PRIVATE PLACEMENT MEMORANDUM

For
An Offering of
Limited Liability Company Interests in

TSEP I NETWORK CROSSING RECAP, L.L.C.

TRANSWESTERN COMMERCIAL SERVICES, L.L.C.

February 2011

TSEP I NETWORK CROSSING RECAP, L.L.C.

This private placement memorandum is provided for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. Each recipient of this memorandum should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities offered hereby, and should consult his or her own legal, financial, and accounting advisors to determine the merits and risks of such an investment. An investment in the securities involves substantial risk. This memorandum is for the confidential use of only those persons to whom it is transmitted by the undersigned in connection with this private placement and is not to be reproduced or used for any other purpose. This memorandum does not constitute an offer to sell or a solicitation of an offer to buy the securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The securities offered hereby have not been registered under the Securities Act of 1933, as amended. The securities have not been approved or disapproved by the securities regulatory authority of any state or by the United States Securities and Exchange Commission, nor has any authority or commission passed upon the accuracy or adequacy of this memorandum. Any representation to the contrary is unlawful.

Each offeree of the securities offered hereby is invited to ask questions concerning the terms and conditions of the offering and to obtain any additional information necessary to verify the accuracy of the information in this memorandum that is material to the offering made hereby. The obligations of the members in TSEP I Network Crossing Recap, L.L.C. are set forth in its limited liability company agreement, as amended (the "**LLC Agreement**"). The obligations of the prospective investors are also subject to the terms and conditions of the Subscription Agreement. All of the statements and information contained herein are qualified in their entirety by reference to these agreements. All time sensitive representations and references are made as of February 1, 2011 unless otherwise expressly indicated. The delivery of this private placement memorandum does not imply that the information herein is correct as of any time subsequent to February 1, 2011 unless otherwise expressly indicated. The securities offered hereby are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the LLC Agreement and the Securities Act of 1933, as amended, and the applicable state securities laws, pursuant to registration or exemption therefrom. Prospective investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Each purchaser of the securities offered hereby must be an "accredited investor" within the meaning of Regulation D promulgated by the United States Securities and Exchange Commission under the Securities Act of 1933, as amended, unless otherwise agreed to by the manager. No person has been authorized to give any information or to make any representation other than that which is contained in this memorandum and, if given or made, such information or representation must not be relied upon as having been authorized.

For further information please contact Ronald E. Davis, Jr. at (928) 717-8886 or Harold Prasatik at (713) 272-1263.

TSEP I NETWORK CROSSING RECAP, L.L.C.

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TSEP I NETWORK CROSSING RECAP, L.L.C.

EXECUTIVE SUMMARY

In 2007, TDC Prue Road, L.P., a Delaware limited partnership (the "**Owner**"), purchased approximately 14 acres of land in San Antonio, Texas on which it constructed and partially leased five, one-story value office buildings aggregating 143,100 square feet (the "**Project**").

TDC Prue Road Mezz Partner, L.L.C. ("**TDC**"), a Delaware limited liability company, owns a 100% limited partnership interest in TDC Prue Road Mezz, L.P. ("**Mezz LP**"). Prior to the restructuring, Mezz LP was the sole limited partner of Owner and was also the sole member of TDC Prue Road GP, L.L.C. ("**GP**"), the sole general partner of Owner. TDC is owned by Transwestern Commercial Services, L.L.C. ("**TW**") and certain employees of TW and affiliates. *See **Appendix E** for the organization chart of the Owner prior to the restructuring.*

The Project has leased-up much slower than originally anticipated. Commercial real estate values have declined both in San Antonio and nationwide due to depressed economic conditions. For these and other reasons, TW determined that TDC's economic interest in the Project had no value.

Therefore, TW determined that it would not be advisable to invest additional capital in the Project without first restructuring the existing financings with respect to the Project. A portion of the Project costs were financed with a mezzanine loan from South Charles Investment Company ("**Mezz Lender**"), an affiliate of Bank of America. Prior to the restructuring, the outstanding principal balance of the mezzanine loan was $5,336,053 and accrued interest on the mezzanine loan was approximately $2,200,000. In connection with the restructuring, Mezz Lender agreed to sell its mezzanine loan for $750,000. **TW has agreed to keep the terms of the sale of the mezzanine loan confidential (including without limitation the sales price). Therefore, you may not disclose any information regarding this transaction to any person without written permission from TW.**

The senior lender, Well Fargo Bank ("**Construction Lender**"), agreed to extend and modify its loan with respect to the Project on the condition that the Owner make a principal payment of $1,340,132 and pay a $60,000 extension fee at the closing of the restructuring.

Accordingly, TW determined that it was feasible to restructure these financings, but TW would need to bring in outside capital partners, given the magnitude of additional capital required to complete a successful restructuring.

TW and an affiliate of Pennybacker Realty Advisers have formed a joint venture, Network Crossing, LLC ("**Network Crossing**"), to provide the additional capital required for the restructuring. PBC Network Crossing, L.L.C. ("**PBC**") has contributed $1,560,000 of initial capital to Network Crossing at the closing of the restructuring,

which represents one-half of the capital required in connection with the restructuring. TW has formed TSEP I Network Crossing Recap, L.L.C. ("**Recap**") which has committed to contribute the other one-half of such capital. Recap contributed $1,140,000 of capital to Network Crossing in connection with the closing of the restructuring and has committed to contribute an additional $420,000 (for a cumulative total of $1,560,000) when required in accordance with an approved Project budget. A portion of the initial capital was applied by Network Crossing to acquire the mezzanine loan and a portion was applied to pay principal and fees to Construction Lender in connection with the extension and modification of the senior loan.

Following the acquisition of the mezzanine loan by Network Crossing, in lieu of foreclosure, TDC assigned its equity interests in GP and Mezz LP to Network Crossing, as a result of which Network Crossing now indirectly owns a 100% equity interest in the Project. *See **Appendix F** for an organization chart of the restructured Owner*.

TW has decided to offer the original investors in TDC ("**Existing TDC Investors**") the opportunity to invest in Recap. TW will offer such investors the opportunity to invest up to $400,000 in the aggregate as direct investors in Recap. If one or more of the Existing TDC Investors elect not to invest, then TW will offer such interests to the Existing TDC Investors who do elect to invest, until the entire $400,000 commitment is fully subscribed. TW will make a capital commitment to Recap equal to not less than 20% of the aggregate capital commitments by the Existing TDC Investors to Recap. Transwestern Sponsorship Equity Partners I, L.L.C. ("**TSEP I**") will provide the remainder of the capital required by Recap in connection with the restructuring, which will equal $1,235,000 assuming the $400,000 capital commitment offered to the Existing TDC Investors is fully subscribed for. In that case, the Existing TDC Investors will own a 24.5% equity interest in Recap and TSEP I will own a 75.5% equity interest in Recap.

TW believes that the Project can be leased within 24 months and if achieved would generate a return on cost of 11.7%. TW projects that the returns from the sale of the Project would range from a 44.8% IRR and a 2.8 multiple (assuming an 8.75% cap rate) to a 39.1% IRR and a 2.49 multiple (assuming a 9.25% cap rate). TW's projections of the pro forma returns assume that: (i) the costs of leasing and tenant finish for the Project do not exceed budgeted costs; (ii) the Project is 92% leased to creditworthy tenants at pro forma rental rates within 24 months after acquisition; and (iii) the Project is sold no later than 30 months after acquisition. Recap's profit from the sale of the Project would be adversely impacted by cost overruns, slower than expected leasing, falling rental rates, and rising cap rates among other things.

TW is optimistic about the prospects for the Project. The current vacancy level in the relevant submarket is 10.2%. TW believes that the major competing buildings for tenants at the Project are substantially leased-up. TW is experiencing increased interest in the Project which reinforces its confidence in the Project.

TSEP GP, L.L.C., the managing member of TSEP I, will be making a capital call to fund its 9.09% share of the TSEP I capital obligation for this Project. If you are a member of TSEP GP, LLC, you should take into consideration your pro rata share of the TSEP GP

capital call for this Project, which will be in additional to any commitment you may make to invest directly in Recap.

Further information with respect to this investment and the risks associated with such investment are contained in this private placement memorandum (the "**Memorandum**").

TSEP I NETWORK CROSSING RECAP, L.L.C.

PRINCIPAL TERMS

*The following summary of the principal terms of an investment in Recap is qualified in its entirety by the more detailed description found elsewhere in this Memorandum and in the LLC Agreement attached hereto as **Appendix B**.*

Purpose	The purpose of this offering is to give the Existing TDC Investors an opportunity to invest in the restructured Project.
Offering	Each of the Existing TDC Investors will be offered the opportunity to invest an amount in Recap equal to his or her capital invested in TDC. If any of the Existing TDC Investors elects not to invest, the other Existing TDC Investors will be offered the opportunity to increase their respective investments in Recap in accordance with an allocation method to be determined by TW. TW will make a capital commitment to Recap equal to not less than 20% of the aggregate capital commitments by the Existing TDC Investors to Recap. The transmittal letter accompanying this Memorandum indicates the dollar amount that is initially being offered to you.
TW	Transwestern Commercial Services, L.L.C. ("**TW**") is a Delaware limited liability company. TW will indirectly control day-to-day management of the Owner.
Owner	TDC Prue Road, L.P. (the "**Owner**") is a Delaware limited partnership, which is the owner of the Project. TDC Prue Road GP, L.L.C. ("**GP**") is the sole general partner of the Owner.
Recap	TSEP I Network Crossing Recap, L.L.C., a Delaware limited liability company. Recap is the managing member and holds a 50% equity interest in Network Crossing. TSEP I will be the managing member of Recap.
Network Crossing	Network Crossing, LLC ("**Network Crossing**") is a Delaware limited liability company. Network Crossing is a joint venture between Recap and PBC. Network Crossing is the sole limited partner of Owner and the sole member of GP, as a result of which it indirectly owns a 100% equity interest in Owner.

PBC	PBC Network Crossing, L.L.C. ("**PBC**") is a Delaware limited liability company. PBC is an affiliate of Pennybacker Realty Advisers
TSEP I	Transwestern Sponsorship Equity Partners I, L.L.C. ("**TSEP I**") is a Delaware limited liability company, sponsored by TW, which was formed to invest in commercial real estate projects. The aggregate capital commitments to TSEP I are approximately $19,900,000. TSEP GP is the sole managing member of TSEP I and has made a capital commitment to TSEP I of approximately $1,809,000 (9.09%). The remaining capital commitments to TSEP I have been made by various institutional and high net worth investors.
TSEP GP	TSEP GP I, L.L.C. ("**TSEP GP**") is a Delaware limited liability company, sponsored by TW, which was formed to invest in and act as managing member of TSEP I. TW is the managing member of TSEP GP. The other investors in TSEP GP are officers, employees or affiliates of TW.
Project	The Owner has purchased approximately 14 acres of land in San Antonio, Texas on which it constructed and partially leased five, one-story value office buildings aggregating 143,100 square feet (the "**Project**").
Interests	Investors in this offering will be admitted as non-managing members in Recap. The term "**Interests**" as used in this Memorandum shall mean the limited liability company interests in Recap.
Investors	The term "**Investors**" as used in this Memorandum shall mean the limited liability company members in Recap.
Construction Financing	The Owner entered into a Construction Loan Agreement and a Promissory Note each dated August 29, 2007 (collectively, the "**Construction Loan Agreement**") with Wells Fargo Bank (the "**Construction Lender**"), pursuant to which the Construction Lender agreed to loan the Owner up to $13,340,132 (the "**Construction Loan**"), subject to the terms and conditions of the Construction Loan Agreement. The Construction Loan is secured by a first deed of trust on the Project. The Owner and Construction Lender entered into a Renewal, Extension and Modification Agreement dated as of January 28, 2011, pursuant to which, Owner made a $1,340,132 principal payment and the maturity date was extended to February 28, 2013. Beginning December 1, 2011, the interest rate on the

Construction Loan will be increased to a minimum all-in rate of 8.25% per annum. *See Summary of Construction Financing below for additional details.*

Mezz Financing

The original financing for the Project included a mezzanine loan from South Charles Investment Company (the "**Mezz Lender**") to TDC Prue Road Mezz, L.P. ("**Mezz LP**") in the amount $5,336,053 (the "**Mezz Loan**"). Network Crossing acquired the Mezz Loan from Mezz Lender for a one-time cash payment of $750,000 in connection with the closing of the restructuring. **TW has agreed to keep the terms of the sale of the mezzanine loan confidential (including without limitation the sales price). Therefore, you may not disclose any information regarding this transaction to any person without written permission from TW.**

TDC

TDC Prue Road Mezz Partner, L.L.C. ("**TDC**") is a Delaware limited liability company, which was formed by TW to develop the Project. TDC is owned by TW and certain employees of TW and its affiliates (the "**Existing TDC Investors**"). TDC owns a 100% limited partnership interest in Mezz LP.

Deed in Lieu Transaction

Prior to the closing of the restructuring, Mezz LP was the sole limited partner in the Owner and the sole member of the GP, and was therefore the indirect owner of the entire Project. At the closing, in lieu of foreclosure, Mezz LP assigned its limited partnership interest in the Owner and its membership interest in GP to Network Crossing, and Network Crossing forgave the Mezz Loan. As a result, following the closing of the restructuring, TDC ceased to own an interest in the Project. *See **Appendix E** for an organization chart of the Owner prior to the restructuring and **Appendix F** for an organization chart of the restructured Owner following the closing of the deed in lieu transaction.*

Capital Contributions

The members of Network Crossing have committed to make capital contributions to Network Crossing of $3,120,000. At the closing, PBC and Recap made initial capital contributions of $1,560,000 and $1,140,000, respectively. Recap will be obligated to fund an additional $420,000 of capital (for a cumulative total of $1,560,000) when needed in accordance with the approved Project budget. In addition to the $1,560,000 capital commitment to Network Crossing, the members of Recap will contribute $75,000 of working capital, resulting in a total commitment

of $1,635,000 to Recap. *See the Recap LLC Agreement attached hereto as **Appendix B** for additional details.*

Profits and Losses

All operating cash flow of the Project will be paid to the Construction Lender to be reserved for tenant finish and leasing commission costs. The net proceeds from a sale or refinancing of the Project will be distributed as follows: (i) to PBC and Recap pro rata until each member has received an amount equal to a 12% IRR; (ii) then, 20% to Recap and 80% to the members pro rata until each of them has received a 20% IRR; and (iii) the remainder, if any, 50% to the members pro rata and 50% to Recap. If the Project is sold during the first two years after closing and the aggregate distributions to each member do not exceed a 1.75 equity multiple, then distributions under clause (iii) shall instead be allocated as follows: first, pro rata to Recap and PBC until each of them has received a 1.75 equity multiple on contributed capital; then, 100% to Recap until it has received an amount equal to the carried interest distributions it would otherwise have received; and the remainder, if any, 50% to the members pro rata and 50% to Recap. *See the Network Crossing LLC Agreement attached hereto as **Appendix C** for additional details.*

Investors in Recap will receive a pro rata share of all distributions to the members in Recap.

Management

Recap will control the day-to-day management of the Owner. Recap will not have the authority to make major decisions without the approval of PBC. These major decisions include, but are not limited to, the following: (a) annual business plans; (b) execute leases; (c) any refinancing; and (d) the sale of the Project. PBC may remove Recap as day-to-day manager of Owner for breach of the joint venture agreement by Recap which is not cured within thirty (30) days, gross negligence or willful misconduct, or fraud.

TW will indirectly control the management and operation of Recap. Investors in this offering will have no right to participate in the management of Recap.

Vesting and Repurchase Rights

TW will have the right to repurchase the unvested percentage of the Interest of any Investor who (a) ceases to be an employee of TW or its affiliates (b) otherwise ceases to be associated with TW (e.g. as an independent contractor), or (c) for any other reason at the discretion of

TW (including, without limitation, the failure of the Investor to satisfactorily perform his or her duties to TW or a material change in the duties or responsibilities of the Investor). Until the occurrence of such an event or circumstance, each Investor's Interest in Recap will vest 25% per year over a four-year period until the Interest is fully vested. An Investor's Interest shall fully vest upon the sale of the Project or upon such Investor's death. In the event of the death of an Investor, TW will have the right to assume such deceased Investor's unfunded Commitment to Recap. The vested percentage of an Investor's Interest shall not be subject to repurchase. The repurchase price for such unvested Interest will equal the applicable unvested share of the following: (1) the aggregate capital contributions funded by such Investor plus simple interest at the prime rate plus 2% per annum, less (2) all distributions made to such Investor. *See the Recap LLC Agreement attached hereto as **Appendix B** for additional details.*

Transfers; Withdrawals

No Investor may transfer any Membership Interest in Recap without the consent of the managing member. Pursuant to the LLC Agreement, no Investor may resign or withdraw as an Investor, except on the terms described therein.

Tax Considerations

TW anticipates that Recap will be treated as a partnership and not as an association taxable as a corporation for federal income tax purposes. Each Investor will be required to include its allocable share of the income, gains, losses and deductions of Recap in computing such Investor's federal income tax liability. Each prospective Investor should consult his tax advisor concerning tax consequences arising from an investment in Recap. *Please refer to **Appendix A** for tax and regulatory considerations.*

Risk Factors

The Risk Factors section of this Memorandum describes certain risk factors, including possible conflicts of interest, which prospective Investors should consider before investing in Recap. *Please review the Risk Factors closely.*

TSEP I NETWORK CROSSING RECAP, L.L.C.

DESCRIPTION OF THE PROJECT

On August 29, 2007, the Owner purchased approximately 14 acres of land in San Antonio, Texas on which it constructed and partially leased five, one-story value office buildings aggregating 143,100 square feet (the "**Project**"). The land was one of last sites in the successful University Business Park, which is located in the northwest submarket of the city.

The site has numerous access points for ingress and egress along the I-10 corridor, including access (i) via Network Boulevard to the north, (ii) to Fredericksburg Road via Prue Road to the east, and (iii) to Huebner Road via Southwell Road to the south. Additionally, the site is located within close proximity to the South Texas Medical Center and many retail and hospitality businesses along the I-10 corridor. Maps and site plans of the Project are attached as ***Appendix C.***

The Northwest submarket's vacancy rate of 10.2% as of December 31, 2010 (and most of the Project's major competitors are leased-up) is substantially below the citywide rate at year end. Office absorption for the submarket has been positive each quarter since the first quarter of 2009. TW believes that the major competing buildings for tenants at the Project are substantially leased-up. TW is experiencing increased interest in the Project which reinforces its confidence in the Project.

TW believes that the Project can be leased within 24 months and if achieved would generate a return on cost of 11.7%. TW projects that the returns from the sale of the Project would range from a 44.8% IRR and a 2.8 multiple (assuming an 8.75% cap rate) to a 39.1% IRR and a 2.49 multiple (assuming a 9.25% cap rate). TW's projections of the pro forma returns assume that: (i) the costs of leasing and tenant finish for the Project do not exceed budgeted costs; (ii) the Project is 92% leased to creditworthy tenants at pro forma rental rates within 24 months after acquisition; and (iii) the Project is sold no later than 30 months after acquisition. Recap's profit from the sale of the Project would be adversely impacted by cost overruns, slower than expected leasing, falling rental rates, and rising cap rates among other things. *The pro forma budget for the Project is attached as an exhibit to the Network Crossing LLC Agreement.*

TSEP I NETWORK CROSSING RECAP, L.L.C.

SUMMARY OF CONSTRUCTION FINANCING

The Owner entered into a Construction Loan Agreement and a Promissory Note each dated August 29, 2007 with Construction Lender, pursuant to which the Construction Lender agreed to loan the Owner $13,340,132, subject to the terms and conditions of the Construction Loan Agreement. The Construction Loan is secured by a first deed of trust on the Project.

The Owner and Construction Lender entered into a Renewal, Extension and Modification Agreement dated as of January 28, 2011 in connection with the restructuring. The Owner made a principal payment to Construction Lender in connection with the restructuring in the amount of $1,340,132. The Owner also paid a $60,000 extension fee to Construction Lender. The maturity of the Construction Loan was extended to February 28, 2013. The Owner has the right to extend the maturity of the Construction Loan for an additional twelve months ("**Extension Period**"), subject to the satisfaction of certain conditions, including the requirement that the Project achieve a debt yield of 9.5%.

Until December 1, 2011, interest on the principal amount of the Construction Loan outstanding from time to time will continue to accrue either at the Construction Lender's prime rate or at the LIBOR rate plus 1.75%. Thereafter, interest will accrue at the LIBOR rate (which shall include a LIBOR floor of 4.75%) plus 3.5% (resulting in a minimum all-in interest rate of 8.25%). During the Extension Period, interest on the Construction Loan will accrue at the LIBOR rate (which shall include a LIBOR floor of 5.25%) plus 4% (resulting in a minimum all-in interest rate of 9.25%).

Effective as of the closing, after receipt of the principal repayment from Owner, the maximum principal amount of the Construction Loan was reduced to $12,000,000. The outstanding principal amount of the loan as of the closing was $9,200,521. The Construction Lender will advance additional loan proceeds from time to time up to the maximum principal amount of the Loan to pay for tenant improvements and leasing commissions subject to the terms and conditions of the Construction Loan Agreement.

TSEP I NETWORK CROSSING RECAP, L.L.C.

SUMMARY OF NETWORK CROSSING LLC AGREEMENT

Network Crossing, LLC ("**Network Crossing**") is a Delaware limited liability company. Network Crossing is a joint venture between TSEP I Network Crossing Recap, L.L.C. ("**Recap**") and PBC Network Crossing, L.L.C. ("**PBC**"). PBC is an affiliate of Pennybacker Realty Advisers. Network Crossing is the sole limited partner of Owner and the sole member of GP, as a result of which it indirectly owns a 100% equity interest in the Project.

The members of Network Crossing have committed to make capital contributions to Network Crossing of $3,120,000. At the closing, PBC and Recap made initial capital contributions of $1,560,000 and $1,140,000, respectively. Recap will be obligated to fund an additional $420,000 of capital (for a cumulative total of $1,560,000) when needed in accordance with the approved Project budget. In addition to the $1,560,000 capital commitment to Network Crossing, the members of Recap will contribute $75,000 of working capital, resulting in a total commitment of $1,635,000 to Recap.

All operating cash flow of the Project will be paid to the Construction Lender to be reserved for tenant finish and leasing commission costs. The net proceeds from a sale or refinancing of the Project will be distributed as follows: (i) to PBC and Recap pro rata until each member has received an amount equal to a 12% IRR; (ii) then, 20% to Recap and 80% to the members pro rata until each of them has received a 20% IRR; and (iii) the remainder, if any, 50% to the members pro rata and 50% to Recap. If the Project is sold during the first two years after closing and the aggregate distributions to each member do not exceed a 1.75 equity multiple, then distributions under clause (iii) shall instead be allocated as follows: first, pro rata to Recap and PBC until each of them has received a 1.75 equity multiple on contributed capital; then, 100% to Recap until it has received an amount equal to the carried interest distributions it would otherwise have received; and the remainder, if any, 50% to the members pro rata and 50% to Recap.

Recap will be the managing member of Network Crossing. Recap will control the day-to-day management of the Owner. Recap will not have the authority to make major decisions without the approval of PBC. These major decisions include, but are not limited to, the following: (a) annual business plans; (b) execute leases; (c) any refinancing; and (d) the sale of the Project. PBC may remove Recap as day-to-day manager of Owner for breach of the joint venture agreement by Recap which is not cured within thirty (30) days, gross negligence or willful misconduct, or fraud.

*See the Network Crossing LLC Agreement attached hereto as **Appendix C** for additional details.*

TSEP I NETWORK CROSSING RECAP, L.L.C.

SUMMARY OF AGREEMENTS WITH AFFILIATES

Owner entered into a Management Agreement, Leasing Agreement and a Development Management Agreement with TW, pursuant to which TW, acted and is currently acting as property manager, leasing agent, and manager of the development of the Project on behalf of Owner. It was anticipated that TW would be retained by Owner to provide investment sales services thereto. Such agreement was anticipated to be at a market rate and on market terms.

After the recapitalization is completed, it is anticipated that Owner will renew its Management and Leasing Agreements with TW.

Performance of the foregoing agreements by TW is highly dependent on certain TW personnel. In the event such personnel are no longer associated with TW and adequate replacements cannot be found, the Project may be adversely impacted.

TSEP I NETWORK CROSSING RECAP, L.L.C.

RISK FACTORS

Nature of Investment. An investment in Recap carries with it a high degree of risk. There is no assurance that the Project will achieve the pro forma returns. Investors must be able to sustain a total loss of their investment.

Tax Considerations. An investment in Recap involves complex federal and state income tax considerations, which will differ for each investor. Certain key federal tax laws and regulations are summarized in ***Appendix A***.

Restrictions on Transfer and Withdrawal. The Interests are not transferable without the consent of the Manager. It is anticipated that the offering and sale of the Interests will be exempt from registration pursuant to Regulation D promulgated under the Securities Act of 1933, as amended. There will not be a public market for the Interests. Investors must be prepared to bear the risk of an investment for an indefinite period. The Interests may not be resold unless the Interests are registered under the Securities Act of 1933, as amended, or an exemption from registration is available. Investors may not withdraw their capital except as provided in the LLC Agreement.

Environmental Laws. Federal, state and local laws impose liability on owners or operators of real property for the cost of investigating, cleaning up or removing contamination caused by hazardous or toxic substances at the property. Recap could face substantial risk of loss from environmental claims based on unexpected environmental problems with the property.

Unmet Leasing Goals/Loss of Capital Contributions. The Project is not fully leased. There is a risk that the anticipated quality and quantity of tenants may not be achieved, which could adversely affect the Owner and Recap. There is no assurance that the Project will achieve the pro forma returns, thereby causing the Investors to lose their capital contributions. The failure of an Investor to make any required capital call could also result in a reduction of such Investor's Interest in Recap.

No Sales Contract. As of the date of this Memorandum, there is no contract for the sale of the Project to any potential buyer. If no such contract is obtained or it is obtained much later than it is currently projected, the Owner, and thus Recap, could be adversely affected.

Dependence on Key Employees. The Owner will rely upon TW and certain of their employees for the day-to-day development activities for the Project. The success of the Project is highly dependent on these persons. If one or more of such persons should be incapacitated or in some way cease to participate in the Project for any reasons, Recap could be adversely affected.

TSEP I NETWORK CROSSING RECAP, L.L.C.

APPENDIX A

Tax and Regulatory Considerations

*This **Appendix A** contains a general summary of certain key federal income tax and regulatory considerations. This summary is not intended as a substitute for an Investor's own due diligence in investigating the possible consequences of an investment in TDC. This summary is based on the Internal Revenue Code of 1986, as amended to the date hereof (the "**Code**"), the other statutes dated in this Appendix, and the regulations, rulings and judicial decisions relating to such statutes, as in effect on the date hereof, all of which are subject to change (with the possibility that any change may be given retroactive effect).*

TAX CONSEQUENCES TO INVESTORS WILL VARY AMONG INVESTORS. EACH INVESTOR SHOULD CONSULT ITS OWN ADVISORS REGARDING ALL OF THE FEDERAL, STATE AND LOCAL TAX CONSEQUENCES RELATING TO THE PROPOSED INVESTMENT BASED ON EACH INVESTOR'S SPECIFIC CIRCUMSTANCES.

Federal Income Tax Considerations

The federal income taxation of Investors in Recap, which is intended to be classified as a partnership, is extremely complex and may involve, among other things, significant issues as to the timing, character, and allocation of gains and losses, various limitations on the deductibility of losses, and relationships between an Investor's investment in Recap and the Investor's other investments and activities. The specific treatment of Investors is too complex, involves too many rules and principles (many of which entail substantial uncertainty), and is too dependent on the particular tax situation of each Investor, to discuss in detail in this Memorandum. Accordingly, the discussion below only summarizes some of the principal potential federal income tax consequences to the Investors from an investment in Recap. Prospective Investors are urged to consult their tax advisors as to the various tax aspects and risks associated with an investment in Recap, taking into account the Investors' own specific tax situations (e.g., whether the Investor is liable for alternative minimum tax).

Classification. Recap intends to be classified as a partnership for federal income tax purposes, with the Investors treated as partners. The Internal Revenue Service ("**IRS**") has promulgated regulations under which a limited liability company is generally classified as a partnership unless it affirmatively elects to be treated as a corporation. Notwithstanding this rule, if interests in a partnership are considered "publicly traded" under Section 7704 of the Code, then the partnership will be treated as a corporation unless at least 90 percent of its gross income in each year consists of certain types of passive income. The Company will not elect corporate classification and intends to take any other steps appropriate to being classified as a partnership, including appropriate steps to prevent interests in them from being considered publicly traded.

Taxation of Partners in General. In general, Recap will not be a taxable entity for federal income tax purposes. Rather, items of income, gain, loss, deduction and credit (if any), and the character of such items (e.g., as interest or dividend income, or as investment interest deductions), will generally flow through to their respective Investors, with each of them reporting its distributive share of the items on its federal income tax return for the taxable year which includes the end of Recap's year (as the case may be). Investors will be taxed on Recap's income regardless of whether they receive cash or other distributions. Thus, it is possible that an Investor could incur income tax liability with respect to its share of the income of Recap without receiving a distribution to pay such liability. In general, cash distributions from a partnership to a partner (including a deemed distribution from a reduction in the partner's share of partnership liabilities) will not be taxable except to the extent distributions during a year exceed the partner's share of the partnership's taxable income for the year and the partner's tax basis in its interest in the partnership.

Recap will use the accrual method of accounting to report income and deductions for tax purposes. They will report on the basis of a calendar year, unless required to adopt a different fiscal year for federal income tax purposes. Recap will file annual federal informational tax returns, Form 1065, reporting their respective operations for each calendar year to the IRS and will provide their Investors with the information on Schedule K-1 to Form 1065 necessary to enable them to include in their tax returns the tax information arising from their investments in Recap. Section 6222 of the Code requires the partners in a partnership to file their tax returns in a manner consistent with the treatment of items on the partnership tax return, unless a statement is filed with the IRS identifying the inconsistency.

Tax Allocations. Items of Recap's income, gain, loss, deduction and credit (if any) will be allocated to the Investors in accordance with the terms of the LLC Agreement. Under Section 704(b) of the Code, an allocation of income, gain, loss, deduction or credit among the partners in a partnership will not be recognized and may be reallocated by the IRS for tax purposes if the allocation lacks "substantial economic effect" and is not in accordance with the partners' interests in the partnership. The allocations set forth in the LLC Agreement are intended to comply with the "substantial economic effect" requirement or be in accordance with the Investor's interests. However, if the IRS were to challenge successfully any allocation of the income, gain, loss, deduction or credit (if any), additional income could be reallocated to an Investor and the Investor could otherwise be adversely affected.

Purchase of Interests. Section 83, Treasury Regulations under Section 721 of the Code, and other authorities govern the treatment of the receipt of a partnership interest in connection with the performance of services. If the IRS were to determine that the amount paid for the Interests by an Investor in this offering were less than the fair market value of such Interests, as determined under the foregoing rules, the Investor could be taxed on the difference as compensation income. However, Recap does not believe that the offering involves any such compensation income.

Income from Sale of Interests. Interests in Recap are not transferable without the consent of the Manager. In the event an Investor does sell an Interest, gain or loss will generally be recognized in an amount equal to the difference between (i) the amount

realized (the sale proceeds plus the Investor's share of liabilities of which the Investor is deemed to be relieved), and (ii) the Investor's adjusted tax basis in the Interest. In general, gain or loss from the disposition of an interest in a partnership is treated as capital gain or loss. However, under Section 751 of the Code, any amount received that is attributable to the selling partner's share of the partnership's "unrealized receivables" (which is defined to include, among other items, depreciation recapture property to the extent of the recapture thereon) and "inventory items" is treated as an amount received for a non-capital asset and may result in ordinary income.

Limitations on Use of Tax Losses. In the case of Investors that are individuals, estates, trusts, or certain types of corporations, the ability to utilize any tax losses generated by Recap against other income, or to offset any income generated by Recap with losses from other investments, may be limited under the "at risk" limitation in Section 465 of the Code, the passive activity loss limitation in Section 469 of the Code, the limitation of loss pass-through to an Investor's outside basis in its interest (which applies to all types of investors), and other provisions of the Code and IRS regulations. Moreover, in the case of Investors other than corporations, the ability to utilize certain specific items of deduction attributable to the investment activities of Recap (as opposed to their activities that represent a trade or business for federal income tax purposes) may be limited under the investment interest limitation in Section 163(d) of the Code, the 2% floor on miscellaneous itemized deductions (including investment expenses but not interest) in Section 67 of the Code, the reduction in itemized deductions (not including investment interest) of high income individuals by Section 68 of the Code, and other provisions. Investors are urged to consult with their own advisors concerning the applicability and impact to them of these various limitations in their particular circumstances.

Tax Audits. Any adjustment of an Investor's items from Recap pursuant to an IRS audit will generally be determined by unified administrative proceedings at the audited partnership level. The "tax matters" partner of the audited partnership would normally manage administrative proceedings. Adjustments, if any, to the partnership items may require the subscribers to file amended tax returns; could result in the imposition of additional taxes, interest charges, and penalties; and could possibly lead to an audit of a subscriber's own return and to adjustments not related to Recap.

State and Local Taxes

The foregoing discussion does not address the state and local tax consequences of an investment in Recap, and prospective Investors are urged to consult their own advisors with respect thereto.

Other Regulatory Considerations

Securities Act of 1933. The Interests are not registered under the Securities Act of 1933, as amended, or any state securities law and may not be resold unless they are subsequently registered under such Act and such laws or an exemption from such registration is available. No Investor will have the right to require such registration. There will be no public market for the Interests. The LLC Agreement will specifically restrict the transferability of the Interests.

TSEP I NETWORK CROSSING RECAP, L.L.C.

APPENDIX B

Limited Liability Company Agreement of TSEP I Network Crossing Recap, L.L.C.

See Attached

LIMITED LIABILITY COMPANY AGREEMENT

OF

TSEP I NETWORK CROSSING RECAP, L.L.C.

A Delaware Limited Liability Company

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LIMITED LIABILITY COMPANY AGREEMENT
OF
TSEP I NETWORK CROSSING RECAP, L.L.C.

This **LIMITED LIABILITY COMPANY AGREEMENT OF TSEP I NETWORK CROSSING RECAP, L.L.C.** (this "Agreement"), dated as of January __, 2011, is adopted, executed and agreed to, for good and valuable consideration, by the Members (as defined below) who have executed this Agreement on the signature pages attached hereto or have otherwise agreed to be bound by the terms of this Agreement.

ARTICLE 1
DEFINITIONS

1.01 Definitions. As used in this Agreement, the following terms have the respective meanings set forth below or set forth in the provision following such term:

Act - means the Delaware Limited Liability Company Act and any successor statute, as amended from time to time.

Acceptance Date – means the date on which the Manager accepts the Commitment of a Member.

Additional Member - has the meaning set forth in Section 3.04.

Adjusted Capital Account - means a Capital Account determined and maintained for each Member throughout the term of this Agreement, the balance of which shall be equal to such Member's Capital Account balance, modified as follows:

(a) increased, to the extent provided in Treasury Regulations, by the amount, if any, of such Member's share of the Member Nonrecourse Minimum Gain of the Company pursuant to Treasury Regulation Section 1.704-2(i)(5);

(b) decreased by the amount, if any, of distributions that are reasonably expected to be distributed to such Member, but only to the extent that the amount thereof exceeds any offsetting increase in such Member's Capital Account that is reasonably expected to occur during (or prior to) the tax year during which such distributions are reasonably expected to be made (other than increases pursuant to certain minimum gain chargebacks) as determined under Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(6); and

(c) decreased by the amount, if any, of loss and deduction that is reasonably expected to be allocated to such Member pursuant to Code Section 704(e) (2) or 706(d), Treasury Regulation Section 1.751-1(b)(2)(ii) or Treasury Regulation Section 1.704-1(b)(2)(iv)(k).

Affiliate - means (a) with respect to any Person who is a natural person, (i) each Entity that such Person Controls, and (ii) each member of such Person's immediate family; and (b) with respect to any Person that is an Entity, (i) each Entity that such Person Controls, (ii) each Person that Controls such Person, and (iii) each Entity that is under common Control with such Person.

Anniversary Date – means an anniversary of the Acceptance Date.

Applicable Redemption Percentage - means, with respect to any Member as of any determination date, (a) one hundred percent (100%) if such determination date is prior to such Member's first Anniversary Date, (b) seventy-five percent (75%) if such determination date is on or after such Member's first Anniversary Date but prior to such Member's second Anniversary Date, (c) fifty percent (50%) if such determination date is on or after such Member's second Anniversary Date but prior to such Member's third Anniversary Date, (d) twenty-five percent (25%) if such determination date is on or after such Member's third Anniversary Date but prior to such Member's fourth Anniversary Date; and (e) zero percent (0%) if such determination date is on or after such Member's fourth Anniversary Date or if such Member is deceased. Notwithstanding the foregoing, in the event of the sale of substantially all of the assets of the Company, the Applicable Redemption Percentage shall be zero percent (0%) for all Members, and in the event of the death of a particular Member, the Applicable Redemption Percentage shall be zero percent (0%) with respect to such deceased Member and his or her estate.

Applicable Tax Rate - means the marginal federal income tax rate applicable to the Taxable Income allocated to a particular Member by the Company, as determined by the Manager in good faith. The determination of the Manager shall be conclusive.

Assignee - means any Person that acquires Membership Rights or any portion thereof (including an Interest) through a Disposition consented to by the Manager or otherwise permitted under Section 3.03(b)(i). An Assignee shall have no right to be admitted to the Company as a Member except as provided in Sections 3.03(b) and 3.03(c). The Assignee of a deceased Member is the Person or Persons to whom the deceased Member's Membership Rights are bequeathed, or by whom they are inherited, pursuant to the deceased Member's duly-probated will or a probate court order applying the laws of intestate succession. The Assignee of a dissolved Member is the shareholder, partner, member or other equity owner or owners of the dissolved Member to whom such Member's Membership Rights are assigned by the Person conducting the liquidation or winding up of such Member. The Assignee of a Bankrupt Member is the Person or Persons (if any) to whom such Bankrupt Member's Membership Rights are assigned by order of the bankruptcy court or other governmental authority having jurisdiction over such Bankruptcy; or, in the event of a general assignment for the benefit of creditors, the creditor to which such Membership Rights are assigned. In the case of a Divorce, the Assignee is the spouse of the applicable Member. In the case of a Spouse's Death, the Assignee is the Person or Persons to whom the spouse's (or former spouse's) Spouse's Fraction is bequeathed, or by whom it is inherited, pursuant to the deceased spouse's (or former spouse's) duly-probated will or a probate court order applying the laws of intestate succession.

Bankruptcy or Bankrupt - means that (a) such Person (i) makes a general assignment for the benefit of creditors; (ii) files a voluntary bankruptcy petition; (iii) becomes the subject of an order for relief or is declared insolvent in any federal or state bankruptcy or insolvency proceedings; (iv) files a petition or answer seeking for such Person a reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any Law; (v) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against such Person in a proceeding of the type described in subclauses (i) through (iv) of this clause (a); or (vi) seeks, consents to, or acquiesces in the appointment of a trustee, receiver, or liquidator of such Person's or of all or any substantial part of such Person's properties; or (b) an involuntary petition is filed against such Person seeking a reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any Law and sixty (60) Days have expired without dismissal thereof; or (c) without the Person's consent or acquiescence, a trustee, receiver, or liquidator of such Person or of all or any substantial part of such Person's properties has been appointed and forty-five (45) Days have expired without the appointment's having been vacated or stayed, or forty-five (45) Days have expired after the date of expiration of a stay, if the appointment has not previously been vacated.

Borrower – TDC Prue Road, L.P., a Delaware limited partnership.

Borrower GP - TDC Prue Road GP, L.L.C. a Delaware limited liability company. Borrower GP is the sole general partner of Borrower.

Business Day - means any day other than a Saturday, a Sunday, or a holiday on which national banking associations in the State of Texas are closed.

Capital Account - has the meaning assigned to it in Section 4.03.

Capital Contribution - means, with respect to any Member, the amount of money and the fair market value (as of the date of contribution) of any property (other than money) contributed to the Company by the Member. Any reference in this Agreement to the Capital Contribution of a Member shall include a Capital Contribution of his predecessors in interest.

Code - means the United States Internal Revenue Code of 1986, as amended from time to time. All references herein to sections of the Code shall include any corresponding provision or provisions of succeeding Law.

Commitment - means with respect to any Member, the obligation of such Member to make Capital Contributions which shall be the amount set forth on the subscription materials of such Member or as set forth in the books and records of the Company.

Company - means TSEP I Network Crossing Recap, L.L.C., a Delaware limited liability company. The Company is the sole managing member of Pennybacker Investor LLC.

Company Minimum Gain - shall have the meaning set forth in Treasury Regulations Section 1.704-2(b)(2), and the amount of Company Minimum Gain, as well as any net increase or decrease in Company Minimum Gain, for a fiscal year shall be determined in

accordance with the rules of Treasury Regulations Section 1.704-2(d).

Construction Loan – means a loan in the amount of $13,340,133 from Wachovia Bank, N.A. to the Borrower for the purpose of acquiring and constructing certain improvements on the Borrower's property [describe amendment].

Continuation Election - has the meaning assigned to it in Section 9.01(b).

Control - means the possession, directly or indirectly, through one or more intermediaries, of the following: (a) in the case of a corporation, more than 50% of the outstanding shares of any series or class of voting securities thereof; (b) in the case of a limited liability company, partnership, limited partnership or joint venture, the right to more than 50% of the distributions therefrom at any time during the duration of such Entity (including liquidating distributions); (c) in the case of a trust or estate, more than 50% of the beneficial interest therein; (d) in the case of any other Entity, more than 50% of the economic or beneficial interest therein; or (e) in the case of any Entity, the power or authority, through ownership of voting securities, by contract or otherwise, to direct the management, activities or policies of the Entity.

Day - means a calendar day; provided, however, that for all purposes, if any period of Days referred to in this Agreement shall end on a Day that is not a Business Day, then the expiration of such period shall be automatically extended until the first succeeding Business Day.

Default Rate - means a rate per annum equal to the lesser of (a) 5% plus the Prime Rate, and (b) the maximum rate permitted by Law.

Dispose, Disposing or Disposition - means with respect to any asset (including specifically, but without limitation, Membership Rights or any portion thereof, including any Member's Interest), a sale, assignment, transfer, conveyance, gift, exchange or other disposition of such asset, whether such disposition be voluntary, involuntary or by operation of Law, including the following: (a) in the case of an asset owned by a natural person, a transfer of such asset upon the death of its owner, whether by will, intestate succession or otherwise; (b) in the case of an asset owned by an Entity, (i) a merger or consolidation of such Entity, (ii) a conversion of such Entity into another type of Entity, or (iii) a distribution of such asset in connection with the dissolution, liquidation, winding-up or termination of such Entity (unless, in the case of dissolution, such Entity's business is continued without the commencement of liquidation or winding-up); and (c) a disposition in connection with, or in lieu of, a foreclosure of an Encumbrance; but such terms shall not include the creation of an Encumbrance.

Dissolution Event - has the meaning assigned to it in Section 9.01(a).

Divorce - means the establishment of a Spouse's Fraction as a result of the divorce or other termination of the marital relationship of any Member (other than by death), or upon the partition of community of property or other Disposition of property between a Member and such Member's spouse.

Encumber, Encumbering, or Encumbrance - means the creation of a security interest, lien, pledge, mortgage or other encumbrance, whether such encumbrance be voluntary, involuntary or by operation of Law.

Entity - means a corporation, limited liability company, partnership, limited partnership, venture, trust, estate, governmental entity or other entity.

Excess Cash - has the meaning assigned to it in Section 5.01(a).

Excess Taxable Income – means, as of any determination date, the amount by which the aggregate Taxable Income allocated by the Company to such Member exceeds the aggregate distributions to such Member by the Company.

Expel, Expelled or Expulsion - means the expulsion or removal of a Member from the Company as a Member.

Fiscal Year - has the meaning assigned to it in Section 7.02(a).

Indemnitee - has the meaning assigned to it in Section 6.05(a).

Interest - means a Person's share of the income, gain, loss, deduction and credits of, and the right to receive distributions from, the Company, which unless otherwise provided for herein, shall be the percentage set forth on the subscription materials of such Member or as set forth in the books and records of the Company.

Law - means any applicable constitutional provision, statute, act, code (including the Code), law, regulation, rule, ordinance, order, decree, ruling, proclamation, resolution, judgment, decision, declaration, or interpretative or advisory opinion or letter of a governmental authority.

Manager - means TSEP or any successor Manager appointed pursuant to Section 9.01.

Maximum Liability – means $1,635,000.

Member - means any Person executing this Agreement as of the date of this Agreement and any Persons hereafter admitted to the Company as a Member as provided in this Agreement, but such term does not include any Person who has ceased to be a Member in the Company.

Member Nonrecourse Debt - has the meaning assigned to the term partner nonrecourse debt in Treasury Regulation Section 1.704-2(b)(4).

Member Nonrecourse Deductions - has the meaning assigned to the term partner nonrecourse deductions in Treasury Regulation Section 1.704-2(i).

Member Nonrecourse Minimum Gain - has the meaning assigned to the term partner nonrecourse minimum gain in Treasury Regulation Section 1.704-2(i)(2).

Membership Rights - means with respect to any Member, (a) that Member's status as a Member; (b) that Member's Interest; (c) all other rights, benefits and privileges enjoyed by that Member (under the Act, this Agreement or otherwise) in its capacity as a Member, including that Member's rights to vote, consent and approve and otherwise to participate in the management of the Company; and (d) all obligations, duties and liabilities imposed on that Member (under the Act, this Agreement or otherwise) in its capacity as a Member, including any obligations to make Capital Contributions and any obligation under guarantees or similar assurances of payment given by a Member for the benefit of the Company.

Pennybacker Investor LLC – means Network Crossing, LLC, a Delaware limited liability company, which is the sole limited partner of Borrower and sole member of Borrower GP.

Person - means an individual, Entity, or a governmental authority.

Prime Rate - means a rate per annum equal to the lesser of (a) a varying rate per annum that is equal to the interest rate publicly quoted by JP Morgan Chase Bank, or any successor bank having assets in excess of $5,000,000,000, from time to time as its prime commercial or similar reference interest rate, with adjustments in that varying rate to be made on the same date as any change in that rate, and (b) the maximum rate permitted by Law.

Profits or Losses - means the net income or loss of the Company for federal income tax purposes as of the close of the Company's fiscal year (or as of such other time as be required by this Agreement), as well as, where the context requires, related federal tax items such as tax preferences and credits, in each case appropriately adjusted with respect to final determination of any of the foregoing for federal income tax purposes.

Ratification - means an instrument substantially in the form of Exhibit A attached hereto, pursuant to which a Person shall agree to be bound by the terms of this Agreement.

Redemption Amount - means, as of any determination date, an amount equal to (a) the aggregate Capital Contributions made by such Member to the Company as of such date, <u>less</u> (b) all distributions made to such Member by the Company, <u>plus</u> (c) simple interest, calculated at the Prime Rate plus two percent (2%) per annum, on the amount by which such aggregate Capital Contributions may exceed such aggregate distributions from time to time, <u>plus</u> (d) the Tax Gross-Up.

Securities Act - means the United States Securities Act of 1933, as amended, and all rules and regulations promulgated thereunder.

Sole Discretion - has the meaning assigned to it in Section 3.03(b)(i).

Spouse's Death - means the death of a Member's spouse (or former spouse) prior to the death of such Member, and, in connection with such death, the establishment of a Spouse's Fraction to which (or to a portion of which) such Member does not succeed.

Spouse's Fraction - means that portion (if any) of a Member's Membership Rights that such Member's spouse, such Member's former spouse, such Member's spouse's estate or such Member's former spouse's estate is determined to own by a court of competent jurisdiction or, in the absence of a judicial determination, by a written agreement between the Member and such spouse, such spouse's estate, such former spouse, or such former spouse's estate.

Taxable Income - means, as to a particular Member, the taxable income for federal income tax purposes allocated to such Member by the Company during a particular period.

Tax Gross-Up – means the product of the Applicable Tax Rate multiplied by the Excess Taxable Income.

Tax Matters Member - has the meaning assigned to it in Section 7.03.

Transwestern - means Transwestern Commercial Services, L.L.C., a Delaware limited liability company, or any of its Affiliates.

TSEP – means Transwestern Sponsorship Equity Partners I, L.L.C., a Delaware limited liability company.

Treasury Regulations - means the Regulations promulgated by the United States Department of the Treasury pursuant to and in respect of provisions of the Code. All references herein to sections of the Treasury Regulations shall include any corresponding provision or provisions of succeeding, similar, substitute proposed or final Treasury Regulations.

Withdraw, Withdrawing or Withdrawal - means the withdrawal, resignation or retirement of a Member from the Company as a Member. Such terms shall not include any Dispositions of Membership Rights (which are governed by Section 3.03), even though the Member making a Disposition may cease to be a Member as a result of such Disposition.

Other terms defined herein have the meaning so given.

1.2 Construction. Unless the context requires otherwise: (a) the gender (or lack of gender) of all words used in this Agreement includes the masculine, feminine and neuter; (b) references to Articles and Sections refer to Articles and Sections of this Agreement; (c) "including" means "including, without limitation"; and (d) references to Exhibits are to the Exhibits attached to this Agreement, each of which is made a part hereof for all purposes.

ARTICLE 2
ORGANIZATION

2.01 Formation. The Company has been organized as a Delaware limited liability company by the filing of a certificate of formation and the issuance of a certificate of formation for the Company by the Secretary of State of Delaware.

2.02 Name. The name of the Company is "TSEP I Network Crossing Recap, L.L.C." and all Company business must be conducted in that name or such other names that may be selected by the Manager and that comply with applicable law.

2.03 Registered Office; Registered Agent; Offices. The registered office and registered agent of the Company in the State of Delaware shall be as specified in the certificate of formation or as designated by the Manager in the manner provided by applicable law. The principal office of the Company shall be headquartered in Houston, Texas, or at such places as the Manager may designate.

2.04 Purposes; Powers. The purpose of the Company is to directly or indirectly through joint venture or otherwise acquire, own, operate, maintain, develop, lease and dispose of one or more parcels of real property, and to engage in all actions necessary, convenient or incidental thereto. In furtherance of its purposes, the Company shall have the power and is hereby authorized:

(a) to acquire any real property or personal property, which may be necessary, appropriate, convenient or incidental to the accomplishment of the purposes of the Company;

(b) to own, hold, operate, maintain, finance, develop, improve, lease, sell, convey, mortgage, pledge, or dispose of such real property and personal property, which may be necessary, convenient or incidental to the accomplishment of the purposes of the Company;

(c) to enter into all such agreements, and to execute, acknowledge and deliver all such documents, certificates and other instruments, which may be necessary, convenient or incidental to the accomplishment of the purposes of the Company;

(d) to take any and all action necessary, convenient or incidental to the exercise of the foregoing powers, including, without limitation, the granting or approval of waivers, consents or amendments of rights or powers relating thereto and the execution of appropriate documents evidencing such waivers, consents or amendments;

(e) to borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Company, and secure the same by mortgage, pledge or other lien on any real property or personal property of the Company;

(f) to invest any funds of the Company pending distribution or payment of the same pursuant to the provisions of any loan documentation or this Agreement;

(g) to prepay in whole or in part, refinance, recast, increase, modify or extend any indebtedness of the Company, and in connection therewith execute any extensions, renewals or modifications relating thereto; and

(h) to do such other things and engage in such other activities related to the foregoing as may be necessary, convenient or advisable with respect to the conduct of the business of the Company, and, subject to the foregoing, have and exercise all of the powers and rights conferred upon limited partnerships formed pursuant to the Act.

2.05 Foreign Qualification. The Manager shall cause the Company to comply with all requirements necessary to qualify the Company as a foreign limited liability company in those jurisdictions, if any, where it is required. At the request of the Manager, each Member shall execute, acknowledge, swear to and deliver all certificates and other instruments conforming with this Agreement that are necessary or appropriate to qualify, continue and terminate the Company as a foreign limited liability company in all such jurisdictions in which the Company may conduct business.

2.06 Term. The Company will commence operations on the date it files its certificate of formation with the Secretary of State of Delaware and shall continue in existence until it is dissolved, wound-up, liquidated or otherwise terminated in accordance with Article 9.

2.07 No State Law Partnership. The Members intend that the Company not be a partnership (including a limited partnership) or joint venture, and that no Member be a partner or joint venturer of any other Member, for any purposes other than applicable federal and state income tax laws, and this Agreement may not be construed to suggest otherwise.

ARTICLE 3
MEMBERSHIP; DISPOSITIONS OF INTERESTS

3.01 Members. The current Members of the Company are the Persons listed on the current record of the Members of the Company maintained by the Manager. The Manager shall at all times maintain a current record of the Members and their respective addresses, Commitments and Interests.

3.02 Representations and Warranties. Each Member, by executing this Agreement (or a Ratification), hereby represents and warrants to the Company and each other Member as follows:

(a) in the case of a Member that is an Entity: (i) that Member is duly incorporated, organized or formed (as applicable), validly existing, and (if applicable) in good standing under the Law of the jurisdiction of its incorporation, organization or formation; (ii) if required by applicable Law, that Member is duly qualified and in good standing in the jurisdiction of its principal place of business, if different from its jurisdiction of incorporation, organization or formation; and (iii) that Member has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and all necessary actions by the board of directors, shareholders, members, partners, trustees, beneficiaries, or other applicable Persons necessary for the due authorization, execution, delivery, and performance of this Agreement by that Member have been duly taken;

(b) that Member has duly executed and delivered this Agreement (or a Ratification), and it constitutes the legal, valid and binding obligation of that Member enforceable against it in accordance with its terms (except as may be limited by Bankruptcy and by the effect of general principles of equity, regardless of whether considered at law or in equity);

(c) that Member's authorization, execution, delivery, and performance of this Agreement (or a Ratification) do not and will not (i) conflict with, or result in a breach, default or violation of, (A) the organizational documents of such Member (if it is an Entity), (B) any contract or agreement to which that Member is a party or is otherwise subject, or (C) any Law, order, judgment, decree, writ, injunction or arbitral award to which that Member is subject; or (ii) require any consent, approval or authorization from, filing or registration with, or notice to, any governmental authority or other Person, unless such requirement has already been satisfied; and

(d) that Member is familiar with the purposes of the Company, the types of proposed investments for the Company, the limited operating history for the Company, and the prospects of the Company; that the Member has agreed to make the Capital Contributions required under this Agreement; that it has asked such questions, and conducted such due diligence, concerning such matters and concerning its acquisition of Membership Rights as it has desired to ask and conduct, and all such questions have been answered to its full satisfaction; it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in the Company; it is aware that the Manager intends to call Capital Contributions from the Members from time to time, which will not exceed in the aggregate the Maximum Liability; and that, each Member will be obligated to make one or more Capital Contributions in an aggregate amount up to the product of such Member's Interest and the Maximum Liability, which amount shall not in any event exceed the amount of such Member's Commitment; it understands that owning Membership Rights involves various risks, including the restrictions on Dispositions and Encumbrances set forth in Section 3.03, the lack of any public market for Membership Rights, the risk of owning its Membership Rights for an indefinite period of time and the risk of losing its entire investment in the Company; it is able to bear the economic risk of such investment; it is acquiring its Membership Rights for investment, solely for its own beneficial account and not with a view to or any present intention of directly or indirectly selling, transferring, offering to sell or transfer, participating in any distribution or otherwise Disposing of all or a portion of its Membership Rights; and it acknowledges that the Membership Rights have not been registered under the Securities Act or any other applicable federal or state securities laws, and that the Company has no intention, and shall not have any obligation, to register or to obtain an exemption from registration for the Membership Rights or to take action so as to permit sales pursuant to the Securities Act (including Rules 144 and 144A thereunder).

3.03 Dispositions of Membership Rights.

(a) General Restriction. Subject to the provisions in Article 7, a Member may not Dispose of all or any portion of its Membership Rights except in strict accordance with this Section 3.03, the Securities Act and all applicable state securities laws. Any attempted Disposition of all or any portion of its Membership Rights, other than in strict accordance with this Section 3.03, shall be, and is hereby declared, null and void ab initio. The Members agree that breach of the provisions of this Section 3.03 may cause irreparable injury to the Company for which monetary damages (or other remedy at law) are inadequate in view of (1) the

complexities and uncertainties in measuring the actual damages that would be sustained by reason of the failure of a Member to comply with such provisions, (ii) the uniqueness of the Company business and the relationship among the Members. Accordingly, the Members agree that the provisions of this Section 3.03 may be enforced by specific performance.

(b) Dispositions of Membership Rights.

(i) General Restriction. A Member may not Dispose of all or any portion of its Membership Rights without the written consent of the Manager. Except as otherwise provided herein, the Manager may give or withhold its consent to any Disposition in its sole and absolute discretion, with or without cause, and subject to such conditions as it shall deem appropriate ("Sole Discretion"). Notwithstanding the provisions of Section 3.03(b)(i), the following Dispositions shall be permitted without the Manager's consent:

(A) Dispositions of all or any portion of a Member's Interest to a member of that Member's immediate family or a trust created or controlled by that member or members of that Member's immediate family; provided that the proposed transferee is an "accredited investor" as defined in Regulation D of the Securities Act of 1933;

(B) Dispositions arising as a result of the death, dissolution or Bankruptcy of a Member or the occurrence of a Divorce or a Spouse's Death; and

(C) Dispositions arising as a result of a foreclosure of a lien or security interest by a financial institution from which a Member has borrowed money as provided in Section 3.03(d).

Except as otherwise provided herein, any Person who shall acquire a Member's Interest, or any part thereof, shall only have the rights of an Assignee hereunder.

(ii) Admission of Assignee as a Member. Notwithstanding anything to the contrary contained herein, no Assignee may become a Member without the written consent of the Manager, which consent may be given or withheld in the Manager's Sole Discretion. If and when an Assignee shall be admitted to the Company as a Member, it shall have all of the rights and obligations of the Member effecting the Disposition. The admission of an Assignee as a Member shall not release the assignor of such Member's Interest from its Commitment or any of such assignor's other obligations hereunder. If an Assignee is not admitted as a Member, it shall have the right, but not the obligation, to fund any unfunded Capital Contribution Commitment of the Member effecting the Disposition. If, however, the Assignee does not fund such unfunded Capital Contributions, it shall be subject to all the remedies exercisable against a Member for a failure to fund such Capital Contributions; provided, however, that there shall be no personal recourse against the Assignee and any remedy shall be satisfied solely out of the Assignee's Interest in the Company.

(c) Requirements Applicable to All Dispositions and Admissions. In addition to the requirements set forth in Section 3.03(b), any Disposition of Membership Rights or any portion

thereof (including an Interest), and any admission of an Assignee as a Member, shall also be subject to the following requirements, and such Disposition (and admission, if applicable) shall not be effective unless such requirements are complied with; provided, however, that the Manager, in its Sole Discretion, may waive any of the following requirements:

(i) Disposition Documents. The following documents must be delivered to the Manager and must be satisfactory, in form and substance, to the Manager:

(A) Disposition Instrument. A copy of the instrument pursuant to which the Disposition is effected.

(B) Ratification of Agreement. An instrument, executed by the Member making the Disposition and its Assignee, containing the following information and agreements, to the extent they are not contained in the instrument described in Section 3.03(c)(i)(A): (i) the notice address of the Assignee; (ii) the Interest after the Disposition of the Member effecting the Disposition and its Assignee (which together must total the Interest of the Member effecting the Disposition before the Disposition); (iii) if the Assignee is to be admitted as a Member, (A) the Assignee's ratification of this Agreement and agreement to be bound by it, and (B) its confirmation that the representations and warranties in Section 3.02 are true and correct with respect to it; (iv) if the Assignee is not to be admitted as a Member, an acknowledgment by the Assignee that the Interest (or other applicable Membership Rights) acquired by it are subject in all respects to this Agreement; and (v) representations and warranties by the Member and its Assignee (A) that the Disposition (and admission, if applicable), is being made in accordance with all applicable Law, and (B) that the matters set forth in Sections 3.03(c)(i)(C) and (D) are true and correct.

(C) Securities Law Opinion. Unless the Membership Rights (or portion thereof) subject to the Disposition are registered under the Securities Act and any applicable state securities Law, the Company must receive a favorable opinion of the Company's legal counsel, or of other legal counsel acceptable to the Manager, to the effect that the Disposition (and admission, if applicable) is being made pursuant to a valid exemption from registration under those Laws and in accordance with those Laws.

(D) Restrictions on Disposition of Interests in a Member. The Company must receive a favorable opinion of the Company's legal counsel or legal counsel acceptable to the Manager to the effect that the Disposition would not result in the Company being considered to have terminated within the meaning of Code Section 708.

(ii) Payment of Expenses. The Member effecting a Disposition and its Assignee shall pay, or reimburse the Company for, all reasonable costs and expenses incurred by the Company in connection with the Disposition (and admission, if applicable), including the legal fees incurred in connection with the legal opinions referred to in Section 3.03(c)(i)(C) and (D), on or before the tenth Day after the receipt by

that Person of the Company's invoice for the amount due. If payment is not made by the date due, the Person owing that amount shall pay interest on the unpaid amount from the date due until paid at a rate per annum equal to the Default Rate.

(iii) Effective Date. Each Disposition (and admission, if applicable) complying with the provisions of this Section 3.03 is effective as of the first calendar Day of the month immediately succeeding the month in which all of the requirements of this Section 3.03(c) have been met or such other date as the Manager may determine in its Sole Discretion.

(d) Encumbrance of Membership Rights. A Member may Encumber all or any portion of its Interest to a financial institution solely as security for borrowed money if such financial institution shall enter into a written agreement with the Company for the benefit of the Company and the Members, such agreement to be in a form reasonably acceptable to the Manager, which provides that such institution (i) acknowledges that it holds such Interest subject to the terms and provisions of this Agreement and (ii) agrees that it shall not in any way seek to manage the business or affairs of the Company. The failure or refusal of such financial institution to enter into such a written agreement shall not limit the applicability of this Agreement to such Interest.

3.04 Creation of Additional Membership Rights. Additional Membership Rights may be created and issued to existing Members or to other Persons and such other Person may be admitted to the Company as Members with the consent of the Manager, on such terms and conditions as the Manager may determine at the time of admission (each such additional admitted Member, an "Additional Member"). The terms of admission or issuance may provide for the creation of different classes or groups of Members having different rights, powers and duties. The Manager may require the creation of any new class or group in an amendment to this Agreement indicating the different rights, powers and duties. The admission of an Additional Member shall be effective only after the new Member has executed and delivered to the Manager an instrument containing the notice address of such new Member, such new Member's ratification of this Agreement and agreement to be bound by this Agreement as evidenced by such Member's execution and delivery of a Ratification, and such Additional Member's confirmation that the representations and warranties in Section 3.02 are true and correct with respect to it. The provisions of this Section 3.04 shall not apply to Dispositions of Membership Rights or admission of Assignees (such matters being governed by Section 3.03).

Notwithstanding the foregoing, the Manager may not create and issue additional Membership Rights under the authority of the preceding paragraph, unless the Manager shall offer each Member the right ("Right of First Refusal") to acquire its pro rata share of any such additional Membership Rights, in accordance with its percentage Interest. The Right of First Refusal must be exercised, if at all, within five (5) Business Days after receipt of written notice of the offering of such additional Membership Rights from the Manager ("Exercise Period"). A Member may exercise its Right of First Refusal by giving written notice to that effect to the Manager during the Exercise Period. If a Member does not exercise the Right of First Refusal, then the Manager may issue such additional Membership Rights to other Persons on substantially the same terms and conditions as were offered to the existing Members.

Profits or Losses or items of income, gain, loss, or deduction attributable to periods prior to the admission of the Additional Member shall not be allocated to such Additional Member. If there has been a material change or significant event that would justify a different valuation in the view of the Manager, the Manager may adjust the Members' Capital Accounts to reflect revaluations of Company property to the extent permitted by and in accordance with Treasury Reg. § 1.704-l(b)(2)(iv)(f). Notwithstanding anything in this Agreement to the contrary, if there is no revaluation of assets and adjustments to Members' Capital Accounts at the time of the admission of the Additional Members, the Manager may make or cause to be made such special allocations and special distributions so as to equalize (per percentage Interest) the Capital Accounts of Additional Members with those of previously admitted Members.

3.05 Dispositions of Interests in a Member. No Member that is not a natural person may cause or permit an interest, direct or indirect, in itself to be Disposed of such that, after the Disposition the Company would be considered to have terminated within the meaning of Code Section 708.

3.06 Withdrawal. A Member does not have the right to Withdraw; however, a Member shall have the power to Withdraw at any time in violation of this Agreement. If a Member exercises such power in violation of this Agreement, (a) such Withdrawing Member shall be liable to the Company and the other Members for all monetary damages suffered by them as a result of such Withdrawal (including indirect, incidental and consequential damages); and (b) such Withdrawing Member shall not have any rights under Sections 18-604 and 18-606 of the Act. In no event shall the Company or any Member have the right, through specific performance or otherwise, to prevent a Member from Withdrawing in violation of this Agreement.

3.07 Information. (a) In addition to the other rights specifically set forth in this Agreement, each Member is entitled to all information to which that Member or Assignee is entitled to have access pursuant to Section 18-305 of the Act under the circumstances and subject to the conditions therein stated.

(b) Each Member shall reimburse the Company for all costs and expenses incurred by the Company in connection with the Member's inspection and copying of the Company's books and records.

3.08 Liability to Third Parties. No Member shall be liable for the debts, obligations or liabilities of the Company, including under a judgment decree or order of a court.

3.09 Expulsion. A Member may not be Expelled.

3.10 Spouses of Members. Spouses of the Members do not become Members as a result of such marital relationship. Each spouse of a Member will execute a Spouse's Agreement in the form of Exhibit B.

ARTICLE 4
CAPITAL CONTRIBUTIONS

4.01 Required Capital Contributions. Each Member hereby agrees, upon receipt of a written request from the Manager, to make one or more Capital Contributions to the Company up to the amount of its Commitment, which shall equal the product of (a) the Member's percentage Interest, and (b) any required Capital Contributions; provided that (1) the aggregate Capital Contributions of all Members shall not exceed the Maximum Liability; and (2) in no instance shall the total liability of any Member to make required Capital Contributions exceed, in aggregate, its Commitment.

The Manager may not change a Member's percentage Interest without such Member's written consent, except as otherwise provided in Sections 3.04 (with respect to the admission of Additional Members), Section 4.01 (with respect to the funding by the Manager of a portion of a Member's Capital Contribution), and Section 4.05 (with respect to the Manager's right to purchase certain Interests). All required Capital Contributions shall be made at such time and on such other terms as the Manager deems necessary in order to satisfy the conditions of the Construction Loan. Nothing in this Section shall be construed to limit the Manager's authority to admit Additional Members pursuant to Section 3.04.

If a Member fails to make its share of a required Capital Contribution, the non-defaulting Members shall have such rights and remedies as are available at law or in equity to compel the defaulting Member to make its share of such required Capital Contribution.

The Manager shall also have the following rights and remedies with respect to any such defaulting Member:

(a) the Manager may purchase the Interest of the defaulting Member in consideration for the following: (i) the payment to the defaulting Member of an amount equal to the greater of $100 or 50% of the aggregate Capital Contribution made by such defaulting Member to the Company prior to such date; (ii) the making of the required Capital Contribution to the Company; and (iii) the assumption of the defaulting Member's liability for its unfunded Commitment; in which event the defaulting Member shall be deemed to have sold, and the Manager shall be deemed to have purchased all of the defaulting Member's Membership Rights; or

(b) the Manager may, but will not be required to, lend to the defaulting Member the amount of such required Capital Contribution, on such terms as such Manager deems appropriate.

Any adjustment in Interests under this Section shall be automatic without the necessity of any further action by any Member. Each Member hereby irrevocably appoints the Manager as its attorney-in-fact for purposes of performing such actions and executing such documents necessary to implement the provisions of this Section.

4.02 Advances by Manager. If the Company does not have sufficient cash to pay its obligations, the Manager may advance all or part of the needed funds to or on behalf of the Company, at such interest rate and on such other terms as the Manager may agree. An advance described in this Section 4.02 constitutes a loan from the Manager to the Company and is not a Capital Contribution.

4.03 Capital Accounts. A capital account ("Capital Account") shall be established and maintained for each Member. Each Member's Capital Account (a) shall be increased by (i) the amount of money contributed by that Member to the Company, (ii) the fair market value of property contributed by that Member to the Company (net of liabilities secured by the contributed property that the Company is considered to assume or take subject to under Code Section 752), and (iii) allocations to that Member of Company income and gain (or items thereof), including income and gain exempt from tax and income and gain described in Treas. Reg. § 1.704-1(b)(2)(iv)(g), but excluding income and gain described in Treas. Reg. § 1.704-l(b)(4)(i), and (b) shall be decreased by (i) the amount of money distributed to that Member by the Company, (ii) the fair market value of property distributed to that Member by the Company (net of liabilities secured by the distributed property that the Member is considered to assume or take subject to under Code Section 752), (iii) allocations to that Member of expenditures of the Company described in Code Section 705(a)(2)(B), and (iv) allocations of Company loss and deduction (or items thereof), including loss and deduction described in Treas. Reg. § 1.704-1(b)(2)(iv)(g), but excluding items described in clause (b)(iii) above and loss or deduction described in Treas. Reg. § 1.704-1(b)(4)(i) or §1.704-1(b)(4)(iii). The Members' Capital Accounts also shall be maintained and adjusted as permitted by the provisions of Treas. Reg. § 1.704-1(b)(2)(iv)(f) and as required by the other provisions of Treas. Reg. §§ 1.704-1(b)(2)(iv) and 1.704-1(b)(4), including adjustments to reflect the allocations to the Members of depreciation, depletion, amortization, and gain or loss as computed for book purposes rather than the allocation of the corresponding items as computed for tax purposes, as required by Treas. Reg. § 1.704-1(b)(2)(iv)(g). A Member that has more than one Interest shall have a single Capital Account that reflects all its Interests, regardless of the class of Interests owned by that Member and regardless of the time or manner in which those Interests were acquired. On the transfer of all or part of an Interest, the Capital Account of the transferor that is attributable to the transferred Interest or part thereof shall carry over to the transferee Member in accordance with the provisions of Treas. Reg. § 1.704-1(b)(2)(iv)(1).

4.04 Member Defaults; Pledge of Membership Rights. To secure each Member's performance of its obligations under this Agreement, including specifically, but without limitation, under this Article IV, each Member hereby pledges and grants a security interest in its Membership Rights to the Manager, for the benefit of the Company, and this Agreement shall be deemed to constitute a written pledge and security agreement between the Manager and each Member signatory hereto for purposes of satisfying any written security agreement or pledge agreement requirement under applicable law, including, without limitation, uniform commercial code law. Each Member agrees to execute, upon the Manager's written request, such financing statements, if any, as may be required to perfect such pledge and security interest. If any Member shall default in the performance of its obligations under this Agreement and such default shall not be cured within five (5) days after the Manager shall give such Member written notice thereof (a "Member Default"), the Manager shall have the right to exercise, for the benefit of the Company, any remedies available at law (including, without limitation, under the Act and the Delaware Uniform Commercial Code), in equity, under this Agreement, or otherwise. A defaulting Member shall not be entitled to any distributions from the Company after the occurrence of a Member Default unless and until such Member Default shall have been cured, and any distributions to which such Member would otherwise have been entitled (absent a Member Default) shall be applied by the Company to satisfy, in whole or in part, any obligations

of the Member to the Company, including, without limitation, to make such Member's share of any Capital Contributions which it may be obligated to make hereunder.

4.05 Return of Contributions. A Member is not entitled to the return of any part of its Capital Contributions or to be paid interest in respect of either its capital account or its Capital Contributions. An unrepaid Capital Contribution is not a liability of the Company or of any Member. A Member is not required to contribute or to lend any cash or property to the Company to enable the Company to return any Member's Capital Contributions.

4.06 Transwestern's Right to Repurchase Certain Membership Interests. Transwestern (or any Affiliate owned and controlled by Transwestern acting on behalf of Transwestern) shall have the right (but not the obligation) to repurchase the Applicable Redemption Percentage of any Member's Membership Interest (other than TSEP), if such Member (a) ceases to be an employee of Transwestern, (b) otherwise ceases to be associated with Transwestern (e.g. as a broker or other service provider), or (c) for any other reason determined in Transwestern's discretion, including, without limitation, the failure of such Member to satisfactorily perform his or her duties to Transwestern or a change in the duties or responsibilities of such Member. Such repurchase shall be at a purchase price equal to the greater of: (a) $100; or (b) the product of the Applicable Redemption Percentage multiplied by the Redemption Amount. Transwestern shall assume a *pro rata* share of the unfunded Commitment of the selling Member, as a result of which the unfunded Commitment of the selling Member shall be reduced by an amount equal to the product of such unfunded Commitment multiplied by the Applicable Redemption Percentage, and the unfunded Commitment of Transwestern shall be increased by a commensurate amount. Such repurchase shall be made by written notice from Transwestern initiating such repurchase to such Member. All redemptions pursuant to this Section 4.06 shall be payable in cash within sixty (60) days of delivery to the Member of the written notice of redemption and shall be effective upon the Member's receipt of the written notice of redemption.

4.07 Transwestern's Right to Convert Certain Membership Interests. Transwestern shall have the right at any time to convert the Membership Interest of a Member into a profit sharing interest if Transwestern determines that such conversion is required in order to maintain the Company's exemption from registration under, or to avoid any violation of, any applicable state or federal securities laws. Not by way of limitation of the foregoing, Transwestern shall have the right to convert the Membership Interest of a Member for the following reasons: (a) if Transwestern determines that such Member is not an "accredited investor," as such term is defined in Rule 501 of Regulation D as promulgated under the Securities Act, or (b) if Transwestern determines that the Company should limit the number of Members in order to satisfy certain exemption requirements under the Investment Company Act of 1940, as amended. Upon such conversion, Transwestern shall pay an amount equal to the Redemption Amount to such Member, and such Member shall immediately cease to be a Member of the Company. The former Member shall then be entitled to receive a profit sharing interest pursuant to a letter agreement (the form of which is available for review upon request). Upon any such conversion, Transwestern shall assume the Commitment of the Member whose interest has been converted to a profit sharing interest.

4.08 Transwestern's Right to Assume Unfunded Commitment of Deceased Members. Transwestern shall have the right (but not the obligation) to assume the unfunded Commitment of any deceased Member. Such assumption shall be made by written notice from Transwestern to such Member. All assumptions pursuant to this Section 4.13 shall be effective upon the receipt of the written notice of assumption by the deceased Member's executor or other personal representatives and from and after the date of receipt of such notice, the deceased Member, his estate and personal representatives shall be released of any obligation to fund such assumed Commitment.

ARTICLE 5
DISTRIBUTIONS AND ALLOCATIONS

5.01 Distributions. From time to time, the Manager shall determine to what extent (if any) the Company's cash on hand exceeds its current and anticipated needs, including, without limitation, operating expenses, capital expenditures, debt payments, acquisitions and reasonable reserves for unsatisfied liabilities, future costs and expenses ("Excess Cash"). If the Company has Excess Cash, then the Company shall distribute such Excess Cash to the Members pro rata in proportion to their Interests.

5.02 Allocations of Income, Gain, Losses, and Deductions.

(a) Profits shall be allocated in the following order of priority:

(i) first, to each Member in proportion and to the extent of the excess, if any, of all prior allocations of Losses to such Member pursuant to Section 5.02(b) over all prior allocations of Profits to such Member pursuant to this Section 5.02(a)(i); and

(ii) second, all remaining Profits shall be allocated to the Members in proportion to their Interests.

(b) Losses shall be allocated among the Members in proportion to their Interests.

(c) Any item of income, gain, loss, or deduction shall be allocated under this Article 5, and all distributions shall be made pursuant to Sections 5.01 and 9.02(c)(iii), to the Persons shown on the records of the Company to have been Members as of the last calendar day of the period for which the allocation or distribution is to be made. Notwithstanding the foregoing, if during any taxable year there is a change in any Member's Interest in the Company, the Members agree that their allocable shares of the items of income, gain, loss and deduction for the taxable year shall be determined on any method determined by the Manager to be permissible by Section 706 of the Code and the related Treasury Regulations to take account of the Member's varying Interest.

5.03 Minimum Gain Chargeback. Except as otherwise provided in Treasury Regulations Section 1.704-2(f), notwithstanding the provisions of Section 5.1, or any other provision of this Article 5, if there is a net decrease in Company Minimum Gain during any fiscal year, each Member shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Member's share of the

net decrease in Company Minimum Gain, as determined under Treasury Regulations Section 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be allocated shall be determined in accordance with Treasury Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 5.03 is intended to qualify as a "minimum gain chargeback" within the meaning of Regulation Section 1.704-2(f) which shall be controlling in the event of a conflict between such Regulation and this Section 5.03.

5.04 Member Nonrecourse Deductions. All Member Nonrecourse Deductions attributable to Member Nonrecourse Debt shall be allocated among the Members bearing the economic risk of loss for such debt as determined under Treasury Regulation Section 1.704-2(b)(4); provided, however, that if more than one Member bears the economic risk of loss for such debt, the Member Nonrecourse Deductions attributable to such debt shall be allocated to and among the Members in the same proportion that they bear the economic risk of loss for such debt. This Section 5.04 is intended to comply with the provision of Regulation Section 1.704-2(i) and shall be interpreted consistently therewith.

5.05 Member Nonrecourse Minimum Gain Chargeback. Notwithstanding any other provision hereof to the contrary, other than Section 5.04 hereof, if there is a net decrease in Member Nonrecourse Minimum Gain for a taxable year (or if there was a net decrease in Member Nonrecourse Minimum Gain for a prior fiscal year and the Company did not have sufficient amounts of income and gain during prior years to allocate among the Members under this Section 5.05), then items of income and gain shall be allocated to each Member in an amount equal to such Member's share of the net decrease in such Member's Nonrecourse Minimum Gain (as determined pursuant to Regulation Section 1.704-2(i)(4)). It is the intent of the Members that any allocation pursuant to this Section 5.05 shall constitute a "chargeback of partner non-recourse minimum gain" under Treasury Regulation Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

5.06 Qualified Income Offset. A Member who unexpectedly receives any adjustment, allocation or distribution described in Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) will be specially allocated items of income or gain in an amount and in the manner sufficient to eliminate any deficit balance in his Adjusted Capital Account as quickly as possible. This Section 5.06 is intended to satisfy the provisions of Regulation Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

5.07 Gross Income Allocation. In the event any Member has a deficit Capital Account at the end of any fiscal year which is in excess of the sum of (1) the amount (if any) such Member is obligated to restore to the Company, and (2) the amount such Member is deemed to be obligated to restore pursuant to Treasury Regulations Section 1.704-1(b)(2)(ii)(c) or the penultimate sentences of Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5), each such Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible; provided, that an allocation pursuant to this Section 5.07 shall be made if and only to the extent that such Member would have a deficit Capital Account in excess of such sum after all other allocations provided in this Article 5 have been tentatively made as if this Section 5.07 and Section 5.08 were not in this Agreement.

5.08 Limitation on Allocation of Net Loss. To the extent any allocation of items of loss or deduction would cause or increase an Adjusted Capital Account Deficit as to any Member, such allocation shall be reallocated among the other Members in accordance with their respective percentage Interests, subject to the limitations of this Section 5.08.

5.09 Curative Allocation. The allocations set forth in Sections 5.03, 5.04, 5.05, 5.06, 5.07, and 5.08 (the "Regulatory Allocations") are intended to comply with certain regulatory requirements, including the requirements of Treasury Regulations Sections 1.704-1(b) and 1.704-2. Notwithstanding the provisions of Sections 5.02, the Regulatory Allocations shall be taken into account in allocating other items of income, gain, loss and deduction among the Members so that, to the extent possible, the net amount of such allocations of other items and the Regulatory Allocations to each Member shall be equal to the net amount that would have been allocated to each such Member if the Regulatory Allocations had not occurred.

ARTICLE 6
MANAGEMENT

6.01 Management of the Company's Affairs. As provided in this Agreement, all management powers over the business and affairs of the Company shall be exclusively vested in the Manager. No Member (other than the Manager) shall have any management power over the business and affairs of the Company or actual or apparent authority to enter into contracts on behalf of, or to otherwise bind the Company. The Manager shall have full power and authority to do all things on such terms as the Manager, in its Sole Discretion, may deem necessary or appropriate to conduct, or cause to be conducted, the business and affairs of the Company, including (a) the making of any expenditures, the lending or borrowing of money, the assumption or guarantee of, or other contracting for, indebtedness and other liabilities, the issuance of evidences of indebtedness and the incurring of any other obligations; (b) the making of tax, regulatory and other filings, or rendering of periodic or other reports to governmental or other agencies having jurisdiction over the business or assets of the Company; (c) the merger or other combination of the Company with or into another Person; (d) the use of the assets of the Company (including cash on hand) for any purpose consistent with the terms of this Agreement and the repayment of obligations of the Company; (e) the negotiation, execution and performance of any contracts, conveyances or other instruments; (f) the distribution of Company cash; (g) the selection, engagement and dismissal of agents, including, without limitation, outside attorneys, accountants, engineers, consultants, contractors, property managers, leasing agents and brokers, and the determination of their compensation and other terms of employment or hiring; (h) the maintenance of such insurance for the benefit of the Company, as it deems necessary or appropriate; (i) the acquisition or disposition of assets; (j) the formation of, or acquisition of an interest in, or the contribution of property to, any Entity; (k) the control of any matters affecting the rights and obligations of the Company, including the commencement, prosecution and defense of actions at law or in equity and otherwise engaging in the conduct of litigation and the incurring of legal expense and the settlement of claims and litigation; (l) the indemnification of the Manager and the Manager's Affiliates against liabilities and contingencies to the extent permitted by law; and (m) calling for Capital Contributions from the Members. The Manager may hire an Affiliate of the Manager to provide property management, leasing development, investment sales or other services to the Company. The Manager shall act at all time in good faith and in such manner as may be required to promote the best interests of the Company.

6.02 Restrictions on the Manager's Authority. The Manager may not take any action in contravention of this Agreement, including, (a) any act that would make it impossible to carry on the ordinary business of the Company, except as otherwise provided in this Agreement; (b) possessing Company property, or assigning any rights in specific Company property, for other than a Company purpose; and (c) taking any action that would cause the Company to be treated, for United States federal income tax purposes, as an association taxable as a corporation.

6.03 Compensation. The Manager shall not receive any compensation for its services on behalf of the Company. However, the Manager shall be entitled to be reimbursed for out-of-pocket costs and expenses incurred in the course of its service hereunder.

6.04 Officers. The Manager shall have the power and authority to appoint such officers as may be necessary or desirable in order to assist in the management of the Company and such officers shall have such power, authority and duties as the Manager may elect.

6.05 Indemnification. (a) To the fullest extent permitted by Law but subject to the limitations expressly provided in this Agreement, each Person shall be indemnified and held harmless by the Company from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including reasonable legal fees and expenses), judgments, fines, penalties, interest, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, in which any such Person may be involved, or is threatened to be involved, as a party or otherwise, by reason of such Person's status as (i) a present or former officer, employee, Member, agent or trustee of the Company, or (ii) a Person serving at the request of the Company in another Entity in a similar capacity as that referred to in the immediately preceding clauses; provided, that in each case the Person described in the immediately preceding clauses (the "Indemnitee") acted in good faith and in a manner which such Indemnitee believed to be in, or not opposed to, the best interests of the Company and, with respect to any criminal proceeding, had no reasonable cause to believe such Indemnitee's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of *nolo contendere*, or its equivalent, shall not create a presumption that the Indemnitee acted in a manner contrary to that specified above. Any indemnification pursuant to this Section shall be made only out of the assets of the Company.

(b) To the fullest extent permitted by law, expenses (including reasonable legal fees and expenses) incurred by an Indemnitee who is indemnified pursuant to Section 6.05(a) in defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of an undertaking by or on behalf of the Indemnitee to repay such amount if it shall be determined that the Indemnitee is not entitled to be indemnified as authorized in this Section.

(c) The indemnification provided by this Section shall be in addition to any other rights to which an Indemnitee may be entitled under any agreement, pursuant to any approval by the Manager, as a matter of Law or otherwise, both as to actions in the Indemnitee's capacity as (i) a present or former officer, employee, Member, agent or trustee of the Company, or (ii) a

Person serving at the request of the Company in another Entity in a similar capacity, and as to actions in any other capacity, and shall continue as to an Indemnitee who has ceased to serve in such capacity and shall inure to the benefit of the heirs, successors, assigns and administrators of the Indemnitee.

(d) The Company may purchase and maintain insurance, on behalf of the Manager and such Indemnitees as the Manager shall determine, against any liability that may be asserted against or expense that may be incurred by such Indemnitees in connection with the Company's activities, regardless of whether the Company would have the power to indemnify such Indemnitees against such liability under the provisions of this Agreement.

(e) In no event may an Indemnitee subject the Members to personal liability by reason of the indemnification provisions set forth in this Agreement.

(f) An Indemnitee shall not be denied indemnification in whole or in part under this Section because the Indemnitee had an interest in the transaction with respect to which the indemnification applies if the transaction was otherwise permitted by the terms of this Agreement.

(g) The provisions of this Section are for the benefit of the Indemnitees, their heirs, successors, assigns and administrators and shall not be deemed to create any rights for the benefit of any other Persons.

(h) No amendment, modification or repeal of this Section or any provision hereof shall in any manner terminate, reduce or impair either the right of any past, present or future Indemnitee to be indemnified by the Company or the obligation of the Company to indemnify any such Indemnitee under and in accordance with the provisions of this Section as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may be asserted.

THE PROVISIONS OF THE INDEMNIFICATION PROVIDED IN THIS SECTION ARE INTENDED BY THE PARTIES TO APPLY EVEN IF SUCH PROVISIONS HAVE THE EFFECT OF EXCULPATING THE INDEMNITEE FROM LEGAL RESPONSIBILITY FOR THE CONSEQUENCES OF SUCH PERSON'S NEGLIGENCE, FAULT OR OTHER CONDUCT.

6.06 Liability of Indemnitees. (a) Notwithstanding anything to the contrary set forth in this Agreement, no Indemnitee shall be liable for monetary damages to the Company, the Members or any other Persons for losses sustained or liabilities incurred as a result of any act or omission constituting a breach of such Indemnitee's fiduciary duty if such Indemnitee acted in good faith, unless such loss or liabilities result from the breach by an Indemnitee of any duty of loyalty which such Indemnitee may owe to the Company or the Members.

(b) Subject to its obligations and duties as set forth in this Article 6, the Manager may exercise any of the powers granted to it by this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through the Company's agents, and the

Manager shall not be responsible for any misconduct or negligence on the part of any such agent appointed by the Manager in good faith.

(c) Any amendment, modification or repeal of this Section or any provision hereof shall be prospective only and shall not in any way affect the limitations on liability under this Section as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may be asserted.

6.07 Fiduciary Duties. Except as otherwise specifically provided in this Agreement, the duties and obligations owed to the Company and to the Members by the officers of the Company and by the Manager shall be the same as the duties and obligations owed to a corporation organized under the Delaware General Corporation Law by its officers.

ARTICLE 7
TAXES

7.01 Tax Returns. The Company shall prepare and timely file all federal, state and local tax returns required to be filed by the Company. Each Member shall furnish to the Company all pertinent information in its possession relating to the Company's operations that is necessary to enable the Company's tax returns to be timely prepared and filed. The Company shall deliver to the Members as soon as practicable such documentation as may be required by the Members in order for the Members to file their individual tax returns reflecting the Company's operations. The Company shall bear the costs of the preparation and filing of its returns.

7.02 Tax Elections. The Company shall make the following elections on the appropriate tax returns:

(a) to adopt a taxable year ending on December 31 of each year (the "Fiscal Year");

(b) to adopt the accrual method of accounting and to keep a set of the Company's books and records on the method used for income tax purposes;

(c) if a distribution of the Company's property as described in Code Section 734 occurs or upon a transfer of Interests as described in Code Section 743 occurs, on request by notice from any Member, but at the Manager's Sole Discretion, to elect, pursuant to Code Section 754, to adjust the basis of Company's properties; and

(d) any other election the Manager may deem appropriate and in the best interests of the Members.

Neither the Company nor any Member may make an election for the Company to be excluded from the application of the provisions of subchapter K of chapter 1 of subtitle A of the Code or any similar provisions of applicable state law and no provision of this Agreement shall be construed to sanction or approve such an election.

7.03 Tax Matters Member. The Manager shall serve as the "tax matters member" of the Company pursuant to Code Section 6231(a) (7) (the "Tax Matters Member"). The Tax Matters Member shall inform each other Member of all significant matters that may come to its attention in its capacity as Tax Matters Member by giving notice thereof on or before the fifth Business Day after becoming aware thereof and, within that time, shall forward to each other Member copies of all significant written communications it may receive in that capacity. The Tax Matters Member shall take no action without the authorization of the Manager, other than such action as may be required by applicable law. Any cost or expense incurred by the Tax Matters Member in connection with its duties, including the preparation for or pursuance of administrative or judicial proceedings, shall be paid by the Company.

ARTICLE 8
BOOKS, RECORDS AND BANK ACCOUNTS

8.01 Maintenance of Books. The Manager shall keep or cause to be kept at the principal office of the Company complete and accurate books and records of the Company, supporting documentation of the transactions with respect to the conduct of the Company's business and the meetings of the Members. The records shall include, but not be limited to, complete and accurate information regarding the state of the business and financial condition of the Company; a copy of this Agreement and all amendments thereto; a current list of the names and last known business, residence, or mailing addresses of all of the Members; each Member's Interest; and the Company's federal, state, and local tax returns for the Company's three most recent tax years.

8.02 Reports. On or before the 120th Day following the end of each Fiscal Year during the term of the Company, the Manager shall prepare a balance sheet, an income statement, and a statement of changes in Members' capital of the Company for, or as of the end of, that Fiscal Year. These financial statements shall be prepared in accordance with federal tax accounting principles and shall not be required to be audited or prepared by a third party accounting firm. The Manager also may cause to be prepared or delivered such other reports as it deems appropriate. The Company shall bear the costs of all these reports. The Manager shall furnish copies of such financial statements to the Members upon request.

8.03 Accounts. The Manager may establish one or more separate bank and investment accounts and arrangements for the Company, which shall be maintained in the Company's name with financial institutions and firms that the Manager shall determine.

ARTICLE 9
DISSOLUTION, WINDING-UP AND LIQUIDATION

9.01 Dissolution. (a) Subject to Section 9.01(b), the Company shall dissolve and its affairs shall be wound up on the first to occur of the following events (each a "Dissolution Event"):

(i) the consent of the Manager; and

(ii) the death, insanity, expulsion, withdrawal, retirement, resignation, dissolution or Bankruptcy of the Manager, or the occurrence of any other event that terminates the continued membership of the Manager in the Company under the Act.

(b) If a Dissolution Event shall occur, the Company shall not be dissolved, and the business of the Company shall be continued, if Members holding more than 50% of the Interests shall designate a successor Manager in writing within 90 Days of the occurrence of such Dissolution Event (such agreement is referred to herein as a "Continuation Election").

9.02 Winding-Up and Liquidation. On the occurrence of a Dissolution Event, unless a Continuation Election is made, the Manager shall select one or more Persons to act as liquidator. The liquidator shall proceed diligently to wind up the affairs of the Company and make final distributions as provided herein and in the Act. The costs of winding up shall be borne as a Company expense. Until final distribution, the liquidator shall continue to operate the Company properties with all of the power and authority of the Manager. The steps to be accomplished by the liquidator are as follows:

(a) as promptly as possible after dissolution and again after final winding up, the liquidator shall cause a proper accounting to be made by a recognized firm of certified public accountants of the Company's assets, liabilities, and operations through the last calendar day of the month in which the dissolution occurs or the final winding up is completed, as applicable;

(b) the liquidator shall pay, satisfy or discharge from Company funds all of the debts, liabilities and obligations of the Company (including all expenses incurred in winding up and any advances described in Section 4.02) or otherwise make adequate provision for payment and discharge thereof (including the establishment of a cash escrow fund for contingent liabilities in such amount and for such term as the liquidator may reasonably determine); and

(c) all remaining assets of the Company shall be distributed to the Members as follows:

(iii) the liquidator may sell any or all Company property, including to Members, and any resulting gain or loss from each sale shall be computed and allocated to the Capital Accounts of the Members in accordance with the provisions of Article 5;

(iv) with respect to all Company property that has not been sold, the fair market value of that property shall be determined and the Capital Accounts of the Members shall be adjusted to reflect the manner in which the unrealized income, gain, loss, and deduction inherent in property that has not been reflected in the Capital Accounts previously would be allocated among the Members if there were a taxable disposition of that property for the fair market value of that property on the date of distribution; and

(iii) Company property shall be distributed among the Members in accordance with, and to the extent of, the positive balances in their respective Capital Accounts, as determined after taking into account all Capital Account

adjustments (other than those made by reason of this Section 9.02(c)(iii)) for the taxable year of the Company during which the liquidation of the Company occurs. All distributions in kind to the Members shall be made subject to the liability of each distributee for costs, expenses and liabilities theretofore incurred or for the payment of which the Company has committed prior to the date of termination. The distribution of cash or property to a Member in accordance with the provisions of this Section 9.02(c) constitutes a complete return to the Member of its Capital Contributions and a complete distribution to the Member of its Membership Rights and all the Company's property and constitutes a compromise to which all Members have consented. To the extent that a Member returns funds to the Company, it has no claim against any other Member for those funds.

(d) On completion of the distribution of Company assets as provided herein, the liquidator shall file a certificate of cancellation with the Secretary of State of Delaware and take such other actions as may be necessary to terminate the existence of the Company. Upon the issuance of a certificate of cancellation by the Secretary of State of Delaware, the existence of the Company shall cease, except as may be otherwise provided by the Act or other applicable Law.

9.03 No Restoration of Capital Accounts. No Member shall be required to pay to the Company, to any other Member or to any third party any deficit balance that may exist from time to time, or upon liquidation, in any Capital Account maintained in respect of such Member for any purpose; provided, however, that nothing in this Section 9.03 shall relieve the obligation of a Member to make any Capital Contribution required under Section 4.01 or any other provision of this Agreement.

ARTICLE 10
GENERAL PROVISIONS

10.01 Offset. Whenever the Company is to pay any sum to any Member, and the Member is in default of its obligations under this Agreement or under any agreement with Transwestern or any Affiliate of Transwestern in which the Member has an equity interest, then any amounts that the Member owes the Company or such other Persons may be deducted from that sum before payment and paid to the appropriate Person or Persons. The Member shall receive a credit against such amount owed for the amount deducted.

10.02 Notices. All notices, requests or consents under this Agreement shall be (a) in writing, (b) delivered to the recipient in person, by courier or mail or by facsimile, telegram, telex, cablegram or similar transmission, (c) if to a Member, delivered to such Member at the address set forth on the Company's records or such other address as that Member may specify by notice to the Manager, and (d) effective only upon actual receipt by such Person. Whenever any notice is required to be given by applicable law, the Articles or this Agreement, a written waiver thereof, signed by the Person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

10.03 Entire Agreement; Supersedure. This Agreement constitutes the entire agreement of the Members relating to the Company and shall supersede all prior contracts or agreements with respect to the Company, whether oral or written.

10.04 Effect of Waiver of Consent. A waiver or consent, express or implied, to or of any breach or default by any Person in the performance by that Person of its obligations with respect to the Company is not a consent or waiver to or of any other breach or default in the performance by that Person of the same or any other obligations of that Person with respect to the Company.

10.05 Amendments. This Agreement may be amended only with the consent of the Manager and of Members holding more than 50% of the Interests.

10.06 Binding Effect. Subject to the restrictions on Dispositions set forth in this Agreement, this Agreement is binding on and inures to the benefit of the Members and their respective heirs, legal representatives, successors, and assigns. Transwestern is intended to be a third-party beneficiary under Sections 4.06, 4.07 and 4.08 of this Agreement and shall have the right to enforce such provisions to the same extent as if it were a party to this Agreement.

10.07 Governing Law; Severability. THIS AGREEMENT IS GOVERNED BY AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE (EXCLUDING ITS CONFLICT-OF-LAWS RULES). If any provision of this Agreement or the application thereof to any Person or circumstance is held invalid or unenforceable to any extent, the remainder of this Agreement and the application of that provision to other Persons or circumstances shall not be not affected thereby and that provision shall be enforced to the greatest extent permitted by applicable law.

10.08 Further Assurances. In connection with this Agreement and the transactions contemplated hereby, each Member shall execute and deliver any additional documents and instruments and perform any additional acts that may be necessary or appropriate to effectuate and perform the provisions of this Agreement and those transactions.

10.09 Counterparts. This Agreement may be executed in any number of counterparts, all of which shall constitute the same instrument.

10.10 Partnership Tax Election. The Manager shall take such action, if any, as may be necessary to cause the Company to elect to be taxed as a partnership for federal income purposes.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first set forth above.

TRANSWESTERN SPONSORSHIP EQUITY PARTNERS I, L.L.C.

By: TSEP GP I, L.L.C., a Delaware limited liability company, its sole manager

By: _____
Name: MARK DORAN
Title: MANAGING DIRECTOR

As Manager and sole Member

EXHIBIT A

RATIFICATION

The undersigned hereby (a) ratifies that certain Limited Liability Company Agreement of TSEP I Network Crossing Recap, L.L.C., dated as of January__, 2011, as amended from time to time (the "Agreement"); (b) agrees to be bound by the terms and conditions of the Agreement; (c) confirms that the representations and warranties set forth in Section 3.02 of the Agreement are true and correct with respect to the undersigned; and (d) confirms that his or her address for notices shall be as set forth below.

_____
Signature

_____
Print Name

Address for notice:

_____
_____
_____

EXHIBIT B

SPOUSE'S AGREEMENT

The undersigned, being the spouse of _____ agrees to be bound by the provisions of that certain Limited Liability Company Agreement of TSEP I Network Crossing Recap, L.L.C. dated as of January__, 2011, as amended from time to time (the "Agreement"); provided, however, that unless the undersigned acquires a Spouse's Fraction (as defined in the Agreement), the undersigned shall not be obligated to make any required Capital Contribution (as defined in the Agreement) to the Company and shall not be liable for any debts or obligations of the Company or to creditors of the Company.

_____

Name: _____

TSEP I NETWORK CROSSING RECAP, L.L.C.

APPENDIX C

Limited Liability Company Agreement of Network Crossing, LLC

See Attached

COMPANY AGREEMENT

OF

NETWORK CROSSING, LLC

(A Delaware Limited Liability Company)

THE MEMBERSHIP INTERESTS EVIDENCED BY THIS AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR OTHER APPLICABLE SECURITIES LAWS, AND THEY MAY NOT BE OFFERED FOR SALE, SOLD, PLEDGED, HYPOTHECATED, ASSIGNED OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH APPLICABLE SECURITIES LAWS AND THE RESTRICTIONS ON TRANSFER SET FORTH IN THIS AGREEMENT.

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COMPANY AGREEMENT
OF
NETWORK CROSSING, LLC

This Company Agreement (this "Agreement") of Network Crossing, LLC, a Delaware limited liability company (the "Company"), dated to be effective the 28th day of January, 2011, is entered into by the parties listed on Schedule "A" attached hereto and incorporated by reference.

WHEREAS, a Certificate of Formation for the Company was filed with the Office of the Secretary of State of the State of Delaware and a Certificate of Filing for the Company was issued on January 20, 2011.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, the adequacy and sufficiency of which are hereby acknowledged, the undersigned parties hereby agree as follows:

ARTICLE ONE

DEFINITIONS

The following terms used in this Agreement shall have the meanings specified in this Article One (unless otherwise expressly provided herein).

"Act" means the Delaware Limited Liability Company Act, 6 DEL. C. § 18-101, *et seq*., as amended from time to time.

"Additional Capital Contributions" has the meaning specified in Section 13.2.

"Affiliate" means, with respect to a person, any person directly or indirectly controlling, controlled by or under common control with the referenced person and with respect to a person that is an individual, such individual's spouse, natural or adoptive lineal ancestors or descendants and trusts or family limited partnerships for such individual's benefit. For this purpose, the term "control" (and its related derivations) means the ability (directly or indirectly through one or more intermediaries) to direct or cause the direction of the management or affairs of a person, whether through the ownership of voting interests, by contract or otherwise.

"Agreement" has the meaning specified in the preamble, and includes all Schedules, Exhibits or Annexes referenced herein and attached hereto.

"Approved Budget" means the budget set forth on Exhibit "B" attached hereto and any amendments to the same that are subsequently approved by the Manager and the Class A Member, the approval of which will not be unreasonably withheld.

"Bank Loan" has the meaning specified in Section 7.2(d).

"Bankruptcy" or "Bankrupt" means, with respect to a person (a) the making by the person of a general assignment for the benefit of the person's creditors, the filing by the person

of any application or petition for the appointment of a trustee or receiver over the person or any substantial part of the person's assets, or the commencement by the person of any proceeding under any bankruptcy or reorganization statute or under any insolvency, dissolution or liquidation law, (b) the filing against the person of any such application or petition, or the commencement of any such proceeding, that is not dismissed within ninety (90) days after the date of its filing or commencement, (c) the entry of an order for relief with respect to the person in any bankruptcy or insolvency proceeding, (d) the person's written admission that it is unable to pay its debts as they become due, or (e) the entry of a charging order with respect to the person's Interest (defined below) or the seizure or forced sale of all or part of the person's Interest by a creditor of the person if not released or bonded out within thirty (30) days after the person's receipt of notice thereof.

"Buy-Sell Notice" has the meaning specified in Section 10.1.

"Capital Account" means the account established for each member pursuant to the rules set forth in Exhibit "A."

"Capital Contribution" means each Member's Initial Capital Contribution (defined below) and the dollar amounts of any additional cash or the fair market value of any property which a Member contributes to the capital of the Company, or if the context in which such term is used so indicates, the dollar amounts of cash and the fair market value of any property agreed to be contributed by such Member to the capital of the Company; provided, however, that loans made by a Member to the Company in accordance with Section 3.4 shall not be considered a Capital Contribution, and a Member's Capital Contribution shall not be recognized for purposes of calculating such Member's Internal Rate of Return (defined below) until the related cash or property constituting such Capital Contribution is received by the Company.

"Certificate" means the Certificate of Formation of the Company filed with the Office of the Secretary of State of the State of Delaware, as amended.

"Class A Member" means, in the capacity as such, any person designated as a Class A Member on Schedule "A," and any person otherwise admitted to the Company as a Class A Member in accordance with this Agreement, but does not include any person who has ceased to be a Class A Member.

"Class B Member" means, in the capacity as such, any person designated as a Class B Member on Schedule "A," and any person otherwise admitted to the Company as a Class B Member in accordance with this Agreement, but does not include any person who has ceased to be a Class B Member.

"Code" means the Internal Revenue Code of 1986, as amended and superseded from time to time.

"Company" means the limited liability company evidenced by this Agreement referenced specified in the preamble above.

"Dispute Notice" has the meaning specified in Section 10.3.

"Dissolution Event" has the meaning specified in Section 11.2.

"Distributable Cash" means, with respect to the Company for the period in question, all funds of the Company on hand or in bank accounts of the Company which, in the discretion of the Manager, are available for distribution to the Members after provision has been made for (a) payment of all outstanding and unpaid third-party debt in accordance with the terms of such debt, (b) payment of all operating expenses of the Company as of such time, (c) payment of all outstanding and unpaid current obligations of the Company as of such time, and (d) such reserves as the Manager deems necessary or appropriate for Company operations, provided, however, that upon a Reconciliation Event described in Section 5.5, a sufficient amount of proceeds from such event to make the distributions set forth in Sections 5.1(b), 5.5(b), and 5.5(c) shall be included within Distributable Cash, unless the exclusion of such proceeds from Distributable Cash is otherwise consented to by the Class A Member.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations thereunder.

"Fiscal Year" means the calendar year (unless otherwise required by the Code), including any portion thereof for which items of income, gain, loss and deduction of the Company, determined for federal income tax purposes, are required to be determined with respect to one or more Members.

"Imputed Tax Rate" has the meaning set forth in Section 5.4.

"Initial Capital Contribution" means the dollar amount of cash or the fair market value of property which a Member contributes, or agrees to contribute, to the capital of the Company pursuant to Section 3.1.

"Interest" means all of a Member's interests in the Company, including rights to distributions, allocations, information and reports, and to vote, consent, approve or otherwise participate in the management of the Company.

"Internal Rate of Return" means the annual discount rate at which the net present value of the aggregate amount of a Member's Capital Contributions equals the net present value of the aggregate amount of the distributions it has received pursuant to this Agreement, calculated for each such Capital Contribution or distribution from the date each such Capital Contribution was received, or each such distribution was made, by the Company. A Member's Internal Rate of Return shall be calculated on the basis of the actual number of days elapsed over a 365-day or 366-day year, as the case may be. Each Internal Rate of Return calculation shall be determined from and including the date upon which each Capital Contribution was made by the Member until and including the date on which any distribution is made on account thereof. Notwithstanding any provision in this Agreement to the contrary, the Initial Capital Contribution installments by the Class A Member and the Class B Member in the amounts of $1,560,000.00 and $1,140,000.00, respectively, will be deemed to have been made to the Company on January 18, 2011, and such deemed contribution date shall be taken into account for purposes of calculating the Internal Rate of Return as set forth in this definition.

"Investment" has the meaning specified in Section 7.4.

"Liquidator" has the meaning specified in Section 11.4(b).

"Loan Call Notice" has the meaning set forth in Section 3.4.

"Loan Sale Agreement" has the meaning specified in Section 2.5(a).

"Majority Interest" means, with respect to any referenced group of Members, a combination of any of them who, in the aggregate, own more than fifty percent (50%) of the Sharing Ratios (defined below) owned by all of the Members of the referenced group of Members.

"Manager" means TSEP I Network Crossing Recap, L.L.C. or any other person designated as a Manager in accordance with this Agreement.

"Maximum Rate" has the meaning specified in Section 3.3.

"Members" means the Class A Members and the Class B Members, collectively, as a group, and "Member" means, in the capacity as such, any person designated as a Class A Member and Class B Member on the signature page hereof, and any person hereafter admitted to the Company as a Member in accordance with this Agreement, but does not include any person who has ceased to be a Member.

"Minimum Return" has the meaning specified in Section 5.5.

"Offered Interest" has the meaning specified in Section 6.3(a).

"Offer Notice" has the meaning specified in Section 6.3(b).

"Offeree" has the meaning specified in Section 10.1.

"Offeree Notice" has the meaning specified in Section 10.2.

"Offeror" has the meaning specified in Section 10.1.

"Offeror Interest" has the meaning specified in Section 10.2.

"Operating Shortfall" has the meaning specified in Section 3.4.

"person" means and includes an individual, corporation, partnership, association, limited liability company, trust, estate, or other entity.

"Primary IRR Catch-Up Amount" means, with respect to a Member, the amount that must be distributed to such Member pursuant to Article Five (other than Section 5.1(a)) to cause it to have achieved an Internal Rate of Return of twelve percent (12%) on its total Capital Contributions.

"Project" has the meaning set forth in Section 2.5(d).

"Property" has the meaning set forth in Section 2.5(c).

"Property Management and Leasing Agreement" means that certain agreement by and between the Company and Transwestern Commercial Services, L.L.C., a Delaware limited liability company, or an Affiliate thereof, the form of which is attached a hereto as Exhibit "C."

"Prue Road Entities" has the meaning specified in Section 2.5(b).

"Purchase Amount" has the meaning specified in Section 10.1.

"Purchase Interest" has the meaning specified in Section 10.1.

"Purchase Offer" has the meaning specified in Section 6.3(a).

"Reconciliation Event" has the meaning set forth in Section 5.5.

"Regulations" means temporary and final regulations promulgated under the Code by the United States Department of the Treasury (including corresponding provisions of succeeding regulations).

"Secondary IRR Catch-Up Amount" means, with respect to a Member, the amount that must be distributed to such Member pursuant to Article Five (other than Section 5.1(a)) to cause it to have achieved an Internal Rate of Return of twenty percent (20%) on its total Capital Contributions.

"Securities Act" means the Securities Act of 1933, as amended.

"Seller" has the meaning specified in Section 6.3(a).

"Sharing Ratio" means the percentage set forth beside each Member's name on Schedule "A" under the heading "Sharing Ratios," appropriately adjusted from time to time as necessary to reflect any changes in the Interests of the Member after the effective date of this Agreement.

"Shortfall Exercise Notice" has the meaning set forth in Section 3.4.

"Shortfall Loan" has the meaning set forth in Section 3.4.

"Target Final Balances" has the meaning set forth in Section 11.5.

"Tax Distribution" has the meaning set forth in Section 5.4.

"TDC Prue Road" has the meaning set forth in Section 2.5(b).

"Transfer," "Transferred" or "Transferring" means a voluntary or involuntary (including by will or intestate succession) sale, exchange, assignment, mortgage, pledge, grant of a security interest or other disposition or encumbrance, or the act thereof.

ARTICLE TWO

ORGANIZATION

2.1 Formation. The Members hereby form the Company pursuant to this Agreement and the Act.

2.2 Term. The Company shall commence upon the filing of the Certificate with the Office of the Secretary of State of Delaware and shall continue until December 31, 2061, unless earlier dissolved and wound up pursuant to Article Ten.

2.3 Name. The name of the Company is Network Crossing, LLC. All Company business shall be conducted in that name or any other name selected by the Manager the use of which complies with applicable law.

2.4 Registered Office and Registered Agent. The address of the initial registered office of the Company in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle, 19801, and the name of the initial registered agent of the Company at that address is The Corporation Trust Company. The principal office of the Company shall be located at such address as the Manager and the Class A Member may from time to time determine.

2.5 Purposes. The purposes of the Company are to:

(a) enter into that certain Loan Sale and Assignment Agreement dated as of January 28, 2011 (the "Loan Sale Agreement") between the Company and South Charles Investment Corporation, a Georgia corporation;

(b) acquire and hold all of the equitable, beneficial and controlling interests in TDC Prue Road, L.P., a Delaware limited partnership ("TDC Prue Road"), and its related general partner, TDC Prue Road GP, L.L.C., a Delaware limited liability company (collectively, the "Prue Road Entities") for the consideration set forth in that certain Letter Agreement dated January 28, 2011 between the Company and the Pru Road Entities;

(c) by means of ownership of the Prue Road Entities, hold that office complex commonly referred to as "Network Crossing" comprised of (i) three (3) buildings totaling approximately 59,321 square feet, and (ii) two (2) buildings totaling approximately 84,510 square feet, located at 5253 and 5250 Prue Road in San Antonio, Texas (collectively, the "Property");

(d) by means of ownership of the Prue Road Entities, finance, refinance, develop, maintain, improve, lease, operate, manage, dispose of, invest in and otherwise deal with the Property (collectively, the "Project"); and

(e) engage in any other activities necessary, appropriate, incidental or related to any of the foregoing.

2.6 Filings. The Manager shall have the Certificate filed with the Delaware Secretary of State and shall take any and all other actions necessary or appropriate to qualify the Company

as a limited liability company under the laws of any jurisdiction in which the conduct of its business or the ownership of its assets require it to so qualify, including pursuant to any applicable assumed, trade or fictitious name statute.

2.7 Company Property. Unless otherwise agreed in writing by the Manager, title to all Company property shall be held solely in the name of the Company. Each Member irrevocably waives any right to maintain an action for partition of any of the Company's property.

2.8 Confidential Information. Each Member acknowledges that it may receive information regarding the Company, the other Members or Affiliates of the other Members or the Company in the nature of trade secrets or that is otherwise confidential, the release of which may be damaging to the Company, the other Members or such Affiliates or persons with whom they do business. Each Member shall hold in strict confidence any information it receives regarding the Company, the other Members or Affiliates of the other Members or the Company that is identified as being confidential (and if that information is provided in writing, that is so marked) and may not disclose it to any person other than another Member, except for disclosures (a) compelled by law (but the Member must notify the affected Member or the Company promptly of any request for that information, before disclosing it, if practicable), (b) to advisers or representatives of the Member or a permitted transferee of the Member, but only if they have agreed to be bound by the provisions of this Section 2.8, or (c) of information that the Member has also received from a source independent of the Company or the other Members whom the Member reasonably believes obtained that information without breach of any obligation of confidentiality.

ARTICLE THREE

CAPITAL CONTRIBUTIONS; SHORTFALL LOANS

3.1 Initial Capital Contributions. The Members have made or agreed to make the Initial Capital Contributions specified for those Members on Schedule "A." Subject to the last sentence of the definition of Internal Rate of Return set forth herein, the Initial Capital Contribution made by the Class B Member as set forth on Schedule "A" shall be paid in accordance with the following schedule: (i) $1,140,000.00 to be paid on the date hereof, and (ii) $420,000.00 to be paid at such time as the Company requests such amount to fund various budgeted expenditures set forth in the Approved Budget.

3.2 Additional Capital Contributions. Subject to the provisions of Section 3.4, if the Company requires additional Capital Contributions ("Additional Capital Contributions") to fund various budgeted expenditures set forth in the Approved Budget, to the extent the Company has insufficient funds, after application of any reserve amounts, the Manager will, with the approval of the Class A Member, request such Additional Capital Contributions from the Members in accordance with their Sharing Ratios. When requesting such Additional Capital Contributions, the Manager shall prepare a written statement containing a explanation of the intended use of the Additional Capital Contributions and specifying the amount of Additional Capital Contributions requested from the Members. In the event the Class A Member elects, in its sole an absolute discretion, to refrain from making an Additional Capital Contribution, the terms of the economic

return afforded to the Additional Capital Contribution from the Class B Member shall be subject to the approval of the Class A Member.

3.3 Other Contributions; Liability. Except as provided in Section 3.1, no Member shall be obligated to make any additional Capital Contributions to the Company at any time. An unreturned Capital Contribution shall not be a liability of the Company or any Member.

3.4 Shortfall Loans. In the event that (a) the entire amount of the Members' Initial Capital Contributions have been fully contributed to the Company, and (b) both the Company and TDC Prue Road have insufficient funds, after application of any reserve amounts, to satisfy operating expenses or any other obligations of either the Company or TDC Prue Road (other than the amount of the Bank Loan due at maturity whether by acceleration or otherwise), including tenant improvements and leasing commissions in excess of the Approved Budget amounts therefor, for leases of the Property permitted hereunder, which cannot be paid out of loan proceeds or other funds then available to the Company or TDC Prue Road (an "Operating Shortfall"), the Manager shall provide written notice thereof to the Members (such notice, a "Loan Call Notice"), specifying in such notice the reason such additional funds are needed and the amount of funds required. The Members, upon receiving a Loan Call Notice and the information described in this Section 3.4, shall have the right, but not the obligation, to lend the required funds to the Company to cover an Operating Shortfall (such loan, a "Shortfall Loan") pro rata in proportion to the aggregate amount of each respective Member's Sharing Ratios; provided, however, that if a Member elects not to make a Shortfall Loan pro rata in proportion to the aggregate amount of such respective Member's Sharing Ratio, the other Members shall have the right to lend the amount which the non-electing Member did not make in proportion to the aggregate amount of such other Member's respective Sharing Ratios or on such other basis as they elect. A Member may elect to provide a Shortfall Loan at any time within ten (10) business days after receiving a Loan Call Notice by providing written notice and agreement to the other Members to provide such Shortfall Loan (such notice, the "Shortfall Exercise Notice"). A Member shall fund a Shortfall Loan in the amount called for and substantiated within ten (10) business days after delivering the Shortfall Exercise Notice to the other Members. Notwithstanding any other provision of this Agreement, a Member shall have no obligation to provide a Shortfall Loan pursuant to this Section 3.4 until such Member has issued a Shortfall Exercise Notice. Except as set forth below, a Shortfall Loan shall not be considered Capital Contribution. The interest rate of any Shortfall Loan shall equal ten percent (10%) per annum and the aggregate amount of Shortfall Loans made to the Company by any single Member shall not exceed $250,000.00. In the event all Members elect to make a Shortfall Loan in accordance with the Members' Sharing Ratios, then the Shortfall Loans by such Members shall be terminated and the funds advanced to the Company by the Members shall be characterized as a Capital Contribution by such Members.

ARTICLE FOUR

ALLOCATIONS

For each Fiscal Year, items of Company income, gain, loss and deduction shall be allocated pursuant to the provisions of Exhibit "A" attached hereto.

ARTICLE FIVE

DISTRIBUTIONS

5.1 Distributions of Distributable Cash. Except as otherwise provided in Sections 5.2, 5.4 or 5.5, Distributable Cash shall be applied and distributed to the Members within a reasonable time after the receipt of such Distributable Cash as follows:

(a) first, in repayment of any loans made by a Member to the Company (and if more than one Member has made a loan to the Company, in proportion to the outstanding balance of accrued and unpaid interest and principal owed to each such Member);

(b) second, to the Members pro rata in accordance with their respective Primary IRR Catch-Up Amounts until each Member has received, pursuant to this Section 5.1(b) and Section 5.4, an amount equal to its Primary IRR Catch-Up Amount;

(c) third:

(i) twenty percent (20%) to the Class B Member; and

(ii) eighty percent (80%) to the Members pro rata in accordance with their respective Secondary IRR Catch-Up Amounts until such time as each Member has received, pursuant to Section 5.1(b), this Section 5.1(c)(ii), and Section 5.4, an amount equal to its Secondary IRR Catch Up Amount; and

(d) thereafter,

(i) fifty percent (50%) to the Class B Member; and

(ii) fifty percent (50%) to the Members pro rata in proportion to the aggregate amount of each respective Member's Sharing Ratio.

5.2 Liquidating Distributions. Notwithstanding any other section within this Article Five, upon the occurrence of a Dissolution Event, Distributable Cash shall be applied and distributed in accordance with Section 11.5.

5.3 Withholding. Notwithstanding any provision of this Agreement to the contrary, the Manager may withhold and remit to the applicable taxing authority all amounts required by any local, state, federal or foreign law to be withheld and remitted by the Company with respect to a Member on account of dispositions of Company property, distributions to a Member or allocations to a Member of Company taxable income, gain, loss or deduction. Each Member shall timely provide to the Manager all information, forms and certifications necessary or appropriate to enable the Manager and the Company to comply with any such withholding obligation and represents and warrants that the information, forms and certifications furnished by it shall be true and accurate in all respects. Each Member shall, upon demand, pay the Company for any amounts so withheld and remitted by the Company in respect of the Member from sources other than current distributions to the Member, together with any related costs, expenses, interest, penalties and additions to tax incurred by the Company.

5.4 Tax Distributions. Notwithstanding Section 5.1 or Section 5.5, and prior to the commencement of winding up of the Company as provided in Section 11.4, within a reasonable time after the end of each Fiscal Year, the Manager shall, to the extent the Company has legally available funds therefore (but only to the extent that the Manager, in its sole discretion, determines to be reasonable and advisable given the then current and future cash needs of the Company), cause the Company to make cash distributions to each of the Members in an amount not less than the product of (a) the net positive sum, if any, of the items required to be shown on lines 1-11 of Schedule K-1 (Form 1065) for each Member for such Fiscal Year, and (b) the Imputed Tax Rate, as defined below (each a "Tax Distribution"). Any Tax Distribution not so made shall be waived for that Fiscal Year. The "Imputed Tax Rate" means, for any Fiscal Year, the highest effective ordinary income or capital gain tax rate, as the case may be, applicable during such year to a natural person taxable at the highest marginal ordinary federal income tax rate, provided, however, that the Imputed Tax Rate shall not exceed forty percent (40%). Any amounts distributed to a Member pursuant to this Section 5.4 shall be treated as having been distributed in lieu thereof to such Member pursuant to Section 5.1, Section 5.5 and Section 11.5(d).

5.5 Minimum Return. Notwithstanding anything to the contrary in Section 5.1 above, if, within two (2) years following the effective date of this Agreement, TDC Prue Road, L.P. sells, transfers, conveys or otherwise disposes of all or substantially all of the Project (a "Reconciliation Event"), and aggregate distributions pursuant to Section 5.1(b) and Section 5.1(c) to each Member do not exceed an amount equal to at least one and three-quarter (1.75) times the aggregate amount of each Member's respective Capital Contributions (with respect to each Member, the "Minimum Return") then, to the extent such Reconciliation Event results in Distributable Cash, such cash shall not be distributed under Section 5.1(d) but instead shall be distributed as follows:

(a) first, to the Members, pro rata, until each Member has received such Member's Minimum Return;

(b) second, to the Class B Member until the Class B Member has received an amount equal to the amount the Class B Member would have received pursuant to Section 5.1(c) and Section 5.1(d) but for this Section 5.5; and

(c) thereafter, to the Members (or their successors in interest, as the case may be) in accordance with Section 5.1(d).

ARTICLE SIX

TRANSFERS; ADDITIONAL INTERESTS

6.1 Transfers Prohibited. Unless otherwise required by law, an attempted Transfer made in contravention of this Article Six shall not be entitled to recognition by the Company. Upon any Transfer or attempted Transfer not permitted by this Article Six, the person making or attempting to make such Transfer shall indemnify and hold harmless the Company and the other Members from all losses, costs, damages, liabilities and expenses (including professional fees) that result from the Transfer or attempted Transfer.

6.2 Permitted Transfers. A Member may Transfer all or part of its Interest as a Member: (a) to Affiliates of the Member, (b) to persons to whom the Interest is transferred by reason of the Member's death or involuntarily by operation of law; (c) if the Member is an entity, to the spouse, natural or adoptive lineal ancestors or descendants of any Affiliate of the entity Member or to trusts or family limited partnerships for such persons' or the Affiliate's benefit; or (d) pursuant to a Transfer approved by the Class A Member. Notwithstanding the preceding sentences, any Transfers to be made by a Class A Member will require the approval of the Manager; provided, however, Transfers to be made by a Class A Member to its Affiliates or equity holders of such Affiliates shall not require the approval of the Manager.

6.3 Right of First Refusal.

(a) Except for Transfers permitted pursuant to Section 6.2, if a Member (the "Seller") receives a bona fide written offer (the "Purchase Offer") from a person to purchase all or part of its Interest solely for cash payable in full at the closing of the purchase, the Seller shall first offer to sell such Interest (the "Offered Interest") in accordance with this Section 6.3.

(b) The Seller shall give to the other Members and the Company written notice (the "Offer Notice"), which shall include (i) a true and complete copy of the Purchase Offer and (ii) the Seller's offer to sell all of the Offered Interest to the other Members and the Company for a cash price and on terms and conditions no less favorable than those contained in the Purchase Offer (but without any requirement for earnest money or a similar deposit). The offer by the Seller to the other Members and the Company shall be irrevocable for a period ending no earlier than the expiration of sixty (60) days after the date the Offer Notice is given. For a period of thirty (30) days after the date the Offer Notice is given, a Member may accept the Seller's offer with respect to a portion of the Offered Interest that corresponds to the ratio of the accepting Member's Sharing Ratio to the Sharing Ratio of all of the offeree Members (or such other portion as a Member and one or more of the other offeree Members may have agreed upon) by giving written notice of such acceptance to the Seller and the Manager. Beginning with the thirty-first (31st) day after the date the Offer Notice is given and ending on the sixtieth (60th) day after the date the Offer Notice was given, the Manager may, in its discretion, accept the Seller's offer on behalf of the Company with respect to all of the remaining portion of the Offered Interest, if any, by giving written notice of such acceptance to the Seller and the other Members. Unless the Members (in the aggregate) and the Company accepts the Seller's offer with respect to all and not less than all of the Offered Interest, the Seller's offer shall be deemed rejected in its entirety.

(c) The purchase of the Offered Interest by the Members or the Company shall be closed at the principal office of the Company within thirty (30) days after the date the Seller's offer is accepted or, if later, the date of closing specified in the Purchase Offer. At the closing, the Seller shall deliver to the purchasers, in exchange for the consideration to be paid for the Offered Interest, an assignment of the Offered Interest in form and content reasonably satisfactory to counsel for each purchaser, free and clear of all liens, security interests, conflicting claims and other encumbrances. The purchase price for the Offered Interest shall be deemed to be in complete liquidation and satisfaction of all claims, rights and interests of the Seller and all persons claiming by, through or under the Seller in respect of the Offered Interest, the Company, and any past or present Member, employee, or agent of the Company.

(d) If the Seller's offer is not accepted in its entirety, the Seller may, subject to the provisions of Section 6.4, sell all of the Offered Interest to the offeror set forth in the Purchase Offer on or before the ninetieth (90th) day after the date the Offer Notice was given for a price and on terms and conditions no more favorable than those set forth in the Offer Notice. If the Seller does not sell the Offered Interest in accordance with the terms of the preceding sentence, the Offered Interest shall again become subject to all of the terms and conditions of this Article Six, including this Section 6.3.

(e) Notwithstanding any provision in this Agreement to the contrary, if the mechanisms of the buy-sell option set forth in Article Ten are then in effect, then, until such time as a purchase pursuant to the buy-sell option set forth in Article Ten has been closed or otherwise terminated by the related Members, the right of first refusal option set forth in this Section 6.3 shall be suspended and deemed null and void.

6.4 Other Conditions. Notwithstanding Sections 6.2 and 6.3, a Transfer of a Member's Interest shall not be permitted or recognized, and no transferee thereof shall be admitted as a substituted Member, until each of the following conditions has been satisfied or, in the reasonable discretion of the Manager, waived:

(a) the offer and transfer of the Interest shall have been registered or qualified under the Securities Act, and any applicable state, local or foreign securities laws, or the Manager shall have been provided a written opinion, satisfactory in content to the Manager from counsel satisfactory to the Manager, to the effect that the offer and transfer of the Interest is exempt from such requirements;

(b) the Manager, in its reasonable discretion, shall have concluded that the Transfer will not (alone or combined with other Transfers) cause (i) a termination of the Company pursuant to Code § 708(b)(1)(B) (unless the Manager determines such would not have a material adverse affect on the Company or any Member), (ii) the Company to be treated as a "publicly traded partnership" within the meaning of Code §§ 7704 or 469(k)(2), (iii) the Company or the Manager to be in material violation of any law, regulation, rule or court decree, or impose any additional materially burdensome registration requirements on the Company or the Manager or otherwise subject the Company or the Manager to any additional materially burdensome rule, regulation or decree (including in each case under the Securities Act, the Investment Company Act of 1940, the Investment Advisors Act of 1940 and any other federal, state, local or foreign law, rule, regulation or decree), (iv) the Company to be in material breach of or default under any instrument or agreement to which it is bound, (v) the Company to forfeit any material privilege, franchise, license, permit or similar right, (vi) the Company to be an entity defined in § 401 of the Code, or (vii) the Company, the Manager or any of their Affiliates to (A) be liable for excise tax under Chapter 42 of the Code, (B) be deemed to have participated in a "prohibited transaction," as defined in § 4975(c) of the Code, or (C) to be or become a "party in interest," as defined in § 3(14) of ERISA, or a "disqualified person," as defined in § 4975(e)(2) of the Code, with respect to any "plan," as defined in § 3(3) of ERISA or § 4975(e)(1) of the Code; and

(c) the Manager shall have received, in form and content reasonably satisfactory to it (i) a true and complete copy of the instruments or documents effecting or evidencing the Transfer, (ii) the written agreement of the transferee agreeing to be bound by this

Agreement, setting forth the notice address of the transferee and containing such other representations, warranties, terms and conditions as the Manager may require, (iii) the transferee's taxpayer identification number and all other information required by the Company to comply with any provision of the Code and Treasury Regulations, and (iv) reimbursement of all costs and expenses incurred by the Company in connection with the transfer or admission.

6.5 Recognition of Transfers. Notwithstanding any other provision of this Article Six, the Company shall not be obligated to recognize a Transfer until the transferor has given written notice thereof to the Manager and the Manager has recognized the transferee as the record holder of the Interest. For purposes of making distributions and allocations, and determining the Members entitled to vote or consent with respect to a matter, the Company shall recognize a Transfer made in accordance with this Article Six no later than the end of the calendar month during which it receives notice of the Transfer and all conditions to the Transfer set forth in Section 6.4 have been satisfied or waived. Until such time, all allocations and distributions shall be made to, and all votes and consents shall be had from, the person that is reflected in the books and records of the Company as the record owner of the Interest.

6.6 Substituted Members. A transferee of a Member's Interest shall be entitled to be admitted to the Company as a Member only if (a) the right to such admission was assigned to the transferee, (b) the Manager has consented to such admission, which consent may be given, withheld or conditioned in the sole discretion of the Manager, for any reason or no reason, (c) the Transfer was permitted by the provisions of this Article Six, and (d) all of the conditions set forth in Sections 6.4 and 6.5 have been satisfied or waived.

6.7 Unadmitted Assignees. Unless the holder of an Interest has been admitted to the Company as a substituted Member in accordance with Section 6.6, the rights of the holder with respect to the Interest shall be limited solely to the right to receive allocations and distributions pursuant to Article Five and Section 11.5(d), to the extent those rights were assigned to the holder, and the holder shall not be entitled to further Transfer such Interest except in compliance with the provisions of this Article Six. Without limiting any other legal or equitable remedies of the Company, any distributions otherwise payable to the holder of an Interest received in a Transfer not made in accordance with the provisions of this Article Six but which the Company is required by law to recognize may be applied to satisfy any debts or liabilities (including for damages) that the transferor or transferee of the Interest may owe to the Company.

6.8 Additional Members; Additional Managers.

(a) Additional Interests (including options, warrants, convertible debt instruments and other rights to acquire such Interests) may be issued by the Company and additional persons may be admitted to the Company as additional Members on terms and conditions approved by the Manager and the Class A Member. The Manager shall reflect the issuance of any such additional Interests in an amendment to this Agreement. The admission as a Member of any person acquiring such an additional Interest shall not be effective until the terms and conditions of the issuance have been satisfied and the Manager has received from the person a document that includes the person's notice address, agreement to be bound by this Agreement and such other representations, warranties, terms and conditions as the Manager may deem appropriate.

(b) Subject to the provisions of Section 7.5, additional Managers may be admitted to the Company only with the consent of and upon such terms and conditions as have been approved by the Manager and the Class A Member.

ARTICLE SEVEN

POWERS, RIGHTS AND DUTIES OF THE MANAGER

7.1 Management of the Company. Except when the action of the Members (or any class of Members) is expressly required by this Agreement or any nonvariable provision of the Act, the Manager shall have authority to manage the Company's business, affairs and properties and to make all decisions related thereto, including, in the name of or on behalf of the Company, to:

(a) open and maintain bank accounts, draw checks or other orders thereon consistent with the Company's purposes as set forth herein, and designate persons with authority to act in respect thereof;

(b) cause TDC Prue Road, L.P. to enter into and consummate the Property Management Agreement, the form of which is attached hereto as Exhibit "C";

(c) acquire, utilize, encumber or dispose of any personal property necessary or appropriate to the accomplishment of the purposes of the Company;

(d) engage consultants, brokers, attorneys, accountants and other agents to act for or on behalf of the Company and TDC Prue Road, L.P.;

(e) purchase contracts of insurance insuring the Members, the Company or the Company's properties or agents against loss of any nature with respect to the Company, including liability insurance covering the acts and omissions of the Manager and its Affiliates with respect to the Company;

(f) enter into and perform all other agreements and undertakings as the Manager may deem necessary, appropriate or incidental to the accomplishment of the Company's purposes; and

(g) take such actions and make such emergency expenditures as it, in its reasonable judgment, deems necessary for the protection or preservation of Company assets and the Project if, under the circumstances and in the good faith estimation of the Manager (i) there is insufficient time to allow the Manager to obtain any required approval of the Class A Member of such action, and (ii) any delay with respect to such actions or emergency expenditures would materially increase the likelihood or magnitude of detriment to the Company's assets or the Project. The Manager's authority hereunder shall include, without limitation, the remediation under such emergency circumstances of any threat resulting from the operation of the Project to the life or physical health of any person likely to assert a claim in tort against the Company or any of its Members or the Prue Road Entities or any of their partners or members. The Manager shall as soon as reasonably practicable advise the Class A Member of any action taken, or expenditures

made, pursuant to this Section 7.1(g) and provide the Class A Member with any documents, reports, invoices, or other information reasonably requested by the Class A Member with respect thereto.

7.2 Restrictions on Manager's Activities. Notwithstanding Section 7.1, or any power or authority granted to the Manager under the Act, the Manager may not make any decision or take any action specified below without first obtaining the written consent of the Class A Member:

(a) cause or permit the Company or TDC Prue Road, L.P. to engage in an act that would result in an increase of $10,000.00 or more (in any Fiscal Year) above the stated amount of a financial line item of expenditure or expense (excluding non-controllable expenses such as utilities, real estate taxes and property insurance) as set forth either in the then-current static Approved Budget;

(b) cause or permit the Company or TDC Prue Road, L.P. to engage in an act that would result in a reduction of $10,000.00 or more (in any Fiscal Year) below the stated amount of a financial line item of income, as set forth either in the then-current static Approved Budget;

(c) cause or permit TDC Prue Road, L.P. to enter into any lease agreement involving the Property for which the proposed leased space under the lease exceeds three thousand (3,000) square feet, provided, however, no approval is required if the terms of the lease agreement are consistent with projected lease terms in the then-current Approved Budget, as reconciled with the then-applicable Property Management Agreement;

(d) permit the Prue Road Entities to transfer, assign, sell, convey or encumber of any portion of the Property other than in connection with the existing loan from Wells Fargo Bank, National Association to TDC Prue Road (the "Bank Loan");

(e) cause or permit the Company to engage in any activity that is not consistent with the purpose of the Company;

(f) assign rights in specific Company assets, for other than a Company purpose;

(g) borrow money (whether secured or unsecured), issue, accept, endorse or execute promissory notes, drafts, bills of exchange, warrants, bonds, debentures or other negotiable or non-negotiable instruments, or refinance, recast, modify or extend any loan to the Company which is secured by the assets of the Company, except for trade obligations consistent with the then-current Approved Budget;

(h) lend money or enter into any transaction where all or any portion of the sales price of Company property is paid by the purchaser thereof by a note or other instrument of indebtedness carried by the Company;

(i) cause TDC Prue Road, L.P. to lend money or enter into any transaction where all or any portion of the sales price of the Project is paid by the purchaser thereof by a note or other instrument of indebtedness carried by TDC Prue Road, L.P.;

(j) settle any claim for payment of awards or damages on behalf of the Company or TDC Prue Road, L.P. arising out of the exercise of eminent domain by any governmental authority; or

(k) enter into any settlement, compromise, consent order or the like in connection with any dispute concerning the Company, TDC Prue Road, L.P., any of its operations, or the Project in excess of $10,000.00 for any one occurrence.

7.3 Certain Information. The Manager shall keep the Members informed of all material matters relating to the Project and the business of the Company, including any known or expected defaults under any loan to the Company or any event that is a Reconciliation Event. The Manager will, at the Company's reasonable expense, and to the extent such information is known by the Manager, provide the Members with copies of:

(a) all material correspondence to or from any governmental authority relating to the Project;

(b) all written offers for the purchase or other acquisition of all or part of the Project (whether in the form of a contract, letter of intent or otherwise); and

(c) all other material documents and information with respect to the Company or the Project that a Member may reasonably request.

7.4 Right of First Offer. Subject to the last sentence of this Section 7.4, the Class B Member and its Affiliates, as the case may be, shall provide the Class A Member with written notice of the next three (3) commercial or residential real estate development projects located within a one hundred fifty (150) mile radius of the Property undertaken by the Class B Member or its Affiliates which in any way involve the development of, or investment in, such projects by the Class B Member or its Affiliates (an "Investment"). The Class B Member and its Affiliate, as the case may be, shall provide the Class A Member, not less than ten (10) days from the date on which written notice and a reasonably detailed description of the Investment are received by the Class A Member, the right to elect to invest or otherwise participate in any such Investment on terms substantially similar to those offered to third parties with respect to such Investment. If any economic or other material term of such Investment is materially modified after the Class A Member does not participate, then the Class B Member or its Affiliate will again offer Class A Member the right to participate in such Investment as set forth above, upon the terms and conditions of the modified offer. In no event shall the "Frontera Vista" project located in Austin, Texas be deemed an Investment for purposes of this Section 7.4.

7.5 Removal and Replacement. Notwithstanding any other provision in this Agreement to the contrary, but subject to the provisions of Section 7.5, the Manager may be removed from the Company by the Class A Member and be replaced with a new Manager selected by the Class A Member only upon the occurrence of one of the following events: (a) the Manager engages in acts or omissions which constitute gross negligence or willful misconduct;

(b) any of the Manager's managers, members, directors or officers are convicted of, or plea of guilty or *nolo contendere* to, crimes involving fraud, misappropriation or embezzlement, or a felony crime of moral turpitude; or (c) the Manager breaches any provision of, or otherwise defaults under, this Agreement and does not cure the default within thirty (30) days after written notice of default sent to the Manager. In the event the Manager is removed as set forth herein, then (x) any successor Manager selected by the Class A Member shall be required to execute a Guaranty of Recourse Obligations in a form acceptable to the lender under the Bank Loan, the execution of which will permit the release and termination of the prior Manager's obligations pursuant to any prior Guaranty of Recourse Obligations to which the prior Manager may have been a party, and (y) the interests in distributions to the Class B Member set forth in Sections 5.1(c)(i) and (d)(i) will be assigned, transferred and conveyed to successor Manager selected by the Class A Member to the extent, and in the manner, determined by the Class A Member.

ARTICLE EIGHT

POWERS, RIGHTS AND DUTIES OF MEMBERS

8.1 Limitation of Liability of Members. A Member in its capacity as such shall not be personally liable for the obligations and liabilities of the Company beyond the amount of its Initial Capital Contribution; provided that if a Member receives a distribution prohibited by the Act and the Member knew that the distribution was so prohibited, the Member shall be liable for the return of the distribution to the Company.

8.2 Participation in Management. Except as otherwise specifically provided in this Agreement, a Member, in its capacity as such, shall not participate in the operation, management or control of the business of the Company, transact any business in the name of the Company or bind the Company in any manner.

8.3 Action of the Members; Meetings.

(a) Except as otherwise specifically provided by this Agreement or any nonvariable provision of the Act, the action of the Members, whether by written consent or at a meeting of the Members, shall be determined by the action of the Class A Member.

(b) Unless waived by a Majority Interest of the Members, within a reasonable time after the end of each Fiscal Year and at any other times as the Manager may determine, the Manager shall call a meeting of the Members for the purpose of discussing the affairs of the Company and acting on any matter permitted or required by this Agreement or the Act to be acted upon by the Members. The Members shall be given not less than ten (10) days notice of the meeting, specifying the time and location of the meeting and the matters to be discussed or acted upon at the meeting. Meetings may be held at any time during normal business hours at the principal office of the Company or the Manager, or such other place as may have been approved by a Majority Interest of the Members. A quorum shall not be required as a prerequisite to the conduct of any meeting of the Members. Members may waive notice of or attendance at the meeting and may vote in person, by proxy, by written consent or by telephone or other communication device. Attendance at a meeting shall constitute waiver of notice of the meeting.

A representative of the Manager shall chair the meeting and shall conduct the meeting under such rules as he or she may reasonably determine.

ARTICLE NINE

BOOKS AND RECORDS; REPORTS

9.1 Books and Records. The Manager shall cause separate books of account for the Company to be maintained that reflect a true and accurate record of the Company's assets and liabilities and all costs and expenses incurred, charges made, credits made and received and income derived in connection with the conduct of the Company's business and affairs. For purposes of determining income and loss and otherwise maintaining the Members' Capital Accounts, the books of account of the Company shall, except as otherwise provided in this Agreement, be maintained in accordance with federal income tax principles consistently applied and, in the Manager's sole discretion, the cash (if permitted by the Code) or accrual method of accounting. Each Member, its designated agents or employees, at the Member's cost and expense, shall have the right at all reasonable times during usual business hours to audit, examine and make copies of or extracts from the books of account, records, files and bank statements of the Company. The Manager shall cause to be maintained at the Company's principal office the records required by the Act to be maintained there.

9.2 Financial and Operating Reports. Within a reasonable time after the end of each Fiscal Year, the Manager shall cause the Company to provide to each Member (a) unaudited financial statements of the Company prepared on a federal income tax basis, for and as of the end of the Fiscal Year, including a balance sheet and income statement, and (b) a statement reconciling the Capital Accounts of the Members reflected in such financial reports to the Capital Accounts of the Members maintained in accordance with this Agreement.

ARTICLE TEN

BUY-SELL AGREEMENT

10.1 Buy-Sell Notice. From and after the first to occur of the following: (a) the date that the Property has achieved a ninety-two percent (92%) occupancy rate, or (b) the fourth anniversary of this Agreement, either the Class A Member, on the one hand, or the Class B Member, on the other hand (such party, as the case may be, the "Offeror"), shall have the right to offer to purchase the entire Interests (the "Purchase Interest") of the other respective Member (the "Offeree") for an amount that the Offeree would receive pursuant to a Reconciliation Event in which the Company received aggregate proceeds equal to an amount designated by the Offeror (such amount, the "Purchase Amount"). Such offer shall be made by Offeror's delivery of a written notice (the "Buy-Sell Notice") to Offeree stating Offeror's offer to purchase the Purchase Interest pursuant to this Section 10.1, the Purchase Amount, the calculation of the applicable purchase price that results from the Purchase Amount, and a proposed date for closing such purchase, which shall be no later than sixty (60) days following the date Offeree exercises its option pursuant to Section 10.2 below.

10.2 Buy-Sell Option. Upon receipt of the Buy-Sell Notice, Offeree shall have thirty (30) days in which to elect to either sell the Purchase Interest to Offeror upon the terms specified in the Buy-Sell Notice or to purchase Offeror's entire Interest in the Company (the "Offeror Interest") for an amount equal to the amount that the Offeror would receive pursuant to a Reconciliation Event in which the Company received the Purchase Amount. Offeree shall exercise its option under this Section 10.2 by delivery of a written notice (the "Offeree Notice") to Offeror stating Offeree's election to either sell the Purchase Interest or purchase the Offeror Interest and Offeree's calculation of the applicable purchase price that results from the Purchase Amount for the Offeror Interest, if applicable. Should Offeree fail to deliver an Offeree Notice to Offeror within the thirty (30) day election period specified above in this Section 10.2, Offeree shall be deemed to have elected to sell the Purchase Interest to Offeror upon the terms specified in the Buy-Sell Notice.

10.3 Dispute. If the Offeror and Offeree cannot agree upon the calculation of the applicable purchase price that results from the Purchase Amount, then the Offeror and Offeree shall select a qualified accounting firm to determine the applicable purchase price that results from the Purchase Amount. If the Offeror and Offeree cannot agree upon a qualified accounting firm to make such determination, (a) the Offeror shall select a qualified accounting firm, (b) Offeree shall select a second qualified accounting firm, and (c) the respective qualified accounting firms selected pursuant to subsections (a) and (b) above shall, collectively, select the third qualified accounting firm which shall determine the applicable purchase price that results from the Purchase Amount. The applicable purchase price that results from the Purchase Amount determined by the third qualified accounting firm selected pursuant to subsection (c) above shall be deemed the purchase price for the Offeror Interest. The cost of any such determination shall be borne equally by the Offeror and Offeree.

10.4 Closing Date. The closing of the sale of the Purchase Interest or the Offeror Interest, as applicable, shall take place on the closing date specified in the Buy-Sell Notice, for a purchase of the Purchase Interest, and within sixty (60) days after the date of the determination of the purchase price for a purchase of the Offeror Interest, and the time and place of the closing shall be designated by the selling Member at least fifteen (15) days prior to such closing. The purchase price shall be paid in certified funds at closing. Except as otherwise provided in Section 10.3, each party shall bear its own legal, accounting and appraisal fees, if any, in connection with the sale of the Purchase Interest or the Offeror Interest, as applicable.

10.5 No Further Interest. From and after the closing, the selling Member shall have no further interest in the assets or profits of the Company and shall not be responsible for any of the Company losses except uninsured third party tort claims arising out of incidents which occurred prior to the closing, to the extent such selling Member is liable. Notwithstanding the provisions of this Section 10.5, nothing contained herein is intended to place any liability on a Member that does not otherwise exist at law. In the event that the seller of its Interests pursuant to this Article Ten or an Affiliate of such seller is personally liable under a personal guaranty of an obligation of the Company, then as a condition of the seller to sell its Interests at the closing, the purchaser shall take such actions or pay to the holder of the obligation such amounts that would release the seller or its Affiliate from its personal guaranty of such obligation.

10.6 Enforceability. Notwithstanding any provision in this Agreement to the contrary, if the mechanisms of the right of first refusal option set forth in Section 6.3 are then in effect, then, until such time as a purchase pursuant to the right of first refusal option set forth in Section 6.3 has been closed or otherwise terminated by the related Members, the buy-sell option set forth in Article Ten shall be suspended and deemed null and void.

ARTICLE ELEVEN

WITHDRAWAL; DISSOLUTION; WINDING UP

11.1 Withdrawal of Member. Subject to Article 6, a Member has neither the right nor the power to withdraw from the Company prior to the completion of its winding up.

11.2 Dissolution. The Company shall be dissolved only upon the first to occur of any of the following (each a "Dissolution Event"):

(a) the expiration of the term of the Company set forth in Section 2.1;

(b) the election to dissolve the Company by the Manager and the Class A Member;

(c) the Bankruptcy, termination of existence or occurrence of any other event of withdrawal of a Manager described in the Act, unless (i) there remains at least one Manager that continues the Company's business, or (ii) within ninety (90) days after the date of the event of withdrawal, the Class A Member elects in writing to continue the Company's business and to the appointment, effective as of the date of the withdrawal, of one or more new Managers;

(d) the occurrence of a Reconciliation Event; or

(e) the entry of a decree of judicial dissolution under the Act.

11.3 Conversion of Manager's Interest. If pursuant to Section 11.2(c) the Company is continued and not dissolved upon the occurrence of an event of withdrawal of a Manager, the former Manager shall not be released from any liabilities of the Company existing prior to such withdrawal as manager, nor prejudice any other rights or causes of action at law or in equity that the Company or the Members may have against the former Manager as a result of any wrongful withdrawal.

11.4 Winding Up.

(a) Upon the occurrence of a Dissolution Event, the Company shall continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors and Members, and no Member shall take any action inconsistent therewith. This Agreement shall continue in full force and effect until all of the Company's properties have been liquidated and distributed pursuant to Section 11.5 and a Certificate of Termination (or similar instrument) has been filed for the Company in accordance with the Act. A proper accounting of the Company's assets, liabilities and operations shall be

made and furnished to the Members as of the date of the commencement of the winding up and the date all assets of the Company are finally distributed to the Members or applied in payment of Company liabilities.

(b) The Company shall be wound up by the Manager or, if there is no Manager, by a liquidator selected by the Class A Member (in each case, the "Liquidator"). The Liquidator shall cause the Company's property to be liquidated as promptly as is consistent with obtaining the fair value thereof, provided that the Liquidator may, in its sole discretion, retain and distribute as collected any deferred payment obligation owed to the Company. The Liquidator, if other than the Manager, shall have all of the powers of the Manager to the extent consistent with the Liquidator's obligations.

11.5 Liquidating Distributions. After the dissolution of the Company and on or before the completion of its winding up, the proceeds of the liquidation of the Company shall be applied and distributed by the Liquidator in one or more installments and in the following order of priority:

(a) to the payment, or provision for payment, of the costs and expenses of winding up;

(b) to the payment, or provision for payment, of creditors of the Company (including Members, except in respect of distributions), in the order of priority provided by law;

(c) to the establishment of any reserves deemed necessary or appropriate by the Liquidator to provide for contingent or unforeseen liabilities of the Company; and

(d) to the Members pro rata in accordance with their relative positive Capital Account balances.

Notwithstanding anything contained in this Agreement to the contrary, in connection with the winding up of the Company, to the extent that the allocation of Profits and Losses pursuant to Exhibit "A" would not result in the Members having Capital Account balances equal to the amounts that they would receive if the liquidation proceeds of the Company were distributed in accordance with Section 5.5, if applicable, and otherwise Section 5.1 (the "Target Final Balances"), then the Members agree, to the extent necessary, to allocate Company items of income, gain, loss and deduction for the taxable year in which the Dissolution Event occurs, as well as any prior tax years for which a return has not yet been filed as of the original filing date, to produce such Target Final Balances.

11.6 Timing of Distributions; Liquidating Trust. Distributions pursuant to Section 11.5(d), if any, shall be made to the Members before the end of the Fiscal Year in which the related Dissolution Event occurs or, if later, within ninety (90) days after the date of such event. In the discretion of the Liquidator, all or part of the distributions that would otherwise be made to the Members pursuant to Section 11.5(d) may be distributed to a trust (classified as a grantor trust under the Code) established by the Liquidator for the benefit of the Members and for the purposes of liquidating Company assets, collecting any amounts owed to the Company and paying any contingent or unforeseen liabilities of the Company. The assets of any such trust shall be distributed to the Members from time to time, in the reasonable discretion of the trustee (who

may or may not be the Liquidator), in the same proportions as the amounts distributed to such trust by the Company would otherwise have been distributed to them pursuant to Section 11.5(d).

11.7 Deficit Capital Accounts. Upon the winding up of the Company, each Member shall look solely to the assets of the Company for the return of its Capital Contributions and, unless otherwise specifically provided in this Agreement, no Member shall have any obligation to restore a negative balance remaining in its Capital Account upon completion of the winding up of the Company.

ARTICLE TWELVE

REPRESENTATIONS OF THE MEMBERS

12.1 Organization and Existence. Each Member represents to each of the other Members and the Company that (a) the Member is and will remain duly organized and validly existing under the applicable laws of its state of organization, (b) the Member is and will remain qualified to do business and in good standing in all jurisdictions in which the nature of its business or the ownership of its assets makes such qualification necessary, (c) the Member has all requisite power and authority to enter into this Agreement, (d) the execution, delivery and performance of this Agreement by the Member have been duly authorized by all necessary action, (e) this Agreement is the legal, valid and binding obligation of the Member, enforceable in accordance with its terms (except as limited by applicable Bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally), and (f) the execution, delivery and performance of this Agreement by the Member does not and will not violate, conflict with or constitute a default under (i) the Member's constituent documents, (ii) any instrument or agreement to which it is a party or by which any of its assets are bound, or (iii) any law, rule, regulation, order, writ, judgment, decree, determination or award applicable to the Member or its assets.

12.2 Securities Laws. Each Member represents to each of the other Members and the Company that (a) it is acquiring its Interest as a principal and for its own account, for investment purposes only and not with a view to, or for sale in connection with, any distribution of such Interest, nor with any present intention of distributing or selling such Interest, (b) it will not transfer, or attempt to transfer, its Interest or any part thereof in violation of the Securities Act, or any other applicable federal or state securities law, (c) it has been advised that (i) the issuance of an Interest to it has not been registered with the Securities and Exchange Commission under the Securities Act or registered with any state agency under applicable state securities laws, in reliance upon an exemption from such registration, and (ii) it must bear the economic risk of the acquisition of the Interest for an indefinite period of time because it may not offer, sell, transfer or otherwise dispose of the Interest unless the offer, sale, transfer or other disposition has been registered under the Securities Act and any applicable state securities laws or, in the opinion of counsel (acceptable to the Manager), such offer, sale, transfer or other disposition is otherwise exempt from registration under the Securities Act and applicable state securities laws, and otherwise complies with the restrictions of transfer set forth in this Agreement, and (d) it understands that the Company is under no obligation to register the offer, sale, transfer or other disposition of the Interest or to take any other action necessary in order to make compliance with an exemption from registration available.

12.3 ERISA. Each Member represents to each of the other Members and the Company that (a) it is not an ERISA person, (b) it is not acquiring and has not acquired its Interest with assets of a pension plan subject to ERISA, and (c) its acquisition and holding of its Interest pursuant to this Agreement will not result in or create a "prohibited transaction," as defined in § 4975(c) of the Code, or cause the Company to be a "disqualified person," as defined in § 4975(e)(2) of the Code, or a "party in interest," as defined in § 3(14) of ERISA.

12.4 Survival; Indemnity. The representations and warranties of each Member pursuant to this Article shall survive the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, and shall continue in effect indefinitely thereafter. Each Member shall indemnify and hold harmless the Company and each other Member from and against any and all losses, costs, expenses (including professional fees), liabilities and damages resulting or arising from any breach of such representations by the indemnifying Member.

ARTICLE THIRTEEN

MISCELLANEOUS

13.1 Conflicting Interests. Except as specifically provided herein, the Manager, Members and their respective Affiliates may become affiliated in any way with any business or venture and engage in any activity they may choose, whether or not competitive with the Company's business and activities or the Project; provided, however, until the Property achieves a ninety-two percent (92%) occupancy, neither the Manager, the Class B Member, nor their respective Affiliates may compete with the Company's business and activities or the Project within a one (1) mile radius of the Property without the express written consent of the Class A Member. For purposes of this paragraph, those certain real estate projects located approximately two (2) miles from the Property and commonly referred to as the "Overlook at the Rim" shall not be deemed to be competitive with the Company's business and activities or the Project.

13.2 Transactions with Affiliates. Subject to the approval of the Class A Member, the Company may engage the Manager, Members or their Affiliates to perform certain development, management and marketing services for the Company.

13.3 Equity Commitment Fee. Immediately upon the initial capitalization of the Company, the Company shall pay the Class A Member a fee equal to one percent (1%) of the Class A Member's Initial Capital Contribution to the Company set forth in Schedule "A" attached hereto and incorporated by reference.

13.4 Indemnification. To the extent of the Company's assets, the Company shall indemnify any person or such person's heirs, successors, or assigns who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that such person is or was a Member, Manager, director, officer, employee, authorized person or agent of the Company against expenses, attorneys' fees, court costs, judgments, fines, amounts paid in settlement and other losses actually and reasonably incurred by such person in connection with such action, suit or proceeding the full extent authorized or permitted by laws of the State of

Delaware, except for actions constituting a breach of this Agreement or actions involving fraud, deceit, self-dealing, negligence, breach of fiduciary duty, willful misconduct or a wrongful taking on the part of the person seeking indemnification hereunder.

13.5 Notices. All notices, consents, approvals, demands, requests and other communications which may or are required to be given under this Agreement shall be in writing and shall be sent by courier, facsimile or other means, or by United States mail, registered or certified, return receipt requested, postage prepaid. Communications to the Company shall be addressed to the Company at the address of its principal office. Communications to a Member shall be addressed to the Member at the address of the Member set forth on Schedule "A" or such other address notice of which has been delivered to the Company and the Members as provided in this Section. Communications hereunder shall be deemed to have been given three (3) days after deposit in the United States mail as herein provided, or when actually received by the addressee if given by other means.

13.6 Electronic Signatures. Delivery of a document bearing an original signature by facsimile transmission (whether directly from one facsimile device to another by means of a dial-up connection or whether mediated by the worldwide web), by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing the original signature. "Originally signed" or "original signature" means or refers to a signature that has not been mechanically or electronically reproduced.

13.7 Offset. The Company may offset and deduct any sums due it from a Member from the amount of any distribution or other payment to a Member.

13.8 Construction. Unless otherwise required by the context, as used herein (a) the gender of words includes the masculine, feminine, and neuter genders, (b) the singular includes the plural (and *vice versa*), (c) the words include, including and similar derivations are without limitation, (d) the words herein, hereinafter and similar derivations refer to this Agreement as a whole, and (e) captions are for reference only and shall not affect the interpretation of this Agreement.

13.9 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall constitute one and the same agreement. Signature pages to any counterpart may be detached, executed and attached to a single counterpart with the same force and effect as if all parties had executed a single signature page hereof.

13.10 Amendments to Agreement. Any amendments to this Agreement shall be in writing and may be adopted only with the written consent of the Manager. Notwithstanding the preceding sentence, the consent of each affected Member must be obtained for any amendment that would (a) adversely affect the Member's rights to distributions (other than as a result of the admission of additional Members in accordance with this Agreement), (b) increase the Member's Capital Contribution obligation, (c) eliminate or decrease the limited liability of the Member, or (d) amend the provisions of this Section.

13.11 Choice of Law, Venue and Forum. This Agreement, the entire relationship of the parties hereto, and any litigation between the parties (whether grounded in contract, tort, statute, law or equity) shall be governed by, construed in accordance with, and interpreted pursuant to the laws of the State of Texas, without giving effect to its choice of laws principles. Exclusive venue for any litigation between the parties hereto shall be in Travis County, Texas, and shall be brought in the State District Courts of Travis County, Texas, or in the United States District Court for the Western District of Texas, Austin Division. The parties hereto waive any challenge to personal jurisdiction or venue (including without limitation a challenge based on inconvenience) in Travis County, Texas, and specifically consent to the jurisdiction of the State District Courts of Travis County and the United States District Court for the Western District of Texas, Austin Division.

13.12 Binding Effect. Except as otherwise expressly provided herein, (a) this Agreement shall be binding upon and inure to the benefit of only the Members, their heirs, legal representatives, successors and permitted assigns, and (b) no provision hereof shall be construed as benefiting any creditor of the Company or a Member, or other third-party.

13.13 Severability. If any provision of this Agreement is held to be illegal or unenforceable, the remaining provisions shall be enforced and applied as if the illegal or unenforceable provision was not a part of this Agreement.

13.14 Waivers. Neither the failure nor the delay on the part of the Company or any party hereto to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof. No waiver shall be effective unless it is in writing and is signed by the person asserted to have granted the waiver.

13.15 Further Assurances. Each Member shall execute and deliver any additional documents and instruments and perform any additional acts required or appropriate to effectuate the provisions of this Agreement and the transactions contemplated hereby.

[*Signature pages follow*.]

MANAGER'S SIGNATURE PAGE

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the day and year first written above.

MANAGER:

TSEP I NETWORK CROSSING RECAP, L.L.C.
(a Delaware limited liability company)

By: Harold K Prasatik
Name: HAROLD K PRASATIK
Title: AUTHORIZED SIGNATORY

CLASS A MEMBER'S SIGNATURE PAGE

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the day and year first written above.

CLASS A MEMBER:

PBC NETWORK CROSSING, LP
(a Delaware limited partnership)

By: PBC NETWORK CROSSING GP, LLC
(a Delaware limited liability company)
Its General Partner

By: _____
Timothy P. Berry, *Its Manager*

CLASS B MEMBER'S SIGNATURE PAGE

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the day and year first written above.

CLASS B MEMBER:

TSEP I Network Crossing Recap, L.L.C.
(a Delaware limited liability company)

By: Harold K Prasatik
Name: HAROLD K PRASATIK
Title: AUTHORIZED SIGNATORY

SCHEDULE "A"

INITIAL CAPITAL CONTRIBUTIONS AND SHARING RATIOS

Name & Address	Initial Capital Contribution	Sharing Ratio
CLASS A MEMBER:	$1,560,000.00	50.0%
PBC NETWORK CROSSING, LP (a Delaware limited partnership) 221 West Sixth Street, Suite 900 Austin, Texas 78701		
CLASS B MEMBER:	$1,560,000.00	50.0%
TSEP I NETWORK CROSSING RECAP, L.L.C. (a Delaware limited liability company) 901 South Mopac Building Four, Suite 250 Austin, Texas 78746 With a copy to: Transwestern 1900 West Loop South, Suite 1300 Houston, Texas 77027 Attention: Harold Prasatik		
TOTAL	$3,120,000.00	100.0%

EXHIBIT "A"

ALLOCATIONS OF PROFITS AND LOSSES AND OTHER TAX MATTERS

This Exhibit "A" (the "Exhibit") sets forth certain provisions addressing the allocation of Company profits and losses and other tax matters, as well as relevant definitions, for purposes of the Company Agreement of Network Crossing, LLC (the "Agreement").

ARTICLE ONE

DEFINITIONS

1.1 Certain Definitions. All capitalized terms used in this Exhibit shall have the meanings assigned to them in the Agreement or as follows:

"Adjusted Capital Account" means the balance in each Member's Capital Account as of the end of each Fiscal Year, after making the following adjustments: (i) increase the Capital Account by any amounts that a Member is unconditionally obligated to restore or is deemed obligated to restore pursuant to the penultimate sentences of Regulations §§ 1.704-2(g)(1) and 1.704-2(i)(5), and (ii) decrease the Capital Account by the amount of any items described in Regulations §§ 1.704-1(b)(2)(ii)(d)(4), (5) and (6). This foregoing is intended to comply with Regulations § 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"Capital Account" means the account established and maintained for each Member pursuant to Section 2.1 of this Exhibit.

"Company Minimum Gain" has the meaning set forth in Section 1.704-2(d) of the Regulations.

"Depreciation" means, for any asset for any Fiscal Year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable for federal income tax purposes with respect to an asset for a Fiscal Year, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Fiscal Year. In such case, Depreciation shall be an amount that bears the same ratio to the Gross Asset Value of that asset at the beginning of such Fiscal Year as the federal income tax depreciation, amortization, or other cost recovery deduction allowable for that asset for such year bears to the adjusted tax basis of that asset at the beginning of such year. If the federal income tax depreciation, amortization, or other cost recovery deduction allowable for any asset for such year is zero, then Depreciation for that asset shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Manager

"Gross Asset Value" means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as set forth below:

(a) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of the asset on the date of determination, as determined by the contributing Member and the Company.

(b) The Gross Asset Values of all Company assets shall be adjusted to equal their gross fair market values, as determined by the Manager, as of the following times: (i) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a *de minimis* contribution of money or other property or services to the capital of the Company; (ii) the distribution by the Company to a retiring or continuing Member of more than a *de minimis* amount of property as consideration for an interest in the Company; and (iii) the liquidation of the Company within the meaning of Section 1.704-1(b)(2)(ii)(g) of the Regulations; provided, however, that adjustments pursuant to clauses (i) and (ii) above shall be made only if the Manager reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company.

(c) The Gross Asset Value of any Company asset distributed to any Member shall be the gross fair market value of such asset on the date of distribution.

(d) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustment to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b) of the Code, but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Section 1.704-1(b)(2)(iv)(m) of the Regulations and Section 3.2(g) of this Exhibit; provided, however, that Gross Asset Values shall not be adjusted pursuant to this subparagraph (d) to the extent the Manager determines that an adjustment pursuant to subparagraph (b) above is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (d).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to clauses (a), (b) or (d) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

"Member Minimum Gain" means partnership minimum gain attributable to partner nonrecourse debt as determined under the rules of Section 1.704-2(i) of the Regulations.

"Member Nonrecourse Deductions" has the meaning set forth in Section 1.704-2(i)(2) of the Regulations.

"Nonrecourse Deductions" has the meaning set forth in Sections 1.704-2(b)(1) and 1.704-2(c) of the Regulations.

"Partially Adjusted Capital Account" shall mean with respect to any Member and any Fiscal Year, the Capital Account of such Member at the beginning of such Fiscal Year, adjusted as set forth in the definition of Capital Account for all contributions and distributions with respect to such Member during such year, plus such Member's share of Company Minimum Gain and plus such Member's share of Member Minimum Gain, and adjusted for all special allocations pursuant to Section 3.2, without giving effect to any allocations of Profits and Losses for such Fiscal Year pursuant to Section 3.1, all computed immediately prior to the hypothetical sale described in the definition for Target Capital Account.

"Profits" and "Losses" mean, for each Fiscal Year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with Section 703(a) of the Code (for this purpose, all items of income, gain, loss, or deduction

required to be stated separately pursuant to Section 703(a)(1) of the Code shall be included in taxable income or loss), but with the following adjustments for such Fiscal Year or other period:

(a) Any income of the Company that is exempt from federal income tax as described in Code Section 705(a)(1)(B) and not otherwise taken into account in computing Profits and Losses pursuant to this definition of "Profits" and "Losses" shall be added to such taxable income or loss.

(b) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Profits and Losses pursuant to this definition of "Profits" and "Losses" shall be subtracted from such taxable income or loss.

(c) If the Gross Asset Value of any Company asset is adjusted pursuant to this Exhibit, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits or Losses.

(d) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of the property differs from the Gross Asset Value of the property.

(e) In lieu of the deduction for depreciation, cost recovery, or amortization taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Fiscal Year or other period.

(f) Notwithstanding any other provision of this Exhibit, any items that are specially allocated pursuant to Section 3.2 of this Exhibit shall not be taken into account as taxable income or loss for purposes of computing Profits and Losses.

"Target Capital Account" means, with respect to any Member and for any Fiscal Year an amount (which may be either a positive or negative balance) equal to the hypothetical distributions such Member would receive as described in the next sentence. The hypothetical distribution to a Member is equal to the amount that would be received by such Member if all of the assets of the Company were sold for cash equal to their Gross Asset Value and all liabilities of the Company were satisfied to the extent required by their terms (limited, with respect to the nonrecourse liabilities of the Company, to the Gross Asset Value of the assets securing each such liabilities) and the remaining assets were distributed in full to the Members pursuant to Section 5.1 or Section 5.5 of the Agreement, all as of the last day of such Fiscal Year.

ARTICLE TWO

CAPITAL ACCOUNTS

2.1 Capital Accounts. The Company shall establish and maintain a separate Capital Account for each Member. Each Capital Account shall be maintained in accordance with the following provisions:

(a) Each Member's Capital Account shall be increased by (i) the Gross Asset Value of property contributed by such Member to Company (net of liabilities secured by the contributed property that the Company is considered to assume or take subject to under Section 752 of the Code), (ii) such Member's distributive share of Profits and (iii) any items of income or gain that are specially allocated to such Member.

(b) Each Member's Capital Account shall be decreased by (i) the amount of cash and the Gross Asset Value of any other property distributed to such Member pursuant to any provision of the Agreement or this Exhibit (net of liabilities secured by the distributed property that the Member is considered to assume or take subject to under Section 752 of the Code), (ii) such Member's distributive share of Net Loss and (iii) items of loss and deduction that are specially allocated to such Member.

(c) Each Member shall have a single Capital Account that reflects all of its Interests in the Company, regardless of the class of Interest owned by such Member and regardless of the time or manner in which such Interests were acquired.

(d) If all or a portion of an Interest in the Company is Transferred in accordance with the terms of the Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent the Capital Account relates to the transferred interest.

The foregoing provisions and the other provisions of the Agreement and this Exhibit relating to the maintenance of Capital Accounts are intended to comply with Section 1.704-1(b)(2)(iv) of the Regulations and shall be interpreted and applied in a manner consistent with such Regulations.

ARTICLE THREE

ALLOCATIONS

3.1 Allocations of Profit and Loss.

(a) Profits. After first giving effect to the special allocations set forth in Section 3.1(c) and Section 3.2 of this Exhibit, Profits for any Fiscal Year shall be allocated among the Members so as to reduce, proportionately, the differences between their respective Target Capital Accounts and Partially Adjusted Capital Accounts for such Fiscal Year. No portion of the Profits for any Fiscal Year shall be allocated to a Member whose Partially Adjusted Capital Account is greater than or equal to its Target Capital Account for such Fiscal Year.

(b) Losses. After giving effect to the special allocations set forth in Section 3.2 of this Exhibit, and subject to the limitation in Section 3.1(c), Losses for any Fiscal Year shall be allocated among the Members so as to reduce, proportionately, the differences between their respective Partially Adjusted Capital Accounts and Target Capital Accounts for such Fiscal Year. No portion of the Losses shall be allocated to a Member whose Target Capital Account is greater than or equal to its Partially Adjusted Capital Account for such Fiscal Year.

(c) The Losses allocated to a Member pursuant to Section 3.1(b) hereof shall not exceed the maximum amount of Losses that can be so allocated without causing any Member to have a deficit balance in its Adjusted Capital Account at the end of any taxable year. In the event one or more Members would have deficit balance in its Adjusted Capital Account as a consequence of an allocation of Losses pursuant to Section 3.1(b) hereof, the Losses shall be reallocated among the other Members having a positive balance in their Adjusted Capital Accounts so as to allocate the maximum permissible Losses to each Member under Regulations Section 1.704-1(b)(2)(ii)(d). All Losses in excess of the Adjusted Capital Accounts for all Members shall be allocated among the Members in accordance with their Sharing Ratios. Items of Company income and gain shall be specially allocated to the Members in an amount equal to, and in the same proportion and order as, the Losses that were allocated to such Members under this Section 3.1(c) in prior tax years.

3.2 Special Allocations. For each Fiscal Year, the following special allocations shall be made in the following order and priority:

(a) Minimum Gain Chargeback. If there is a net decrease in Company Minimum Gain during the Fiscal Year, then, to the extent required by the Regulations, items of income and gain (determined in accordance with the provisions of Section 1.704-2(f)(6) of the Regulations) shall be specially allocated to the Members in an amount equal to each Member's share of the net decrease in Company Minimum Gain (determined in accordance with the provisions of Section 1.704-2(g) of the Regulations). This Section 3.2(a) of this Exhibit shall be interpreted consistently with, and subject to the exceptions contained in Section 1.704-2(f) of the Regulations.

(b) Member Minimum Gain Chargeback. If there is a net decrease in Member Minimum Gain during any Company taxable year, items of income and gain shall be specially allocated to those Members who had a share of the Member Minimum Gain (determined pursuant to Section 1.704-2(i)(5) of the Regulations) in the amounts and manner described in Section 1.704-2(i)(4) of the Regulations. This Section 3.2(b) of this Exhibit is intended to comply with the minimum gain chargeback requirement set forth in Section 1.704-2(i)(4) of the Regulations relating to partner nonrecourse debt (as defined in Section 1.704-2(b)(4) of the Regulations) and shall be interpreted consistently therewith.

(c) Qualified Income Offset. If a Member unexpectedly receives any adjustment, allocation or distribution described in Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) or 1.704-1(b)(2)(ii)(d)(6) of the Regulations, items of Company income and gain shall be specially allocated to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the deficit balance in each such Member's Adjusted Capital Account as quickly as possible; provided, that an allocation pursuant to this Section 3.2(c)

of this Exhibit shall be made only if and to the extent that such Member would have a deficit balance in its Adjusted Capital Account after all other allocations provided for in this Article 3.2(c) of this Exhibit have been tentatively made as if this Section 3.2(c) were not in the Exhibit.

(d) Gross Income Allocation. If any Member has a deficit Capital Account at the end of any Fiscal Year, and such deficit Capital Account is in excess of the sum of (A) the amount such Member is obligated to restore pursuant to any provisions of this Exhibit or the Agreement and (B) the amount such Member is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Section 1.704-2(g)(l) and 1.704-2(i)(5), each such Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 3.2(d) shall be made only if and to the extent that such Member would have a deficit Capital Account in excess of such sum after all other allocations provided for in Sections 3.1 and 3.2 have been made as if Section 3.2(c) above and this Section 3.2(d) were not in the Exhibit.

(e) Nonrecourse Deductions. Nonrecourse Deductions for any Fiscal Year shall be specially allocated by the Manager to the Members in accordance with their Sharing Ratios.

(f) Member Nonrecourse Deductions. Any Member Nonrecourse Deductions for a Fiscal Year shall be specially allocated to the Members who bear the economic risk of loss for the liability to which such deductions are attributable in accordance with Section 1.704-2(i)(1) of the Regulations.

(g) Basis Adjustments. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Sections 734(b) or 743(b) is required, pursuant to Section 1.704-1(b)(2)(iv)(m) of the Regulations, to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis), and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Regulations.

(h) The allocations set forth in Sections 3.2(a) through (g) hereof (the "Regulatory Allocations") are intended to comply with certain requirements of Section 1.704-1(b) of the Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss or deduction pursuant to this section. Accordingly, the Manager is hereby authorized and directed to make such offsetting allocations of Company income, gain, loss or deduction in any manner that the Manager deems appropriate so that, after such offsetting allocations are made, each Member's Capital Account balance will be, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not a part of this Exhibit and all Company items had been allocated to the Members solely pursuant to Section 3.1 hereof.

3.3 Allocations for Federal Income Tax Purposes.

(a) Except as otherwise provided under the Code or the Treasury Regulations, or by this Section 3.3, for federal income tax purposes, every item of income, gain, loss, and deduction shall be allocated among the Members in the same manner as each correlative item of income, gain, loss and deduction was allocated among the Members for book purposes.

(b) Section 704(c). In accordance with Section 704(c) of the Code and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and the initial Gross Asset Value of such property. If the Gross Asset Value of any Company asset is adjusted pursuant to subparagraph (ii) of the definition of Gross Asset Value set forth in this Exhibit, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and the Gross Asset Value of such asset in the same manner as such variations are taken into account under Section 704(c) of the Code and the Regulations thereunder with respect to property contributed to the Company. Any elections or other decisions relating to such allocation shall be made by the Manager in any manner that reasonably reflects the purpose and intention of the Agreement and this Exhibit. Allocations pursuant to this Section 3.3 of this Exhibit are solely for purposes of federal, state, and local taxes and shall not affect or be taken into account in computing any Member's Capital Account or share of Profits, Losses, other items, or distributions pursuant to the Agreement or this Exhibit.

3.4 Other Allocations.

(a) For purposes of determining the Profits, Losses, or any other item allocable to any period (including periods before and after the admission of a new Member), Profits, Losses, and any such other item shall be determined on a daily, monthly, or other basis, as determined and allocated by the Manager using any permissible method under Section 706 of the Code and the Regulations thereunder.

(b) The Members agree that their Sharing Ratios represent their interests in Company profits for purposes of allocating excess nonrecourse liabilities pursuant to Section 1.752-3(a)(3) of the Regulations.

ARTICLE FOUR

OTHER TAX MATTERS

4.1 Tax Elections. The Manager, in its reasonable discretion, is authorized to make any and all elections for federal, state or local tax purposes including, without limitation, the election to adjust the basis of Company property pursuant to Sections 754, 734(b) and 743(b) of the Code (or comparable provisions of state or local law) in connection with transfers of interests in the Company and distributions by Company.

4.2 Tax Matters Partner. The Manager is designated the "Tax Matters Partner" for purposes of Section 6231(a)(7) of the Code and for any similar capacity under state or local law. In its capacity as the Tax Matters Partner, the Manager is authorized: (i) to the extent provided in Sections 6221 through 6231 of the Code, to represent the Company and the Members, at the Company's expense, before tax authorities and courts of competent jurisdiction in tax matters affecting the Company and the Members in their capacity as partners; (ii) to file tax returns and execute any agreements or other documents relating to or affecting such tax matters, including agreements or other documents that bind the Manager and the Members with respect to such tax matters or otherwise affect the rights of the Company and the Members; and (iii) to extend the statute of limitations for the assessment of tax deficiencies against the Members with respect to adjustments to the Company's federal, state or local tax returns.

4.3 Tax Returns. The Manager shall arrange for the preparation and timely filing of all returns of Company income, gain, loss, deduction, credit, and other items necessary for federal, state, and local income tax purposes and shall use all reasonable efforts to furnish to the Members the tax information reasonably required for federal and state income tax reporting purposes as soon as practicable after the end of each Fiscal Year (but not later than six months after the end of such Fiscal Year).

4.4 Partnership Classification. No election shall be made by the Company or any Member for the Company to be excluded from the application of any of the provisions of Subchapter K, Chapter 1 of Subtitle A of the Code or from any similar provisions of any state tax laws. The Members agree that the Company shall be treated as a partnership for federal tax purposes and no Member shall elect or cause the Company to elect to have the Company treated, for federal tax purposes, as an entity other than a partnership. The Company shall not make an election to treat either of the Prue Road Entities as an association taxable as a corporation for federal tax purposes and both of the Prue Road Entities shall be treated as disregarded entities for federal tax purposes.

EXHIBIT "B"

APPROVED BUDGET

[*See attached*.]

Network Crossing single-story office park
Pennybacker Working Model w SWBC
Pro Forma Development Cost

143,831 NRA

	Total
Outstanding loan balance after paydown	$8,340,896
TriSail loan acquisition	750,000
Wells Fargo Loan Paydown	1,340,132
Tenant Improvements (Wells Fargo & Equity)	2,623,767
Tenant Improvements (paid out of cashflow)	598,702
Taxes, penalties, interest payable and restructure costs	249,009
Legal and administrative	85,000
Leasing Commissions	500,569
Property tax deficits through stabilization	613,619
Contingency	47,379
Financing Fees (Debt and Equity)	75,000
	$15,224,073

Date Prepared: 1/12/11

EXHIBIT "C"

PROPERTY MANAGEMENT AGREEMENT

[*See attached*.]

MANAGEMENT AND LEASING AGREEMENT

BY AND BETWEEN

TDC PRUE ROAD MEZZ, L.P., AS OWNER

AND

TRANSESTERN PROPERTY COMPANY SW GP, LLC D/B/A TRANSWESTERN COMMERCIAL SERVICES, AS MANAGER

EFFECTIVE DATE: JULY 1, 2008

MANAGEMENT AND LEASING AGREEMENT

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MANAGEMENT AND LEASING AGREEMENT

THIS AGREEMENT (this "Agreement") is made and entered into effective as of the 1st day of July 2008 (the "Effective Date"), by and between TDC Prue Road Mezz, L.P. ("Owner") and Transwestern Property Company SW GP, LLC d/b/a Transwestern Commercial Services ("Manager").

RECITALS

Owner is the owner of that certain property, or those certain properties, located in San Antonio, Texas, currently known as Network Crossing and as further described in the attached Exhibit "A" (the "Property", whether one or more).

Owner and Manager have agreed that Owner will engage Manager as an independent contractor for the management and leasing of the Property, and this Agreement is entered into to set forth the terms on which Manager will perform these services for the Property for Owner.

NOW THEREFORE, incorporating the Recitals as set forth above and in consideration of the mutual covenants herein contained, Owner and Manager hereby agree as follows:

I. AGREEMENT TO MANAGE, AUTHORITY AND TERM

1.1 Agreement to Manage. Owner hereby employs, appoints and contracts with Manager for the sole and exclusive management and leasing of the Property upon the terms hereinafter set forth. Manager hereby accepts the management and leasing of the Property on the terms herein provided and agrees to furnish the services of its organization for the management and leasing of the Property.

1.2 Authority of Manager. Manager is hereby vested with such power and authority as is reasonably necessary to carry out all of the terms of this Agreement. Except as expressly provided in this Agreement, however, Manager shall have no right to incur any liability on behalf of Owner or to bind Owner by any contract or obligation without Owner's approval.

1.3 Term. This Agreement shall commence on the Effective Date and unless sooner terminated pursuant to the provisions of Article V hereof, shall continue for one (1) year (the "Term"). This Agreement shall be automatically renewed for consecutive periods of one (1) year (the "Renewal Terms") unless either party notifies the other in writing at least thirty (30) days prior to the expiration of the Term or any Renewal Term, that it declines to so renew.

II. DUTIES OF MANAGER

Manager shall manage, lease, market, maintain and operate the Property as an independent contractor of Owner (not as an employee, partner or joint venturer of Owner) in accordance with sound property management practice. Manager shall exercise prudence and diligence in performing its duties and shall diligently endeavor to protect the rights and interests of Owner while performing the functions of Manager. The duties of Manager shall include the following:

2.1 Management. Manager shall continually manage the Property and shall perform all acts that are customary for the management of properties of like size, type and character or as may be required for the efficient operation of the Property. Manager shall be responsible for all dealings with tenants of the Property, including the handling of complaints; however, Manager may not terminate any Lease, lock out a tenant, institute suit for the collection of rent or the dispossession of tenants, or take possession of the leased premises without the prior written approval of Owner.

2.2 Leasing.

(a) Manager shall use reasonable efforts to enter into leases and rental agreements (collectively "Leases") at the rental rates specified in rental schedules from time-to-time submitted by Manager and approved by Owner. Manager shall have the authority to negotiate and renew existing Leases on Owner's behalf, utilizing the standard lease form approved by Owner from time-to-time ("Standard Lease Form"); however, Manager shall not hold itself out as having authority to execute or approve any such Lease. All Leases or renewals of existing Leases shall be executed by Owner.

(b) In connection with its leasing efforts, Manager may advertise the Property for lease at Owner's sole cost and expense, subject to Owner's approval of a general marketing program. Manager shall not engage any outside leasing agents or pay or incur any lease or brokerage commissions in connection with the leasing of the Property, without the approval of Owner.

(c) Manager shall not, without the prior written approval of Owner, give free rental or discounts or rental concessions to anyone, including any employees, officers or shareholders of Manager or anyone related to such employees, officers or shareholders. In no event shall Manager enter into any Lease renewal or extension or other agreement where the rental or other sums payable to Owner are predicated, in whole or in part, directly or indirectly, on the net income or profit of any person. Manager shall not lease any space in the Property to itself or to any of its affiliates or subsidiaries without Owner's prior written approval.

(d) To the extent possible, and at Owner's expense, Manager shall investigate all prospective tenants. At Owner's request, Manager shall prepare all Lease documentation and proposals in Owner's approved formats and parameters, and Manager shall promptly submit all Leases to prospects for signature and to Owner for approval and execution. Owner shall endeavor to approve and properly execute Leases on a timely basis.

2.3 Services to Tenants. Manager shall provide or arrange for the provision to the tenants of the Property only those services stipulated in Leases in existence as of the date of this Agreement and those called for in the Standard Lease Form. Manager shall maintain and operate all facilities through which services are furnished to tenants. Manager shall collect from tenants any charges for special services or for above standard use of services by any tenant, as provided for in such tenant's Lease.

2.4 Contracts. Manager shall contract for all labor, materials and services required for the management, operation and upkeep of the Property in the name of the Property and Owner, provided that Manager shall not enter into any contract with a term of more than twelve (12) months without the prior approval of Owner. If Manager obtains any volume discounts on behalf of Owner because of its purchasing power, Manager shall pass the benefit of such discounts to Owner. Any proposed contracts with officers, employees, shareholders or affiliates of Manager or anyone related to such employees, officers or affiliates shall be disclosed to Owner and shall be at prevailing market

rates.

2.5 Maintenance and Repairs. Manager shall ensure that the physical facilities on the Property, including the buildings, parking areas, personal property and grounds are at all times well maintained and kept in good order and repair, and in a proper state of cleanliness, at the Owner's expense. Manager shall make or contract for all repairs, alterations, decorations or replacements which are reasonably required to preserve and maintain the Property. Manager shall keep Owner advised of the necessity for capital expenditures.

2.6 Employment and Supervision of Personnel.

(a) Manager shall employ and supervise all property management and leasing personnel required for the effective management and leasing of the Property. Manager shall, in the hiring of such employees, use reasonable care to select qualified, competent and trustworthy employees. Manager is an equal opportunity, nondiscriminatory employer. All such employees shall be employees of Manager, shall be on Manager's payroll, shall be under the control of Manager and shall not be employees of Owner. However, Manager shall replace any full-time, on-site employees, or any leasing agents assigned to the Property, who are (i) disapproved by Owner, (ii) transferred to another property location for any reason, or (iii) terminated for any reason. Owner shall reimburse to Manager all expenses relative to any such employees, including those expenses representing accrued vacation, wages in lieu of notice and severance pay. With respect to accrued vacation expense, Owner shall reimburse Manager only for the excess, if any, of the amount of accrued vacation expense at the time of an employee's disapproval, transfer, or termination over the amount of the accrued vacation expense assumed by the Owner when the employee's employment at the Property began.

(b) Manager shall make all necessary payroll deductions for unemployment insurance, social security, withholding taxes and other applicable taxes or employee fringe benefits and shall prepare, maintain and file all necessary reports with respect to such taxes or deductions and all other necessary statements and reports pertaining to Manager's employees.

2.7 Annual Budgets.

(a) Within ninety (90) days following the date hereof, and thereafter within sixty (60) days prior to the commencement of each fiscal year, Manager shall prepare and submit to Owner for approval:

(1) A proposed annual operating budget and projection of monthly receipts and disbursements for the Property for the forthcoming fiscal year in such format as is approved by Owner.

(2) A proposed annual budget and projection of capital or extraordinary expenditures for the forthcoming fiscal year in such format as is approved by Owner. Owner will consider the proposed budgets and will consult with Manager in the ensuing period prior to the commencement of the forthcoming fiscal year in order to mutually agree on an operating budget (the "Approved Operating Budget") and on a capital budget (the "Approved Capital Budget"). In the event that as of the commencement of any fiscal year Owner has failed to approve an Approved Operating Budget for such fiscal year, Manager is authorized to maintain and operate the Property under the parameters set forth in the Approved Operating Budget for the previous fiscal year.

(b) Manager agrees to use diligence and to employ all reasonable efforts to ensure that the actual costs of maintaining and operating the Property shall not exceed the Approved Operating Budget or the Approved Capital Budget.

(c) During each fiscal year, Manager agrees to inform Owner of any major increases in costs and expenses that were not foreseen during the budget preparation, and thus were not reflected in either the Approved Operating Budget or the Approved Capital Budget.

2.8 Collections. Manager shall collect all rents, deposits, fees and other sums payable with respect to the Property and all sums so collected shall be promptly deposited by Manager in the account named in section 2.9(a) herein.

2.9 Disbursements.

(a) Bank Accounts. One account shall be maintained for operating expenses and for rental income (the "Operating Account"). Authorized employees of both Owner and Manager shall be designated as signatories on this account. The account shall be maintained at Chase Bank and the first line of said account shall be titled with the I.R.S. registered name for the tax identification number on the account, and further titled with TDC Prue Road Mezz, L.P., Transwestern Property Company SW GP, LLP Agent for TDC Prue Road Mezz, L.P. on subsequent lines as is appropriate, and shall be for the benefit of the Owner. Manager will not commingle these funds with any other funds. A minimum account balance in the amount of $10,000 shall be maintained in the Operating Account. This minimum account balance may be changed from time to time, upon written notice from Owner to Manager. All costs associated with maintaining an Owner's bank account(s) including, but not limited to, maintenance fees, account analysis fees, lockbox services fees and costs, positive pay charges, REALM collect charges, REALM pay charges, and wire transfer fees, shall be borne by the Owner. Should Owner not avail itself of positive pay services, then Owner will defend, indemnify and hold Manager harmless from all fines, suits, losses, liabilities, proceedings, claims, costs (including attorney's fees and court costs), demands, actions, or causes of action, of any kind and of whatsoever nature, whether in contract or tort, without regard to the cause or causes thereof arising from, growing out of, or in any way related to Owner's failure to use positive pay services.

(b) Operating Funds. Manager will make a careful analysis of all invoices received for services, work and supplies ordered in connection with the managing, maintaining, operating, and leasing of the Property. Following such analysis, Manager shall, from the funds

available in the Operating Account, pay the Management Fee (as hereafter defined in Exhibit "C") in accordance with Section 4.1 hereof, the salaries, wages, payroll taxes, Worker's Compensation insurance, employee fringe benefits and other compensation for on-site personnel and all such bills as and when the same shall become due and payable within the time required to obtain discounts, if any. The funds for operating expenses, construction expenses, personal property taxes, debt service or insurance premiums shall be disbursed from the Operating Account in accordance with the Approved Operating Budget and the Approved Capital Budget. Requests for operating funds shall be made by Manager using a format mutually agreed upon by both parties. The request for operating funds must be approved in writing by Owner. Requests for funds will be transmitted on a monthly basis for the previous months' invoices. In the event sufficient funds are not available in the Operating Account, Owner, upon request of Manager, shall promptly provide to Manager an amount sufficient to fully pay outstanding invoices/bills for the Property as set forth in the Approved Operating Budget and the Approved Capital Budget. Under no circumstances shall Manager be required to advance its own funds for the benefit of Owner or of the Property.

(c) Capital or Extraordinary Expenditures. All capital or extraordinary expenditures shall be approved in writing by Owner. Funds for payment of capital or extraordinary expenditures, if and when required, shall be requested by Manager concurrently with a request for operating funds. Disbursements will be made by Manager, who will account for capital expenditures separately from operating expenses.

(d) Handling of Funds. Operating funds and funds for capital or extraordinary expenditures shall be the exclusive property of Owner and shall not be commingled with funds of the Manager. Manager shall be entitled to draw against the Operating Account upon the signature of a duly authorized employee of Manager. Manager shall ensure such control over accounting and financial transactions as is reasonably necessary to protect Owner's assets from theft or fraudulent activity.

(e) Emergency Expenditures. In no event shall Manager make or incur any expenditures in excess of the amounts provided in the Approved Operating Budget, the Approved Capital Budget or otherwise approved by Owner in writing, unless the same are immediately required by law or made under circumstances which Manager deems an emergency, in which event Manager shall immediately notify Owner of the expenditure and the reasons therefore, and Owner shall immediately fund such expenditures. Under no circumstances shall Manager be obligated to pay any such costs from its personal accounts.

2.10 Reports.

(a) Monthly Report. Each month, Owner shall receive the monthly operating statement of income and expenses and budget variance report, which shall be prepared using the modified cash or accrual method of accounting. Manager's monthly report shall include a narrative which shall include comments regarding significant events which occurred during the prior month and an explanation of all variances.

(b) Other Reports. Manager shall also submit to Owner the following monthly statements and reports with respect to the Property and such other reports reasonably requested by Owner:

(1) A balance sheet;
(2) A current rent roll;
(3) A tenant receivable report;
(4) A reconciliation of all bank accounts; and
(5) A detailed general ledger.

These reports shall be submitted by Manager to Owner by the fifteenth (15th) day of the following month. Along with such reports, Manager shall remit to Owner the excess, if any, over any agreed minimum balance to be maintained in the Operating Account.

(c) Tax Reports and Special Reports. Manager shall not be responsible for any federal income tax reporting for the Property. Manager shall prepare and submit any additional or special reports required by Owner, provided that Owner shall bear the cost of preparation of any such reports.

2.11 Audit and Inspection Rights. Owner shall have access to Manager's books and records relating to the Property and shall have the right to audit such books and records, with reasonable notice to Manager, during the period of this Agreement; provided, however, that any such audit (i)

shall be conducted only during Manager's normal business hours, (ii) shall be conducted in accordance with Generally Accepted Auditing Standards, as promulgated by the American Institute of Certified Public Accountants, and (iii) shall be related only to those activities performed by Manager for Owner. The cost of any such audit shall be bome by Owner.

2.12 Operating Expense Audits. The cost of any audit for operating expenses as provided in any Lease with tenants shall be a direct expense of the Owner unless the Lease provides that such audit is to be paid for by the tenant.

2.13 Compliance with Laws.

(a) Manager shall not in the performance of its services hereunder knowingly violate any federal, state, municipal or other governmental law, ordinance, rule or regulation.

(b) Manager shall notify Owner, as soon as practicable after Manager's receipt of notice, of any known violation of any federal, state, municipal or other governmental law, ordinance, rule or regulation due to the structure or condition of the Property or the use made thereof by any tenant or occupant.

(c) Manager shall not, in the performance of its services hereunder, knowingly violate, and shall comply in all material respects with, the terms of any ground lease, space lease, mortgage, deed of trust or other security instrument binding on or affecting any of the Property, provided that true and complete copies of such documents have been delivered to Manager or Owner has otherwise disclosed such terms to Manager in writing. In the event of a conflict between the terms of any such document and the terms of this Agreement, Manager shall not take any action except to notify Owner and await Owner's written instructions. Manager shall not be required to make any payment or incur any liability in order to comply with any such terms or conditions of any such instruments.

2.14 Notification of Litigation. If Manager shall be apprised of any claim, demand, suit or other legal proceeding made or instituted against Owner on account of any matter connected with the Property, Manager shall notify Owner as soon as practicable following Manager's receipt of notice thereof. Manager shall assist and cooperate with Owner in all reasonable respects in the defense of any such suit or other legal proceeding.

III. COSTS AND EXPENSES

3.1 Owner's Expenses.

(a) Personnel Expenses. Except for the expenses of Manager to be paid by Manager pursuant to Section 3.2 and Section 6.2 below, Owner shall pay all expenses of Manager in performing its duties hereunder, including, but not limited to, wages, salaries, payroll taxes, Worker's Compensation insurance, employee fringe benefits and other compensation paid by Manager to personnel involved with the management or leasing of the Property. In addition, Owner shall pay Manager's reasonable expenses and charges associated with accessing, securing, supporting, and maintaining the computer equipment, applications and systems used in connection with all services provided pursuant to this Agreement, including, but not limited to, charges associated with access to the Internet and internet based applications. All of the foregoing expenses shall be paid by the Owner to the extent the same are included in the Approved Operating Budget or are otherwise permitted under the provisions of Section 2.9 hereof. Should Manager be required to prepare and

file 1099 Forms with the Internal Revenue Service for reporting payments to contractors and subcontractors employed on the property, then the Manager shall be reimbursed for all such filing and accounting costs by the Owner. For purposes of this section, the phrase "employee fringe benefits" means all reasonable and normal benefits commonly provided to Manager's employees including, but not limited to, medical insurance premiums and contributions to Manager's 401(k) plan.

3.2 Manager's Expenses. Manager shall be responsible for, and Owner shall not pay or be charged for:

(a) Manager's home office general and administrative expenses, including the salaries and compensation of supervisory personnel and any home office routine costs. Notwithstanding the foregoing, Owner shall reimburse Manager for reasonable payroll administrative and processing fees, and human resource fees.

(b) The cost of Worker's Compensation insurance and employer's liability insurance as described in Section 6.2(b) below for Manager's home office employees.

IV. COMPENSATION OF MANAGER

4.1 Management Fee. As compensation for its services hereunder, Owner shall pay to Manager a monthly management fee (the "Management Fee") equal to the greater of (a) threepercent (3%) of the Effective Gross Revenues or (b) $2,500 For purposes of calculating the Management Fee, Effective Gross Revenues shall mean all revenues actually collected and deposited in the Operating Account each month, including operating cost reimbursements, charges for services and any other income, but shall not include security deposits (unless applied to rent) and insurance claims proceeds (unless said insurance proceeds represent lost gross revenues) plus all free revenues allowed to tenants as an inducement to lease space at the Property. Any partial month shall be prorated based on a 365 day year.

4.2 Construction Administration. Owner hereby appoints Manager as construction supervisor with respect to any tenant improvements, capital improvements or other construction projects for refurbishing the Property. Owner agrees to pay Manager a fee in an amount equal to:

$0 - $25,000	0%
$25,001 - $100,000	4%
Greater Than $100,000	3%

of the total cost of construction as agreed on by Owner and Manager.

4.3 Leasing Commissions. If Manager procures a new Lease or an extension, renewal or expansion of an existing Lease for space in the Property during the term of this Agreement, Owner shall pay to Manager a commission in accordance with the terms set forth in Exhibit "B" attached hereto and made a part hereof for all purposes.

4.4 Leasing Salary Reimbursement. Intentionally Omitted

V. TERMINATION

5.1 Termination by Owner for Cause. This Agreement shall be immediately terminable by Owner without notice:

(a) Upon the occurrence of any of the following: (i) Manager ceases doing business as a going concern, (ii) the termination or suspension of Manager's real estate brokerage license, (iii) Manager makes an assignment for the benefit of creditors, (iv) Manager admits in writing its inability to pay its debts as they become due, (v) Manager is the subject of a voluntary or involuntary petition in bankruptcy, (vi) Manager is adjudicated as bankrupt or insolvent, (vii) Manager files or has filed against it any petition seeking for itself any reorganization, arrangement, composition, readjustment, liquidation or dissolution under any present or future state or federal bankruptcy or insolvency law, or a receiver or liquidator is appointed for all or a substantial part of Manager's assets or properties;

(b) Upon the failure by Manager to perform any of the Manager's covenants, obligations or duties contained in this Agreement, and the continuation of any such failure to perform after thirty (30) days' written notice thereof from Owner; provided, however, that if any such failure to perform is cured by Manager within said thirty (30) day period, such failure to perform shall no longer constitute cause for termination by Owner.

5.2 Termination by Manager for Cause. This Agreement may be immediately terminated by Manager upon the breach by Owner of any of its obligations hereunder and Owner's failure to cure such breach after thirty (30) days' written notice thereof from Manager.

5.3 Termination Without Cause.

(a) This Agreement may be terminated by Owner without cause by giving at least sixty (60) days' prior written notice to Manager; provided, however, that in the event of any such termination by Owner without cause, (i) Owner shall reimburse Manager for the cost of employee termination, or employee transfer to other property locations, of Manger's personnel necessitated by such termination of the Agreement, including the cost of accrued vacation, wages in lieu of notice and/or severance pay, payroll taxes and Worker's Compensation insurance; and (ii) if such termination of the Agreement occurs during the initial Term of the Agreement, Owner shall pay Manager a cancellation fee equal to the two (2) prior months Management Fee. With respect to accrued vacation expense, Owner shall reimburse Manager only for the excess, if any, of the amount of the accrued vacation expense assumed by the Owner when the employee's employment at the Property began.

(b) This Agreement may be terminated by Manager without cause by giving at least thirty (30) days' prior written notice to Owner.

5.4 Rights and Obligations Upon Termination.

(a) Upon the expiration of or the effective date of termination of this Agreement, Manager shall deliver to Owner the originals of all books and records (including invoices) in Manager's possession with respect to the Property relating to the period this Agreement is in effect, together with all permits, plans, Leases, licenses, contracts, other documents pertaining to the Property or to any items paid for by the Owner for its operation of the Property, any insurance policies, bills of sale

or other documents evidencing title or rights of Owner, and any and all other records or documents pertaining to the Property, whether or not enumerated herein, which are necessary or desirable for the ownership and operation of the Property. Manager further agrees to do all other things reasonably necessary to cause an orderly transition of the management of the Property without detriment to the rights of Owner or to the continued management of the Property. Owner will promptly reimburse Manager for any out-of-pocket costs incurred by Manager in delivering the aforementioned documents.

(b) Within thirty (30) days after the expiration or effective date of termination of this Agreement, Manager shall render a full accounting to Owner which shall include all accrued expenses, including pro-rata vacation expenses accrued by Manager's onsite employees allocable to the Property during the manager's tenure. Such accounting shall cause all funds held by Manager relating to the Property to be delivered to Owner.

(c) Within fifteen (15) days of the expiration of, or the effective date of termination of, this Agreement, Manager will provide the Owner with a list of "Registered Leasing Prospects". Registered Leasing Prospects shall be defined as any outside party and/or any outside broker that the Manager has entered into negotiations for, as applicable (i) a new lease or (ii) a renewal or expansion of an existing lease, notwithstanding whether or not such negotiations have been finalized prior to such termination. If the Owner executes a lease to any of the Registered Prospects within 180 days of cancellation or termination of this Agreement, then Manager shall be paid any applicable leasing commission pursuant to and in accordance with Section 4.3 hereof.

(d) Within fifteen (15) days of the expiration of, or the effective date of termination of, this Agreement, Manager will provide the Owner with a list of "Registered Purchase Prospects". Registered Purchase Prospects shall be defined as any outside party and/or any outside broker that the Manager has entered into negotiations to purchase the Property, notwithstanding whether or not such negotiations have been finalized prior to such termination. If the Owner sells the Property to any of the Registered Purchase Prospects within 180 days of cancellation or termination of this Agreement, then Manager shall be paid any applicable sales commission pursuant to and in accordance with Section 4.5 hereof.

(e) Upon termination of this Agreement, Owner agrees not to hire any of Manager's employees without prior notice thereof to Manager.

VI. INSURANCE AND INDEMNIFICATION

6.1 Owner's Insurance. Owner, at Owner's sole cost and expense, shall at all times during the term of this Agreement, carry and maintain the following insurance coverage with companies authorized to do business within the State of Texas, with an A.M. Best rating of A8 or better. Owner shall be responsible for the payment of any deductible or self-insured retention payable in connection therewith, shall furnish Manager with certificates of said insurance policy or policies and shall assume responsibility for placement and renewal of all such policies.

(a) Commercial General Liability Coverage. Commercial general liability insurance, on an occurrence form, adequate to protect the interest of the parties hereto, which policy or policies shall be so written as to protect Manager in the same manner and to the same extent they protect Owner, shall name Manager as an additional insured, shall waive all rights of subrogation against Manager and shall be primary and not excess over any liability insurance carried by Manager. General liability risks and key exposures to be covered shall include, but not be limited to, the

premises and Manager's operations in connection with the property, blanket contractual, personal injury, and use of owned, non-owned, or hired automobiles. The limits of each policy shall be not less than $1,000,000 per occurrence for bodily injury, personal injury and property damage; and

(b) Umbrella Liability Insurance. Umbrella liability insurance written on an occurrence form, providing coverage in an amount of not less than $5,000,000 per occurrence. Such insurance shall be in excess of Owner's liability coverages required herein and shall name manager as an additional insured; and waive all rights of subrogation against Manager, and

(c) Property Insurance. Fire, extended coverage, vandalism and malicious mischief insurance in such amounts as Owner deems necessary to fully protect the property. Such policy shall waive all rights of subrogation against Manager.

(d) Primary Insurance. All liability insurance maintained by Owner shall be primary, non contributory with, and not excess, over any liability insurance maintained by Manager.

6.2 Manager's Insurance. Manager shall at all times during the term of this Agreement, carry and maintain the following insurance coverage with companies qualified and authorized to do business within the State of Texas, with an A.M. Best rating of A8 or higher. Unless otherwise provided for in this Agreement under the section covering Manager's costs to be reimbursed by Owner, or other provisions of this Agreement, the cost of this insurance will be at Manager's sole cost and expense. Manager shall furnish Owner with certificates of said insurance policy or policies.

(a) Employee Dishonesty Insurance. An insurance policy which includes employee dishonesty coverage in the amount of not less than $1,000,000, for all employees of Manager who handle funds of Owner. Said policy may be a blanket policy covering all employees of Manager.

(b) Workers' Compensation Insurance. Workers' compensation insurance in full compliance with all applicable state and federal laws and regulations covering all employees of Manager. Coverage shall include employer's liability insurance in the amount of not less than $500,000.

6.3 Owner's Indemnity. Owner hereby agrees to defend, indemnify, and hold Manager, its officers, directors, agents, and employees ("Manager Indemnitees"), harmless from all fines, suits, losses, liabilities, proceedings, claims, costs (including attorneys' fees and court costs), demands, actions, or causes of actions, of any kind and of whatsoever nature, whether in contract or in tort, without regard to the cause or causes thereof or the negligence of the Manager Indemnities (except for the gross negligence of willful misconduct of any of the Manager Indemnities), arising from, growing out of, or in any way related to any acts or omissions of Owner or Manager's activities, operations, management or supervision of the Property pursuant to this Agreement. The indemnification obligations of Owner shall survive the termination or expiration of this Agreement, with respect to any claims arising as the result of events occurring during the effective term of this Agreement.

6.4 Manager's Indemnity. Manager hereby agrees to defend, indemnify, and hold Owner, its officers, directors, agents, and employees, harmless from all fines, suits, levies, liabilities, proceedings, claims, actions, or causes of actions, of any kind and of whatsoever nature, whether in contract or in tort, including but not limited to court costs, litigation expenses, and reasonable attorney's fees arising from, growing out of, in connection with, or incidental to any act or omission constituting gross negligence or willful misconduct of any officer,

director, agent, or employee of Manager, Manager's breach of this Agreement, but only if Manager has been given the notice provided for in Section 5.1(b) of this Agreement and Manager has not cured said breach within the time provided for in Section 5.1(b) of this Agreement, or any action taken by or on behalf of Manager relating to the Property which is not permitted by or pursuant to the provisions of this Agreement. The indemnification obligations of Manager shall survive the termination or expiration of this Agreement, with respect to any claims arising as the result of events occurring during the effective term of this Agreement.

VII. MISCELLANEOUS

7.1 Sale of Property. Owner shall be free to sell, transfer or lease the Property to any third party. Upon direction from Owner, Manager shall cooperate fully and completely with the prospective purchasers or lessees of the Property in their review of the Property and the files related thereto. Manager hereby covenants that within a reasonable time, it will provide all information regarding the Property, its operations and this Agreement so as to assist Owner in the sale of the Property.

7.2 Notice. Any notice, demand or communication required or permitted hereunder, addressed to the following addresses or to such other addresses as any party may hereafter designate by written notice, shall be deemed effectively given when (a) mailed by registered or certified mail, postage prepaid, return receipt requested, or (b) received or refused if delivered by facsimile, personal delivery, or national courier.

To Owner: TDC Prue Road Mezz, L.P.
c/o Ty Puckett
901 S. Mopac
Building 4, Suite 250
Austin, Texas 78746

To Manager: Transwestern Property Company SW GP, LLC
d/b/a Transwestern
c/o Kevin Roberts
8200 IH-10 West, Suite 800
San Antonio, Texas 78230

7.3 Headings. The headings used herein are for purposes of convenience only and should not be used in construing the provisions hereof.

7.4 Covenant of Further Assurances. The parties hereby agree to execute such other documents and perform such other acts as may be necessary or desirable to carry out the purposes of this Agreement.

7.5 Entire Agreement. This document, including any exhibits attached hereto, represents the entire agreement between the parties with respect to the subject matter hereof, and to the extent inconsistent therewith, supersedes all other prior agreements, representations, and covenants, oral or written.

7.6 Assignment. Owner shall have the right at any time in its sole discretion, to assign its rights and obligations hereunder to any successor in interest to the Property. Manager shall not assign its rights hereunder without the prior written consent of Owner, and any such assignment without Owner's prior consent shall be null and void.

7.7 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, legal representatives, successors and assigns.

7.8 Attorneys' Fees. In the event of any controversy, claim or action being filed between the parties respecting this Agreement or in connection with the Property, the prevailing party shall be entitled, in addition to all expenses, costs or damages, to reasonable attorneys' fees, only if such controversy was litigated or prosecuted to judgment.

7.9 Time of the Essence. Time is of the essence of this Agreement with respect to this Agreement.

7.10 Governing Law. This Agreement is entered into and shall be governed by and construed in accordance with the laws of the State of Texas.

7.11 No Advertising. No publication, announcement or other public advertisement of Owner's name in connection with the Property shall be made by Manager without Owner's approval, except in connection with Leases or other agreements negotiated and/or entered into by Manager in Owner's name as expressly provided for herein, or as may be required by applicable law.

7.12 Amendment. This Agreement may not be modified except by an express writing signed by the parties hereto.

7.13 OFAC Representations, Warranties, and Indemnification.

(a) Representations and Warranties. Owner represents and warrants that (i) it is not, and none of its partners, members, managers, employees, officers, directors, representatives or agents is, a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or under any other law, rule, order, or regulation that is enforced or administered by OFAC (such persons and entities each being a "Prohibited Person"); (ii) it is not acting directly or indirectly, for or on behalf of any Prohibited Person; (iii) it is not engaged in this transaction, directly or indirectly, on behalf of, or instigating or facilitating this transaction, directly or indirectly, on behalf of any Prohibited Person; and (iv) it will not contract with or otherwise engage in any dealings or transactions or be otherwise associated with any Prohibited Person.

(b) Indemnification. Owner hereby agrees to defend, indemnify, and hold harmless Manager from and against any and all claims, damages, losses, risks, liabilities, and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing representations and warranties.

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed on the date(s) set forth below, to be effective as of the day and year first above written.

MANAGER:
TRANSWESTERN PROPERTY COMPANY SW GP, LLC D/B/A TRANSWESTERN COMMERCIAL SERVICES

By: _____

Name: Kevin Roberts

Title: President, Central Texas Region

Date: _____

OWNER:
TDC PRUE ROAD MEZZ, L.P.

By: _____

Name: Ty Puckett

Title: Executive Vice President

Date: 1-3-08

EXHIBIT A

PROPERTY DESCRIPTION

Network Crossing is comprised of five, single story office buildings totaling approximately 143,831 square feet. Located at the intersection of Prue Road/Southwell Lane and Network Boulevard in the northwest San Antonio office market, this office complex has the physical address of:

- Buildings 1, 2 and 3 (located on the Northeast corner of Prue Road and Network Boulevard) 5253 Prue Road, San Antonio, Texas 78249 and
- Buildings 4 & 5 (located on the Southeast corner of Prue Road and Southwell Lane) 5250 Prue Road, San Antonio, Texas 78240

EXHIBIT B

LEASING COMMISSION SCHEDULE

During the term of this Agreement, Owner will pay Manager a leasing commission for every new Lease and for every extension, renewal or expansion of existing Leases as the greater of a percentage of the aggregate base rentals payable over the term of each transaction or a minimum amount per square foot of gross leasable area (GLA). The percentage of aggregate base rentals to be paid as leasing commission shall be as follows:

1. For new Leases and expansions consummated without the involvement of an outside broker, Manager shall receive 4% of the base rentals (to include an amount for operating expenses) for the primary term of the Lease.

2. For renewals or extensions consummated without the involvement of an outside broker, Manager shall receive 3% of the base rentals (to include an amount for operating expenses) for the renewal term.

3. For new Leases, expansions, renewals and extensions consummated with the involvement of an outside broker, Manager shall receive 2 % of the base rentals (to include an amount for operating expenses) for the primary term of the Lease. The outside broker shall receive the commission to which it is entitled pursuant to its brokerage agreement with Owner. Any such commission due to an outside broker shall be the responsibility of the Owner. For purposes of this Agreement, the term "outside broker" includes those employees of Manager who represent tenants that enter into leases with Owner.

4. For the purposes of this Agreement, "base rentals" shall mean the minimum base rent (to include an amount for operating expenses) payable by a tenant under its Lease excluding the following:

   (a) Expense or tax escalations in excess of the base rent in excess of the amount referenced in Paragraphs 1, 2 and 3 of this Exhibit B.

   (b) Rent payable during any portion of the Lease term which is subject to cancellation by tenant. However, notwithstanding anything herein to the contrary, in the event a Lease contains a cancellation provision which will reimburse the Owner for commissions paid to the Manager at the time of cancellation, then Owner will pay a commission to the Manager based on the full term of the Lease.

   (c) Late payment charges.

   (d) Security deposits.

5. Except as otherwise provided below, the commission payable to Manager hereunder in connection with a new Lease shall be paid as follows:

(a) One-half (½) upon signing of the Lease by both Owner and tenant and receipt of any advance payments and/or security deposit called for in the Lease, and

(b) One-half (½) upon Lease commencement.

6. Any commission payable to Manager hereunder in connection with a renewal, extension or expansion of a lease shall be paid upon signing of the Lease by both Owner and tenant and receipt of any advance payment and/or additional security deposit called for in the Lease.

7. Unless agreed to in writing, Manager shall not be entitled under this Agreement to receive a commission or any other compensation of any nature whatsoever in connection with Owner entering into a ground lease or sale-leaseback or other leasing transaction that is essentially a financing transaction.

8. Notwithstanding anything to the contrary herein, in the event of a sale of the Property, all commissions that are earned as of the date of the closing of the sale of the Property shall be paid to Manager by Owner at the closing of the sale of the Property.

9. Broker's Lien. Pursuant to the provisions of Chapter 62 of the Texas Property Code, Manager is entitled to, and hereby claims its right to, a broker's lien based on this Agreement.

10. Intermediary Status. Owner acknowledges that in some cases Manager may also represent prospective tenants who are interested in leasing space at the Property. Manager will promptly notify Owner of any such instance, and Owner consents to Manager acting as an intermediary in any such instance. Manager's commission will be paid in accordance with this Agreement. If Manager acts as intermediary between the parties to a transaction, then Manager:

(a) may not disclose to the tenant that the Owner will accept less than the asking lease rate unless otherwise authorized to do so in a separate writing by the Owner;

(b) may not disclose to Owner that the tenant will pay more than the asking lease rate submitted in a written offer unless otherwise authorized to do so in a separate writing by the tenant;

(c) may not disclose any confidential information or any information Owner or tenant specifically instructs Manager in writing not to disclose, unless Manager is authorized in a separate writing to disclose the information by the respective party, or unless Manager is required to disclose the information by the Texas Real Estate License Act, or a court order, or if the information materially relates to the condition of the Property;

(d) shall treat all parties to the transaction honestly and fairly;

(e) shall comply with the Texas Real Estate License Act; and

(f) with the parties' consent, while acting as an intermediary between the parties, may appoint a person who is licensed under the Texas Real Estate License Act and associated with the Manager to communicate with and carry out instructions of the Owner, and another person who is licensed under the Act and associated with the Manager to communicate with

and carry out instructions of the tenant. In accordance with this subparagraph (f) above, Manager appoints Kevin Roberts to communicate with and carry out the instructions of the Owner. Appointment of the person, or persons, to communicate and carry out the instructions of the tenant will be made in a separate writing at the time the tenant consents to Manager acting as an intermediary.

EXHIBIT C
Network Crossing Salary Allocations
2008

	Bldg. S.F.	Name Job Title	% Allocation	Annual Salary	% Load	Annual Salary/Load	Annual Salary/Load w/Allocation	Monthly Charge to Property	Monthly Charge	Annual $ / Sq.Ft.
Network Crossing Base Salary	143,831	PM - Valerie Kelley	40%	$ 60,000	30.0%	$ 78,000	$ 31,200	$ 2,600		
									$ 2,600	$0.22
									$ -	$ -
								$ 2,600		$0.22

	Bldg. S.F.							Annual $ / Sq.Ft.
Network Crossing Bonus	143,831	PM - Valerie Kelley	40%	$ 6,000	25.0%	$ 7,500	$ 3,000	$0.02
							$ 3,000	$0.02

EXHIBIT C
Network Crossing Salary Allocations
2009

	Bldg. S.F.	Name Job Title	% Allocation	Annual Salary	% Load	Annual Salary/Load	Annual Salary/Load w/Allocation	Monthly Charge to Property	Monthly Charge	Annual $ / Sq.Ft.
Network Crossing Base Salary	143,831	PM - Valerie Kelley	40%	$ 61,800	30.0%	$ 80,340	$ 32,136	$ 2,678		
									$ 2,678	$0.22
									$ -	$ -
								$ 2,678		$0.22

	Bldg. S.F.							Annual $ / Sq.Ft.
Network Crossing Bonus	143,831	PM - Valerie Kelley	40%	$ 6,180	25.0%	$ 7,725	$ 3,090	$0.02
							$ 3,090	$0.02

FIRST AMENDMENT
TO MANAGEMENT AND LEASING AGREEMENT

This First Amendment to Management and Leasing Agreement (this "Amendment") is made and entered into to be effective the 29th day of January, 2011, by and among TDC PRUE ROAD, L.P., a Delaware limited partnership ("Owner"), TRANSWESTERN PROPERTY COMPANY SW GP, LLC, a Delaware limited liability company, d/b/a TRANSWESTERN COMMERCIAL SERVICES ("Manager"), NETWORK CROSSING, LLC, a Delaware limited liability company ("Company"), and PBC NETWORK CROSSING, LP, a Delaware limited partnership ("Class A Member").

RECITALS

A. TDC PRUE ROAD MEZZ, L.P., a Delaware limited partnership ("Mezz Owner"), and Manager have entered into that certain Management and Leasing Agreement dated effective July 1, 2008 (the "Agreement"), with respect to that office complex commonly referred to as "Network Crossing" comprised of (i) three (3) buildings totaling approximately 59,321 square feet and (ii) two (2) buildings totaling approximately 84,510 square feet, located at 5253 and 5250 Prue Road in San Antonio, Texas, and as further described in the Agreement (the "Property");

B. Company is the holder of one hundred percent (100%) of the equitable, beneficial and controlling interests in Owner and its related general partner, TDC PRUE ROAD GP, L.L.C., a Delaware limited liability company; and Class A Member, in its capacity as such, has certain powers and rights with respect to the Company;

C. Owner and Manager now desire to amend certain terms of the Agreement as set forth herein but not otherwise; and

D. Company and Class A Member desire to join in the execution of this Amendment for the limited purpose of acknowledging and consenting to the matters specified in this Amendment with respect to the termination provisions of the Agreement.

NOW, THEREFORE, for and in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, Owner, Manager, Company and Class A Member hereby agree to the following.

AGREEMENT

1. Recitals and Defined Terms. The recitals set forth above are incorporated herein for all purposes. All capitalized terms used in this Amendment and not otherwise defined shall have the meaning set forth in the Agreement.

2. Identification of Owner. The Property is vested in Owner. The parties acknowledge and agree that, by scrivener's error or mistake, the Agreement was executed by Mezz Owner, rather than Owner. Accordingly, the Agreement is hereby amended to delete the Mezz Owner and to provide that TDC PRUE ROAD, L.P., a Delaware limited partnership, shall hereinafter constitute and be deemed the "Owner" in the Agreement. Commencing on the date of this Amendment, all

references to "Owner" in the Agreement, this Amendment or otherwise shall be deemed to apply to TDC PRUE ROAD, L.P., a Delaware limited partnership.

3. Termination for Cause. Section 5.1 of the Agreement is hereby amended to read as follows:

> "5.1 Termination by Owner or Class A Member for Cause. This Agreement shall be immediately terminable by Owner or by PBC NETWORK CROSSING, LP, a Delaware limited partnership ("Class A Member"), in its capacity as the Class A Member of NETWORK CROSSING, LLC, a Delaware limited liability company (being the holder of one hundred percent (100%) of the equitable, beneficial and controlling interests in Owner and its related general partner, TDC PRUE ROAD GP, L.L.C., a Delaware limited liability company), without notice:
>
> (a) Upon the occurrence of any of the following: (i) Manager ceases doing business as a going concern, (ii) the termination or suspension of Manager's real estate brokerage license, (iii) Manager makes an assignment for the benefit of creditors, (iv) Manager admits in writing its inability to pay its debts as they become due, (v) Manager is the subject of a voluntary or involuntary petition in bankruptcy, (vi) Manager is adjudicated as a bankrupt or insolvent, (vii) Manager files or has filed against it any petition seeking for itself any reorganization, arrangement, composition, readjustment, liquidation or dissolution under any present or future state or federal bankruptcy or insolvency law, or a receiver or liquidator is appointed for all or a substantial part of Manager's assets or property;
>
> (b) Upon the failure by Manager to perform any of the Manager's covenants, obligations or duties contained in this Agreement, and the continuation of any such failure to perform after thirty (30) days' written notice thereof from Owner and/or Class A Member; provided, however, that if any such failure to perform is cured by Manager within said thirty (30) day period, such failure to perform shall no longer constitute cause for termination by Owner and/or Class A Member."

3. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of Texas.

4. Entire Agreement. This Amendment contains the entire understanding and agreement of the parties hereto and supersedes all prior understandings or written or oral agreements between them with respect to the specific subject matter hereof.

5. Severability. The provisions of this Amendment shall be several, and if any provision contained herein shall be held unenforceable, the remaining provisions hereof shall, nevertheless, remain in full force and effect.

6. Counterparts and Electronic Execution. This Amendment may be executed in any number of original counterparts, each of which will for all purposes be deemed to be an original, and all of which are identical. This Amendment and counterparts thereof, may be executed and delivered by facsimile or other electronic transmission, with the same effect as an original executed Amendment or counterpart.

[*Signature pages follow.*]

IN WITNESS WHEREOF, the parties have executed this Amendment to be as of the date first set forth above.

OWNER:

TDC PRUE ROAD, L.P.
(a Delaware limited partnership)

By: TDC PRUE ROAD GP, L.L.C.
(a Texas limited liability company)
Its General Partner

By: _____
William T. Puckett, *Authorized Signatory*

MANAGER:

TRANSWESTERN PROPERTY COMPANY SW GP, LLC,
d/b/a TRANSWESTERN COMMERCIAL SERVICES
(a Delaware limited liability company)

By: _____
William T. Puckett, *Authorized Signatory*

JOINDER OF COMPANY

By executing this Joinder of Company, the undersigned, as the holder of one hundred percent (100%) of the equitable, beneficial and controlling interests in Owner and its related general partner, TDC PRUE ROAD GP, L.L.C., a Delaware limited liability company, hereby acknowledges and consents to the matters specified in the Amendment with respect to the Agreement termination rights of PBC NETWORK CROSSING, LP, a Delaware limited partnership.

MANAGER:

NETWORK CROSSING, LLC,
(a Delaware limited liability company)

By: _____
William T. Puckett, *Authorized Signatory*

JOINDER OF CLASS A MEMBER

By executing this Joinder of Class A Member, the undersigned, as the Class A Member of NETWORK CROSSING, LLC, a Delaware limited liability company (being the holder of one hundred percent (100%) of the equitable, beneficial and controlling interests in Owner and its related general partner, TDC PRUE ROAD GP, L.L.C., a Delaware limited liability company), hereby acknowledges and consents to the matters specified in the Amendment with respect to its termination rights under the Agreement.

CLASS A MEMBER:

PBC NETWORK CROSSING, LP
(a Delaware limited partnership)

By: PBC NETWORK CROSSING GP, LLC
(a Delaware limited liability company)
Its General Partner

By: _____
Timothy P. Berry, *Its Manager*

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TSEP I NETWORK CROSSING RECAP, L.L.C.

APPENDIX D

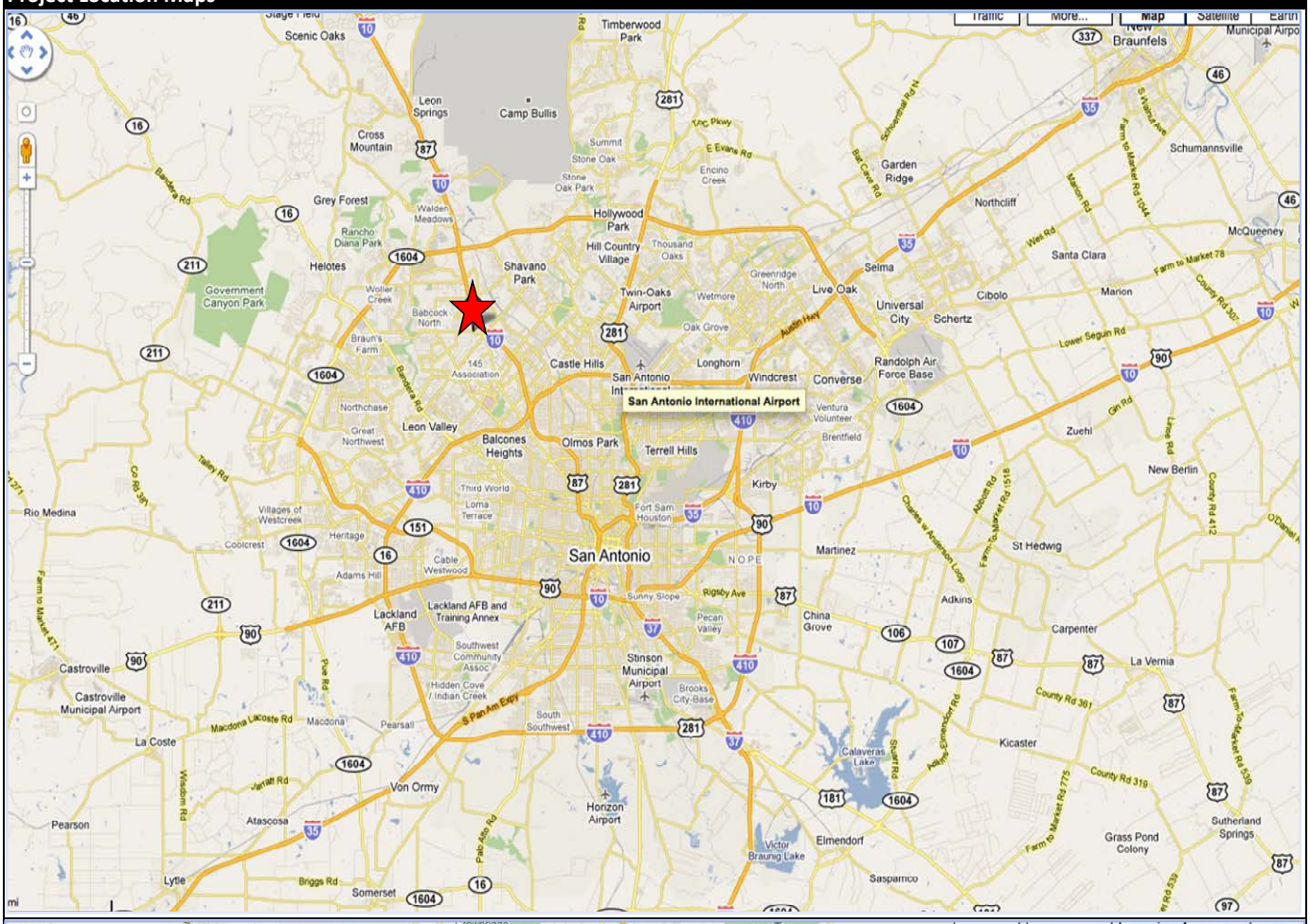
Maps and Site Plan

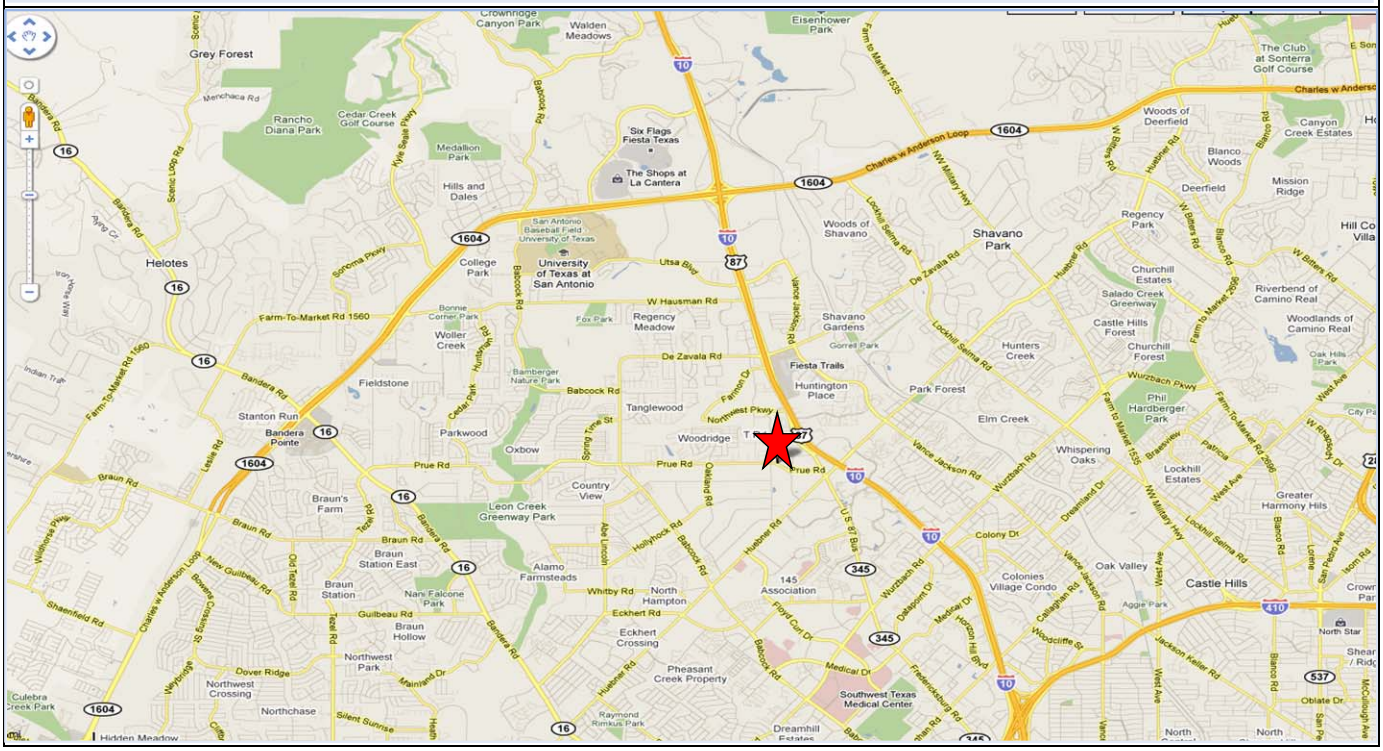
See Attached

NETWORK CROSSING
PENNYBACKER

Investment Summary - Maps

Project Location Maps





NETWORK CROSSING
PENNYBACKER

Investment Summary - Site Plan

Site Plan / Typical Floor

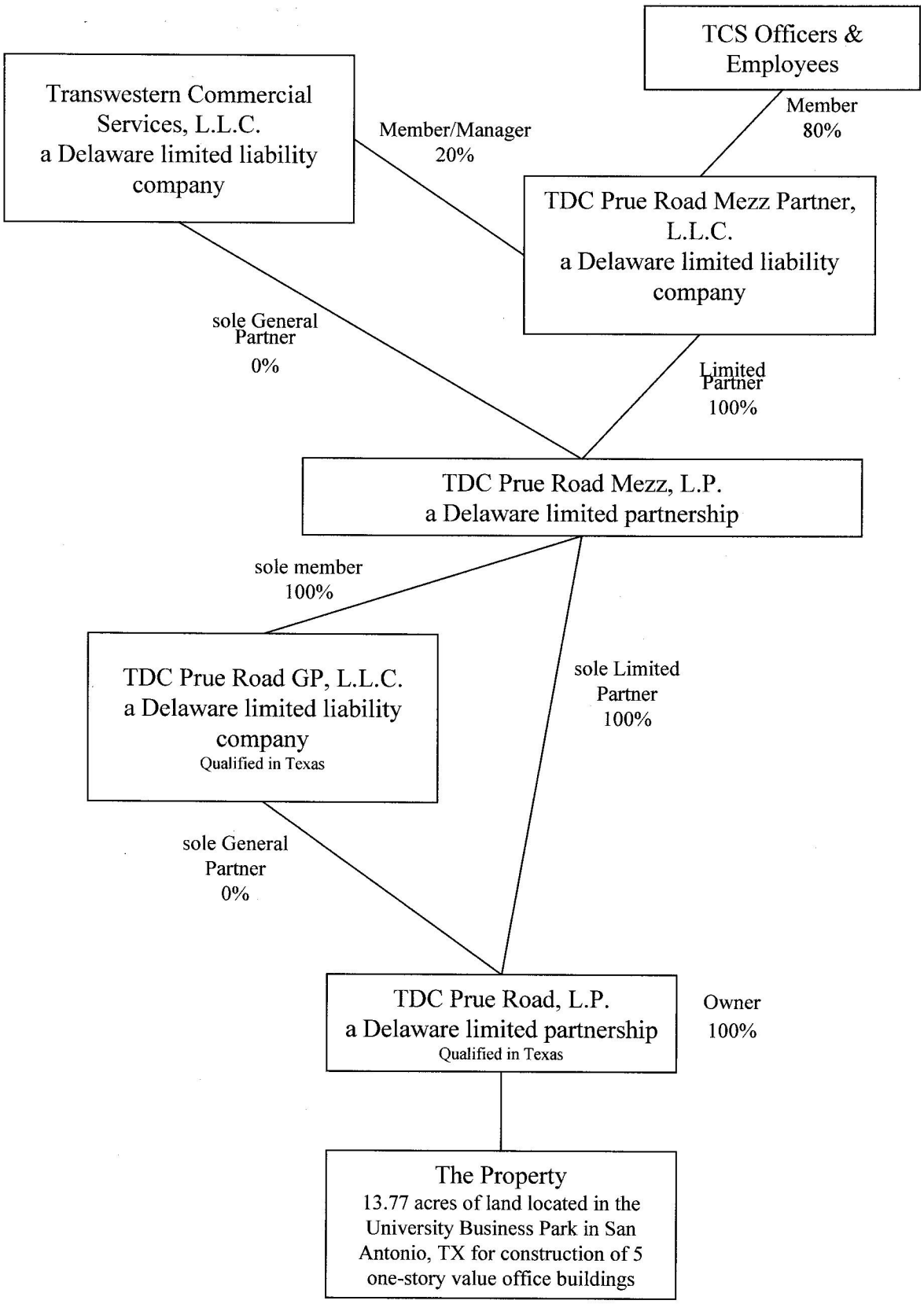
TSEP I NETWORK CROSSING RECAP, L.L.C.

APPENDIX E

Organization Chart of Owner Prior to Restructuring

See Attached

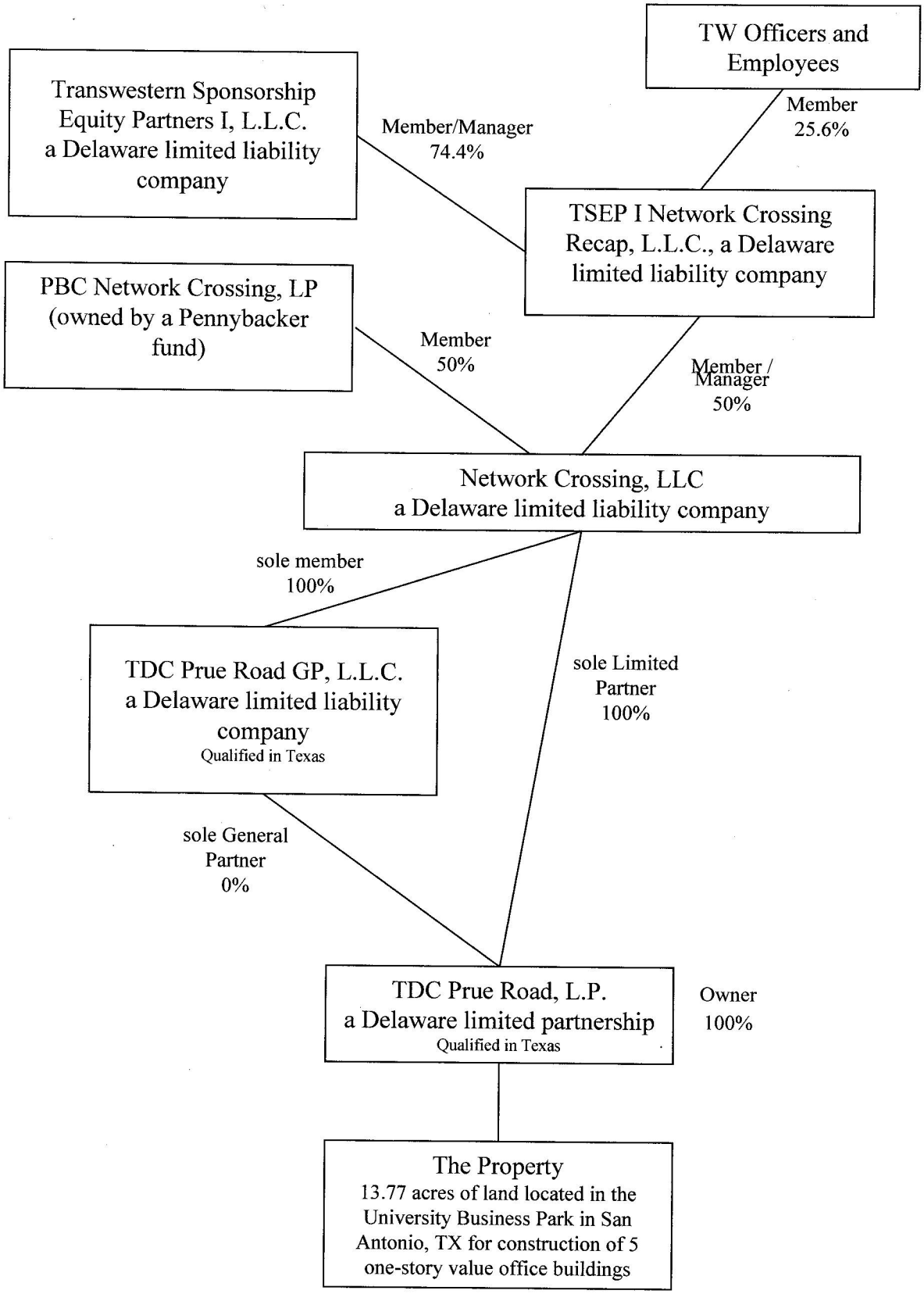
TDC Prue Road, L.P. Organizational Chart



TSEP I NETWORK CROSSING RECAP, L.L.C.

APPENDIX F

Organization Chart of Owner after Restructuring

See Attached

TDC Prue Road, L.P. Organizational Chart