

# CONFIDENTIALITY AGREEMENT



**HUNTERS RIDGE APARTMENTS**  
1500 South IH-35  
Round Rock, Texas  
144 Units

*Return this form via facsimile to Transwestern at (512) 328-9309*

If Accepting Party executes this Agreement, then TRANSWESTERN ("TW"), on behalf of KAZA IV LTD ("Owner"), shall deliver to Accepting Party certain information concerning the Property and/or its operations and financial/physical condition, which information is confidential and/or proprietary in nature (collectively, "Evaluation Material") in connection with a proposed sale and purchase (the "Proposed Transaction") of the Hunters Ridge Apartments located at 1500 South IH-35, Round Rock, Texas (the "Property").

By entering into this Confidentiality Agreement ("Agreement") and accepting the Evaluation Material, and in consideration of its being given access to same, Accepting Party agrees as follows:

- Accepting Party shall keep all Evaluation Material strictly confidential. Except for the sole purpose of Accepting Party's evaluation of the Proposed Transaction by Accepting Party (or Accepting Party's client in the event that Accepting Party is a broker), Accepting Party shall not use, duplicate or disclose any of the Evaluation Material. The use or transmission of Evaluation Material for any other purpose is hereby strictly prohibited. However, Accepting Party may deliver Evaluation Material to persons or entities who, because of their involvement with, or interest in, the Proposed Transaction, need to know such information for the purpose of giving advice to Accepting Party with respect to, or consummating, the Proposed Transaction (all of whom are collectively referred to as "Related Parties").
- Accepting Party shall not divulge any such confidential information or release such Evaluation Material to a Related Party, except: (i) after such person has been identified in writing; (ii) after [Owner or] TW has approved in writing the furnishing of such Evaluation Material to such person; and (iii) after such person has entered into, and delivered to TW, a Confidentiality Agreement which contains provisions substantially the same as the provisions of this Agreement. The term "person" as used throughout this Agreement shall be construed broadly to include, without limitation, any corporation, company, partnership, business entity, or individual.
- Accepting Party shall not: (i) disclose the fact that discussions or negotiations are taking place concerning the Proposed Transaction, or any of the terms thereof; or (ii) conduct any discussions or negotiations, or make any inquiries, concerning the proposed Transaction with any person or entity other than [Owner and] TW, except as may be permitted by the preceding paragraphs or as may be required by law.
- Accepting Party acknowledges and agrees that Owner and TW make no representations or warranties as to the accuracy or completeness of the Evaluation Material or that actual results will conform to any projections; Owner and TW expressly disclaim any and all liability for representations or warranties, express or implied, contained in the Evaluation Material, or in any other written or oral communication transmitted or made available to Accepting Party by Owner and/or TW.
- The parties hereto agree that Owner is an intended third party beneficiary of this Agreement with full standing to enforce its provisions and to maintain any legal action necessary for same. Owner is under no legal obligation of any kind whatsoever with respect to the Proposed Sale by virtue of this Agreement, except for the matters specifically agreed to herein. This Agreement shall be governed by and construed in accordance with the laws of the jurisdiction in which the Property is situated.
- Accepting Party acknowledges that TW is Owner's Exclusive Agent and is the sole broker in this transaction. Should Accepting Party want broker representation, Accepting Party shall be responsible for compensation to any broker other than TW.

THIS AGREEMENT is made as of \_\_\_\_\_ day of \_\_\_\_\_, 2008 and shall remain in full force and effect for a period of one year from this date. IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first entered above.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Company

\_\_\_\_\_  
Name (printed)

\_\_\_\_\_  
Address

\_\_\_\_\_  
Title

\_\_\_\_\_  
Address (continued)

\_\_\_\_\_  
Email

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Facsimile