition Terms and Financing" below.

Financing: It is currently anticipated that the Property will be purchased with a cash down payment of $4,175,000 and a Loan in the original principal amount of $12,375,000 from the Lender. The Company has been in negotiations with the Lender regarding the terms of the Loan and has received and executed a Loan application from the Lender but does not have a firm commitment. As a result, the Loan may or may not be obtained from the Lender, and may be obtained from another lender, or the Loan may be obtained on terms substantially different from those described in this Memorandum. The Property will be leveraged with a Loan-to-Acquisition Price ratio of approximately 15%, and a Loan-to-Total Acquisition Cost ratio of approximately 69%. The Company anticipates that the Loan will bear interest at a rate equal to the sum of 125 basis points (1.25%) plus the 10 year swap mid-vote, as determined by the Lender. The Loan is expected to have a term 10 years and an amortization period of 30 years. The Company anticipates that the Loan will require monthly payments of principal and interest during its term and that the entire principal balance along with accrued but unpaid interest will be due and payable in full upon maturity. The Loan will be secured by the Property and a perfected security interest in all leases, rents, income, and profits, and all other personal property. While the Loan generally will be nonrecourse, the Company, each Tenant in Common and each principal of the Tenants in Common may be liable for "bad boy" carve-outs to the nonrecourse liability on the Loan and for environmental liabilities. In addition, the Loan may contain provisions that would cause the Loan to be fully recourse to all borrowers thereunder in the event of a breach of certain nonrecourse carve-outs. See "Risk Factors – Real Estate Risks – The Company, the Tenants in Common and each principal of the Tenants in Common may be liable for "bad boy" carve-outs to the nonrecourse liability on the Loan."

The LLC Manager will receive a loan placement fee of $120,947 payable from the Gross Proceeds for obtaining financing for the acquisition of the Property. See "Compensation of the LLC Manager and Its Affiliates."

Operation:	Mid Atlantic Realty Group, LLC, a Nevada limited liability company and an Affiliate of the LLC Manager, will act as the Property Manager and will manage the Property pursuant to the Property Management Agreement. No major capital improvements are currently contemplated for the Property, although approximately $165,000 of the Loan proceeds will be allocated to a Lender-required reserve to fund tenant improvements and leasing commissions. In addition, the Tenants in Common will make monthly contributions of approximately $0.23/square foot/year for years 3 through 5 and $1.20/square foot/year for the remainder of the loan term to such reserve, subject to a cap of $220,000. A reserve will be established from the Gross Proceeds to fund the foregoing monthly contributions and the Maximum Offering Amount has been increased by $165,000 to make up for the Lender hold back from Loan proceeds. The Company anticipates that the Tenants in Common will also be required to make monthly contributions to a Lender-required replacement/capital expenditure reserve ($0.10/square foot/year for years 1 and 2, $0.15/square foot/year and $0.20/square foot/year for the remainder of the loan term. The Tenants in Common may make certain tenant and other improvements from time to time if necessary or desirable in the opinion of the Tenants in Common. See "Description of the Property," "Summary of the Property Management Agreement" and "Acquisition Terms and Financing" below.
Depreciation and Cost Recovery:	For federal income tax purposes, depreciation deductions can be claimed on the full cost of the depreciable improvements. Since land is not depreciable, an allocation must be made between the value of the improvements on the real property and the underlying land. See "Federal Income Tax Consequences – Depreciation and Cost Recovery" below.
Sale:	The Company plans to hold and operate its Interest for approximately three to five years and then to sell its Interest for the best price obtainable. The ability to do this will depend, in part, on the decisions made by the Tenants in Common, whether the tenants extend their leases and prevailing market conditions. See "Risk Factors" below.
The Property Manager; Property Management Agreement:	Mid Atlantic Realty Group, LLC, a Nevada limited liability company and an Affiliate of the LLC Manager, will serve as the Property Manager. The Company will enter into, or take its Interest subject to, the Property Management Agreement with the other Tenants in Common and the Property Manager, the form of which is attached as Exhibit E. The Property Manager reserves the right, in its sole discretion, to subcontract with local property managers and certain other parties to perform some or all property management functions set forth in the Property Management Agreement. See "Summary of the Property Management Agreement" below.

The Property Manager will also receive an Asset Management Fee in an amount equal to 2% of the annual gross revenue from the Property for providing certain asset management services. See "Summary of the Property Management Agreement."

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ESTIMATED USE OF PROCEEDS

	Estimated Use of Proceeds	Minimum Offering	Gross Proceeds	Maximum Offering	Gross Proceeds
	Gross Offering Proceeds	5,183,097	100.00%	5,610,000	100.00%
1	Organization and Offering	155,493	3.00%	75,720	3.00%
2	Marketing & Due-Diligence	103,662	2.00%	50,480	2.00%
3	Selling Commissions & Expenses	362,817	7.00%	392,700	7.00%
	Available for Investment	4,561,125	88.00%	4,936,800	88.00%
4	Down Payment for Purchase of Real Estate	4,125,000	79.59%	4,125,000	73.53%
4	Acquisition Expenses	120,047	2.32%	120,947	2.14%
5	Financing Fee and Expenses	99,750	1.92%	99,750	1.78%
6	Carrying and Closing Expenses	165,100	3.19%	165,100	2.94%
7	Promotional Fee	205,803	3.97%	205,803	3.67%
8	TIC Closing Expenses & Investor Entity Maint. Expenses	56,100	1.08%	56,100	1.00%
9	Reserves	165,000	3.18%	165,000	2.94%
	Proceeds Utilized	4,936,800	95.25%	4,936,800	88.00%
10	Offering and Organization Fees and Expenses	621,972	12.00%	673,200	12.00%
11	Total Application	5,558,772	107.25%	5,610,000	100.00%

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(1) The LLC Manager will be entitled to reimbursement for Offering and Organization Expenses. The Company will be obligated to pay its portion of such expenses based on the Interest that the Company acquires. In addition, the LLC Manager will be responsible for Organization and Marketing Expenses in excess of this sum and will be entitled to retain any unused funds on a nonaccountable basis. See "Compensation of the LLC Manager and Its Affiliates" below.

(2) The Managing Broker/Dealer will receive a nonaccountable marketing and due diligence allowance of up to 2.0% of the Gross Proceeds, of which it may reallow (in its sole discretion) up to 1% to other members of the Selling Group on a nonaccountable basis. See "Plan of Distribution—Marketing of LLC Units."

(3) The LLC Manager, for itself and as LLC Manager, may accept subscriptions for Units and Interests net of all or a portion of the Selling Commissions otherwise payable as described under "Distribution Plan" below and in the Addendum. Selling Commissions will be paid to the Selling Group members in an amount, in the aggregate, not to exceed 8% of the Gross Proceeds. See "Plan of Distribution."

(4) In addition to the down payment for the purchase of the Property, the Company currently anticipates obtaining a Loan of approximately $12,375,000, which will encumber the Property. The Acquisition Expenses include a fee payable to the LLC Manager in the amount of $120,947 for its role in obtaining the Loan. See "Acquisition Terms and Financing" and "Compensation of the LLC Manager and Its Affiliates" below.

(5) Financing Fees include lender expenses, such as legal, appraisal, environmental, engineering, insurance consultation, and other expenses necessary and normal in the underwriting of senior financing.

(6) Closing costs generally include escrow fees, attorneys' fees, prorations, document preparation fees and miscellaneous recording fees and charges and are estimated to be $165,100. Any additional closing and carrying costs would reduce the amount of the reserves.

(7) Compensation to the LLC Manager and Affiliates for underwriting and structuring the project. See "Compensation of the LLC Manager and Its Affiliates" below.

(8) The LLC Manager's best estimate of the total closing costs incurred upon the sale of Interests to the Company and the Purchases. Such closing costs include recording fees, transfer taxes, title insurance premiums, entity formation costs, lender assumptions fees and costs, search costs, and other real estate closing costs incurred in connection with the sales of the Interests, including certain investor entity maintenance costs provided by potential Affiliates of the LLC Manager.

(9) Reserves will be held by the Property Manager and will be used to fund certain capital expenditures, tenant improvements and leasing commissions and expenses not covered by Lender-required reserves. To the extent such reserves are not used, they will be returned to the Tenants in Common upon the sale of the Property.

(10) Some of the numbers in the above table have been rounded.

(11) The Company anticipates raising additional equity up to the Maximum Offering Amount from additional Purchasers or from Affiliates of the LLC Manager. The LLC Manager and its Affiliates will not purchase Units or Interests to reach the Minimum Offering Amount.

RISKS RELATED TO FORWARD-LOOKING STATEMENTS

Certain matters discussed in this Memorandum and the Addendum, including the Projection of Income and Cash Flow for the Property attached hereto as Exhibit G, are forward-looking statements. The LLC Manager has based these forward-looking statements on its current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about the Property and the Company, including, among other things, factors discussed under the heading "Risk Factors" in this Memorandum and the Addendum, as well as the following:

- economic outlook;
- capital expenditures;
- anticipated leasing schedules, and budgeted tenant improvement and leasing commission expenditures;
- cost reduction;
- cash flow;
- operating performance;
- financing activities;
- tax statuses of the Tenants in Common and Members; and
- related industry developments, including trends affecting the Property's financial condition and results of operations.

The Company intends to identify forward-looking statements in this Memorandum by using words or phrases such as "anticipates," "believes," "estimates," "expects," "intends," "maybe," "objective," "plan," "predict," "project" and "will be" and similar words or phrases, or the negative thereof or other variations thereof or comparable terminology. All forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual transactions, results, performance or achievements of the Property to be materially different from any future transactions, results, performance or achievements expressed or implied by such forward-looking statements. The cautionary statements set forth under the caption "Risk Factors" and elsewhere in this Memorandum identify important factors with respect to such forward-looking statements, including the following factors that could affect such forward-looking statements:

- national and local economic and business conditions that, among other things, will affect demand for properties and the availability and terms of financing;
- the ability to maintain the Property in a first-class manner (including meeting capital expenditure requirements);
- adverse developments with respect to the Property's tenants;
- the Property's ability to compete effectively in areas such as access, location and rental rate structures;
- the availability of debt and equity capital;
- governmental approvals, actions and initiatives, including the need for compliance with environmental and safety requirements, and changes in laws and regulations or the interpretation thereof; and
- the effects of tax legislative action.

Although the LLC Manager believes the expectations reflected in such forward-looking statements are based upon reasonable assumptions, the LLC Manager cannot assure prospective investors that its expectations will be attained or that any deviations will not be material. The LLC Manager undertakes no obligation to publicly release the result of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances.

In addition, any projections and representations, written or oral, which do not conform to those contained in this Memorandum or the Addendum must be disregarded, and their use is a violation of law. The Projection of Income and Cash Flow for the Property attached to this Memorandum and the Addendum as exhibits is based upon specified assumptions. If these assumptions are incorrect, these projections also would be incorrect. No representation or warranty can be given that the estimates, opinions or assumptions made in this Memorandum or the Addendum will prove to be accurate. Prospective investors should carefully review the assumptions set forth in the Projection of Income and Cash Flow for the Property.

RISK FACTORS

An investment in the Units is highly speculative and involves substantial risks. Units should not be purchased by persons who cannot afford the loss of their entire investment. Investors should carefully consider the risks described below, as well as the other information in this Memorandum, when evaluating whether to make an investment in the Units. Investors should also consult with their own legal, tax and financial advisors about an investment in the Units. If any of the following risks actually occur, the Company's business, financial condition and results of operation could be materially and adversely affected. In such case you could lose all or part of your investment.

Prospective investors and their advisors are invited to ask questions of the LLC Manager and the Company and to request information about the terms and conditions of this Offering for the purpose of evaluating the merits and risks of an investment in the Units. The Company will provide such information to the extent the Company possesses the information or can acquire it without unreasonable effort or expense.

Real Estate Risks

Unless extended by the tenants, a lease representing approximately 14.6% of the net rentable area of the Property will expire in February, 2006, leases representing another approximately 6.0% of the net rentable area of the Property will expire during the remainder of 2006; leases representing approximately 1.9% of the net rentable area of the Property will expire in 2007; and the remainder of the leases will expire between 2008 and 2015. The Projections attached as Exhibit G have assigned a 80% renewal probability to the lease expirations. However, if the tenants do not renew their leases or downsize the space they have leased, the Property would suffer vacancy when the leases expire and no assurance can be given that the Property Manager would be successful in re-leasing the vacant space. If the Property Manager were unable to re-lease this space, the Property would not perform as contemplated in the Projections. In a worst case scenario, the rental income would not be sufficient to make the debt service payments on the Loan. If the debt service payments were not made, the Lender would have the ability to exercise its rights under the Loan documents, including foreclosure. If the Lender were to foreclose, the investors could suffer a complete loss of their investment and material adverse tax consequences. See "Federal Income Tax Consequences" below.

Approximately 4.4% of the net leaseable area of the Property will be leased by the Seller for a period of two years from the closing date, and the Seller will provide a rent guarantee for a period of two years from closing for an additional 16.2% of the Property. If the Property Manager is unable to find tenants to lease such space prior to the expiration of these leases and the rent guarantee, revenue from the Property could be adversely affected, which could have an adverse effect on cash flow payable to the Tenants in Common, including the Company.

The LLC Manager does not have a Loan commitment for the purchase of the Property. The LLC Manager has been in negotiations with the Lender regarding the terms of the Loan and has received and executed a Loan application from the Lender but does not have a firm commitment. As a result, the Loan may or may not be obtained from the Lender, and may be obtained from another Lender, or the Loan may be obtained on terms substantially different from those described in this Memorandum. The exact terms of the Loan, if obtained, will not be known until final loan documents are negotiated. The final terms may be less favorable than those described in this Memorandum. If the Loan cannot be obtained from the Lender, alternative financing for the Property will have to be found, which may or may not be available or may not be available on terms as favorable as currently anticipated. If alternative financing cannot be found by the Offering Termination Date, no Units or Interests will be sold and all payments received for the purchase of Units and Interests will be returned to the investors without interest and the Property will not be purchased. If the Property is not purchased, the Purchasers of Interests may lose the benefit of two of their identified replacement properties and may lose the benefits of their proposed Code Section 1031 tax-deferred exchange.

The Property will be significantly leveraged. The Property will have an initial Loan-to-Acquisition Price ratio of 75.0% based upon the purchase price being paid to the Seller for the Property, and a Loan-to-Total Investment Cost ratio of 68.8%. As a result of the use of leverage, a decrease in the Property's rental revenues could materially and adversely affect the Property's cash flow and, in turn, the Company's ability to make distributions, and could affect the ability to comply with any continuing minimum debt coverage ratio imposed by the Lender. The inability to meet any debt coverage ratio required by the Lender could result in a default under the terms of the Loan. There is no assurance that future cash flow will be sufficient to make the debt service payments on any borrowed funds and to cover operating expenses. If the Property's revenues are insufficient to pay debt service and operating expenses, the Tenants in Common, including the Company, will be required to use working capital or seek additional funds. There is no assurance that additional funds will be available, if needed, or that they will be available on terms acceptable to all of the Tenants in Common, including the Company. Any such additional funds could increase the debt-to-equity ratio and the risk of leverage. If the Tenants in Common are unable to pay debt service, the Lender could foreclose on the Property and investors could lose their entire investment. It is currently anticipated that the Lender will not allow any debt other than the Loan to be incurred without the Lender's consent.

The Company, the Tenants in Common and each principal of the Tenants in Common may be liable for "bad boy" carve-outs to the nonrecourse liability on the Loan. The Tenants in Common and each principal of the Tenants in Common may be liable for "bad boy" carve-outs to the nonrecourse liability on the Loan. It is anticipated that the Loan will be nonrecourse as to principal and interest, but that the Tenants in Common and their principals – not including Members of the Company – may be personally liable for the Lender's customary carve-outs. Under such nonrecourse carve-outs, each principal will provide a guaranty for violations of the recourse carve-out provisions under the Loan caused by its affiliated Tenant in Common; provided, however, if more than one Tenant in Common and/or principal is responsible for the applicable default, then each principal that is responsible for (or whose affiliated Tenant in Common is responsible for) the default shall be jointly and severally liable for such default. In addition, the Loan may contain provisions that would cause the Loan to be fully recourse to all borrowers thereunder in the event of a breach of certain nonrecourse carve-outs. Each prospective Purchaser is urged to review the terms of the Loan with their own advisors. Prospective Purchasers who are unwilling to accept the risk associated with liability for the recourse carve-outs that may be required by the Lender should not purchase Interests.

It is anticipated that Frederic S. Richardson will provide a personal, joint and several guaranty of all recourse obligations of the Tenants in Common under the Loan documents; provided, however, Mr. Richardson will not be liable for any Defaults to the extent that such defaults are the responsibility of a principal and affiliated Tenant in Common under a separate guaranty.

The Tenants in Common Agreement requires each Tenant in Common to indemnify the other Tenants in Common for its pro rata share of any deficiency paid by such other Tenants in Common and for any recourse liabilities caused by such Tenant in Common. One or more Tenants in Common may be unable or refuse to pay such amount, however, and, as a result, the remaining Tenants in Common could pay more than their pro rata share of any deficiency. By executing the Tenants in Common Agreement, each Tenant in Common agrees that any such short-term loan will be made on a fully recourse basis and to repay such loan in full within 31 days of funding. The Property Manager has agreed to indemnify the Tenants in Common, including the Company, to the extent a Tenant in Common becomes liable to the Lender as a result of certain actions of the Property Manager. Nevertheless, in the event that the Tenants in Common do not all remit their applicable share of such delinquent expenses, the other Tenants in Common may have the right, upon satisfaction of various conditions, to purchase the Dissenting Tenants in Common Interest in the Property.

The Lender's anticipated reserve requirements could have a material effect on the cash flows from the Property distributed to the Tenants in Common, including the Company. The Company anticipates that approximately \$165,000 of the Loan proceeds will be allocated to a Lender-required reserve to fund tenant improvements and leasing commissions. In addition, the Tenants in Common will make monthly contributions to such reserve, subject to a cap of \$220,000. A reserve will be established from the Gross Proceeds to fund the foregoing monthly contributions and the Maximum Offering Amount has been increased by \$165,000 to make up for the Lender hold back from Loan proceeds. The Company anticipates that the Tenants in Common will also be required to make monthly contributions to a Lender-required replacement/capital expenditure reserve, which contributions will be funded from the Property's cash flow. If actual costs for tenant improvements and leasing commissions exceed the Lender-required reserves and additional reserves held by the Property Manager, cash flows from the Property distributed to the Tenants in Common, including the Company, could be materially affected.

The Company has not had the benefit of an appraisal to determine whether the Acquisition Price to be paid to the Seller reflects the fair market value of the Property. Based on information provided by the Seller, the Company believes the Property will be acquired from the Seller at a capitalization rate that is above current market capitalization rates for properties of this type in this location (capitalization rates are inversely proportional to market value). However, there is no assurance that the information provided by the Seller is accurate, and no assurance that the price being paid to the Seller is reflective of current fair market value. Prospective investors who are unwilling to accept the risks associated with the uncertainty regarding the fair market value of the Property should not purchase Units or Interests.

The purchase price to be paid by the Tenants in Common, including the Company, for their respective Interests may exceed the appraised value of the Property. The Property will be acquired from the Seller for an Acquisition Price of $16,500,000, plus additional carrying costs, due diligence expenses, and other fees and expenses incurred in the acquisition and financing of the Property and as otherwise described in this Memorandum and the Addendum. See "Summary – The Property – Acquisition." The Company intend to acquire proceeds from the sale of all of the Interests and the Units, together with the acquisition financing collateralized by the Property, equal to $5,610,000. The purchase price for the Units and Interests has been determined unilaterally by East Coast Realty Ventures, LLC and the Company, likely does not reflect the current market value of the Property and is not based on an arm's length negotiation with the Purchasers or Members or supported by an appraisal of the Property. In fact, the Total Acquisition Cost is significantly higher than the Acquisition Price to be paid to the Seller.

Environmental liabilities are possible and can be costly, and neither the Company nor the Purchasers will be covered by an environmental indemnity for any extended term. Federal, state and local laws impose liability on a landowner for releases or the otherwise improper presence on the premises of hazardous substances. This liability is without regard to fault for, or knowledge of, the presence of such substances. A landowner may be held liable for hazardous materials brought onto the property before it acquired title and for hazardous materials that are not discovered until after it sells the property. Similar liability may occur under applicable state law. The Seller will make only limited representations as to the absence of hazardous substances on the Property. If any hazardous materials are found within the Property in violation of law at any time, the Tenants in Common, including the Company, may be jointly and severally liable for all cleanup costs, fines, penalties and other costs. This potential liability will continue after the Tenants in Common sell their Interests and may apply to hazardous materials present within the Property before the Tenants in Common acquired their Interests. If losses arise from hazardous substance contamination that cannot be recovered from a responsible party, the financial viability of the Property may be substantially affected. In extreme cases, the Property may be rendered worthless, or worse, where the owners are obligated to pay cleanup costs in excess of the value of the Property.

For investors in Investor Units, hazardous substance contamination in the Property could adversely affect the Company and its ability to make distributions. In extreme cases, the investors could lose their entire investment in the Company. For Purchasers of the Interests, hazardous substance contamination in the Property could adversely affect the cash flow from the Property. In extreme cases, Purchasers could lose their entire investment in the Property and, if the special purpose entities holding title to the Interests were disregarded, the Purchasers could be exposed to strict personal liability unlimited in amount.

Material environmental conditions may exist on the Property. The Company has not yet received a Phase I Environmental Site Assessment Report for the Property, although it expects that the Lender will order one. Accordingly, the Company cannot provide any assurance to potential investors that environmental problems with the Property do not exist. In light of the material risks and potential liability associated with the discovery of an environmental hazard at the Property, the Purchasers and subscribers for Units should be certain that they understand, and can accept, the risks associated with any unknown hazardous substances affecting the Property. In addition, it is possible that an environmental claim may be raised in such a manner that liability could penetrate any limited liability protections otherwise available to shield the owners of an entity (including the Company) from liability, thereby allowing such claims to be enforceable against the Purchasers and the Members of the Company or any other owners of any other entity that is a Tenant in Common. Finally, it is possible that the existence of any environmental issues with the Property may make it more difficult, and perhaps impossible, to obtain financing for the Property. The Company will supplement this Memorandum in the event that the Phase I Environmental Site Assessment Report reveals material environmental conditions with respect to the Property. Copies of the Phase I Environmental Site Assessment Report received by the Company will be made available to investors upon request.

Prospective investors are encouraged to conduct their own environmental due diligence with respect to the Property. Prospective investors who are unwilling to accept the risks associated with the lack of any current information regarding environmental conditions with respect to the Property should not purchase Units or Interests.

Any necessary improvements and repairs at the Property may affect the financial viability of the Property and the return to investors. The condition of the Property will not be guaranteed by the Seller or East Coast Realty Ventures, LLC to the Purchasers or the Company. In fact, the Property will be acquired by the Tenants in Common, including the Company, from the Seller on an "as is" basis, with only limited representations and warranties. In turn, the Company will make only limited warranties and representations to the Purchasers regarding the condition of the Property, other than that it is aware of no breaches of the Seller's representations and warranties contained in the purchase agreements. The Company has not received a Physical Condition Assessment for the Property, although it expects that the Lender will order one. Accordingly, there is no assurance that the Property does not contain material defects or deficiencies. Copies of the Physical Condition Assessment received by the Company will be made available to investors upon request. Prospective investors are encouraged to perform additional evaluations of the physical and structural condition of the Property as it wishes. Prospective investors who are unwilling to accept the risks associated with the lack of any current information regarding the physical condition of the Property should not purchase Units or Interests.

Although the Property Manager will maintain reserves for necessary future capital improvements at the Property, there can be no assurance that these reserves will be sufficient to pay for any necessary repairs. The cost of any required repairs could adversely impact the financial viability of the Property.

The vacancy rate at the Property may change. If the current tenants default under their leases, or if issues arise with respect to the permissibility of certain uses, the operating results and financial viability of the Property could be substantially and materially affected. No assurance exists that the Property will maintain or increase its occupancy levels at projected rents. No assurance exists that the Property will maintain this occupancy rate at the projected pace or that rental concessions will not be required. In addition, lease-up and the minimum occupancy rates may be achievable only at rental rates less than those assumed in the financial projections.

There are risks of investing in the Property that are typical to most commercial real estate investments. The economic success of an investment in the Company will depend upon the results of operations of the Property, which will be subject to those risks typically associated with investments in real estate. Fluctuations in vacancy, operating expenses and tax rates can adversely affect operating results or render the sale or refinancing of the Property difficult or unattractive. No assurance can be given that certain assumptions as to the future occupancy of the Property or future costs of operating the Property will be accurate since such matters will depend on events and factors beyond the Company's control. These factors include, among others:

- changes in national, regional, or local economic conditions, which could negatively impact the ability to lease vacancies on favorable terms and a tenant's ability to pay rent;
- changes in local market conditions or characteristics, including new construction of office and mixed-use facilities that compete with the Property;
- changes in interest rates and in the availability, costs and terms of borrowings, which may make the sale or refinancing of the Property difficult;
- changes in federal, state or local regulations and controls affecting rents, prices of goods, fuel and energy consumption, environmental restrictions, real estate taxes, zoning and other factors affecting real property;
- continued validity and enforceability of the leases;
- the financial condition and profitability of the tenants;
- the ongoing need for capital improvements;
- changes in operating costs such as utilities; and;
- acts of nature, such as earthquakes, tornadoes and floods.

The threat of terrorism in the United States and related military actions in Afghanistan and Iraq have caused significant uncertainty with respect to the condition of the U.S. economy. The continued threat of terrorist attacks in the United States and the related military actions in Afghanistan and Iraq have created uncertainty with respect to the condition of the economy in the United States. Certain economic factors and indicators have suggested that terrorism and related military actions have had a substantial negative effect on the U.S. economy and several industries have experienced financial difficulties. It is impossible to determine at this time what the long-term effects on the economy will be. Any negative change in the general economic conditions in the United States could adversely affect the financial condition and operating results of the Company and the Property. In addition, lenders are generally requiring insurance covering terrorist activities without regard to the reasonableness of any related premium or the likelihood of a particular property to be the target of any such terrorist activities. The Lender may require such coverage and, if so, the cost of such coverage will reduce the amount of cash flow from the Property.

There can be no assurance that cash flow or profits will be generated by the Property. A lack of cash flow or profits from the Property will negatively affect the Company's ability to meet its stated goals. Neither the LLC Manager nor any of its Affiliates are obligated to provide investors with a guarantee against a loss on their investment or negative cash flows and neither the LLC Manager nor its Affiliates have or intend to provide such a guarantee.

Unfavorable changes in market and economic conditions could hurt commercial property occupancy or rental rates. The demand, price and rents for medical office property in the Atlanta, Georgia metropolitan area have historically been positively and negatively affected by the sector's economic performance, any decrease in which could result in the market for commercial real estate being adversely impacted.

Losses from natural catastrophes may exceed insurance coverage or may not be insured at all. The Property Manager intends to carry the types and amounts of insurance customarily obtained on similar commercial properties in the Atlanta, Georgia metropolitan area and as required by the Lender. However, some losses, generally of a catastrophic nature, such as losses from earthquakes, floods, hurricanes, tornadoes or other meteorological and atmospheric conditions, may be subject to limitations or not covered. The Company will exercise its discretion in determining amounts, coverage limits and deductibility provisions of insurance, with a view to maintaining appropriate insurance on the Company's investments at a reasonable cost and on suitable terms. If the Company suffers a substantial loss, the Company's insurance coverage may not be sufficient to pay the full current market value or current replacement value of its lost investment. Inflation, changes in building codes and ordinances, environmental considerations and other factors also might make it infeasible to use insurance proceeds to replace a property after it has been damaged or destroyed.

Potential liability for environmental or toxic mold contamination could result in substantial costs. Under various federal, state, and local laws, ordinances, and regulations, the Company (as a Tenant in Common) is liable for the costs to investigate and remove or remediate hazardous or toxic substances on or in the Property, often regardless of whether the Company knew of or was responsible for the presence of these substances. These costs may be substantial. Also, if hazardous or toxic substances are present on the Property, or if the Company fails to remediate properly such substances, the Company's ability to sell or rent the Property or to borrow using that Property as collateral may be adversely affected. There has also been litigation and concern about indoor exposure to certain types of toxic molds that has been increasing as the public becomes aware that exposure to mold can cause a variety of health effects and symptoms, including allergic reactions. Toxic molds can be found almost anywhere; they can grow on virtually any organic substance, as long as moisture and oxygen are present. There are molds that can grow on wood, paper, carpet, foods, and insulation. When excessive moisture accumulates in buildings or on building materials, mold growth will often occur, particularly if the moisture problem remains undiscovered or unaddressed. It is impossible to eliminate all mold and mold spores in the indoor environment. The difficulty in discovering indoor toxic-mold growth could lead to an increased risk of lawsuits by affected persons, and the risk that the cost to remediate toxic mold will exceed the value of the Property. Further, there are currently attempts to exclude damage caused by toxic mold growth from certain liability provisions in insurance policies, so there is no guarantee that insurance coverage for toxic mold will be available now or in the future.

Tenants in Common may have unlimited liability for uninsured losses. The Property Manager will use its best efforts to maintain adequate insurance coverage against liability for personal injury and property damage. No assurance exists that the insurance obtained will be sufficient to cover any liabilities. Furthermore, insurance against certain risks, such as floods, may be unavailable or may only be available at commercially unreasonable rates or in amounts that are less than the full market value or replacement cost of the Property. Neither the LLC Manager nor the Property Manager intends to obtain earthquake insurance. In addition, there can be no assurance that particular risks that are currently insurable will continue to be insurable on an economical basis or that current levels of coverage will continue to be available. If a loss occurs that is partially or completely uninsured, the Company and the other Tenants in Common may lose all or a part of their investment. The Tenants in Common may be liable for any uninsured or underinsured personal injury, death or property damage claims. Liability in such cases may be unlimited. While insurance may help reduce the risk of loss, it increases costs and thus lowers the potential return to the Members and the Tenants in Common.

The LLC Manager may not be able to obtain estoppel certificates from each tenant of the Property, which could result in a tenant bringing a previously unidentified claim against the Company or the Purchasers. East Coast Realty Ventures, LLC may not be able to obtain estoppel certificates for all tenants at the Property. The Company has relied on copies of leases provided by the Seller in performing its analysis of the Property. These copies may or may not be complete. Since the Company is relying on copies of leases provided by the Seller and may not have estoppel certificates for all tenants, it is possible the lease summaries in this Memorandum may not be accurate or complete and all or some of the tenants may have existing claims under their leases. Notwithstanding the possible unavailability of estoppel certificates from all tenants, the Lender likely will require its own estoppel certificates, and generally will fund the Loan only if the tenants have provided satisfactory estoppel certificates and all other Loan conditions have been satisfied.

The Property Manager may have difficulty maintaining and attracting tenants. The Property is currently 94.00% occupied and 98.39% leased. The Company currently intends to hold its Interest in the Property for approximately three to five years. There can be no assurance that the Property Manager will be able to maintain the lease-up rate of the previous owner. In addition, it may be necessary to make substantial concessions in terms of rent and lease incentives, and construct tenant improvements, to attract new tenants or to keep the existing tenants. If these expenditures and concessions are necessary and exceed the funds reserved out of the Offering proceeds or otherwise deposited in increments under the terms of the Loan, the financial performance of the Property may be adversely affected.

The Property may experience significant competition for tenants. The Property is located in Stockbridge, Henry County, Georgia, a suburb of Atlanta. Competitive facilities may reduce demand for the leaseable space of the Property and for the Property itself. It is possible that a tenant will move to existing or new facilities in the surrounding area, which could adversely affect the financial performance of the Property. Competition from nearby facilities could make it more difficult to attract new tenants. The Property also will experience competition for real property investments from individuals, corporations and other entities engaged in real estate investment activities should the Tenants in Common decide to sell the Property. Other properties and real estate investments may be more attractive than the Property. Competition for investments may increase costs and reduce returns on the Property, and thus reduce returns to the Company and its Members.

It may not be possible to sell the Property at a later date for a price equal to or greater than the purchase price paid to the Seller for the Property. The sales price upon the future sale or other disposition of the Property will depend on many factors, including the occupancy level and rental rate being charged, the availability and price of comparable properties, available financing, and conditions in the real estate market in general. It may not be possible to sell the Property at a later date for a price equal to or greater than the purchase price paid by the Company. There can be no assurance that the price and terms of any sale or other disposition of the Property will be such as to provide Members with a satisfactory return on their investment, or any return at all, or that there will not be a loss on any such sale. Furthermore, since the two properties will be subject to the Loan, in the event that the Tenants in Common elect to sell the Property during the Loan term it may be necessary to sell both of the two properties concurrently in order to obtain a release or defeasance of the Property from the Loan, which may decrease the likelihood that the Property can be successfully sold at any particular point in time.

Easements burden the Property, which could inhibit the financial viability of the Property and thus, the return to investors. Various utility and other easements in favor of third parties exist on the Property. These easements provide encumbrances against the Property. Although the LLC Manager does not believe the easements will inhibit the Company's ability to meet its goals, no assurance of this can be given.

The Property may experience shortages, allocations and increased prices of energy, which could affect the amount of any distributions and return to investors. There may be shortages or increased costs of fuel, natural gas or electric power, or allocations thereof, by suppliers or governmental regulatory bodies in the area where the Property is located. The LLC Manager is unable to predict the extent, if any, to which such shortages, increased prices or allocations will occur, or the degree to which such events might influence the ability of the Tenants in Common, including the Company, to meet their goals. Any shortages or increased costs of energy would adversely affect the results of operation of the Property and thus, the amount of any distributions and the return to the Tenants in Common and the Members.

There is no assurance that the Property and tenants are in compliance with existing zoning regulations. The Property is zoned C-2 (General Commercial). A letter verifying the Property's zoning is attached hereto as Exhibit H. However, there can be no assurance that the Property and the tenants will be in compliance with existing zoning requirements and permitted uses. If any zoning violations are found, the financial viability of the Property could be adversely affected.

The Tenants in Common, including the Company, will acquire the Property with only limited representations and warranties from the Seller. Representations and warranties from the Seller only survive the close of escrow for a limited period of time. As a result, if defects in the Property or other matters adversely affecting the Property are discovered, the Company may not be able to pursue a claim for damages against the Seller or collect from the Seller to the extent of the Company's damages. The extent of damages that the Company may incur as a result of such matters cannot be predicted, but potentially could have a significant adverse affect on the value of the Property and the return to the Tenants in Common and the Members.

The Property may not be in compliance with the Americans with Disabilities Act. If the Property is not in compliance with the Americans with Disabilities Act of 1990, as amended, the Tenants in Common may be required to pay for improvements to effect compliance with the ADA. Under the ADA, public accommodations must meet certain federal requirements related to access and use by disabled persons. The ADA requirements could require removal of access barriers at significant cost, and could result in the imposition of fines by the federal government or an award of damages to private litigants. State and federal laws in this area are constantly evolving, and could evolve to place a greater cost or burden on the Tenants in Common, including the Company.

The Property may be the subject of a condemnation. The Property or a portion of the Property could become subject to an eminent domain or inverse condemnation action. Such an action could have a material adverse effect on the marketability of the Property or the amount of return on investment for the Tenants in Common and the Members.

Mechanic's liens on the Property may currently exist or exist in the future, which could result in foreclosure. Any person who supplies services or materials to a real estate project may have a lien against the project securing any amounts owed to such person under state law. Therefore, even if a subcontractor is paid its contract fees, if that subcontractor fails to pay its subcontractors or the materials supplier, then the subcontractor and materials supplier who were not paid may have mechanic's lien rights against the Property. Although the Property Manager intends to use procedures to prevent the occurrence of mechanic's liens during any work undertaken during the Tenants in Common's ownership (such as requiring mechanic lien releases before payment and issuing joint-party checks), no assurance can be given that mechanic's liens will not appear against the Property. If a mechanic's lien does appear, the Property Manager must negotiate to obtain its release or the person holding such lien will have the right to bring an action to foreclose on the Property to satisfy amounts due under the lien. It is anticipated that the Lender will require the Company and the other Tenants in Common to guaranty that the Property will remain lien free.

Changes in the regulatory environment could affect the Property's financial viability and marketability. Future changes in land use and environmental laws and regulations, whether federal, state or local, may impose new restrictions on the development, construction or sale of the Property. The ability of the Tenants in Common, including the Company, to sell their Interests in the Property or to operate the Property as currently intended may be adversely affected by such regulations.

The Loan will likely restrict transfers of the Interests. It is also anticipated that the Lender will limit the total number of Tenants in Common, including the Company, to no more than 35. There can be no assurance that the Lender will approve the assumption of the Loan by any particular Purchaser.

Except as described above, the terms of the Loan are expected to prohibit any sale, encumbrance or other transfer of any interest in the Property without the Lender's prior written consent. It is anticipated, however, that during the term of the Loan certain Tenants in Common may be substituted, subject to Lender approval and satisfaction of other Lender requirements.

The Loan may provide that upon violation of the restrictions on transfer or encumbrance, the Lender may declare the entire amount of the Loan, including principal, interest, prepayment premiums and other charges, immediately due and payable. If the Lender declares the Loan to be immediately due and payable, the Tenants in Common, including the Company, will have the obligation to immediately repay the Loan in full, including any prepayment charges. If the Tenants in Common are unable to obtain replacement financing or otherwise fail to immediately repay the Loan in full, the Lender may invoke its other remedies under the Loan, which may include proceeding with a foreclosure sale that would likely result in the Tenants in Common losing their entire interest in the Property. The voluntary or involuntary transfer or encumbrance by any Tenant in Common of its interest in the Property without the Lender's prior consent may violate the terms of the Loan and may give the Lender the right to declare the Loan immediately due and payable.

Negotiations with the Lender regarding transfers are ongoing. There can be no assurance that the Lender will approve or consent to the transfer of any interest in the Property requiring Lender's consent or that the final Loan documents will allow the transfers described above or any other transfers. Other requirements regarding transfers that are unrelated to the Loan are described elsewhere in this Memorandum and the Addendum.

Any transfer approved by the Lender would be subject to certain conditions to be provided in the Loan documents, including, in certain cases, payment of a transfer/assumption fee based on the pro rata portion of the unpaid principal balance of the Loan being transferred.

A sale of the Property may be delayed, and the availability of refinancing of the Property may be delayed or unavailable. The LLC Manager anticipates, and the financial projections assume, that the Property will be sold within three to five years. It may not be possible to sell the Property at the price indicated in the projections or at such time. In addition, all of the Tenants in Common must approve any sale, exchange, transfer, lease or refinancing of the Property. Further, it is anticipated that the Loan documents will have restrictions on prepayment and defeasance as described below, and that any buyer of an interest in the Property must be approved by the Lender. If the Property is not sold as anticipated, the Tenants in Common will have to refinance the Loan at the end of term of the Loan. Fluctuations in the supply of money for real estate loans may affect the availability and cost of loans. Credit availability has been restricted in the past and may become so again. Restrictions on the availability of real estate financing, or high interest rates on real estate loans, will adversely affect the Property, including the ability to sell the Property, and the Company's cash flow and/or profitability. See "Business Plan" below.

The Loan will likely have very limited prepayment rights. The Lender will likely prohibit prepayment. The Company anticipates that the Loan will provide that at any time after the earlier of (i) two (2) years after the date of the securitization transaction, or (ii) the date which is four (4) years after the date of the first debt service payment following Loan closing, so long as there is no default, the Tenants in Common shall have the right to obtain the release of the Property from the lien of the mortgage by delivering to the Lender United States Treasury Securities as substitute collateral for all remaining payments under the Loan.

The Tenants in Common will own undivided interests in the Property and none will have the right to exclusive ownership of the Property. The Tenants in Common will each acquire an undivided tenancy-in-common interest in the Property. None of the Tenants in Common will have the right to exclusive ownership of any part of the Property. As a result, the Tenants in Common, including the Company, may experience management, operations or financing difficulties as a result of this form of ownership. Such difficulties may increase the possibility of defaults arising under agreements binding the Tenants in Common and/or the Property. All of the Tenants in Common must approve the sale, exchange or transfer of the Property (other than an Interest in the Property) and any lease or refinancing of the Property. Failure to obtain any such approval may prevent a sale, exchange, transfer, lease or refinancing deemed appropriate by the LLC Manager, the Property Manager and/or the other Tenants in Common, and, consequently, the Property or an investor's interest in the Company could be adversely affected. Because unanimous approval is required, one Tenant in Common can prevent all of the other Tenants in Common, including the Company, from selling or refinancing the Property, or one or both of them, or taking other actions requiring approval. The Tenants in Common Agreement does not itself include any method to resolve a disagreement among the Tenants in Common regarding such a sale, exchange, transfer, lease, refinancing or other action. Given this method of ownership and its restrictions, it is possible and may even be likely that the amount derived from a sale of an undivided interest in the Property will be less than the comparable pro rata amount derived from a sale of the Property as a whole. However, in the event Tenants in Common owning 80% or more of the Property agree to pay certain delinquent Property related expenses, sell or refinance the Property, take any other action that requires the unanimous approval of the Tenants in Common or take action to prevent or cure a Loan default, Interests of Tenants in Common not in agreement are subject to buy-out provisions in the Call Agreement. See "Business Plan – Call Agreement" below.

Subject to restrictions imposed by the Lender, the Tenants in Common may transfer their Interests. Each Tenant in Common will, however, be responsible for compliance with applicable securities laws with respect to any such transfer. Upon a transfer, the transferor generally will be relieved of ongoing obligations. It is anticipated, however, that the Lender will impose restrictions on the transfer of Interests.

There is no assurance that the Tenants in Common or any transferees will perform their obligations as Tenants in Common. Except as restricted under the Loan documents, each Tenant in Common will have the right to bring an action to partition the Property. If any Tenant in Common brings a partition action, the court may order a sale of the Property by all of the Tenants in Common with a division of proceeds, a division of the Property among the Tenants in Common or other relief. However, the Tenants in Common Agreement provides that the other Tenants in Common may buy the undivided interest of the Tenant in Common bringing a partition action at fair market value. To the extent, however, that no Tenant in Common elects to buy all or a portion of such Interest, then Property Manager or its Affiliates shall be entitled to buy the Interest on the same terms and conditions.

Bankruptcy of a Tenant in Common may adversely affect the other Tenants in Common. A bankruptcy or similar insolvency proceeding relating to any Tenant in Common may adversely affect the Tenants in Common, including the Company, and the Property. For example, the Tenant in Common or its trustee in a bankruptcy proceeding may try to reject and terminate the Tenants in Common Agreement, the Property Management Agreement, the Call Agreement or the other agreements. In addition, any such bankruptcy or other insolvency proceeding may constitute an event of default under the Loan documents and other agreements, entitling the Lender to pursue foreclosure proceedings and other remedies against the entire Property and the other Tenants in Common. Such a default may not be curable. The bankruptcy filing by or against a Tenant in Common will automatically stay all actions or proceedings against such Tenant in Common. The stay will prevent the other Tenants in Common from pursuing any claims against such Tenant in Common and may otherwise jeopardize the Property. If the Property Management Agreement is rejected, the bankrupt Tenant in Common may obtain the right to directly manage its undivided interest. In addition, such a Tenant in Common may seek a partition of the Property into exclusive interests. Other than perfected lien rights under the Tenants in Common Agreement, claims of the other Tenants in Common probably will be treated as general unsecured claims. It is unlikely that such claims would be paid in full, if at all. Subject to certain conditions and limitations in the Tenants in Common Agreement and to applicable bankruptcy or other laws, the other Tenants in Common or the Property Manager or its Affiliates may acquire the Interest of any Tenant in Common that is Bankrupt (as defined in the Tenants in Common Agreement).

A default by a Tenant in Common may adversely affect the other Tenants in Common. There is no assurance that each of the Tenants in Common will perform their respective obligations under the Tenants in Common Agreement, the Loan, or other agreements relating to the Property. It is likely that a default by one Tenant in Common under the Loan will be a default under the Loan. A default may include the failure of a Tenant in Common to provide complete and accurate financial information, any breach of the special purpose entity requirements, or any sale, transfer or encumbrance of a Tenant in Common's interest in the Property. Consequently, should any of the Tenants in Common default under the Loan for any reason, the Lender may declare a default under the Loan, which could result in foreclosure by the Lender on the Property and the loss of the entire investment in the Property.

Although the Property is located in Georgia, certain agreements to which prospective investors will become parties, or to which they may be subject will be governed by the law of other jurisdictions. For example, the LLC Agreement will be governed by the law of Delaware, since that is the jurisdiction in which the Company will be formed. Each of the agreements attached hereto as Exhibits and any other documents to which prospective investors will be parties, or to which they may be subject indirectly, contains a specific provisions setting forth which jurisdictions law will govern that agreement. It is possible that the law governing a particular agreement is different than the law of another jurisdiction, and that the difference may result in less favorable treatment for prospective investors. Prospective investors who are unwilling to accept the risk associated with agreements that are governed by the law of various jurisdictions should not invest in Units or Interests.

Operation and Company Risks

The Company is a new entity with no operating history. The Company is subject to the risks involved with any speculative new venture. There is no assurance that the Company will be profitable.

The Company's objectives are highly speculative. There is no assurance that the Company will be able to meet any of its goals. Investors who buy Units should be aware that they may not earn a substantial return on their investment in the Units and may, in fact, lose their entire investment.

A Member's taxable income from the Company could exceed any cash distributions by the Company. It is possible that a Member's taxable income resulting from his investment in the Company will exceed the cash distributions received from the Company. This may occur because funds received by the Company may be taxable income to the Member while the Company may use such funds for nondeductible operating or capital expenses of the Company. Thus, there may be years in which a Member's tax liability exceeds his share of cash distributions from the Company, in which case the payment of such taxes, to the extent of the excess, will be an out-of-pocket expense for the Members. The same tax consequences may result from the voluntary or involuntary sale or other disposition (including gifts) of a Member's Units or from the sale or other disposition (including a foreclosure sale) of the Property and may produce ordinary income or capital gain or loss.

The Company may not make distributions. While the Company intends to make cash distributions to Members, there is no assurance with respect to the amount or timing of such distributions or that such distributions will, in fact, be made. Distributions, if any, will be subject to the payment of expenses and the maintenance of reserves and may be restricted or suspended when the LLC Manager determines in its sole discretion that to do so would be in the best interest of the Company. Distributions, if any, may be paid from cash flow, refinancings, or from reserves. The LLC Manager intends to distribute sufficient cash from activities of the Company to enable Members to pay any tax imposed on any taxable income generated by the Company but there can be no guarantee that the Company will be able to do so. To the extent the LLC Manager uses reserves to pay distributions, the Company may fully or partially deplete the reserve amount and thus, may be required to seek additional funds to cover operating or other expenses. There can be no assurance that any such additional funds will be available when needed or that they will be available on attractive terms. If any additional necessary funds cannot be obtained, it could negatively affect the Company's ability to meet its goals.

Loans to meet additional working capital requirements could affect the return to Members. The Tenants in Common Agreement obligates the Tenants in Common (including the Company) to pay their share of the Property's expenses. To complete certain capital and/or tenant improvements, additional loans may be required to the extent the funds necessary for such improvements are not available from operations or otherwise provided for in reserve accounts. There can be no assurance that any such additional loans will be available when needed or that they will be available on attractive terms. If any additional necessary funds cannot be obtained, it could negatively affect the Company's ability to meet its goals. It is currently anticipated that the Lender will not allow the Company to incur any debt other than the Loan without the Lender's consent.

Members will rely entirely on the LLC Manager to manage the Company and the Property Manager to manage the Property. All decisions regarding management of the Company's affairs will be made exclusively by the Manager and not by any of the Members. Accordingly, investors should not buy Units unless they are willing to entrust all aspects of Company management to the LLC Manager or its successor(s) and management of the Property to the Property Manager. Investors should carefully evaluate the personal experience and business performance of the LLC Manager, the Property Manager, and their principals. See "The LLC Manager" below. The LLC Manager may retain independent contractors to provide various services to the Company. The independent contractors will have no fiduciary duty to the Members and may not perform as expected.

The ability of the LLC Manager to discharge its duties is dependent on the services of its principals. The loss of the services of one or more members of senior management of the LLC Manager could have a significant adverse effect on the Company.

The LLC Manager has no operating history. The LLC Manager was recently formed and has no operating history. The principals of the LLC Manager, however, have substantial prior experience in the real estate industry. There can be no assurance that the LLC Manager will manage the Company successfully.

Risks related to Property Management. The Property Manager will initially manage the Property pursuant to the Property Management Agreement. The Property Management Agreement can be terminated for any reason by the Tenants in Common holding more than two-thirds of the undivided interests in the Property and must be renewed annually by the unanimous consent of all Tenants in Common. If the Property Management Agreement is terminated or not renewed, another property manager would need to be obtained. There is no assurance that acceptable arrangements could be made for another property manager or that such property manager would be successful in managing the Property. There is no assurance that the Property Manager will manage the Property successfully. It is anticipated that the Loan documents will provide that the removal of the Property Manager and the appointment of another property manager without the Lender's approval will be an event of default, with recourse to certain principals of the Tenants in Common. See "Conflicts of Interest" below.

The Property Manager reserves the right, in its sole discretion, to subcontract with local property managers and certain other parties to perform some or all property management functions set forth in the Property Management Agreement. Initially, the Property Manager expects to subcontract all of its property management functions. See "Summary of the Property Management Agreement" below.

Neither the LLC Manager nor the Property Manager has substantial assets. Neither the LLC Manager nor the Property Manager has any substantial assets. Thus, there is no assurance that the LLC Manager or the Property Manager will have the financial resources to serve and satisfy their obligations to the Company and, with respect to the Property Manager, the other Tenants in Common. The LLC Manager's and the Property Manager's lack of financial resources could adversely affect the LLC Manager's or Property Manager's ability to satisfy its financial obligations and to manage the Company or Property, respectively. This Memorandum does not contain financial statements for the LLC Manager or Property Manager.

The LLC Manager and the Property Manager will receive compensation regardless of the Property's profitability. The LLC Manager and the Property Manager are entitled to receive certain significant fees and other compensation, payments and reimbursements regardless of whether the Company is profitable. See "Compensation of the LLC Manager and Its Affiliates" below.

The LLC Manager and the Property Manager have conflicts of interest with the Company and its Members. Conflicts of interest between the Company and the various roles, activities, and duties of the LLC Manager and its Affiliates may occur from time to time. The principals of the LLC Manager and the Property Manager are employed independently of the Company and the other Tenants in Common and will engage in other activities, some of which may compete with the Property. The LLC Manager and the Property Manager will have conflicts of interest in allocating management time, services and functions among the Company and the Property and other current and future activities. Each of the LLC Manager and the Property Manager, however, believes that it will have sufficient staff, consultants, independent contractors, and business and property managers to perform adequately its duties. Neither the Members nor the Purchasers will have any interest in any future entities or business ventures formed or developed by the LLC Manager, the Property Manager or any of their Affiliates. Any conflict of interest may result in the rights of the Company not being adequately protected to the detriment of its Members. None of the agreements or arrangements, including those relating to compensation, between the Company, the LLC Manager, the Property Manager or their Affiliates, is the result of arm's-length negotiations. See "Conflicts of Interest" below.

The Tenants in Common will have limited approval rights concerning the Property. The Tenants in Common Agreement provides that the most significant business decisions regarding the Property must be made by the unanimous agreement of the Tenants in Common, except that the Property Management Agreement can be terminated for any reason by the Tenants in Common holding more than two-thirds of the undivided interests in the Property. The Company will be one of the Tenants in Common. With respect to certain issues requiring approval by the Tenants in Common, including any sale, exchange, transfer or refinancing of the Property or the removal of the Property Manager, but not including a lease of the Property, Members will be entitled to vote on such issues and the LLC Manager will vote the Company's interest in a manner consistent with the Members' vote. On other matters, the LLC Manager will vote the Company's Interest, without input or vote of the Members, in accordance with the votes of the other Tenants in Common. See "Business Plan" below.

Successive owners of Units may incur tax liability without receiving a distribution. As between successive owners of Units, Net Income and Net Loss will be allocated (for income tax and other purposes) as provided in the LLC Agreement, to the extent permitted under the Code, regardless of the dates upon which cash distributions are made to the Members or the amounts of any such cash distributions. The buyer or seller of Units may, accordingly, be required to report a share of the Company's Net Income on his or her personal income tax return, even though no cash distributions were received during the period in which the Units were held or, if any cash distributions were received, even though the amounts of the distributions bore no relation to the amount of Net Income required to be reported. See "Federal Income Tax Consequences" below.

The Units are not a diversified investment. The Company has no plans to acquire or develop any properties or investments other than the Property. Thus, an investment in the Company will not provide any diversity as to geography or asset type. This lack of diversification could increase investor risk of investing in the Company. Adverse conditions at the Property, or in the area where the Property is located, could have a material and adverse impact on investors' investment in the Company, including their return.

In the event of a dissolution or termination of the Company, a Member may not recover all or any portion of such Member's investment. In the event of dissolution or termination of the Company, the proceeds realized from the liquidation of the Company's assets will be distributed among the Members, but only after the satisfaction of the claims of third-party creditors of the Company, including the Lender, and certain fees owed to the Manager or its Affiliates. The ability of a Member to recover all or any portion of such Member's investment under such circumstances will, accordingly, depend on the amount of net proceeds realized from the liquidation and the amount of claims to be satisfied therefrom. There can be no assurance that the Company will recognize any gains or realize net proceeds on liquidation.

Members can be liable for illegal distributions. In general, Members may be liable for the return of a distribution to the extent that the Member knew at the time of the distribution that after such distribution, the remaining assets of the Company would be insufficient to pay the then outstanding liabilities of the Company (exclusive of liabilities to Members on account of their Company interests and liabilities for which the recourse of creditors is limited to specified property of the Company). Otherwise, Members generally should not be liable for the debts and obligations of the Company beyond the amount of the capital contributions they have made or are required to make under the LLC Agreement.

The LLC Agreement and the Property Management Agreement contain limitations on liability and provide indemnification of the LLC Manager and the Property Manager. The LLC Manager and the Property Manager and their attorneys, agents and employees will be entitled to indemnification from their errors of judgment and other acts or omissions not constituting gross negligence or willful malfeasance as a result of certain indemnification provisions in the LLC Agreement and the Asset Management Agreement. See "Summary of the Limited Liability Company Agreement" and "Summary of the Property Management Agreement" below. A successful claim for indemnification would deplete the Company's assets by the amount paid.

Private Offering and Liquidity Risks

The Maximum Offering Amount may not be raised. The Company is seeking gross proceeds from this Offering of up to a maximum of $5,610,000, including Selling Commission and Expenses. There can be no assurances that the maximum proceeds from this Offering will be raised or that, even in the event that the maximum proceeds are raised, that the Company will have sufficient funds to purchase the Property and fulfill its objectives.

The purchase price of a Unit has been arbitrarily determined. The purchase price of the Units has been arbitrarily determined and is not the result of arm's-length negotiations. It has been determined primarily by the capital needs and expenses of the Company and bears no relationship to any established criteria of value such as book value or earnings per Unit, or any combination thereof. Further, the price of the Units is not based on past earnings of the Company, nor does the price necessarily reflect the current market value for the Property.

The Units have limited transferability. To buy Units, investors must represent that they are acquiring the Units for investment and not with a view to distribution or resale, that they understand the Units are not freely transferable and, in any event, that they must bear the economic risk of investment in the Units for an indefinite period of time because the Units have not been registered under the Securities Act or applicable state "Blue Sky" or securities laws, and that the Units cannot be sold unless they are subsequently registered or an exemption from such registration is available and unless they comply with the other applicable provisions of the LLC Agreement. There is no public or other trading market for the Units, and it is highly unlikely that any market will develop. Thus, investors cannot expect to be able to liquidate their investments in case of an emergency. Further, the sale of the Units may have adverse federal income tax consequences. The transfer of Units requires the prior written consent of the LLC Manager and may also require the written consent of the Lender. There is no guarantee that the LLC Manager and/or the Lender will consent to any transfer.

This Offering has not been registered with the SEC or any state agency. The Offerings of the Units and Interests will not be registered with the SEC under the Securities Act or with the securities agency of any state. The Units and Interests are being offered in reliance on an exemption from the registration provisions of the Securities Act and state securities laws applicable to offers and sales to investors meeting the investor suitability requirements set forth herein and in the Addendum. If the LLC Manager, the Company, the Managing Broker-Dealer or the Selling Group members should fail to comply with the requirements of such exemption, investors may have the right to rescind their purchase of the Units or Interests, as applicable. This might also occur under the applicable state securities or "Blue Sky" laws and regulations in states where the Units and Interests will be offered without registration or qualification pursuant to a private offering or other exemption. If a number of Members were successful in seeking rescission, the Company and the LLC Manager would face severe financial demands that would adversely affect the Company as a whole and, thus, the investment in the Units by the remaining Members.

Since the Offerings of the Units and Interests are non-public offerings and, as such, are not registered under federal or state securities laws, investors will not have the benefit of review of this Memorandum or the Addendum by the SEC or any state securities commission. The terms and conditions of the Offerings may not comply with the guidelines and regulations established for real estate programs that are required to be registered and qualified with those agencies.

The LLC Manager and/or its Affiliates may purchase Units and/or Interests, which may give rise to conflicts of interest with investors. The LLC Manager and/or its Affiliates may, in their sole discretion, buy Units for any reason deemed appropriate by them. Any purchase of Units by the LLC Manager or its Affiliates will be on the same terms as other investors, except that it may be made net of commissions and will be subject to certain limitations in the LLC Agreement. Upon any such acquisition of Units, the LLC Manager or its Affiliates will have the same rights as other Members, including the right to vote on all matters subject to the vote of Members (although the LLC Manager and Affiliates controlled by the LLC Manager have agreed to vote any Units held by the LLC Manager or such Affiliates in proportion to the votes of the other Members). The LLC Manager and/or its Affiliates may also buy Interests. Should the LLC Manager or any Affiliate acquire an Interest, the LLC Manager or the Affiliate will have the same rights as other Tenants in Common with respect to the Interest owned by it, but the LLC Manager and Affiliates controlled by the LLC Manager have agreed to vote as the other Tenants in Common vote on all matters that are subject to a vote by the Tenants in Common. The LLC Manager and its Affiliates will acquire any Units and Interests for their own accounts and not with a view toward the resale or distribution of such Units or

Interests. The purchase of Units by the LLC Manager or its Affiliates involves certain risks that you should consider, including, but not limited to, the following:

(1) the LLC Manager or its Affiliates would obtain voting power as Members (although the LLC Manager and Affiliates controlled by the LLC Manager have agreed to vote any Units the LLC Manager or such Affiliates hold in proportion to the votes of the other Members); and

(2) the full Maximum Offering Amount will not have been subscribed by disinterested investors after an assessment of the merits of the Offering.

Counsel for the Company, the LLC Manager and its Affiliates does not represent the Members. Under the LLC Agreement, each of the Members acknowledges and agrees that Counsel representing the Company, the LLC Manager and its Affiliates does not represent and shall not be deemed under the applicable codes of professional responsibility to have represented or to be representing any or all of the Members in any respect.

Investments in the Units by certain tax-exempt investors may be restricted by law. Trustees, custodians, investment managers and fiduciaries of retirement and other plans subject to the fiduciary responsibility provisions of ERISA or Code Section 4975 (including IRAs) should consider, among other things: (i) that the plan, although generally exempt from federal income tax, would be subject to income tax if its income from an investment in Units and other unrelated business taxable income is more than $1,000 in any taxable year; (ii) whether an investment in Units is advisable given the definition of plan assets; (iii) whether an investment in Units is in accordance with plan documents and satisfies the diversification requirements of Section 404(a) of ERISA, if applicable; (iv) whether the investment is prudent under Section 404(a) of ERISA, if applicable, given the nature of an investment in, and the compensation structure of, the Company and the potential lack of liquidity of the Units; (v) that neither the Manager or the Company has any history of operations; and (vi) whether the Company, the Manager, the Property Manager or any of their Affiliates is a fiduciary or party in interest to the plan. Fiduciaries and other persons responsible for the investment of certain governmental and church plans that are subject to any provision of federal, state or local law that is substantially similar to the fiduciary responsibility provisions of Title I of ERISA or Section 4975 of the Code that is considering the purchase of Units should consider the applicability of the provisions of such similar law and whether the Units would be an appropriate investment under such similar law. The responsible fiduciary must take into account all of the facts and circumstances of the plan and of the investment when determining if a particular investment is prudent. See "Federal Income Tax Consequences – Investment by Qualified Plans and IRAs" below.

Tax Risks

There are substantial risks associated with the tax aspects of an investment in Units. The IRS has continued to examine numerous tax issues that could affect the Company. Moreover, the tax consequences of an investment in the Company are complex, and tax legislation could be enacted in the future to the detriment of the Members. The following paragraphs summarize some of the U.S. federal income tax risks to Members. Prospective investors should read the following discussion of tax risks together with the section "Federal Income Tax Consequences" below, which includes a more detailed discussion of the federal income tax consequences associated with an investment in Units. Except where noted, this Memorandum does not discuss the consequences and risks of any applicable state, local or foreign tax laws. For advice on such tax laws applicable to an investor's tax situation, each investor should seek the advice of his own tax advisor. In addition, because the tax aspects of this Offering are complex and certain of the tax consequences may differ depending on individual tax circumstances, each investor should consult with and rely on his own tax advisor with respect to this Offering's tax aspects and his individual situation. **No representation or warranty of any kind is made with respect to the acceptance by the IRS of the treatment of any item by the Company or any Member.**

If the Company were to be treated for tax purposes as a corporation, the tax benefits associated with an investment in the Company, if any, would not be available to the Members. The Company intends to be treated as a partnership for federal income tax purposes. The Company has not and does not intend to request a ruling from the IRS that the Company will be treated as a partnership, and not as a corporation, for tax purposes. Without such a ruling, there can be no assurance that the Company will be treated as a partnership. If the Company were to be treated as a corporation for tax purposes, the tax benefits associated with an investment in a partnership, if any, would not be available. The Company would, among other things, pay income tax on its earnings in the same manner and at the same rate as a corporation, and losses, if any, would not be deductible by the Members. See "Federal Income Tax Consequences" below.

The Company may be audited by the IRS, which could result in disallowance of some deductions and adverse tax consequences to the Members. The Company's federal information returns may be audited by the IRS. An audit may result in the challenge and disallowance of some of the deductions described in the Company's returns. No assurance or warranty of any kind can be made with respect to the deductibility of any items in the event of either an audit or any litigation resulting from an audit. If an audit of the Company's returns leads to adjustments, the federal income tax returns of Members will be affected and may result in significant interest and penalty payments due to an underpayment of federal income tax by the Company and by Members. In addition, an audit of the Company's returns could lead to an audit of a Member's individual tax return, which in turn could lead to adjustments other than those relating to the Member's investment in the Company. See "Federal Income Tax Consequences" below.

A Member's taxable income from the Company could exceed any cash distributions by the Company. It is possible that a Member's taxable income resulting from his investment in the Company will exceed the cash distributions attributable thereto. This may occur because funds received by the Company may be taxable income to the Members while the Company may use such funds for nondeductible operating or capital expenses of the Company. Thus, there may be years in which a Member's tax liability exceeds his share of cash distributions from the Company, in which case the payment of such taxes, to the extent of the excess, will be an out-of-pocket expense for the Members. The same tax consequences may result from the voluntary or involuntary sale or other disposition (including gifts) of a Member's Units or from the sale or other disposition (including a foreclosure sale) of the Property and may produce ordinary income or capital gain or loss.

The Company may generate unrelated business taxable income, which may have adverse tax consequences for some investors. The Company may generate unrelated business taxable income from the investment in debt-financed real property. Tax-exempt entities should consult their own tax counsel about the effect of any unrelated business taxable income. See "Federal Income Tax Consequences" below.

The IRS may disallow various deductions or allocations of income by the Company. The availability, timing, and amount of deductions or allocations of income of the Company will depend not only on general legal principles but also on various determinations that are subject to potential controversy on factual and other grounds. Such determinations could include, among others, whether fees paid to the LLC Manager or its Affiliates are deductible on the ground that such payments are excessive or constitute nondeductible distributions to the LLC Manager or an Affiliate or otherwise. Additional issues could arise regarding the allocation of basis to buildings, land, leaseholds and personal property. If the IRS were successful, in whole or in part, in challenging the Company on these issues, the federal income tax benefits of an investment in the Company, if any, could be materially reduced. Because the deductibility of fees and expenses is a factual issue, Counsel can render no opinion concerning whether fees and expenses incurred by the Company are deductible.

There are limitations on losses and credits from passive activities. A Member's share of taxable income and loss will likely be considered derived from a passive activity. Deductions in excess of income, i.e., losses from passive trade or business activities, generally may not be used to offset "portfolio income," i.e., interest, dividends and royalties, or salary or other active business income. However, deductions from passive activities generally may be used to offset income from passive activities. Interest deductions attributable to passive activities are treated as passive activity deductions, and not as investment interest. Thus, such interest deductions are subject to limitation under the passive activity loss rule and not under the investment interest limitation. Credits from passive activities generally are limited to the tax attributable to the income from passive activities. Passive activities include any rental activity and trade or business activities in which the taxpayer does not materially participate, which would include holding a Unit as a Member. Thus, the Company's Net Income and Net Loss will constitute income and loss from passive activities. Certain taxpayers may deduct passive losses from rental real estate activities against other income if: (i) more than half of the personal services performed by the taxpayer in trades or businesses are performed in a real estate trade or business in which the taxpayer materially participates; and (ii) the taxpayer performs more than 750 hours of service during the tax year in real property trades or businesses in which the taxpayer materially participates. See "Federal Income Tax Consequences" below.

The IRS may challenge the Company's allocation of net income and net losses, which could result in adverse tax consequences for the Members. For the allocations of income, gains, deductions, losses and credits under the LLC Agreement to be recognized for tax purposes, the allocations must possess substantial economic effect. It is possible that the IRS may claim that such allocations lack substantial economic effect. If any challenge to the allocations of such items to any Member were upheld, the tax treatment of the investment for such Member could be adversely affected. See "Federal Income Tax Consequences" below.

A Member that is an individual or closely held corporation will be unable to deduct his distributive share of the Company's Net Loss, if any, to the extent such Net Loss exceeds the amount the Member has "at risk." A Member's initial amount at risk will equal the sum of: (i) the amount of money invested by the Member in the Company, (ii) the basis of any property contributed by such Member to the Company, and (iii) the amount of borrowed funds used in the Company's activities to the extent that the Member is personally liable with respect to such indebtedness. A Member can include in the amount at risk its share of qualified nonrecourse financing in the event the Company holds real property. A Member's amount at risk will be reduced by the amount of any cash distributed to such Member and the amount of Net Loss allocated to such Member, and will be increased by the amount of Net Income allocated to such Member. Net Loss not allowed under the at risk provisions may be carried forward to subsequent taxable years and used when the amount at risk increases. It is possible that the Loan would not constitute qualified nonrecourse indebtedness, would not be included in the amount at risk, and would limit losses that could be claimed by the Members. Tax Counsel cannot render an opinion as to whether the Members will be subject to the at risk rules because of the possibility that (i) the Loan may not be qualified nonrecourse indebtedness, and (ii) any debt refinancing of the Loan might not be qualified nonrecourse indebtedness.

Members may be subject to the Alternative Minimum Tax because of an investment in the Company, which could increase a Member's federal income tax liability. The alternative minimum tax applies to designated items of tax preference. The limitations on the deduction of passive losses also apply for purposes of computing alternative minimum taxable income. See "See Federal Income Tax Consequences" below.

The IRS could assess penalties and interest in connection with the disallowance of deductions. In connection with an audit that disallows any of your deductions, the IRS could assess significant penalties and interest on tax deficiencies. The Code provides for penalties relating to the accuracy of tax returns equal to 20% of the portion of the underpayment that is attributable to:

(i) negligence or disregard of rules or regulations;

(ii) any substantial understatement of income tax; or

(iii) any substantial valuation misstatement in which the value of any property (or the adjusted basis) is 200% or more of the amount determined to be the proper valuation or adjusted basis.

The accuracy related penalties generally double if the property's valuation is overstated by 400% or more.

In addition to these provisions, the American Jobs Creation Act of 2004 imposes a 20% accuracy related penalty for listed or reportable transactions having a significant tax avoidance purpose. This penalty is increased to 30% if the transaction is not properly disclosed on the taxpayer's federal income tax return. Failure to disclose such a transaction can also prevent the applicable statute of limitations from tolling in certain circumstances and can subject the taxpayer to additional disclosure penalties ranging from $10,000 to $200,000, depending on the facts of the transaction. Similarly, any interest attributable to unpaid taxes associated with a non-disclosed reportable transaction may not be deductible for federal income tax purposes. See "Federal Income Tax Consequences – Accuracy-Related Penalties and Interest" below.

Potential Tax Shelter Penalties. The American Jobs Creation Act of 2004 limits a taxpayer's ability to claim privilege on any communication with a federally authorized tax preparer involving a tax shelter. In addition, it requires taxpayers and material advisors to comply with disclosure and list maintenance requirements for reportable transactions. Reportable transactions include transactions that generate losses under Code Section 165 and may include certain large like-kind exchanges entered into by corporations. The LLC Manager and Counsel have concluded that the sale of a Unit and the purchase of an Interest should not constitute reportable transactions.

Accordingly, the LLC Manager and Counsel do not intend to comply with these disclosure or list maintenance requirements with respect to the sale of a Unit or the purchase of an Interest. There can be no assurances that the IRS will agree with this determination by the LLC Manager and Counsel. Significant penalties could apply if a party fails to comply with these rules, and such rules are ultimately determined to be applicable.

Investors will be subject to state and local taxes. Prospective investors should consider the state and local tax consequences of an investment in the Company. Prospective investors should consult with their own tax advisors concerning the applicability and impact of any state and local tax laws.

An investment in the Company is subject to changes in federal income tax law. The discussion of tax aspects in this Memorandum is based on law presently in effect. Nonetheless, you should be aware that new administrative, legislative or judicial action could significantly change the tax aspects of an investment in the Company. Congress could make substantial changes in the future that affect the income tax consequences of an investment in the Company. Congress is currently analyzing and reviewing numerous proposals regarding changes to federal income tax laws, the extent and effect of such changes, if any, are uncertain. Any such change may or may not be retroactive with respect to transactions entered into or contemplated before the effective date of such change and could have a material adverse effect on the Company and its Members.

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DESCRIPTION OF THE PROPERTY

Engineer's Executive Summary

According to information received from the Seller, the subject buildings are structural steel frame buildings on shallow foundations with concrete slabs on grade on the first floor and concrete slabs on metal deck on the upper floors. The Eagle Medical Complex is three floors and has approximately 62, 186 gross square feet of enclosed space, and Pinnacle 200 is two floors and has approximately 29,096 gross square feet of enclosed space.

The exterior skin of both buildings is a brick and glass combination. The brick is backed up with structural metal studs, DensGlass sheathing and felt moisture protection on the sheathing. The glass is double pane insulated glass with "Low E" coating for high energy performance. The roof is a 60 mil EPDM ballasted roof system with aluminum flashings.

The perimeter of each building has a steel-framed standing seam metal mansard roof feature to enhance the architectural statement of the buildings.

Both buildings are zone-conditioned by rooftop AC units and electric heaters in the building ductwork. The HVAC system is digitally controlled from a central computer and remotely diagnosed for quality control. This control system also can diagnose problems that may occur within the mechanical equipment. Eagle Medical Complex has two sixty ton Carrier units which service the first and second floor. In addition it has one-seventy ton Carrier unit which services the third floor. The Eagle Medical Complex also has two ton Carrier split systems and one Greenheck exhaust fan through the roof for the bathrooms. The Pinnacle 200 building has one-forty ton Carrier unit which services the first floor and one-sixty ton Carrier unit which services the second floor. In addition, the building has two Carrier split systems which service the first floor communications room.

Each building has an automatic fire sprinkler system and meets all codes for life safety and handicap access. Audible pull zones and strobes are present.

There are no redundant electrical systems.

Both buildings have hydraulic elevators to serve the upper floors. Electrical service and distribution was designed to accommodate the increased demands of medical service tenants. Eagle Medical Complex has two three-stop elevators which were manufactured by Dover. Pinnacle 200 has one two-stop elevator manufactured by ThyssenKrupp. Electrical service and distribution was designed to accommodate the increased demands of medical service tenants.

The buildings have a maintenance agreement for the following services: elevator, HVAC, landscaping, pest control, and janitorial.

Property Condition Assessment

The following assessment of the condition of the Property has been provided by the Seller and although it is believed to be accurate, there are no assurances that such information is correct or complete.

Eagle Medical Complex

The building is approximately 4 years old and in very good condition. Specifically:

- The two (2) Dover hydraulic elevators are in good working condition and have a life expectancy of twenty-five years prior to refurbishment or re-motoring. Both elevators are monitored and maintained by a service agreement with ThyssenKrupp.
- The Carrier rooftop units are also in good working condition. Life expectancy can vary from 15-20 years. Regular service through the MaxAir Mechanical maintenance agreement extends life expectancy.

- Plumbing has been reliable with no significant problems arising. A plumbing contractor is on retainer in case of emergencies.
- The roof is a 60 mil EPDM ballasted roof system with aluminum flashings. The perimeter of each building has a steel framed standing seam metal mansard roof feature. The roof is warranted for twenty (20) years.
- The building is surrounded by surface asphalt parking. The asphalt is in safe, operable condition, however patching may be necessary depending on traffic load.
- Landscaping and irrigation systems are operable and aesthetically appropriate for the development. Both are maintained by a service agreement with the Brickman Group, LTD.
- Common areas within the building are in very good condition. Over the life of the building, minor painting and carpet cleaning is expected.
- Light bulb replacement is expected.

<u>Pinnacle 200</u>

The building is approximately 1.5 years old and in superior condition. Specifically:

- The one (1) ThyssenKrupp hydraulic elevator is in good working condition and has a life expectancy of 20 years, prior to needing refurbishment or re-motoring. The elevator is monitored and maintained by a service agreement with ThyssenKrupp.
- The two (2) Carrier rooftop units are also in good working condition. The life expectancy can vary from 15-20 years. Regular service through the MaxAir Mechanical maintenance agreement extends life expectancy.
- Plumbing has been reliable with no significant problems arising. A plumbing contractor is on retainer in case of emergencies.
- The roof is a 60 mil EPDM ballasted roof system with aluminum flashings. The perimeter of each building has a steel framed standing seam metal mansard roof feature. The roof is warranted for twenty (20) years.
- The building is surrounded by surface asphalt parking. The asphalt is in safe, operable condition, however patching may be necessary depending on traffic load.
- Landscaping and irrigation systems are operable and aesthetically appropriate for the development. Both are maintained by a service agreement with the Brickman Group, LTD.
- Common areas within the building are in good condition. Over the life of the building, minor painting and carpet cleaning is expected.
- Light bulb replacement is expected.

The Eagle Pinnacle Medical Complex is the only medical facility with pedestrian access and a sidewalk leading directly to the Henry Medical Center hospital campus.

TENANCY

Management

All current tenants are paying rent on time, per their lease agreements. There are currently no delinquent payments from any tenants. The Property Manager will manage the Property and is in negotiations to provide a smooth transition in management authority.

Tenant Marketing Strategy

The Property Manager intends to utilize the Henry Medical Center as a focal point for prospective tenant advertising by emphasizing the fact that the Property is Class-A space with high quality interior finishing. Tenant improvement contributions are at market rates. Eagle Pinnacle Medical Complex has a mix of medical office and professional tenants. Although its tenancy is dominantly medical, the property is able to service both submarkets.

Tenant Summary

The following is a brief description of some of the tenants of the Property:

- Heritage Bank: Heritage Bank is a commercial bank operating within the Southern Crescent of Atlanta, GA since 1955. Heritage Bank is a wholly owned subsidiary of CCGF Holding Company, Inc., a publicly traded corporation on the NASDAQ (NASDAQ:CCFH).
- Nanston, Inc: Nanston is a privately held dental company having 17 clinics throughout the Greater Atlanta Metropolitan Region. Nanston has a professional staff of 75 dentists and a full-service laboratory with training facilities.
- Southern Heart Specialists, P.C.: A cardiology group in South Atlanta with three locations.
- Davis Development: A multifamily real estate development company headquartered at the Eagle Pinnacle Medical Complex. Davis Development owns approximately 10,000 units in 10 southern states.
- Windham Law Firm: A civil trial practice law firm, specializing in personal injury and family law. Practice focused in South Metro Atlanta. Business clientele include Gold's Gym and United Community Bank.
- Dr. Talla P. Shankar: Member of the American Association of Clinical Endocrinologists.
- Dr. Kolanu MD: Clinical and research based Neurology
- Dr. Eric Fier: Psychiatric practice.

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Lease Abstract

Name	Unit	SF	%	PSF	Base Rent Ann	Base Rent Mth	Rate Esc Ann.	Mkt. Esc.	Eff. Date	Exp. Date	Yrs	Remain Yrs	TI 1ST Gen.	TI/PSF
Jeffrey S. Coleman, DDS, PC	100	2,680	3.38%	$26.23	$70,307	$5,859	$27.28	104%	10.1.2001	Sep-11	10	5.50	$99,160	$37
Southern Heart Specialists	101	6,188	7.79%	$26.92	$166,571	$13,528	$28.00	104%	1.1.2001	Dec-10	10	4.75	$0	$0
Southern Primary Care	102	3,581	4.51%	$25.23	$90,331	$7,528	$0.00	0%	10.1.2001	Sep-06	5	0.50	$0	$0
Clayton Orthopedic Clinic	103	3,908	4.92%	$19.25	$75,229	$6,269	$19.64	102%	1.1.2006	Dec-10	5	4.75	$0	$0
Windham Law Firm	200	5,969	7.52%	$23.93	$142,841	$11,903	$24.89	104%	8.15.2003	Jul-08	5	2.33	$217,708	$36
*Vacant-Seller-Leaseback	206	2,017	2.54%	$20.00	$40,340	$3,362	$0.00	0%	3.15.2006	Feb-08	2	1.92	$0	$0
Talla P. Shankar	201	1,534	1.93%	$24.25	$37,207	$3,101	$25.23	104%	4.1.2002	Mar-07	5	1.00	$56,758	$37
South Atlanta Hematology	202	2,570	3.24%	$25.31	$65,044	$5,420	$26.32	104%	4.1.2001	Mar-10	9	4.00	$0	$0
Dr Kolanu MD/Neurology	203	2,499	3.15%	$25.23	$63,037	$5,253	$26.23	104%	4.1.2001	Mar-10	9	4.00	$0	$0
Eric Fier MD	204	1,186	1.49%	$22.14	$26,256	$2,188	$0.00	0%	5.1.2001	Jun-06	5	0.25	$0	$0
***Vacant-Seller-Guarantee	205	1,280	1.61%	$20.00	$25,600	$2,133	$20.80	104%	3.15.2006	Feb-08	2	1.92	$0	$0
***Davis Dev't/Guarantee	300	11,608	14.62%	$25.23	$292,813	$24,401	$26.23	104%	3.1.2001	Feb-06	5	-0.08	$0	$0
Women's Health Specialist	302	5,818	7.33%	$25.55	$148,641	$12,387	$26.57	104%	9.1.2001	Aug-08	7	2.42	$0	$0
Tri-County Pediatrics	100	5,555	7.00%	$20.54	$114,096	$9,508	$21.36	104%	7.1.2004	Jun-09	5	3.25	$0	$0
**Heritage Bank	101	3,703	4.66%	$21.87	$81,000	$6,750	$21.87	100%	7.1.2004	Jun-09	5	3.25	$118,496	$32
South Atlanta Neurology	102	3,277	4.13%	$19.75	$64,721	$5,393	$20.54	104%	7.1.2005	Jun-15	10	9.25	$135,000	$41
**Nanston, Inc.	200	14,548	18.33%	$20.34	$295,943	$24,662	$20.95	103%	1.1.2005	Dec-15	10	9.75	$654,660	$45
***Vacant-Seller-Leaseback	103	1,466	1.85%	$24.00	$35,184	$2,932	$24.00	100%	3.15.2006	Feb-08	2	2.00	$0	$0
Net Rentable Square Feet		**79,387**	**100.00%**		**$1,835,161**	**$152,577**							**$1,281,782**	

Lease Assumptions From Rent Roll

* LOI is approved and Seller is currently working on space planning. The tenant is a dual psychiatric partnership. Terms are $20.50/NRSF with $30.00 in TI allowance. Seller will leaseback space for 2 years without escalation if no lease is ratified prior to closing date.

** All tenant escalations are at 4% with the exception of: (1) Nanston at 3%; (2) Heritage's escalation does not trigger until the renewal period at which time it escalates by 18.5% of the base rental rate; and (3) The Seller's guaranteed space and leaseback space do not escalate.

*** Guarantees are taken into consideration. Spaces "Vacant-Seller-Leaseback" and "Vacant-Seller-Guarantee" do not escalate until the expiration of their 2-year guarantee-period. Then the rental rates increase to market rates according to the "Avg. Weighted Ann. Office Base Rent," and thereafter escalate by 3%. The Davis Development lease is guaranteed for a period of 3 years, and thereafter escalated at a rate of 4%. Davis Development is expected to renew for 5 years at pro forma rates.

**** Rents are adjusted to then current market values at lease expiration, unless guaranteed.

Lease Abstract (continued)

Rentable	78,107		Avg $ PSF Office	$23.10	**CAM and Expense Reimbursements**			
Vacant Office (w/o Guar.)	0		Avg Wt'd Ann Off. Base Rent (Going-in)	$23.12		Women's Health	$1,616	2005
Vacant Office (w/Guar.)	1,280	1.61%	Avg Ann Office Base Rent	$101,953			$1,680	2006
Storage	0		Avg Ann Office Vacancy	$0.00			$1,747	2007
Condo	0		Avg Mth Office Base Rent	$8,477				
Kiosk	0		Highest Rent Paid	$26.92				
Vacant Off.	0		Storage Space Rent	$0.00	**Seller Leaseback and Guarantee**			
Gross	**79,387**		Concessions	$0.00		Leased by Seller	3,483	4.39%
Less Condo, Storage, Kiosk	0		Average Tenant Size	4,410		Rent Guarantee	12,888	16.23%
Less Vacant	0		Avg SF Office	4,410				
Net Rentable Office	**79,387**		Mean Lease Period	6.17	Average Lease Period			
Rented Office Space	**78,107**		Median Lease Period	5.00	Lease Period Occurring Most Frequently			
Physical Occupancy	**98.39%**		Mean Remaining Period	3.38				

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Lease Expiration Schedule

	For the Year Beginning	Yr. 1 EOY 06	Yr. 2 EOY 07	Yr. 3 EOY 08	Yr. 4 EOY 09	Yr. 5 EOY 10	Yr. 6 EOY 11	Total
Tenants (PSF)								
1	Jeffrey S. Coleman, DDS, PC						2,680	
2	Southern Heart Specialists[1]						6,188	
3	Southern Primary Care	3,581						
4	Clayton Orthopedic Clinic[1]						3,908	
5	Windham Law Firm			5,969				
6	*Vacant-Seller-Leaseback			2,017				
7	Talla P. Shankar		1,534					
8	South Atlanta Hematology					2,570		
9	Dr Kolanu MD/Neurology					2,499		
10	Eric Fier MD	1,186						
11	*Vacant-Seller-Guarantee			1,280				
12	*Davis Development/Guarantee				11,608			
13	Women's Health Specialist			5,818				
14	Tri-County Pediatrics				5,555			
15	*Heritage Bank				3,703			
16	South Atlanta Neurology	Expires 2015						
17	*Nanston	Expires 2015						
18	*Vacant-Seller-Leaseback			1,466				
	Total Number of Tenants	**2**	**1**	**4**	**3**	**4**	**1**	**15**
	Annual Expirations SF	**4,767**	**1,534**	**16,550**	**20,866**	**5,069**	**12,776**	**61,562**
	Annual Expirations %	**6.0%**	**1.9%**	**20.8%**	**26.3%**	**6.4%**	**16.1%**	**77.5%**
	Cumulative Expirations SF	**4,767**	**6,301**	**22,851**	**43,717**	**48,786**	**61,562**	**N/A**
	Cumulative Expirations %	**6%**	**8%**	**29%**	**55%**	**61%**	**78%**	**N/A**

Subtotal	61,562	Scheduled Expirations
So. Atlanta Neurology	3,277	Expires 2015
**Nanston	14,548	Expires 2015
NRSF	**79,387**	

(Per month)	Yr. 1 EOY 06	Yr. 2 EOY 07	Yr. 3 EOY 08	Yr. 4 EOY 09	Yr. 5 EOY 10	Yr. 6 EOY 11
Scheduled Rent at Expiration	$6,898	$3,221	$12,923	$26,848	$6,238	$6,722
	2,285		3,853	11,579	6,055	14,187
			2,445	7,522		8,960
			13,247			
			3,054			
Subtotal Rent at Expiration (Ann.)	**$110,197**	**$38,652**	**$426,268**	**$551,391**	**$147,517**	**$358,428**

1 Southern Heart Specialists and Clayton Orthopedic Clinic:
Expiration at December of the previous year. Economic impact transferred to the year following.

***** See Lease Abstract notes, Lease Assumptions From Rent Roll. Guaranteed Space Included.

Renewal Probability (Retention Rate)	0.80	x						
Vacancy Exposure	0.50	years-worst case						
Vacancy Probability	0.20	x						
Scheduled Vacancy	**$11,020**	**$3,865**	**$42,627**	**$55,139**	**$14,752**	**$35,843**	**$163,245**
Economic Ratio	0.59%	0.20%	2.22%	2.77%	0.72%	1.70%	

Note Cumulative Expirations % equals General Vacancy-Medical, Classes A and Class B at 12%.

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MARKET REPORT AND SURVEY

Limiting Conditions

This Market Report and Survey suggests market influences and pro forma considerations that could impact the operating performance of the Eagle Pinnacle Medical Complex. This report is not intended to be a complete empirical residential market analysis that includes threshold minimums derived from micro-analytic evaluation. Further, it is not prepared from primary research, rather from secondary raw data and reports applicable to the analysis of the subject property. While reports from secondary data are subject to statistical biases and errors, this Market Report and Survey is viewed by the preparer as accurate, valid, reliable, timely, and requires no further reformulation in view of its objective. For a pro forma financial feasibility analysis, please consult the Projection of Income and Cash Flows for the Property attached hereto as Exhibit G.

Introduction

The Eagle Medical Complex and Pinnacle 200 are located in Stockbridge, Georgia, a suburb of Atlanta, at 1040 and 1050 Eagles Landing Parkway. Henry County has experienced significant economic vitalization since 2000, in part due to national and locational macro-economic forces. Eagle Medical Complex has three floors and approximately 62,186 gross square feet of enclosed space, and Pinnacle 200 has two floors and approximately 29,096 gross square feet of enclosed space. In the aggregate, the Property has approximately 79,387 square feet of leaseable space, 94.00% of which will be occupied and 98.39% of which will be leased at acquisition.

The strength of the local economy is tied to creating a business climate that encourages employers to locate their businesses to Henry County, and retention of businesses that are already present. Henry County's package of economic development incentives, along with its demographic profile, quality of life and transportation infrastructure are key selling points for companies looking for corporate offices. Henry County continues to create opportunities for small, minority, and women-owned businesses, in addition to business relationship-development between contractors and businesses.

The economic and market forces affecting rental rates, leasing commissions, and landlord contributions to tenant improvements are due to several factors. The Property is materially and positively influenced by the development of Interstate-75 ramp and bridge improvements, retail development, and road widening with traffic controls at the site. These projects commenced in 2004 and are scheduled for completion in June 2006. The Property enjoys immediate access to new retail development, including Walgreens, Starbucks, and Wal-Mart. It is a few hundred yards from County Club Drive, providing access to communities surrounding Eagles Landing Country Club. Eagles Landing is a 3,000 acre master-planned community set on wooded, rolling countryside and is located approximately 15 minutes from Atlanta and the Hartsfield-Jackson International Airport. Concerning supply and demand, most medical tenants typically occupy space under 5,000 square feet. There is a lack of medically dedicated surface stock in the 3,000 to 5,000 square feet range within a half-mile from Henry Medical Center. Completion of the new hospital wing and the doubling of beds will create additional demand for medical facilities. There is no more space to be developed at this hospital site. Only 3 building sites remain for infill-growth, respectively 3 acres, 2 acres, and 1 acre, but the highway must be crossed to reach these sites. Except for minor infill sites, there is no additional room for major growth. Competition is expected to increase due to infill sites being used up, thereby increasing rental rates and demand for space.

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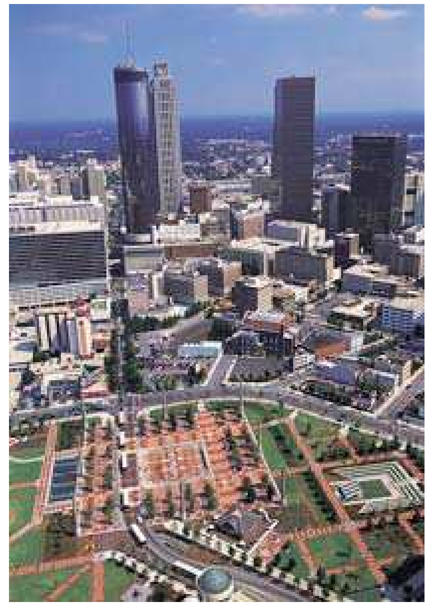
Atlanta Economic Overview



Atlanta is the economic capital of the Southeastern United States, strategically located to service the entire region. Its biggest strength is its transportation network, including an excellent interstate highway system and a world-class airport. Atlanta's broad-based economy, business-friendly environment and high quality of life are among its other strengths. Metro Atlanta consists of 28 counties with a population of 4.6 million and an employment base of nearly 2.2 million. Since 1990, Atlanta has added an average of more than 118,000 residents and 48,000 jobs annually. These factors have driven dozens of major corporate relocations to Atlanta over the past decade. Most recently, Newell Rubbermaid, Nissan North America and Rayovac have relocated corporate headquarters to Atlanta. In addition, Del Monte Foods Co. is moving their distribution headquarters to Atlanta, which is significant because they considered several cities that offered more competitive economics, but could not match Atlanta's other benefits. Nearly 80% of the Fortune 1,000 companies have local operations in Atlanta. Atlanta ranks third (behind New York and Houston) as a Fortune 500 headquarters city. Leading public companies, based on revenue, are Home Depot, United Parcel Service, Coca-Cola, Georgia-Pacific, and Coca-Cola Enterprises. The top ten private-sector firms, each employing more than 10,000, include:

- Delta Air Lines
- BellSouth Corporation
- Kroger Company
- Emory University
- Publix Supermarkets
- Wal-Mart Stores, Inc.
- AT&T Corporation
- United Parcel Service
- Randstad North America Staffing Services
- Promina Health System (including WellStar)

Source: http://ackermanco.net/marketreports_econ.html

Access and Linkages

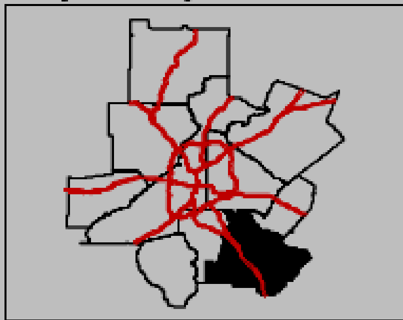
The Eagle Pinnacle Medical Complex is located on Eagles Landing Parkway at the Interstate 75 interchange. Eagles Landing Parkway is a heavily traveled road that is being widened by Henry County to meet the demand of the immediate vicinity's expanded retail and residential community. According to the Henry County Department of Transportation, Eagles Landing Parkway experiences a daily traffic count of 38,800. In response to the 20-year traffic count, estimated to grow to 70,500, a new traffic control signal light has been constructed at the intersection leading to the Property, in addition to a widening of the road by four lanes which is scheduled for completion in June 2006.

Source: http://www.dot.state.ga.us/specialsubjects/roadconstruction/eagleslanding/index.shtml

Henry County Economic Overview

The following chart prepared by the *2000 Atlanta Regional Commission* provides a brief economic overview of Henry County. Additional and more current economic information follows.

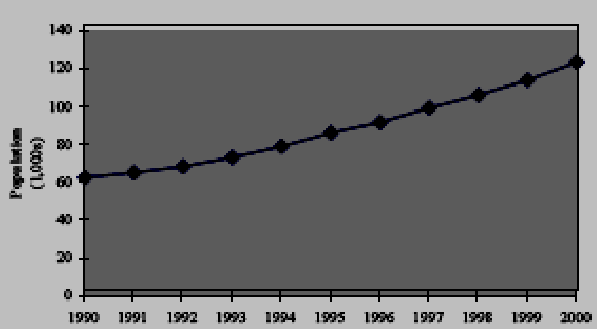
Henry County



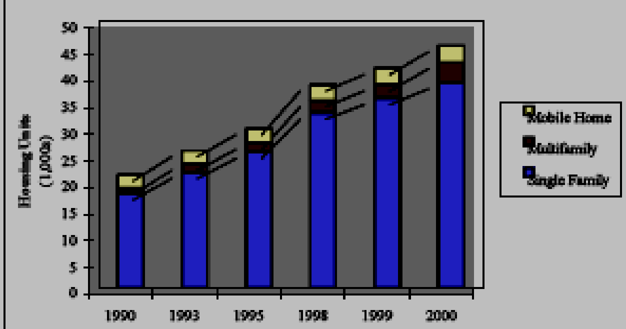
Population

	1990	1993	1995	1998	1999	2000
Total Population	59,200	69,700	82,700	102,700	110,700	120,000
Avg. Annual Incr.	–	3,500	6,500	6,667	8,000	9,300
Avg. Annual % Incr.	–	5.6%	8.9%	7.5%	7.8%	8.4%
Black and Other Races	6,744	8,022	9,551	12,307	13,489	15,161
% of Total Population	11.4%	11.5%	11.5%	12.0%	12.2%	12.6%
Occupancy Rate	94.1%	92.0%	94.5%	92.5%	92.3%	91.6%
Average Household Size	2.91	2.89	2.89	2.89	2.89	2.86
Total Housing Units	21,275	25,842	29,939	38,161	41,252	45,555
Single Family Units	17,705	21,705	25,459	32,832	35,618	38,548
Multifamily Units	1,042	1,527	1,719	2,389	2,539	3,786
Mobile Home Units	2,528	2,610	2,761	2,940	3,095	3,221

Population



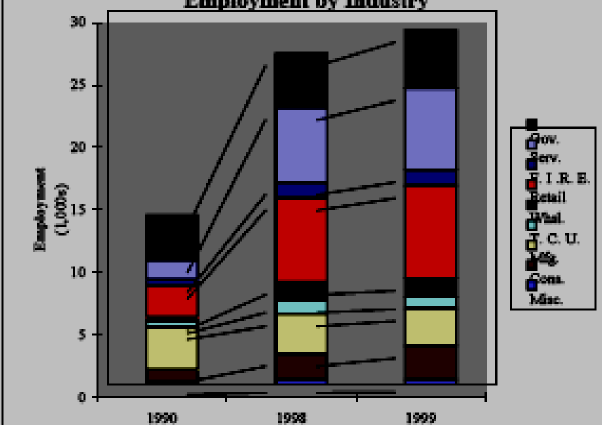
Housing Units by Structure Type



Employment

	1990	1998	1999
Total, All Industries	13,600	26,550	28,450
Miscellaneous	200	350	400
Construction	1,000	2,100	2,700
Manufacturing	3,400	3,200	3,000
Nondurable Goods	736	1,324	1,252
Durable	2,664	1,876	1,748
Trans., Comm., & Utilities	500	1,100	950
Surface Trans.	183	466	274
Air Trans	3	0	236
Misc. Trans.	3	98	64
Communications	262	446	309
Utilities	49	90	67
Wholesale Trade	300	1,450	1,450
Durable Goods	145	980	1,001
Nondurable Goods	155	470	449
Retail Trade	2,500	6,750	7,450
Durable Goods	289	1,286	1,456
Nondurable Goods	2,211	5,464	5,994
Finance, Insur., & Real Est.	500	1,250	1,250
Finance	323	534	554
Insurance	24	412	437
Real Estate	153	304	259
Services	1,600	6,000	6,550
Consumer	928	1,346	1,480
Business	418	3,062	3,338
Recreation	52	285	301
Health	178	1,155	1,320
Miscellaneous	24	152	111
Government	3,600	4,350	4,700
Local	2,600	3,350	3,750
State	100	150	150
Federal	900	850	800

Employment by Industry



Trends: Henry County's population growth rate, 7.3 percent per year, 1990-2000, is the highest of any county in the Atlanta Region. In terms of housing, most of the growth was in single family units, but Henry is also adding some multifamily and mobile home units.

Like most suburban counties, Henry's employment growth has largely been in local-serving industries. Henry's long interstate corridor has attracted many warehousing operations, some with extensive facilities, but with relatively few jobs.

Population is expected to continue to grow rapidly in Henry and employment growth will likely accelerate as population density increases.

The cities of Hampton, Locust Grove, McDonough and Stockbridge are located in Henry County.

See definitions on page A-2.

Demographic Profile

As Atlanta's economy continues to thrive, growth is inevitable. According to the Atlanta Chamber of Commerce, the Atlanta area is projected to add 2.5 million new residents over the next 25 years. A brief Atlanta demographic profile is summarized below.

- The Atlanta metropolitan statistical area (MSA) has a population of approximately 4.6 million, which has increased by an average annual rate of 2.8% since 2000, nearly three times the national average. According to Claritas, an additional 542,000 residents will call Atlanta home during the next five years, representing a population increase of more than 100,000 annually. The fastest growing counties in the MSA since 2000 are Forsyth, Henry, Newton and Paulding. Fulton County is the primary county in the MSA with a population of more than 852,000 in 2004. Gwinnett County added 82,352 residents to lead the region in net population increase. Henry County ranked second with an increase of 36,959, and Fulton was third, up 36,494. Together, these three counties account for more than half of the region's population increase since 2000.
- Atlanta is relatively young with a median age of 33.5 years. The largest age group is 25 to 44 year olds and accounts for 34% of the population. Nearly 26.5% of the population is under 18. Although seniors (aged 65+) represent only 7.8% of the population, this age cohort is projected to grow by 4.3% per year during the next five years.
- The region's housing stock increased by 180,425 units between 2000 and 2004. Single-family units continue to dominate the housing market, accounting for 2 of every 3 units built during the last four years. As of April 2004, 69 percent of the region's housing units are single family, 29 percent are multifamily, and 2 percent are mobile homes.
- Atlanta is an affluent community. The average household income is $76,000. Nearly 22% earn more than $100,000 annually. Another 148,000 households with incomes exceeding $100,000 are forecasted for the next five years.
- Atlanta tends to be family-oriented community with an average household size of 2.7.
- Approximately 69% of households are family households. Conversely, nearly one-quarter are single-person households. There is a propensity for home ownership, representing two-thirds of occupied housing units. The average house value is $162,000.
- During the 1980's 74% of Atlanta's population growth was in the northern sectors (ENE, NNE, NNE, and WNW). Since the mid-1990's growth has accelerated south of the I-20. Since 2000, 41% of the Atlanta region's increase has been in the southern sectors (ESE, SSE, SSW, and WSW) as congestion increases in the north and land becomes more expensive. This represents a change in the direction of growth by a factor of 57%. Henry County falls in the SSE sector, and showed the most improvement with its average annual population growth increasing from 9.7% in the 1990's to 14.2% between 2000 and 2004, and on average 7.0% per year since 2000.

Source: In addition to internal cites, the discussion concerning the Atlanta Region Population and Housing: Emphasis on the South Side was principally obtained from the Atlanta Regional Commission.

Henry County Population

Changes to Henry County population demographics are significant, mostly due to improved macro-economic conditions nationally and regionally. Expected increases to population are significant across most sub-categories, including total population, density per square mile, and households. Increases to population by race and ethnicity improve uniformly across all sub-categories. Changes across the 45 - 64 years sub-categories are expected to grow faster than other age cohorts, signaling an improved economic status.

Date: December 27, 2005
Current Geography Selection: Henry County, Georgia
Your title for this geography: Prepared for Greg Nobles

Demographic Detail Summary Report

Population Demographics

	1990 Census		2000 Census		2005 Estimate		2010 Projection		Percent Change 1990 to 2000	Percent Change 2005 to 2010
Total Population	58,738		119,341		169,496		217,404		103.2%	28.3%
Population Density (Pop/ Sq Mi)	180.9		367.6		522.1		669.7		103.2%	28.3%
Total Households	20,011		41,373		60,903		79,326		106.8%	30.2%
Population by Gender:										
Male	29,033	49.4%	58,868	49.3%	84,003	49.6%	108,049	49.7%	102.8%	28.6%
Female	29,705	50.6%	60,473	50.7%	85,493	50.4%	109,355	50.3%	103.6%	27.9%

Population by Race/Ethnicity

	1990 Census		2000 Census		2005 Estimate		2010 Projection		Percent Change 1990 to 2000	Percent Change 2005 to 2010
White	52,110	88.7%	97,116	81.4%	136,864	80.8%	174,235	80.1%	86.4%	27.3%
Black	6,068	10.3%	17,523	14.7%	25,767	15.2%	34,132	15.7%	188.8%	32.5%
American Indian or Alaska Native	108	0.2%	269	0.2%	384	0.2%	489	0.2%	149.1%	27.3%
Asian	329	0.6%	2,142	1.8%	3,251	1.9%	4,410	2.0%	551.1%	35.7%
Some Other Race	122	0.2%	945	0.8%	1,331	0.8%	1,861	0.9%	674.6%	39.8%
Two or More Races			1,346	1.1%	1,899	1.1%	2,277	1.1%		19.9%

DemographicsNow - Report

Hispanic Ethnicity	464	0.8%	2,692	2.3%	6,039	3.6%	9,274	4.3%	480.2%	53.6%
Not Hispanic or Latino	58,279	99.2%	116,649	97.7%	163,457	96.4%	208,130	95.7%	100.2%	27.3%

Population by Age

	1990 Census		2000 Census		2005 Estimate		2010 Projection		Percent Change 1990 to 2000	Percent Change 2005 to 2010
0 to 4	4,728	8.1%	9,688	8.1%	12,711	7.5%	15,582	7.2%	104.9%	22.6%
5 to 14	8,980	15.3%	19,933	16.7%	26,244	15.5%	31,181	14.3%	122.0%	18.8%
15 to 19	4,091	7.0%	7,941	6.7%	12,453	7.4%	16,438	7.6%	94.1%	32.0%
20 to 24	4,028	6.9%	6,184	5.2%	11,807	7.0%	15,214	7.0%	53.5%	28.9%
25 to 34	11,038	18.8%	19,444	16.3%	26,716	15.8%	29,716	13.7%	76.2%	11.2%
35 to 44	9,551	16.3%	22,245	18.6%	29,665	17.5%	35,730	16.4%	132.9%	20.4%
45 to 54	6,724	11.4%	15,788	13.2%	22,703	13.4%	32,500	14.9%	134.8%	43.2%
55 to 64	4,675	8.0%	9,294	7.8%	14,130	8.3%	21,643	10.0%	98.8%	53.2%
65 to 74	3,003	5.1%	5,362	4.5%	7,707	4.5%	11,846	5.4%	78.6%	53.7%
75 to 84	1,454	2.5%	2,667	2.2%	4,046	2.4%	5,727	2.6%	83.4%	41.5%
85+	474	0.8%	795	0.7%	1,314	0.8%	1,827	0.8%	67.7%	39.0%
Median Age:										
Total Population	31.9		33.4		33.2		35.2			

Household Data

The 2004 average household size for the Atlanta MSA was 2.63 persons. In contrast, the average household size in Henry County was 2.84. This is significant because it tends to show more people are located in the developing suburban areas versus smaller multifamily households located closer to central city areas. This pattern follows national trends in the outward movement of family households into suburban and exurban areas. The relative lack of apartment or rental units in these areas discourages younger and smaller households. The Atlanta region has added 459,259 housing units since 1990, signifying tremendous growth. During this same period, Henry County increased its housing stock by 180%, or 38,539 units. With further distinction, Stockbridge, wherein the Property is located, added 3.88 units to rank second among the regions of Atlanta in housing units added since 2000 (first is Fulton). Over-building of multifamily units in the 1980s, changes in tax laws, and low mortgage interest rates combined to cause single family homes to dominate new construction in the 1990s and 2000s. Since 2004, single family units account for 67.8% of the four-year change. Record low mortgage rates continue to lure first-time home-purchasers out of overbuilt multifamily rental housing and job-seeking migrants have slowed entry into the region.

Source: Excerpts and synthesis from the Atlanta Regional Commission. http://www.atlreg.com/regionaldata/main.pdf. Atlanta Regional 2004

Education

Henry County ranks at or near national averages for educational attainment, although growth in population accounts for expected changes to the in-place population percent change for the period between 2005 and 2010.

Educational Attainment

	1990 Census		2000 Census		2005 Estimate		2010 Projection		Percent Change 1990 to 2000	Percent Change 2005 to 2010
Age 25+ Population	36,919		75,595		106,281		138,989		104.8%	6.5%
Grade K - 8	3,208	8.7%	2,750	3.6%	3,668	3.5%	4,471	3.2%	-14.3%	21.9%
Grade 9 - 12	6,802	18.4%	8,847	11.7%	10,602	10.0%	12,914	9.3%	30.1%	21.8%
High School Graduate	14,072	38.1%	25,926	34.3%	34,474	32.4%	46,984	33.8%	84.2%	36.3%
Some College, No Degree	6,820	18.5%	17,929	23.7%	23,839	22.4%	28,644	20.6%	162.9%	20.2%
Associates Degree	2,059	5.6%	5,030	6.7%	7,582	7.1%	10,239	7.4%	144.3%	35.0%
Bachelor's Degree	2,742	7.4%	10,234	13.5%	18,035	17.0%	24,381	17.5%	273.2%	35.2%
Graduate Degree	1,215	3.3%	4,553	6.0%	8,081	7.6%	11,356	8.2%	274.7%	40.5%
No Schooling Completed			326	0.4%						

Source: Henry County Development Authority

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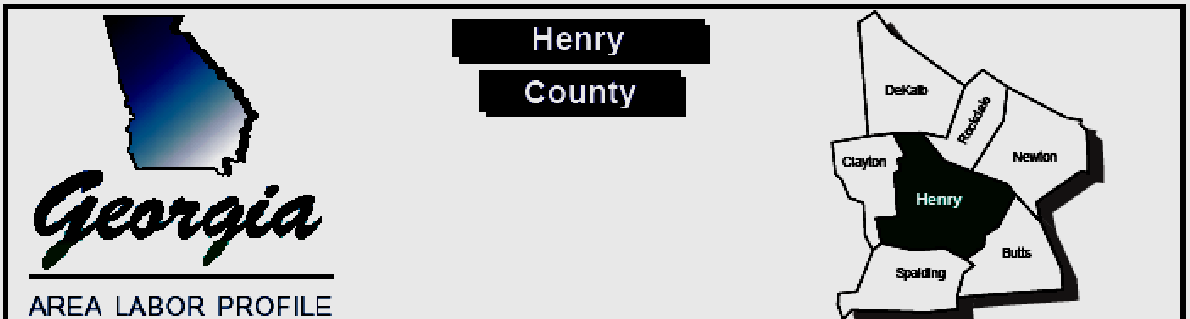
Labor and Employment

In Henry County, services is the largest employment sector providing 33.3% of the jobs. The other predominant employment sectors are retail trade and manufacturing. Statewide, the service industry is the largest employment section, contributing 25.6% of the state's jobs. Between 1996 and 2000, Henry County's annual unemployment rate was less than the state's rate, averaging 2.4% compared with the state's average of 4.2%. Nationally, the unemployment rates for the same period averaged 4.8%. According the *2002 Henry County Area Labor Profile* below, Employment Trends has steadily increased. The 2005 to 2010 outlook for Employment and Business is encouraging as the positive change in percentage growth expected by the Henry County Development Authority reaches 39% overall.

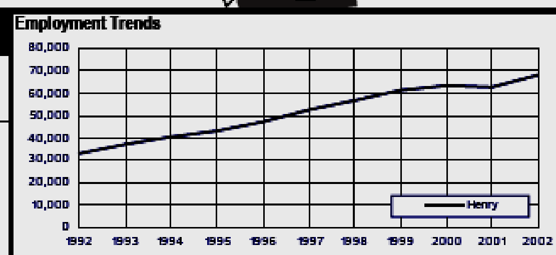


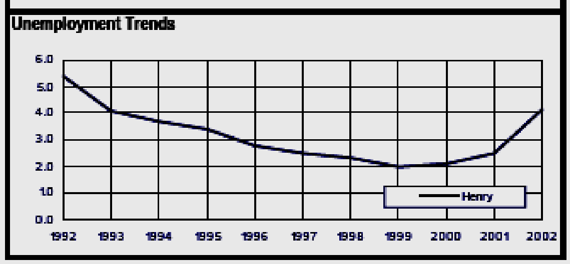
Labor Force Activity

2002 ANNUAL AVERAGES

	Labor Force	Employed	Unemployed	Rate
Henry	70,889	67,972	2,917	4.1
Butts	9,447	8,936	511	5.4
Clayton	139,873	131,113	8,760	6.3
DeKalb	388,729	364,468	24,261	6.2
Newton	32,964	31,136	1,828	5.5
Rockdale	39,507	37,677	1,830	4.6
Spalding	29,062	27,080	1,982	6.8
Henry Area	710,471	668,382	42,089	5.6
Georgia	4,292,330	4,071,469	220,861	5.1
U.S.	144,863,000	136,485,000	8,378,000	5.8

Note: Labor force includes residents of the county who are employed or seeking employment.
Source: Georgia Department of Labor; Bureau of Labor Statistics





Income

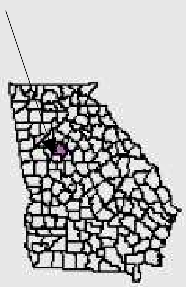
According to *STATS Indiana – USA Counties Henry County, GA Overview*, 2004 retail trade was the largest of the 20 major sectors. Per capita income grew by 7.7% between 1993 and 2003 (adjusted for inflation). During 2003, the average wage per job was approximately $42,144 (average 5 categories), per capita personal income was $26,498, and the median household income was $64,105. According to the *Henry County Development Authority*, Percent Change 2005 to 2010 Households by Income, the greatest change occurs within the $50,000 to $150,000 categories, and this may be due to migration of wealthier wage earners to Henry County.

Positive growth in population illustrates Henry County's experience of improved economic vitality over previous years. One of the strongest concentrations of this occurrence is at the Property's vicinity, Eagles Landing Parkway, where retail development is strong, road expansion and improvements are occurring, the hospital's size is doubling, and the wealthy are locating (potentially to communities surrounding Eagles Landing Country Club).

STATS Indiana - USA Counties IN Profile

Overview for Henry County, GA
Part of: Atlanta-Sandy Springs-Marietta GA, Metropolitan Area
Part of: Atlanta-Sandy Springs-Gainesville GA, Combined Statistical Area

STATS Indiana
from the IBRC



Henry County is one of about 3,141 counties and county equivalents in the United States. It has 322.7 sq. miles in land area and a population density of 494.3 per square mile. In the last three decades of the 1900s its population grew by 403.0%. On the 2000 census form, 98.9% of the population reported only one race, with 14.7% of these reporting African-American. The population of this county is 2.3% Hispanic (of any race). The average household size is 2.87 persons compared to an average family size of 3.19 persons.

In 2004 retail trade was the largest of 20 major sectors. It had an average wage per job of $22,669. Per capita income grew by 7.7% between 1993 and 2003 (adjusted for inflation).

People & Income Overview (By Place of Residence)	Value	Rank in U.S.	**Industry Overview (2004)** (By Place of Work)	Value	Rank in U.S.
Population (2004)	159,506	351	Covered Employment	40,530	526
Growth (%) since 1990	171.5%	4	Avg wage per job	$30,773	821
Households (2000)	41,373	487	Manufacturing - % all jobs in County	8.5%	1895
Labor Force (persons) (2004)	79,947	363	Avg wage per job	$39,939	784
Unemployment Rate (2004)	4.0	2578	Transportation & Warehousing - % all jobs in County	6.2%	237
Per Capita Personal Income (2003)	$26,468	947	Avg wage per job	$58,698	22
Median Household Income (2003)	$61,105	86	Health Care, Social Assist. - % all jobs in County	8.7%	1376
Poverty Rate (2003)	6.6	2993	Avg wage per job	$34,458	534
H.S. Diploma or More - % of Adults 25+ (2000)	84.2	750	Finance and Insurance - % all jobs in County	2.9%	1116
Bachelor's Deg. or More - % of Adults 25+ (2000)	19.5	764	Avg wage per job	$46,854	327

USA Counties IN Profile provides current federal statistics on a variety of demographic and economic indicators. Read "About the Profile" for the best understanding of the data, ranks and computations. This profile is produced by **STATS Indiana**, a web service of the Indiana Business Research Center at the Indiana University Kelley School of Business. Major support for this effort is provided by the State of Indiana through the Indiana Economic Development Corporation.
Updated: December 16, 2005 at 16:23

Households by Income										
									Percent Change	
	1990 Census		2000 Census		2005 Estimate		2010 Projection		1990 to 2000	2005 to 2010
$0 - $15,000	2,620	13.1%	2,539	6.1%	3,593	5.9%	4,455	5.6%	-3.1%	24.0%
$15,000 - $24,999	2,997	15.0%	3,093	7.5%	3,870	6.4%	4,101	5.2%	3.2%	6.0%
$25,000 - $34,999	3,341	16.7%	4,086	9.9%	5,078	8.3%	6,151	7.8%	22.3%	21.1%
$35,000 - $49,999	5,058	25.3%	7,248	17.5%	9,685	15.9%	10,152	12.8%	43.3%	4.8%
$50,000 - $74,999	4,413	22.1%	11,431	27.6%	15,185	24.9%	17,501	22.1%	372.0%	15.3%
$75,000 - $99,999	1,061	5.3%	7,015	17.0%	11,439	18.8%	14,211	17.9%	561.2%	24.2%
$100,000 - $149,999	313	1.6%	4,440	10.7%	8,889	14.6%	16,179	20.4%	1,318.5%	82.0%
$150,000 +	167	0.8%	1,521	3.7%	3,164	5.2%	6,576	8.3%	810.8%	107.8%
Average Hhld Income	$41,584		$65,834		$83,320		$92,984		58.3%	11.6%
Median Hhld Income	$37,581		$57,643		$63,149		$70,921		53.4%	12.3%
Per Capita Income	$14,257		$22,823		$30,106		$34,081		60.1%	13.2%

Source: Henry County Development Authority

Economic Summary

Atlanta is the economic capital of the Southeastern United States, strategically located to service the entire region. Its biggest strength is its transportation network, including an excellent interstate highway system and a world-class airport. From 2000 to 2005, Henry County population and housing statistics represent unprecedented growth, while attractive mortgage rates continue to spur retail and housing development. Positive employment trends have steadily increased, while the affluent continue to migrate to Henry County and the Stockbridge area at record numbers.

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Atlanta Office Investment and Market

Physicians tend to remain longer than typical office tenants, in part because of the necessity to show stability to clientele. Furthermore, base lease rates for the Property are higher (average weighted base rate of $22.67 vs. regional $20.05), and net absorption is faster due to the lack of available Class-A medical properties and the consequent higher demand. No significant or comparable Class-A medical facilities were found to be under construction or planned in Henry County.

The Atlanta regional commercial office and investment market condition is presented on the following pages by the inclusion of the Fourth-Quarter 2005 Office Report, Atlanta, Georgia Market by GVA-Advantis.

This report includes current information pertaining to supply, demand, absorption and pipeline data of typical office property types, and may *exclude medical offices* per se due to their being a niche of the overall market. Locational supply/demand data is fragmented or unavailable as the immediate vicinity is either too new to rate or the property types are incomparable. For example, until 1995, the majority of medical office tenants occupied single family residences converted to a medical use. The remaining medical office space was found to be developed for single-tenant owner occupied purposes, generally not exceeding 15,000 square feet of enclosed space. The Eagle Pinnacle Medical Office Complex was the first dedicated Class-A medical property constructed exceeding 50,000 square feet in the South Atlanta region. This Market Report and Survey included the city of Stockbridge, and the submarket clusters of North Clayton County/Airport and South Clayton County/Henry County. No comparable sales were found in these geographic areas. The tax record and pipeline research revealed no additional projects presented to regulatory or planning departments in Henry County which are slated for construction.

Note: Subject site is located in the South Atlanta/Airport sub-market.

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OFFICE

GVA Advantis

Atlanta Metropolitan Area Market Review

Cherokee, Clayton, Cobb, DeKalb, Douglas, Forsyth, Fulton, Gwinnett, Henry and Rockdale Counties

Year-End 2005

Atlanta's sustained increases in overall absorption activity became the highlight of the year. With nearly 4 million square feet absorbed in 2005, the market continues to rebound from the depressed rates of new occupancy sustained throughout 2003 and early 2004. Suburban office submarkets such as Central Perimeter and North Fulton are now leading the way in terms of new activity, and appear to be nearing the relative stability enjoyed by core submarkets such as Downtown and Midtown Atlanta.

METROPOLITAN AREA SUMMARY

Over the past year, the Metro Atlanta office market has experienced steadily decreasing vacancy and improving market fundamentals. Overall absorption approached the 4 million square foot mark, marking the region's second consecutive calendar year of positive overall absorption. Tenants began to commit to larger office spaces, expanding and gobbling up new and existing vacant space in the process. Several large renewals and a rising number of newly inked deals also kept rental rates steady, with average rental rates rising slightly by the end of the year. Development levels also remained in check; despite 1.5 million square feet delivering in 2005, vacancy levels continued to fall as demand for new space continued. The investment market also continued to flourish in 2005, with another near-record year in terms of dollar volume.

After drastic swings in absorption activity from 2001-2003, the Metro Atlanta office market found consistency in 2004 and continued to make solid gains throughout 2005. Improving economic conditions and the generation of new jobs (nearly 39,000 in 2005) created the renewed demand for office space. This is reflected in the amount of space sitting vacant on the market. As of fourth quarter, there is a total of 28.7 million square feet of vacant space in Metro Atlanta. This is a decrease of about 2.5 million square feet in the last 12 months and brings vacancy to 17.3 percent. This works out to an average 0.5 percent drop in vacany each quarter since first quarter 2004.

Class A space has been the largest gainer in terms of absorption activity in 2005. With over 2.8 million square feet of net occupancy gains, it claimed nearly three-quarters of Metro Atlanta's total new occupancy. Vacancy also decreased by three percent over the last year. Rental rates for class A space are beginning to rise as demand continues, and on average are hovering within the $21 per square foot range. Some of the notable companies taking Class A space in 2005 were BlueLinx (renewal), Aramark Services, and Pond & Company.

METROPOLITAN AREA OUTLOOK

The office market in Metro Atlanta will face mounting challenges in 2006. Whether the region can sustain the high level of activity it currently enjoys will depend on its ability to attract and create new jobs. This has already posed a challenge to the area as the restructuring of Delta Air Lines will likely have a negative overall effect on job growth in the region. However, most job sectors are likely to be to be pro-growth in 2006 according Georgia State University's Economic Forescasting Center, and Georgia will see "3,830 high-paying jobs added in 2006, and 10,031 in 2007." Additionally, development levels need to maintain, not surpass demand. Transportation initiatives in the region will be positive; light rail is planned for the areas in and around the CBD, and will provide better ingress/egress to the city if approved. For the commuters, GA Highway 400 is undergoing an expansion as well. The recent addition of the Georgia Aquarium will also have a positive impact.

Market Up Close

- The Metro Atlanta overall vacancy rate has decreased by 1.6 percentage points since year-end 2004 and now stands at 17.3 percent; the Class A vacancy rate fell by 2.8 percentage points during the same period.
- The addition of more than 38,000 jobs during 2005 has helped to drive the need for office expansion, and has lowered the unemployment level to 5.3 percent as of year-end.
- Class A space received 75 percent of the overall net absorption in Metro Atlanta. Central Perimeter has benefited greatly from improved leasing activity, resulting in a vacancy decrease of nearly 4 percentage points over the last year.

A Look Inside

GVA Advantis

METRO ATLANTA SUBMARKET STATISTICS

Office Submarket	No. of Bldgs	Rentable Inventory (SF)	Vacant Space (SF)	Direct Vacancy	Vacancy w/Sublet	Class A FS Rent	Class B FS Rent	YTD Net Absorption	Under Construction	% UC Leased
Buckhead	92	14,226,928	2,223,471	14.3%	15.6%	$24.92	$19.12	(71,321)	806,859	43%
Central Perimeter	250	27,197,327	4,726,402	17.4%	19.0%	$21.18	$17.06	899,744	0	-
Downtown	114	21,135,094	4,211,991	19.9%	21.1%	$21.37	$17.04	330,765	349,010	42%
Midtown	110	15,477,660	1,881,646	12.2%	14.1%	$21.89	$17.40	685,808	1,014,139	52%
North Fulton	269	21,021,466	3,350,276	15.9%	18.2%	$17.91	$16.07	467,726	500,200	4%
Northeast	328	16,901,116	2,618,099	15.5%	16.6%	$18.41	$13.91	735,171	576,644	19%
Northlake	306	15,398,687	1,852,216	12.0%	12.3%	$19.23	$17.11	323,745	83,838	19%
Northwest	326	27,920,276	4,746,975	17.0%	19.1%	$21.19	$16.79	76,014	87,100	28%
South Atlanta	144	5,896,758	634,811	10.8%	12.1%	$22.11	$15.26	288,371	40,000	50%
West Atlanta	30	1,503,050	149,463	9.9%	9.9%	-	$20.88	61,974	70,000	52%
Totals	**1,969**	**166,678,362**	**26,212,497**	**15.7%**	**17.3%**	**$20.97**	**$16.48**	**3,797,997**	**3,527,790**	**35%**

Source: Costar

METRO ATLANTA SUBMARKETS

The **Downtown** submarket, also classified as Metro Atlanta's Central Business District (CBD) has rebounded well after a disappointing first half of 2005. Overall net absorption totals 155,659 square feet as of third quarter, after a gain of nearly 250,000 square feet in the third quarter. Vacancy has recovered as a result and now stands at 21.1 percent. The delivery of 330,000 square feet during the year and new construction of another 319,000 square feet are going to push vacancies higher in the coming months. On a positive note, the Georgia Aquarium may bring positive activity Downtown in coming months, and the new World of Coca-Cola has broken ground and will add to the area's allure as well.

With the fourth quarter as an exception, the **Midtown** submarket has experienced consistent positive overall absorption activity during the year, bringing year-to-date absorption to 685,808 square feet. The 670,000 square foot 1180 Peachtree St. building is set to deliver early next year, bringing King & Spalding with it from 191 Peachtree in the process. Atlantic Station is impacting this area as office, retail and residential product is added, and a proposed 550,000 square foot mixed-use development, The Plaza Midtown, will add two condo towers and street level retail to the mix in the southern Midtown area.

The **Buckhead** submarket posted an overall loss in occupancy during 2005, the only submarket to do so. Overall net absorption totaled (71,321) square feet for the year, mainly as a result of net occupancy losses in the first and second quarters. Vacancy is still well below the overall Metro Atlanta average at 15.6 percent, and overall rental rates remain elevated, averaging $23.81 per square foot. Sublease space in Buckhead has dwindled to just 182,853 square feet, and over 800,000 square feet is currently under construction. The 200,000 square foot Two Buckhead Plaza is currently under construction, and Cousins Properties' Terminus site at the intersection of Peachtree and Piedmont Roads is making progress, and will add a 500,000 square foot office tower to the marketplace.

Central Perimeter is Metro Atlanta's largest office submarket and houses nearly 5.2 million square feet of vacant space. Last year was a good one for this area of Metro Atlanta, with 400,000 square feet absorbed. Central Perimeter also posted positive gains in 2005, with 899,744 square feet worth of overall net absorption, the highest submarket total in the city. This has led to an overall drop in vacancy of 3.8 percentage points during the last 12 months; vacancy now stands at 19.0 percent. Rental rates are averaging $19.70 per square foot, slightly higher than the historical norm.

The **North Fulton** submarket posts overall absorption of 467,726 square feet for the year. This area is finally seeing new activity after two years of poorly performing office product sent vacancy levels near the 30 percent mark. Vacancy in North Fulton has decreased by 1.8 percent in the last year alone, and currently stands at 18.2 percent. New construction has started on 500,200

SIGNIFICANT TRANSACTIONS

Companies throughout the Metro Atlanta area continue to expand:

- Best Software SB Inc. signed a 10-year lease with Hodges Industrial to build a 160,000 SF office campus at Huntcrest
- Arby's leased 97,042 square feet at 1155 Perimeter Center West for their new Headquarters location
- BlueLinx Holdings Inc. renewed for 250,000 SF at Wildwood Office Park through 2019
- Careerbuilder leased 61,674 square feet at The Summitt at Peachtree Corners in Technology Park
- SunTrust Banks expanded by 39,483 SF in SunTrust Plaza downtown, bringing their total occupancy to 250,000 SF
- Leica Geosystems leased 83,261 square feet at 5051 Peachtree Corners Circle
- MedAssets expanded from 17,000 SF to 57,000 SF in North Point Center East

INVESTMENT SALES TOTALS

MARKET	Year-End 2002	Year-End 2003	Year-End 2004	Year-End 2005
Class A (Avg. $/PSF RBA)	$147.92	$142.65	$162.26	$166.93
Class B (Avg. $/PSF RBA)	$50.61	$70.50	$97.74	$104.29
Total No. of Transactions	44	65	118	122
Total Sales (in millions $)	$581.4	$1,080.0	$2,665.6	$2,574.5

INVESTMENT SALES TRANSACTIONS

Property Address	Submarket	Sales Price	Sq. Ft.	$/PSF	Buyer
171 17th Street	Midtown	$170,500,000	509,237	$335	Atlantic Office Acquisition Company
Doctors Center IV	Central Perimeter	$61,283,000	208,546	$294	RREEF America, LLC
Buckhead Plaza	Buckhead	$130,500,000	466,229	$280	Crescent RE Equities Ltd.
Millennium in Midtown	Midtown	$96,150,000	410,624	$234	ACP Millennium, LLC
Premier Plaza I & II	Central Perimeter	$57,100,000	317,698	$180	Ackerman & Co.
Powers Ferry Landing East	Northwest	$66,606,000	392,885	$170	ARI-Powers Ferry Office Park, LLC
3237 Satellite Blvd.	Northeast	$91,683,010	547,302	$168	Satellite 300 Owner Corp. (Allocated Price)
2 Ravinia Dr.	Central Perimeter	$64,150,000	386,596	$166	ACP/Utah Ravinia, LLC
Lakeside Commons I & II	Central Perimeter	$78,000,000	513,037	$152	Lakeside Commons, LP
Centennial Tower	Downtown	$75,000,000	637,006	$118	MHC Centennial, LLC

Sources: Costar, Real Capital Analytics

METRO ATLANTA SUBMARKETS

square feet of space, the majority of which is Class A product. Rental rates are averaging $17.91 per square foot, while Class B rates are in the $16.07 per square foot range.

Performing well above expected during 2005 was the **Northeast Atlanta** submarket, which posted 735,000 square feet worth of net occupancy gains. Several large lease deals were signed here, including Leica Goesystems 83,260 square foot deal at 5051 Peachtree Corners Circle. Overall vacancy stands at a low 16.6 percent.

Northlake performed extremely well during the difficult economic times of the last two years, and posts positive overall absorption of 323,745 square feet. Vacancy stands at 12.3 percent, and overall rental rates are averaging $17.25 per square foot. The large Class B sector here is only 12.1 percent vacant.

Northwest Atlanta consists of 22.9 million square feet in 326 buildings. The Northwest claims positive net absorption of 76,014 square feet and a vacancy rate of 19.1 percent. Overall rental rates are averaging $18.81 per square foot, or about $.13 below the Metro Atlanta average.

INVESTMENT SALES SUMMARY

Metro Atlanta continued to experience an elevated level of investment sales volume in 2005, topping $2.5 billion in total transactions. This after a record year of $2.6 billion in 2004. The market for commercial real estate assets is clearly in demand. There is an abundance of equity in the marketplace searching for suitable investment grade product, even as cap rates slipped slightly in 2005. Equity is appearing from many sources, whether domestic or foreign, REIT's or private parties. Interest-only mortgages are also allowing buyers entry into the marketplace who would otherwise be hard pressed to satisfy debt on a traditional loan. Real estate assets continue to fare very well, as investors are attracted more and more to the relative stability of commercial grade product.

Class A properties accounted for two-thirds of the total transaction volume in 2005, totaling nearly $1.7 billion for the year. Sales prices for quality Class A and B product continued to climb, averaging nearly $170 per square foot for Class A, and averaging $104 per square foot for Class B product. The real story is that, as mentioned above, capital remains very hungry for quality real estate, as evidenced by the high prices being paid on a dollar per square foot basis for properties such as 171 17th Street, Doctors Center IV and One Buckhead Plaza (see above table for details).

Many investors have indicated an increased allocation to real estate for 2006. The wild cards are long term interest rates, alternative investment opportunities and the economy/world events. Assuming there is not a dramatic rise in interest rates, the stock market does not come roaring back (certainly not on most radar screens to do so), and there are no "rocking" world or economic earthquakes, the year ahead should prove to be an active one for investment sales.

INVESTMENT SALES NEWS

- St. Joseph's Hospital sold Doctor's Center Four in December for $61,283,000, or $294 per square foot
- Atlanta ranks top in the southeast in terms of dollar volume, with $2.5 billion in sales
- Large Atlanta/Southeast Portfolio Sales: Duke Realty's Flex portfolio for $1 billion and Brookdale Group's $550 million office portfolio

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GVA ADVANTIS SERVICE LINES

TENANT REPRESENTATION
- Strategic planning
- Market surveys & analysis
- New lease & renewal negotiations
- Site selection
- Lease analysis

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- Exclusive dispositions of single property & portfolio assets
- Acquisitions
- Due diligence
- Financial and market analysis
- Underwriting and valuation services

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- Market research
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- New lease & renewal negotiations
- Reports on prospects, proposals and other leasing information

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- General contracting
- Construction project management
- Fee development
- Tenant improvements
- Base buildings

CONSTRUCTION (Cont.)
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- Due diligence
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- Strategic planning
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- Construction invoice & draw review
- Move consultation
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Retail Environment

Atlanta's retail market maintained a quick pace during 2005. Continued population growth drove the retail market throughout 2004 and 2005, and is expected to do the same in 2006. Throughout 2006 there will be continued growth of popular priced stores such as Wal-Mart, Target, Ross and TJ Maxx, as well as restaurants such as Zaxby's and Panera Bread. The leading buyer types during 2006 will be the large REITs looking to purchase the top-grossing regional centers while other capital will focus on grocery-anchored retail centers. Throughout 2006 there will be an abundance of capital chasing limited opportunities. Prices are expected to rise if rents continue to grow.

Nationally branded retail establishments located near the Property are as follows:

- Wal-Mart Super Store
- Publix Supermarkets
- Blockbuster Video
- Kroger
- Walgreens
- Starbucks
- Eckerd Drugs
- Subway
- Outback Steak House
- Wendy's
- Dunkin' Donuts
- Kentucky Fried Chicken
- Super 8 Motels
- AmeriHost Inn

Leasing Comparables

Competitive office buildings in the Stockbridge, Georgia area are as follows:

LEASE COMPARABLES				
Property	**Year Built**	**Square Footage**	**% Leased**	**Rent per Square Foot**
Village Overlook I & II 7444 Hannover Parkway South	1995 Class-A-	17,848	91%	$21.00 (FS)
Majestic Center at Eagles Landing Under Construction 1375 Rock Quarry Road	2005 Class-B	22,425	50%	$20 (NNN)
Ultima Building (Medical) 350 Country Club Drive	2005 Class-A	38,000	100%	$18.00 (NNN)
Overlook at Eagles Landing Country Club Drive and Village Center Parkway	2005 Class A	36,144	72%	$16 (NNN) $22.00 (FS)
Vandalay at Eagles Landing Village Center Parkway (Under Construction)	2006 Class A	12,000	Pre-lease	$17 (NNN)
South Crest Medical Plaza 1035 South Crest Parkway One Floor	2005 Class B	40,000	Pre-lease	$19 (FS)
Subject: Eagle Medical Pinnacle 200	2001 2004	50,838 28,549	100% 95%	$23.79 (FS) $20.63 (FS)

All of the properties listed are located within one (1) mile of the subject.

Sales Comparables

Most, if not all, medical office buildings constructed since 2000 were done so as owner-occupied properties by the medical practitioner at 100% occupancy and only minor amounts of lease space became available. Summarized below are the most recent sales for office properties in Stockbridge, Georgia.

SALES COMPARABLES			
Property	**Description**	**Sale Price**	**Price per Square Foot**
Corporate Center Office Park 825 Fairways Court (Professional Tenants)	Sold 2003 Class-A 18,600 Interior finishes are not comparable to Subject	$2.9M	$156
Corporate Center Office Park 829 Fairways Court	Sold 2004 Class-A- 18,000 Interior finishes are not comparable to Subject	$3.2M	$178
Subject: Eagle Pinnacle	2006 Class-A 91,282 Top of the Line Finishes	$16.5M	$208

Conclusion

The Property's locational advantages, excellent market conditions, highway access, ongoing County presence and development potential contribute to make Eagle Medical Complex and Pinnacle 200 a 'first-mover' opportunity in one of Atlanta's most active submarkets. In the near future, the impact of limited attractive medical office buildings in the region of Stockbridge will drive selling and leasing prices upward for 'Class-A' properties.

The Property is at stabilized occupancy. Vacancy levels continue to decline and rising rental rates for new and renovated properties are exceeding expectations. Over the next two years, it is expected that supply will exceed demand and rental values will fall. Flattening rental rates will forecast a change in market conditions. Statistics support Class-A properties that include parking, nearby restaurants, and facilities for medical employees and professional office tenants.

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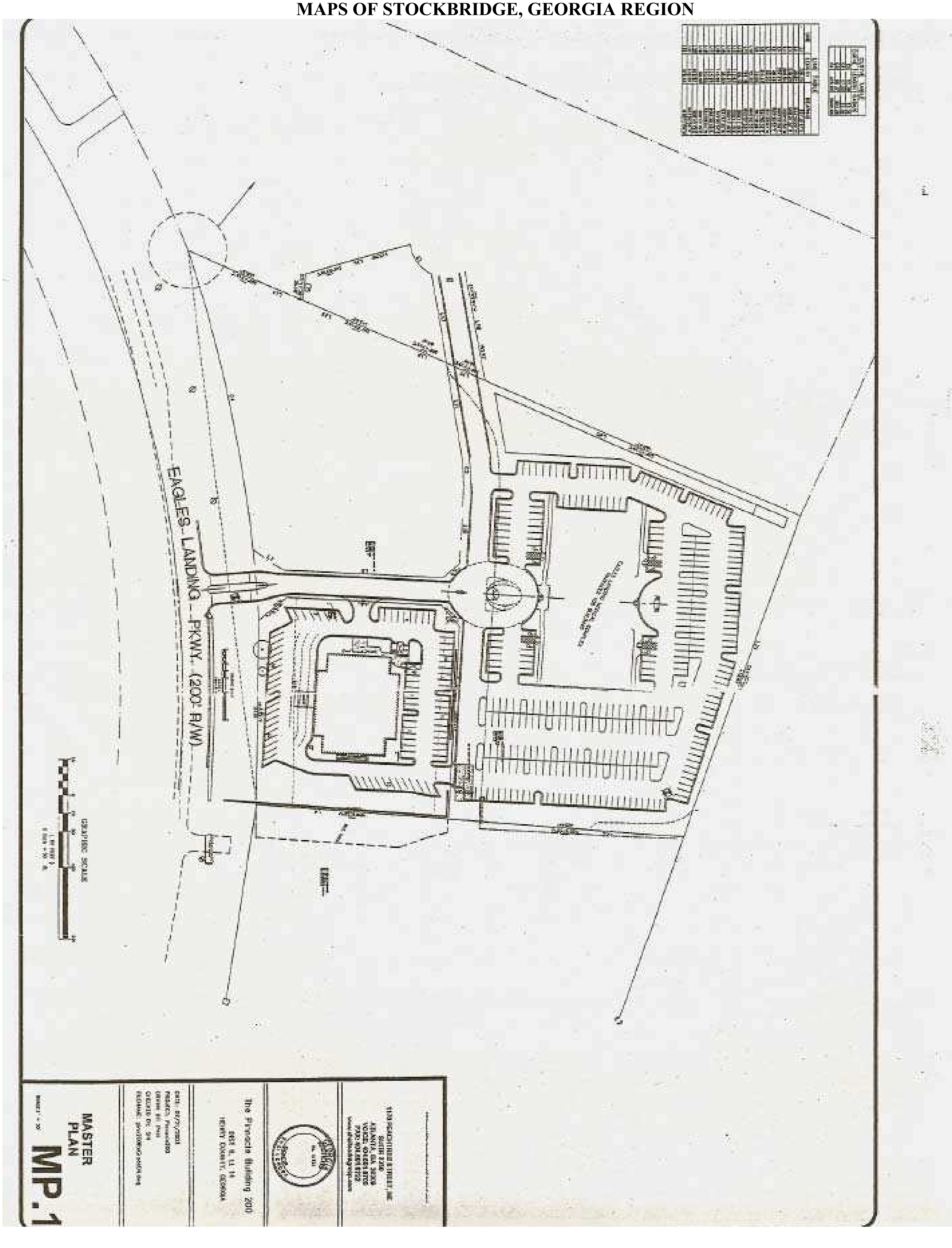
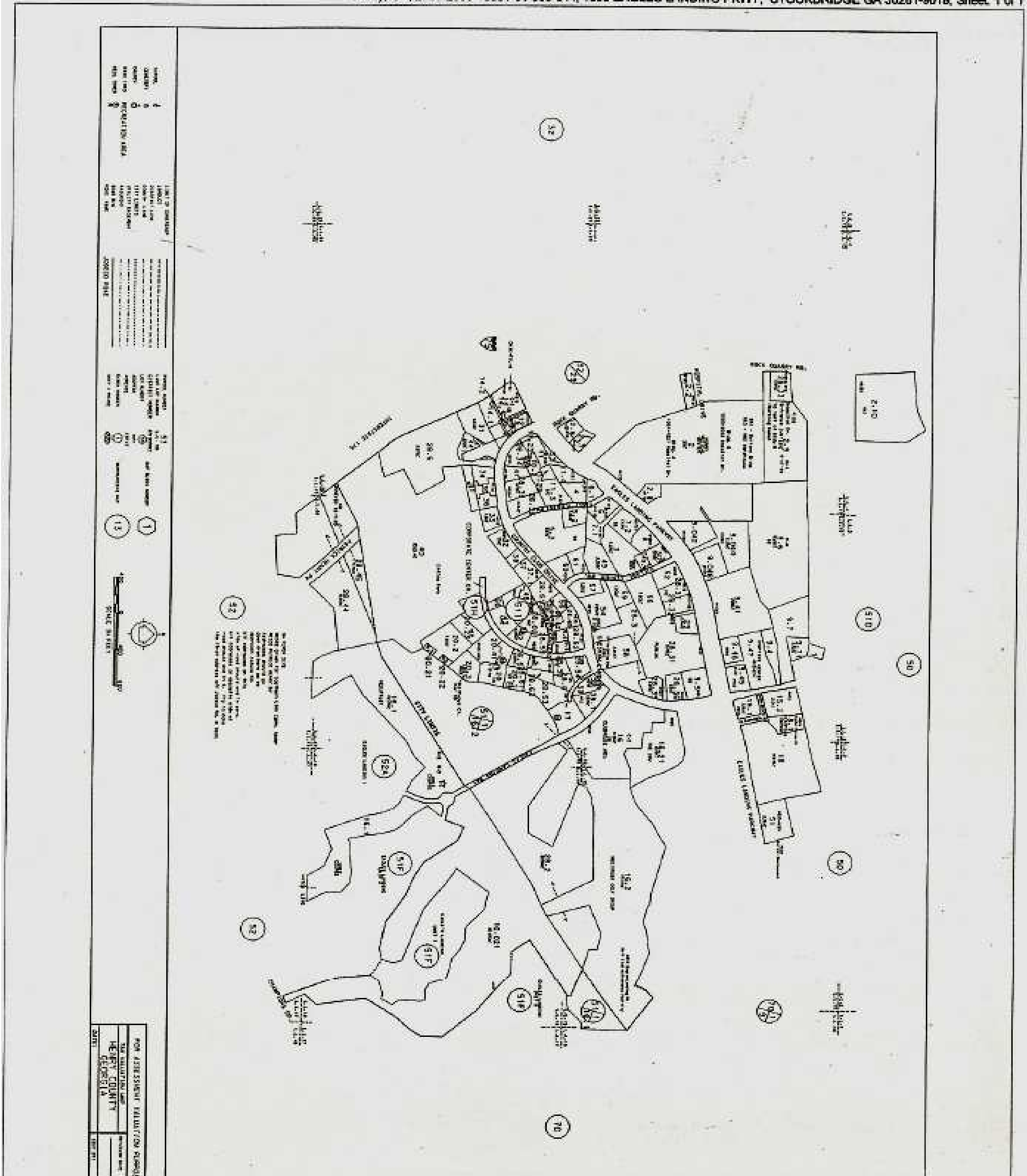
MAPS OF STOCKBRIDGE, GEORGIA REGION

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HENRY COUNTY
GEORGIA
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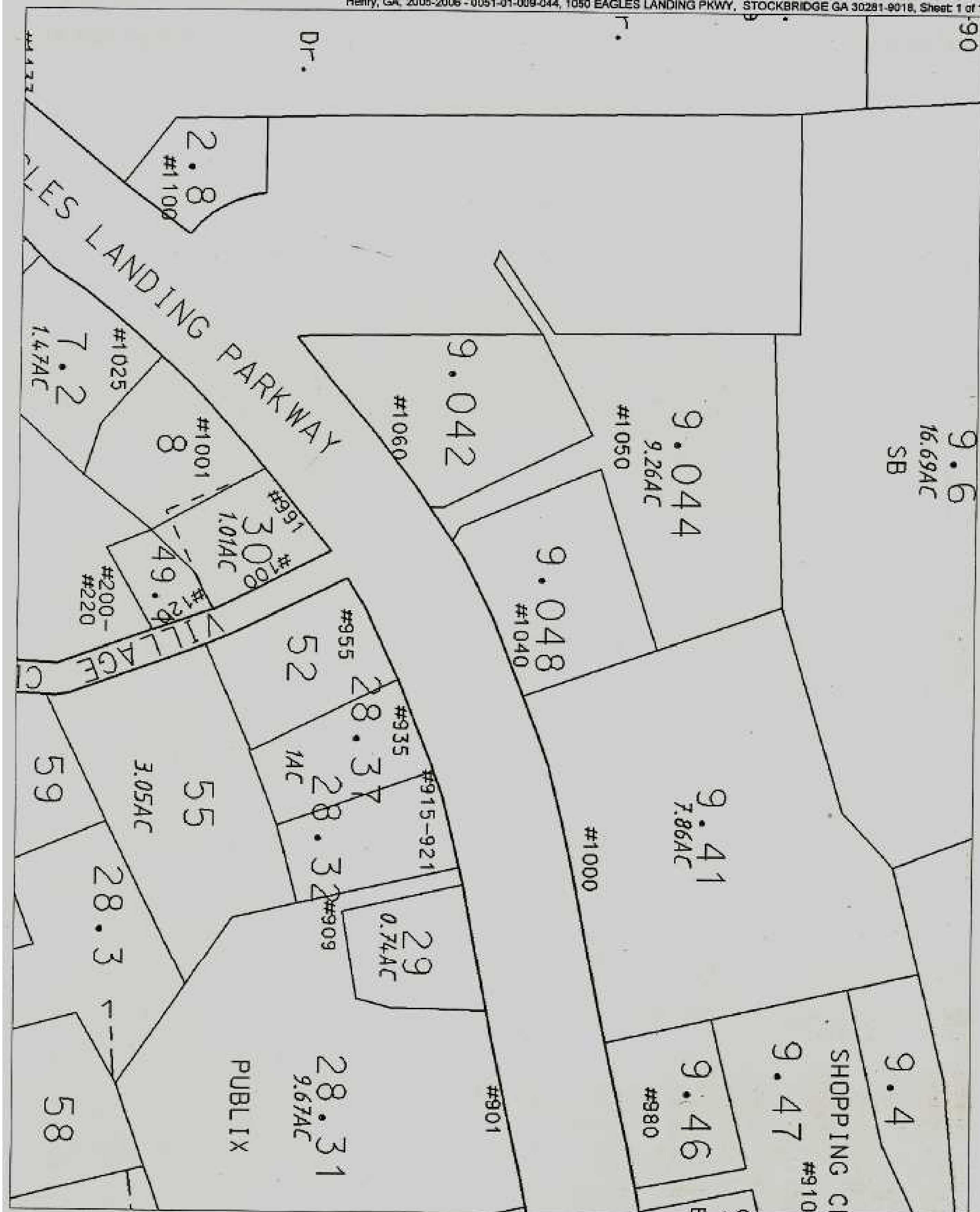
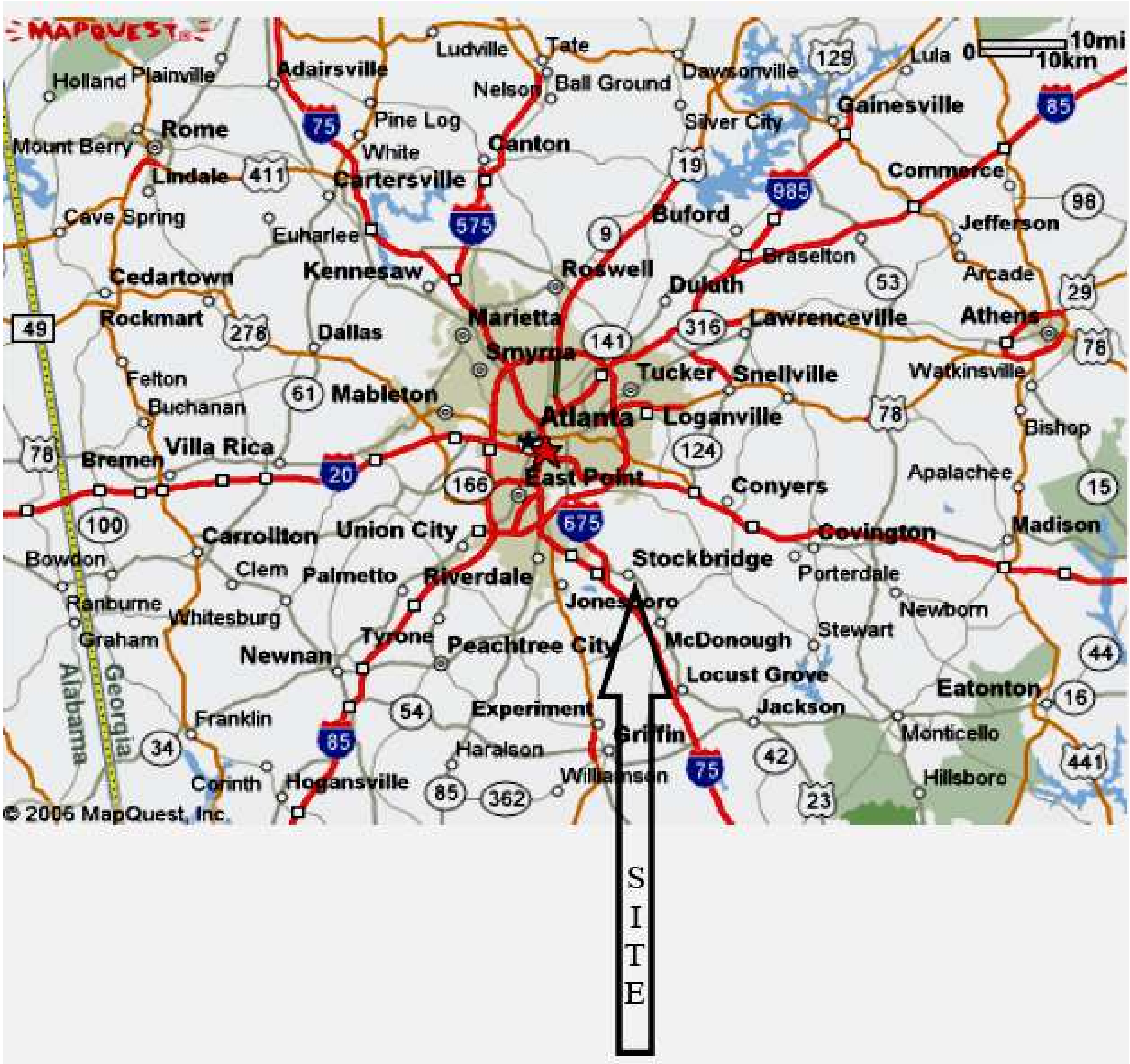
Henry, GA, 2005-2006 - 0051-01-009-044, 1050 EAGLES LANDING PKWY, STOCKBRIDGE GA 30281-9018, Sheet 1 of 1

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Dawsonville
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Nelson
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Gainesville
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Pine Log
White
Canton
Silver City
Lindale
Cartersville
Commerce
Cave Spring
Euharlee
Buford
Jefferson
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Cedartown
Kennesaw
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Duluth
Arcade
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Dallas
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Lawrenceville
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Newborn
Graham
Tyrone
Peachtree City
McDonough
Stewart
Newnan
Locust Grove
Eatonton
Alabama
Georgia
Franklin
Experiment
Jackson
Griffin
Monticello
Haralson
Corinth
Hogansville
Williamson
Hillsboro
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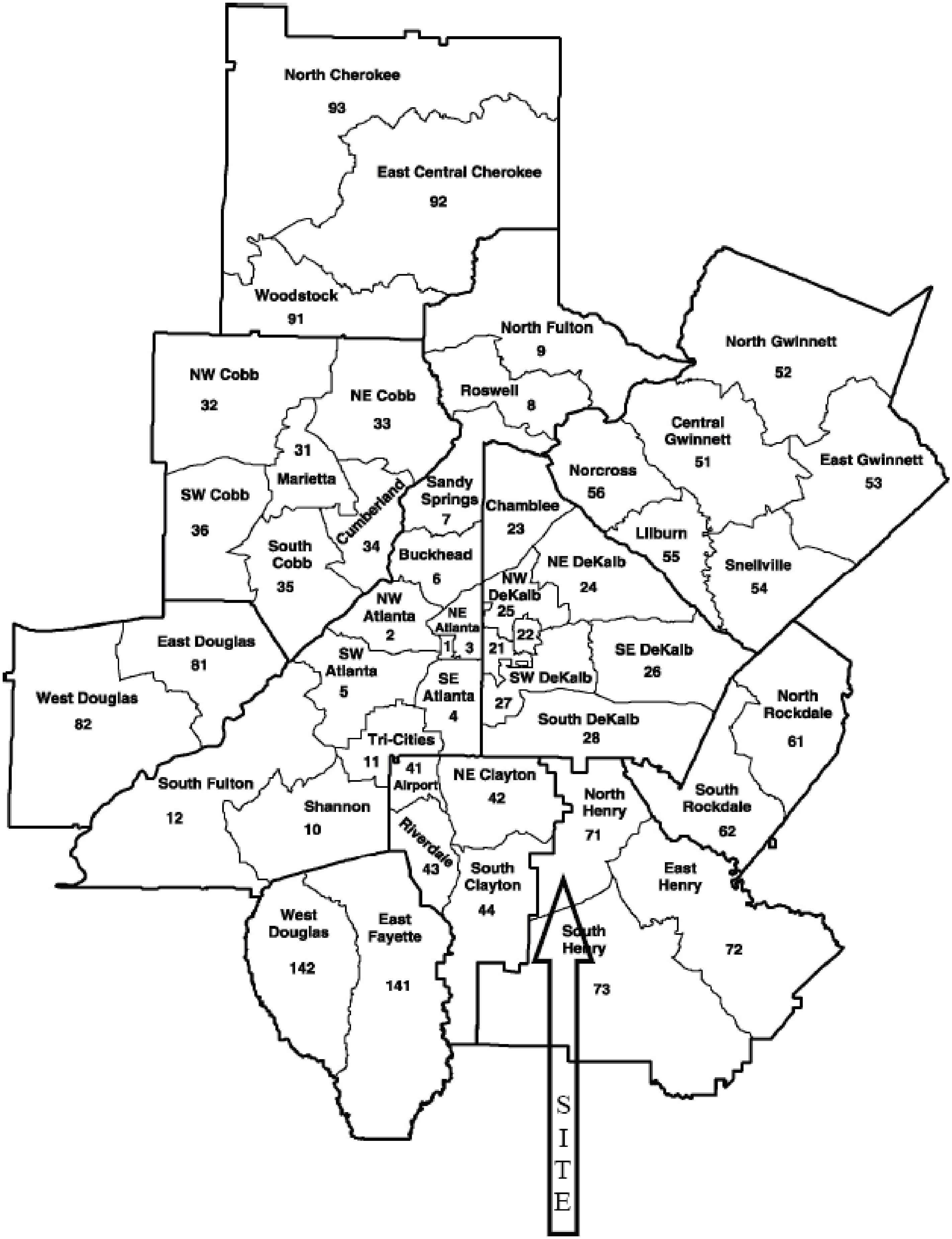
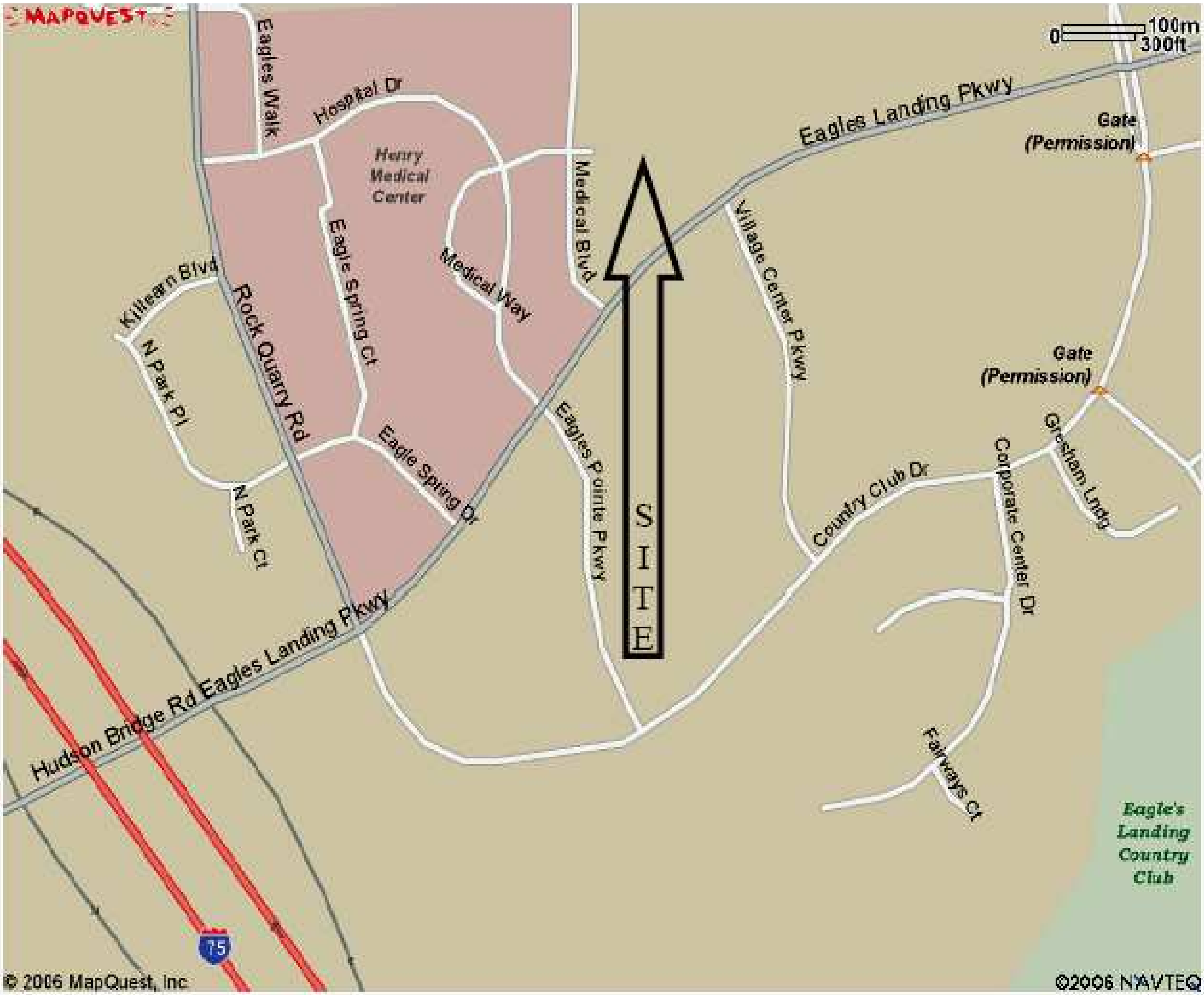

North Cherokee
93
East Central Cherokee
92
Woodstock
91
North Fulton
9
North Gwinnett
52
NW Cobb
32
NE Cobb
33
Roswell
8
Central Gwinnett
51
31
Marietta
Norcross
56
East Gwinnett
53
SW Cobb
36
Cumberland
34
Sandy Springs
7
Chamblee
23
Lilburn
55
South Cobb
35
Buckhead
6
NE DeKalb
24
Snellville
54
NW DeKalb
25
NW Atlanta
2
NE Atlanta
1
3
21
22
East Douglas
81
SW Atlanta
5
SE DeKalb
26
SW DeKalb
West Douglas
82
SE Atlanta
4
27
North Rockdale
61
South DeKalb
28
Tri-Cities
11
41
Airport
NE Clayton
42
South Fulton
12
Shannon
10
North Henry
71
South Rockdale
62
Riverdale
43
South Clayton
44
East Henry
West Douglas
142
East Fayette
141
South Henry
73
72
SITE


MAPQUEST
0
100m
300ft
Eagles Walk
Hospital Dr
Henry Medical Center
Medical Blvd
Eagles Landing Pkwy
Gate (Permission)
Village Center Pkwy
Eagle Spring Ct
Medical Way
Killearn Blvd
Rock Quarry Rd
N Park Pl
Gate (Permission)
Eagles Pointe Pkwy
Eagle Spring Dr
Gresham Lndg
Corporate Center Dr
Country Club Dr
N Park Ct
SITE
Eagles Landing Pkwy
Hudson Bridge Rd
Fairways Ct
Eagle's Landing Country Club
75
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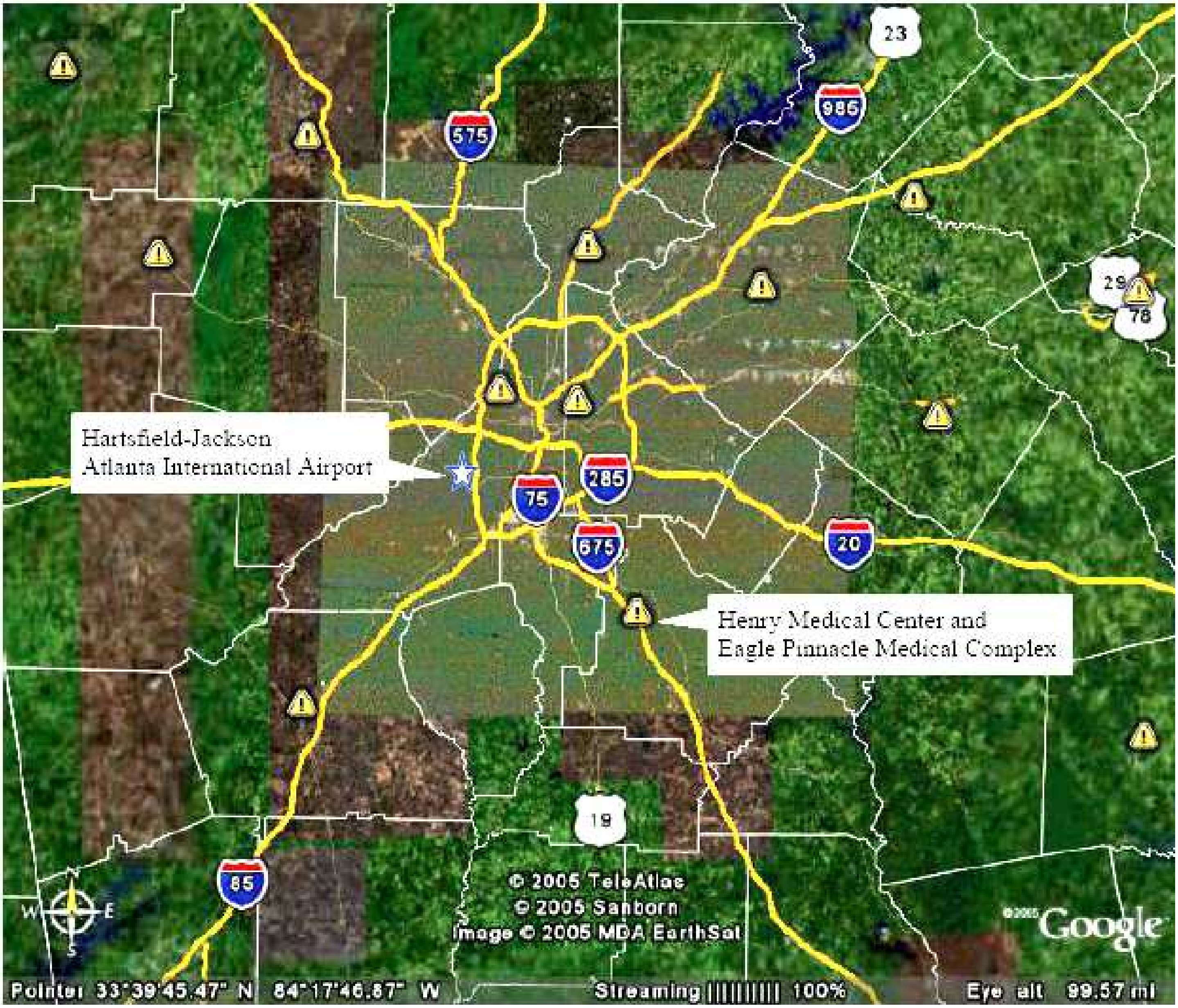
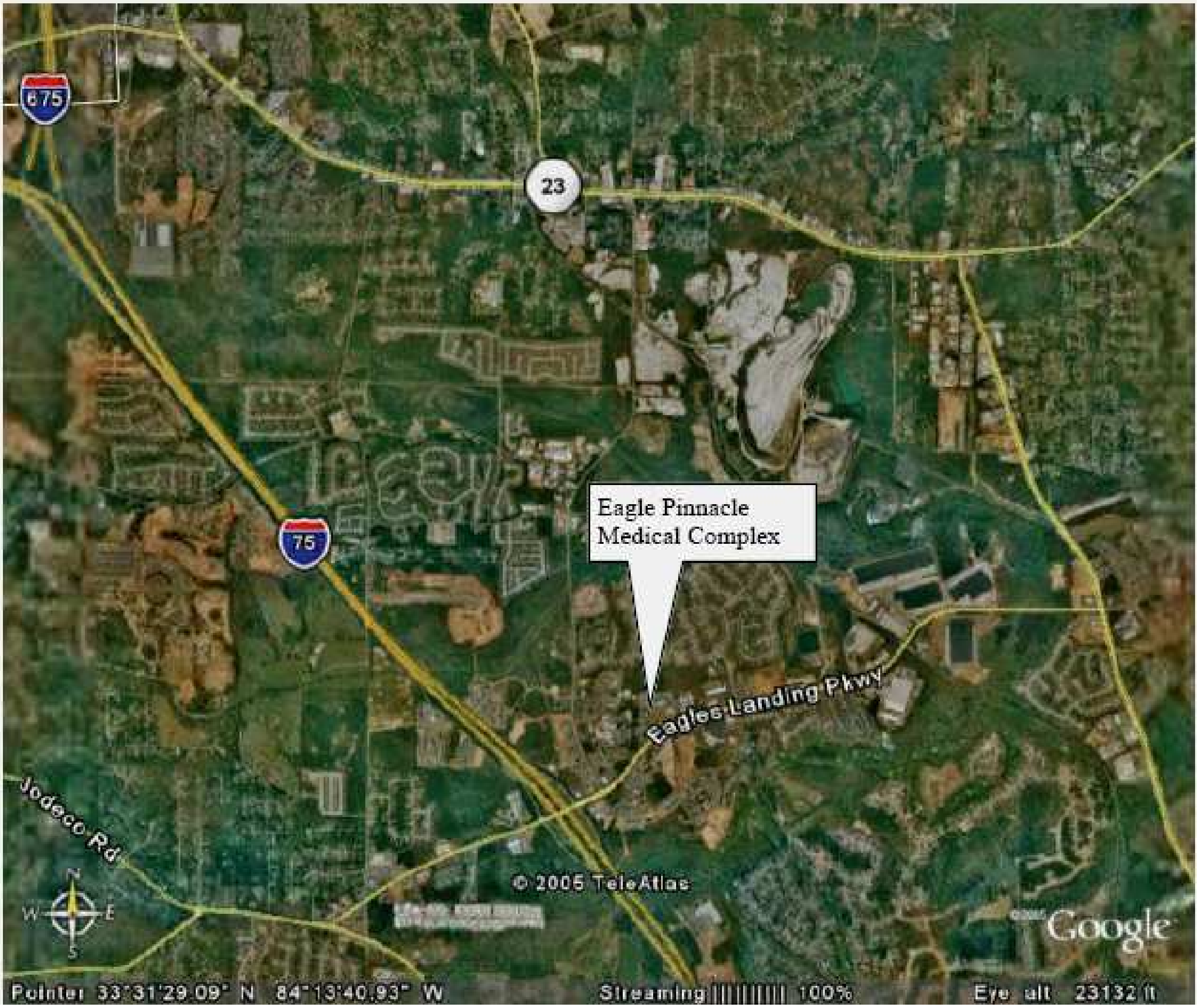
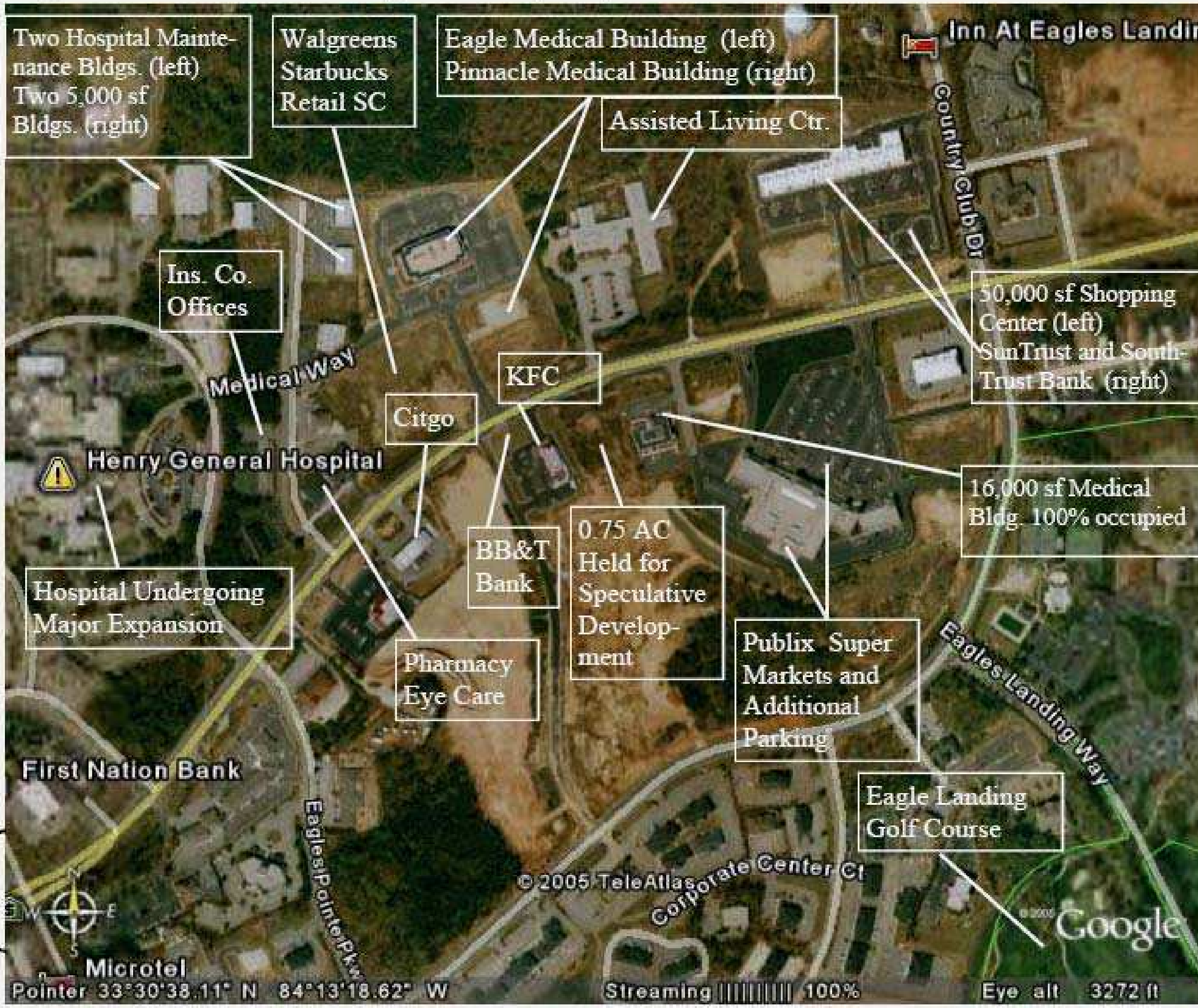
Atlanta Regional Map



City of Stockbridge Regional Map



Eagle Pinnacle Medical Complex Vicinity Map



South West of Subject Site:
Amerihost Inn-Eagles Landing
Blockbuster Video
China Wok
Dunkin' Donuts
First National Bank
Kickin' Chicken
Los Toribio Mexican Restaurant
Microtel
Outback Steakhouse
Sidney's Casual Fine Dining
Subway
Wells Fargo Home Mortgage
Wendy's

East of Subject Site:
Dragon Garden 2
Chick-Fil-A
Eagle National Bank
Eckard Drugs
First City Bank
Italian Oven Restaurant
La Hacienda Mexican Restaurant

Note: The aerial photograph is not current. Facilities located on this map may have been subsequently built.