UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2018

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____to _____

Commission file number: 333-200594

Black Creek Industrial REIT IV Inc.

(Exact name of registrant as specified in its charter)

Maryland	**47-1592886**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
518 Seventeenth Street, 17th Floor Denver, CO	**80202**
(Address of principal executive offices)	**(Zip code)**

(303) 228-2200
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☐	Accelerated filer	☐	Smaller reporting company	☒
Non-accelerated filer	☐	(Do not check if a smaller reporting company)		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 6, 2018 , there were 10,088,949 shares of the registrant's Class T common stock, 15,561 shares of the registrant's Class W common stock and 312,599 shares of the registrant's Class I common stock outstanding.

BLACK CREEK INDUSTRIAL REIT IV INC.
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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

BLACK CREEK INDUSTRIAL REIT IV INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands, except per share data)	As of June 30, 2018	As of December 31, 2017
	(unaudited)	
ASSETS		
Net investment in real estate properties	$ 150,977	$ —
Cash and cash equivalents	2,616	10,565
Restricted cash	164	481
Straight-line and tenant receivables	205	—
Prepaid expenses	309	420
Due from affiliates	457	191
Debt issuance costs related to line of credit, net of amortization	1,414	887
Other assets	26	4
Total assets	$ 156,168	$ 12,548
LIABILITIES AND EQUITY		
Liabilities		
Accounts payable and accrued liabilities	$ 771	$ 210
Line of credit	78,500	—
Notes payable to stockholders, net of debt issuance costs	376	353
Due to affiliates	7,466	929
Distributions payable	340	56
Distribution fees payable to affiliates	2,765	394
Other liabilities	2,207	—
Total liabilities	92,425	1,942
Commitments and contingencies (Note 10)		
Equity		
Stockholders' equity:		
Preferred stock, $0.01 par value - 200,000 shares authorized, none issued and outstanding	—	—
Class T common stock, $0.01 par value per share - 1,200,000 shares authorized, 7,192 and 976 shares issued and outstanding, respectively	72	10
Class W common stock, $0.01 par value per share - 75,000 shares authorized, 6 and 6 shares issued and outstanding, respectively	—	—
Class I common stock, $0.01 par value per share - 225,000 shares authorized, 293 and 256 shares issued and outstanding, respectively	3	2
Additional paid-in capital	66,417	10,859
Accumulated deficit	(2,750)	(266)
Total stockholders' equity	63,742	10,605
Noncontrolling interests	1	1
Total equity	63,743	10,606
Total liabilities and equity	$ 156,168	$ 12,548

See accompanying Notes to Condensed Consolidated Financial Statements.

BLACK CREEK INDUSTRIAL REIT IV INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
(in thousands, except per share data)	**2018**	**2017**	**2018**	**2017**
Revenues:				
Rental revenues	$ 790	$ —	$ 883	$ —
Total revenues	790	—	883	—
Operating expenses:				
Rental expenses	143	—	156	—
Real estate-related depreciation and amortization	461	—	527	—
General and administrative expenses	401	306	696	558
Advisory fees, related party	320	—	334	—
Acquisition expense reimbursements, related party	1,254	—	1,995	—
Other expense reimbursements, related party	326	—	572	—
Total operating expenses	2,905	306	4,280	558
Operating loss	(2,115)	(306)	(3,397)	(558)
Other expenses:				
Interest expense and other	324	34	507	67
Total other expenses	324	34	507	67
Total expenses before expense support	3,229	340	4,787	625
Total expense support from the Advisor	1,400	373	2,462	691
Net (expenses) income after expense support	(1,829)	33	(2,325)	66
Net (loss) income	(1,039)	33	(1,442)	66
Net (loss) income attributable to noncontrolling interests	—	—	—	—
Net (loss) income attributable to common stockholders	$ (1,039)	$ 33	$ (1,442)	$ 66
Weighted-average shares outstanding	6,248	258	4,614	257
Net (loss) income per common share - basic and diluted	$ (0.17)	$ 0.13	$ (0.31)	$ 0.26

See accompanying Notes to Condensed Consolidated Financial Statements.

BLACK CREEK INDUSTRIAL REIT IV INC.
CONDENSED CONSOLIDATED STATEMENT OF EQUITY
(Unaudited)

	Stockholders' Equity					
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Noncontrolling Interests	Total Equity
(in thousands)	Shares	Amount				
Balance as of December 31, 2017	1,238	$ 12	$ 10,859	$ (266)	$ 1	$ 10,606
Net loss	—	—	—	(1,442)	—	(1,442)
Issuance of common stock	6,253	63	65,374	—	—	65,437
Upfront offering costs, including selling commissions, dealer manager fees, and offering costs	—	—	(7,231)	—	—	(7,231)
Trailing distribution fees	—	—	(2,585)	213	—	(2,372)
Distributions to stockholders	—	—	—	(1,255)	—	(1,255)
Balance as of June 30, 2018	7,491	$ 75	$ 66,417	$ (2,750)	$ 1	$ 63,743

See accompanying Notes to Condensed Consolidated Financial Statements.

BLACK CREEK INDUSTRIAL REIT IV INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(in thousands)	For the Six Months Ended June 30, 2018	2017
Operating activities:		
Net (loss) income	$ (1,442)	$ 66
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Real estate-related depreciation and amortization	527	—
Straight-line rent and amortization of above- and below-market leases	(387)	—
Amortization of debt issuance costs	213	25
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	120	138
Accounts payable and accrued liabilities	512	85
Due from / to affiliates, net	1,947	(69)
Net cash provided by operating activities	1,490	245
Investing activities:		
Real estate acquisitions	(148,918)	—
Capital expenditures	(180)	—
Net cash used in investing activities	(149,098)	—
Financing activities:		
Proceeds from line of credit	78,500	—
Debt issuance costs paid	(717)	—
Proceeds from issuance of common stock	62,065	—
Distributions paid to common stockholders	(343)	(31)
Distribution fees paid to affiliates	(163)	—
Net cash provided by (used in) financing activities	139,342	(31)
Net (decrease) increase in cash, cash equivalents and restricted cash	(8,266)	214
Cash, cash equivalents and restricted cash, at beginning of period	11,046	2,121
Cash, cash equivalents and restricted cash, at end of period	$ 2,780	$ 2,335

See accompanying Notes to Condensed Consolidated Financial Statements.

BLACK CREEK INDUSTRIAL REIT IV INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. BASIS OF PRESENTATION

Unless the context otherwise requires, the "Company" refers to Black Creek Industrial REIT IV Inc. and its consolidated subsidiaries.

The accompanying unaudited condensed consolidated financial statements included herein have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Accordingly, certain disclosures normally included in the annual audited financial statements prepared in accordance with accounting principles generally accepted in the U.S. ("GAAP") have been omitted. As such, the accompanying unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2017 , filed with the SEC on March 9, 2018 ("2017 Form 10-K").

In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments and eliminations, consisting only of normal recurring adjustments necessary for a fair presentation in conformity with GAAP.

Recently Issued Accounting Standards

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-02, "Leases (Subtopic 842)" ("ASU 2016-02"), which provides guidance for greater transparency in financial reporting by organizations that lease assets such as real estate, airplanes and manufacturing equipment by requiring such organizations to recognize lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The accounting for lessors will remain largely unchanged from current GAAP; however, the standard requires that lessors expense, on an as-incurred basis, certain initial direct costs that are not incremental in negotiating a lease. Under existing standards, certain of these costs are capitalizable and therefore this new standard will result in certain of these costs being expensed as incurred after adoption. ASU 2016-02 is effective for annual and interim reporting periods beginning after December 15, 2018, with early adoption permitted. The Company plans to adopt the standard when it becomes effective for the Company, as of the reporting period beginning January 1, 2019, and it expects to elect the practical expedients available for implementation under the standard. Under the practical expedients election, the Company would not be required to reassess: (i) whether an expired or existing contract meets the definition of a lease; (ii) the lease classification at the adoption date for expired or existing leases; and (iii) whether costs previously capitalized as initial direct costs would continue to be amortized. The standard also will require new disclosures within the notes accompanying the consolidated financial statements, as well as result in the expensing of certain costs to negotiate and arrange lease agreements. Additionally, in January 2018, the FASB issued ASU No. 2018-01, "Leases (Subtopic 842): Land Easement Practical Expedient for Transition to Topic 842" ("ASU 2018-01"), which updates ASU 2016-02 to include land easements under the updated guidance, including the option to elect the practical expedient discussed above. The Company also plans to adopt ASU 2018-01 when it becomes effective for the Company, as of the reporting period beginning January 1, 2019, and it expects to elect the practical expedients available for implementation under the standard. The Company's initial analysis of its lease contracts indicates that the adoption of these standards will not have a material effect on its consolidated financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investment in Real Estate Properties

We first determine whether the acquisition constitutes a business or asset acquisition. Upon acquisition, the purchase price of a property is allocated to land, building, and intangible lease assets and liabilities. The allocation of the purchase price to building is based on management's estimate of the property's "as-if" vacant fair value. The "as-if" vacant fair value is determined by using all available information such as the replacement cost of such asset, appraisals, property condition reports, market data and other related information. The allocation of the purchase price to intangible lease assets represents the value associated with the in-place leases, which may include lost rent, leasing commissions, tenant improvements, legal and other related costs. The allocation of the purchase price to above-market lease assets and below-market lease liabilities results from in-place leases being above or below management's estimate of fair market rental rates at the acquisition date and are measured over a period equal to the remaining term of the lease for above-market leases and the remaining term of the lease, plus the term of any below-market fixed-rate renewal option periods, if applicable, for below-market leases. Intangible lease assets, above-market lease assets, and below-market lease liabilities are collectively referred to as "intangible lease assets and liabilities."

If any debt is assumed in an acquisition, the difference between the fair value and the face value of debt is recorded as a premium or discount and amortized to interest expense over the life of the debt assumed. Transaction costs associated with the acquisition of a property are capitalized as incurred and allocated to land, building, and intangible lease assets on a relative fair value basis. Properties that are probable to be sold are to be designated as “held for sale” on the balance sheet when certain criteria are met.

The results of operations for acquired properties are included in the condensed consolidated statements of operations from their respective acquisition dates. Intangible lease assets are amortized to real estate-related depreciation and amortization over the remaining lease term. Above-market lease assets are amortized as a reduction in rental revenues over the remaining lease term and below-market lease liabilities are amortized as an increase in rental revenues over the remaining lease term, plus any applicable fixed-rate renewal option periods. The Company expenses any unamortized intangible lease asset or records an adjustment to rental revenue for any unamortized above-market lease asset or below-market lease liability when a customer terminates a lease before the stated lease expiration date.

Land, building, building and land improvements, tenant improvements, lease commissions, and intangible lease assets and liabilities, which are collectively referred to as “real estate assets,” are stated at historical cost less accumulated depreciation and amortization. Costs associated with the development and improvement of the Company’s real estate assets are capitalized as incurred. These costs include capitalized interest and development acquisition fees. Other than the transaction costs associated with the acquisition of a property described above, the Company does not capitalize any other costs, such as taxes, salaries or other general and administrative expenses. Costs incurred in making repairs and maintaining real estate assets are expensed as incurred.

Real estate-related depreciation and amortization are computed on a straight-line basis over the estimated useful lives as described in the following table:

Land	Not depreciated
Building	20 to 40 years
Building and land improvements	5 to 20 years
Tenant improvements	Lesser of useful life or lease term
Lease commissions	Over lease term
Intangible lease assets	Over lease term
Above-market lease assets	Over lease term
Below-market lease liabilities	Over lease term, including below-market fixed-rate renewal options

Real estate assets that are determined to be held and used will be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, and the Company will evaluate the recoverability of such real estate assets based on estimated future cash flows and the estimated liquidation value of such real estate assets, and provide for impairment if such undiscounted cash flows are insufficient to recover the carrying amount of the real estate asset. If impaired, the real estate asset will be written down to its estimated fair value.

Revenue Recognition

The Company records rental revenue on a straight-line basis over the full lease term. Certain properties have leases that offer the tenant a period of time where no rent is due or where rent payments change during the term of the lease. Accordingly, the Company records receivables from tenants for rent that the Company expects to collect over the remaining lease term rather than currently, which are recorded as a straight-line rent receivable. When the Company acquires a property, the term of each existing lease is considered to commence as of the acquisition date for purposes of this calculation.

Tenant reimbursement revenue includes payments and amounts due from tenants pursuant to their leases for real estate taxes, insurance and other recoverable property operating expenses and is recognized as rental revenue in the period the applicable expenses are incurred.

In connection with property acquisitions, the Company may acquire leases with rental rates above or below estimated market rental rates. Above-market lease assets are amortized as a reduction to rental revenue over the remaining lease term, and below-market lease liabilities are amortized as an increase to rental revenue over the remaining lease term, plus any applicable fixed-rate renewal option periods.

The Company expenses any unamortized intangible lease asset or records an adjustment to rental revenue for any unamortized above-market lease asset or below-market lease liability by reassessing the estimated remaining useful life of such intangible lease asset or liability when it becomes probable a customer will terminate a lease before the stated lease expiration date.

The Company recognizes gains on the disposition of real estate when the recognition criteria have been met, generally at the time control is transferred to the purchaser. The Company recognizes losses from the disposition of real estate when known to the Company.

3. REAL ESTATE ACQUISITIONS

The Company acquired 100% of the following properties during the six months ended June 30, 2018 :

($ in thousands)	Acquisition Date	Number of Buildings	Total Purchase Price (1)
2018 Acquisitions:			
Ontario Industrial Center	2/26/2018	1	$ 10,595
Pompano Industrial Center	4/11/2018	1	7,423
Ontario Distribution Center	5/17/2018	1	30,758
Park 429 Logistics Center	6/7/2018	2	44,882
Pescadero Distribution Center	6/20/2018	1	45,623
Gothard Industrial Center	6/25/2018	1	10,096
Total 2018 Acquisitions		7	$ 149,377

(1) Total purchase price is equal to the total consideration paid.

During the six months ended June 30, 2018 , the Company allocated the purchase price of its acquisitions to land, building, and intangible lease assets and liabilities as follows:

(in thousands)	For the Six Months Ended June 30, 2018
Land	$ 41,638
Building	98,155
Intangible lease assets	11,338
Above-market lease assets	131
Below-market lease liabilities	(1,885)
Total purchase price (1)	$ 149,377

(1) Total purchase price is equal to the total consideration paid.

Intangible and above-market lease assets are amortized over the remaining lease term. Below-market lease liabilities are amortized over the remaining lease term, plus any below-market, fixed-rate renewal option periods. The weighted-average amortization periods for the intangible lease assets and liabilities acquired in connection with the Company’s acquisitions during the six months ended June 30, 2018 , as of the respective date of each acquisition, was 6.4 years.

4. INVESTMENT IN REAL ESTATE

As of June 30, 2018 , the Company's investment in real estate properties consisted of seven industrial buildings. As of December 31, 2017, the Company did not own any properties.

	As of	
(in thousands)	June 30, 2018	December 31, 2017
Land	$ 41,638	$ —
Building and improvements	98,155	—
Intangible lease assets	11,480	—
Construction in progress	231	—
Investment in real estate properties	151,504	—
Less accumulated depreciation and amortization	(527)	—
Net investment in real estate properties	$ 150,977	$ —

Intangible Lease Assets and Liabilities

Intangible lease assets and liabilities as of June 30, 2018 and December 31, 2017 included the following:

	As of June 30, 2018			As of December 31, 2017		
(in thousands)	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Intangible lease assets (1)	$ 11,349	$ (220)	$ 11,129	$ —	$ —	$ —
Above-market lease assets (1)	131	(1)	130	—	—	—
Below-market lease liabilities (2)	(1,885)	198	(1,687)	—	—	—

(1) Included in net investment in real estate properties on the condensed consolidated balance sheets.
(2) Included in other liabilities on the condensed consolidated balance sheets.

Future Minimum Rent

Future minimum base rental payments, which equal the cash basis of monthly contractual rent, owed to the Company from its customers under the terms of non-cancelable operating leases in effect as of June 30, 2018 , excluding rental revenues from the potential renewal or replacement of existing leases and from future tenant reimbursement revenue, were as follows for the next five years and thereafter:

(in thousands)	Future Minimum Base Rental Payments
Remainder of 2018	$ 2,915
2019	7,164
2020	6,927
2021	7,050
2022	7,338
Thereafter	18,492
Total	$ 49,886

Rental Revenue Adjustments and Depreciation and Amortization Expense

The following table summarizes straight-line rent adjustments, amortization recognized as an increase (decrease) to rental revenues from above-and below-market lease assets and liabilities, and real estate-related depreciation and amortization expense:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
(in thousands)	2018	2017	2018	2017
Increase (Decrease) to Rent al Revenue:				
Straight-line rent adjustments	$ 189	$ —	$ 190	$ —
Above-market lease amortization	(1)	—	(1)	—
Below-market lease amortization	143	—	198	—
Real Estate-Related Depreciation and Amortization:				
Depreciation expense	$ 273	$ —	$ 307	$ —
Intangible lease asset amortization	188	—	220	—

5. LINE OF CREDIT

On September 18, 2017, the Company entered into a credit facility agreement with an initial aggregate revolving loan commitment of $100.0 million , and on June 28, 2018, the Company increased the commitment to $200.0 million . The Company has the ability from time to time to increase the size of the credit facility by up to an additional $400.0 million for a total of up to $600.0 million , subject to receipt of lender commitments and satisfaction of other conditions. Any increase to the size of the credit facility may be in the form of an increase in the aggregate revolving loan commitments, the establishment of a term loan, or a combination of both. The maturity date of the line of credit is September 18, 2020, and may be extended pursuant to two one -year extension options, subject to continuing compliance with certain financial covenants and other customary conditions. Borrowings under the line of credit will be charged interest based on either: (i) the London Interbank Offered Rate (“LIBOR”) plus a margin ranging from 1.60% to 2.50% ; or (ii) an alternative base rate plus a margin ranging from 0.60% to 1.50% , each depending on the Company’s consolidated leverage ratio. Customary fall-back provisions apply if LIBOR is unavailable. The line of credit is available for general corporate purposes including, but not limited to, the acquisition and operation of permitted investments by the Company. A pledge of equity interests in the Company’s subsidiaries that directly own unencumbered properties will be provided until such time as the Company elects to terminate such pledges, subject to satisfaction of certain financial covenants. As of June 30, 2018 , the Company had $78.5 million outstanding under the line of credit with an interest rate of 3.69% ; the unused portion was $121.5 million , of which $14.5 million was available. As of December 31, 2017, there were no amounts outstanding under the line of credit.

6. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company estimates fair value of its financial instruments using available market information and valuation methodologies it believes to be appropriate for these purposes. As of June 30, 2018 and December 31, 2017 , the fair values of cash and cash equivalents, restricted cash, tenant receivables, prepaid expenses, other assets, due from/to affiliates, accounts payable and accrued liabilities, and distributions payable approximate their carrying values due to the short-term nature of these instruments. The table below includes fair values for certain of the Company’s financial instruments for which it is practicable to estimate fair value. The carrying values and fair values of these financial instruments were as follows:

	As of June 30, 2018		As of December 31, 2017	
(in thousands)	Carrying Value	Fair Value	Carrying Value	Fair Value
Line of credit	$ 78,500	$ 78,500	$ —	$ —
Notes payable to stockholders	376	376	376	376

7. STOCKHOLDERS' EQUITY

Summary of the Public and Private Offerings

A summary of the Company's initial public offering, including shares sold through the primary offering and the Company's distribution reinvestment plan ("DRIP"), and its private offering, as of June 30, 2018 , is as follows:

(in thousands)	Class T	Class W	Class I	Notes to Stockholders	Total
Amount of gross proceeds raised:					
Primary offering (1)	$ 74,762	$ —	$ 2,348	$ —	$ 77,110
DRIP (1)	448	—	70	—	518
Private offering	62	—	62	376	500
Total offering	$ 75,272	$ —	$ 2,480	$ 376	$ 78,128
Number of shares issued:					
Primary offering	7,140	—	256	—	7,396
DRIP	45	—	7	—	52
Private offering	7	—	7	—	14
Stock dividends	—	6	3	—	9
Total offering	7,192	6	273	—	7,471

(1) As of June 30, 2018 , the Company had raised sufficient offering proceeds to satisfy the minimum offering requirements with respect to all states.

As of June 30, 2018 , approximately $1.92 billion in shares of common stock remained available for sale pursuant to the Company's initial public offering in any combination of Class T shares, Class W shares and Class I shares, including approximately $499.5 million in shares of common stock available for sale through the Company's distribution reinvestment plan, which may be reallocated for sale in the primary offering.

Common Stock

The following table summarizes the changes in the shares outstanding for each class of common stock for the period presented below:

(in thousands)	Class T Shares	Class W Shares	Class I Shares (1)	Total Shares
Balance as of December 31, 2017	976	6	256	1,238
Issuance of common stock:				
Primary shares	6,172	—	35	6,207
DRIP	44	—	2	46
Balance as of June 30, 2018	7,192	6	293	7,491

(1) Includes 20,000 shares of Class I common stock sold to BCI IV Advisors LLC (the "Advisor") in November 2014.

Distributions

The following table summarizes the Company's cash distribution activity (including distributions reinvested in shares of the Company's common stock) for each of the quarters ended below:

		Amount			
(in thousands, except per share data)	Declared per Common Share (1)	Paid in Cash	Reinvested in Shares	Distribution Fees (2)	Gross Distributions (3)
2018					
June 30	$ 0.13625	$ 305	$ 399	$ 147	$ 851
March 31	0.13625	140	198	66	404
Total	$ 0.27250	$ 445	$ 597	$ 213	$ 1,255
2017					
December 31	$ 0.13625	$ 46	$ 44	$ 12	$ 102
September 30	0.13625	24	11	—	35
June 30	0.12950	23	10	—	33
March 31	0.12950	23	10	—	33
Total	$ 0.53150	$ 116	$ 75	$ 12	$ 203

(1) Amounts reflect the quarterly distribution rate authorized by the Company's board of directors per Class T share, per Class W share, and per Class I share of common stock. Commencing with the third quarter of 2017, distributions were declared and paid as of monthly record dates. These monthly distributions have been aggregated and presented on a quarterly basis. The distributions on Class T shares and Class W shares of common stock are reduced by the respective distribution fees that are payable with respect to such Class T shares and Class W shares.

(2) Distribution fees are paid monthly to Black Creek Capital Markets, LLC (the "Dealer Manager") with respect to Class T shares and Class W shares issued in the primary portion of the Company's initial public offering only. Refer to " Note 8 " for further detail regarding distribution fees.

(3) Gross distributions are total distributions before the deduction of any distribution fees relating to Class T shares and Class W shares.

8. RELATED PARTY TRANSACTIONS

Summary of Fees and Expenses

The table below summarizes the fees and expenses incurred by the Company for services provided by the Advisor and its affiliates, and by the Dealer Manager related to the services the Dealer Manager provided in connection with the Company's initial public offering, and any related amounts payable:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,		Payable as of	
(in thousands)	2018	2017	2018	2017	June 30, 2018	December 31, 2017
Expensed:						
Organization costs (1)	$ —	$ —	$ —	$ —	$ 78	$ 78
Advisory fee—fixed component	145	—	159	—	112	—
Advisory fee—performance component	175	—	175	—	175	—
Acquisition expense reimbursements (2)	1,254	—	1,995	—	1,995	—
Other expense reimbursements (3)	326	—	572	—	170	59
Total	$ 1,900	$ —	$ 2,901	$ —	$ 2,530	$ 137
Additional Paid-In Capital:						
Selling commissions	$ 824	$ —	$ 1,379	$ —	$ —	$ —
Dealer manager fees	838	—	1,530	—	—	—
Offering costs (1)	2,454	—	4,322	—	5,171	849
Distribution fees—current (4)	147	—	213	—	59	8
Distribution fees—trailing (4)	1,330	—	2,372	—	2,765	394
Total	$ 5,593	$ —	$ 9,816	$ —	$ 7,995	$ 1,251

(1) As of June 30, 2018 , the Advisor had incurred $10.4 million of offering costs and $0.1 million of organization costs on behalf of the Company.

(2) Reflects amounts reimbursable to the Advisor for all expenses incurred by the Advisor and its affiliates on the Company's behalf in connection with the selection, acquisition, development or origination of an asset.

(3) Other expense reimbursements include certain expenses incurred in connection with the services provided to the Company under the fifth amended and restated advisory agreement, dated August 12, 2017, by and among the Company, BCI IV Operating Partnership LP (the "Operating Partnership"), and the Advisor. These reimbursements include a portion of compensation expenses of individual employees of the Advisor, including certain of the Company's named executive officers, of the Advisor related to services for which the Advisor does not otherwise receive a separate fee. The Company reimbursed the Advisor approximately $0.2 million and $0.4 million for the three and six months ended June 30, 2018 , respectively, for such compensation expenses. There were no amounts reimbursed to the Advisor for the three and six months ended June 30, 2017 . The remaining amount of other expense reimbursements relate to other general overhead and administrative expenses including, but not limited to, allocated rent paid to both third parties and affiliates of the Advisor, equipment, utilities, insurance, travel and entertainment.

(4) The distribution fees accrue daily and are payable monthly in arrears. The monthly amount of distribution fees payable is included in distributions payable on the condensed consolidated balance sheets. Additionally, the Company accrues for estimated trailing amounts payable based on the shares outstanding as of the balance sheet date, which are included in distribution fees payable to affiliates on the condensed consolidated balance sheets. The Dealer Manager will reallow the distribution fees to participating broker dealers and broker dealers servicing accounts of investors who own Class T shares and/or Class W shares.

Expense Support Agreement

The table below provides information regarding the fees deferred and expense support provided by the Advisor, pursuant to the expense support agreement. Refer to Item 8, "Financial Statements and Supplementary Data" in the Company's 2017 Form 10-K for a description of the expense support agreement. As of June 30, 2018 , the aggregate amount paid by the Advisor pursuant to the expense support agreement was $4.3 million . No amounts have been reimbursed to the Advisor by the Company.

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
(in thousands)	2018	2017	2018	2017
Fees deferred	$ 145	$ —	$ 159	$ —
Other expenses supported	1,255	373	2,303	691
Total expense support from Advisor (1)	$ 1,400	$ 373	$ 2,462	$ 691

(1) As of June 30, 2018 , approximately $0.6 million of expense support was payable to the Company by the Advisor and is included in due from affiliates on the condensed consolidated balance sheets.

9. SUPPLEMENTAL CASH FLOW INFORMATION

Supplemental cash flow information and disclosure of non-cash investing and financing activities is as follows:

	For the Six Months Ended June 30,	
(in thousands)	2018	2017
Distributions payable	$ 340	$ 43
Distribution fees payable to affiliates	2,765	—
Distributions reinvested in common stock	465	14
Accrued offering costs due to the Advisor	5,171	—
Accrued acquisition expense reimbursements due to the Advisor	1,995	—
Non-cash capital expenditures	60	—
Non-cash selling commissions and dealer manager fees	2,908	—

Restricted Cash

As of June 30, 2018 , restricted cash consisted of cash held in escrow in connection with certain estimated property improvements. As of December 31, 2017, restricted cash consisted of amounts deposited with a third-party escrow agent related to the notes issued pursuant to the private offering, which were released to the Company from escrow in January 2018. The following table presents the components of the beginning of period and end of period cash, cash equivalents and restricted cash reported within the condensed consolidated statements of cash flows:

	For the Six Months Ended June 30,	
(in thousands)	2018	2017
Beginning of period:		
Cash and cash equivalents	$ 10,565	$ 1,640
Restricted cash	481	481
Cash, cash equivalents and restricted cash	$ 11,046	$ 2,121
End of period:		
Cash and cash equivalents	$ 2,616	$ 1,854
Restricted cash	164	481
Cash, cash equivalents and restricted cash	$ 2,780	$ 2,335

10. COMMITMENTS AND CONTINGENCIES

The Company and the Operating Partnership are not presently involved in any material litigation nor, to the Company's knowledge, is any material litigation threatened against the Company.

Environmental Matters

A majority of the properties the Company acquires have been or will be subject to environmental reviews either by the Company or the previous owners. In addition, the Company may incur environmental remediation costs associated with certain land parcels it may acquire in connection with the development of land. The Company has or may acquire certain properties in urban and industrial areas that may have been leased to or previously owned by commercial and industrial companies that discharged hazardous material. The Company may purchase various environmental insurance policies to mitigate its exposure to environmental liabilities. The Company is not aware of any environmental liabilities that it believes would have a material adverse effect on its business, financial condition, or results of operations as of June 30, 2018 .

11. SUBSEQUENT EVENTS

Status of the Public and Private Offerings

A summary of the Company's initial public offering, including shares sold through the primary offering and the Company's distribution reinvestment plan, and its private offering, as of August 6, 2018 , is as follows:

(in thousands)	Class T	Class W	Class I	Notes to Stockholders	Total
Amount of gross proceeds raised:					
Primary offering	$ 104,772	$ 93	$ 2,533	$ —	$ 107,398
DRIP	781	—	81	—	862
Private offering	62	—	62	376	500
Total offering	$ 105,615	$ 93	$ 2,676	$ 376	$ 108,760
Number of shares issued:					
Primary offering	10,004	9	275	—	10,288
DRIP	78	—	8	—	86
Private offering	7	—	7	—	14
Stock dividends	—	6	3	—	9
Total offering	10,089	15	293	—	10,397

As of August 6, 2018 , approximately $1.89 billion in shares of the Company's common stock remained available for sale pursuant to the Company's initial public offering in any combination of Class T shares, Class W shares or Class I shares, including approximately $499.1 million in shares of common stock available for sale through the Company's distribution reinvestment plan, which may be reallocated for sale in the primary offering.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

References to the terms "we," "our," or "us" refer to Black Creek Industrial REIT IV Inc. and its consolidated subsidiaries. The following discussion and analysis should be read together with our unaudited condensed consolidated financial statements and notes thereto included in this Quarterly Report on Form 10-Q.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q includes certain statements that may be deemed forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such forward-looking statements relate to, without limitation, our ability to raise capital and effectively and timely deploy the net proceeds of our initial public offering, the expected use of proceeds from our initial public offering, our reliance on the Advisor and BCI IV Advisors Group LLC (the "Sponsor"), our understanding of our competition and our ability to compete effectively, our financing needs, our expected leverage, the effects of our current strategies, rent and occupancy growth, general conditions in the geographic area where we will operate, our future debt and financial position, our future capital expenditures, future distributions and acquisitions (including the amount and nature thereof), other developments and trends of the real estate industry, investment strategies and the expansion and growth of our operations. Forward-looking statements are generally identifiable by the use of the words "may," "will," "should," "expect," "could," "intend," "plan," "anticipate," "estimate," "believe," "continue," "project," or the negative of these words or other comparable terminology. These statements are not guarantees of future performance, and involve certain risks, uncertainties and assumptions that are difficult to predict.

The forward-looking statements included herein are based upon our current expectations, plans, estimates, assumptions, and beliefs that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions, and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward-looking statements. Factors that could have a material adverse effect on our operations and future prospects include, but are not limited to:

- Our ability to raise capital and effectively deploy the proceeds raised in our initial public offering in accordance with our investment strategy and objectives;
- The failure of properties to perform as we expect;
- Risks associated with acquisitions, dispositions and development of properties;
- Our failure to successfully integrate acquired properties and operations;
- Unexpected delays or increased costs associated with any development projects;
- The availability of cash flows from operating activities for distributions and capital expenditures;
- Defaults on or non-renewal of leases by customers, lease renewals at lower than expected rent, or failure to lease properties at all or on favorable rents and terms;
- Difficulties in economic conditions generally and the real estate, debt, and securities markets specifically;
- Legislative or regulatory changes, including changes to the laws governing the taxation of real estate investment trusts ("REITs");
- Our failure to obtain, renew, or extend necessary financing or access the debt or equity markets;
- Conflicts of interest arising out of our relationships with the Sponsor, the Advisor, and their affiliates;
- Risks associated with using debt to fund our business activities, including re-financing and interest rate risks;
- Increases in interest rates, operating costs, or greater than expected capital expenditures;
- Changes to GAAP; and
- Our ability to continue to qualify as a REIT.

Any of the assumptions underlying forward-looking statements could prove to be inaccurate. Our stockholders are cautioned not to place undue reliance on any forward-looking statements included in this Quarterly Report on Form 10-Q. All forward-looking statements are made as of the date of this Quarterly Report on Form 10-Q and the risk that actual results will differ materially from the expectations expressed in this Quarterly Report on Form 10-Q will increase with the passage of time. Except as otherwise required by the federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statements after the date of this Quarterly Report on Form 10-Q, whether as a result of new information, future events, changed circumstances, or any other reason. In light of the significant uncertainties inherent in the forward-looking statements included in this Quarterly Report on Form 10-Q, including, without limitation, the risks described under "Risk Factors," the inclusion of such forward-looking statements should not be regarded as a representation by us or any other person that the objectives and plans set forth in this Quarterly Report on Form 10-Q will be achieved.

OVERVIEW

General

Black Creek Industrial REIT IV Inc. is a Maryland corporation formed on August 12, 2014 to make investments in income-producing real estate assets consisting primarily of high-quality distribution warehouses and other industrial properties that are leased to creditworthy corporate customers. We currently operate as a REIT for U.S. federal income tax purposes, and elected to be treated as a REIT beginning with our taxable year ended December 31, 2017. We utilize an Umbrella Partnership Real Estate Investment Trust ("UPREIT") organizational structure to hold all or substantially all of our assets through the Operating Partnership.

We have registered with the SEC an initial public offering of up to $2.0 billion in shares of our common stock in any combination of Class T shares, Class W shares and Class I shares, consisting of $1.5 billion in our primary offering and up to $500.0 million in shares under our distribution reinvestment plan. We are offering shares of our common stock at the "transaction price," plus applicable selling commissions and dealer manager fees. The "transaction price" generally is equal to the net asset value ("NAV") per share of our common stock most recently disclosed. Our NAV per share is calculated as of the last calendar day of each month for each of our outstanding classes of stock, and will be available generally within 15 calendar days after the end of the applicable month. Shares issued pursuant to our distribution reinvestment plan are offered at the transaction price, as indicated above, in effect on the distribution date. We may update a previously disclosed transaction price in cases where we believe there has been a material change (positive or negative) to our NAV per share relative to the most recently disclosed monthly NAV per share. See "Net Asset Value" below for further detail.

As of June 30, 2018 , we had raised gross proceeds of approximately $78.1 million from the sale of 7.5 million shares of our common stock and the issuance of notes payable in our public and private offerings, including shares issued pursuant to our distribution reinvestment plan. See " Note 7 to the Condensed Consolidated Financial Statements " for information concerning our public and private offerings.

As of June 30, 2018 , we owned and managed seven buildings totaling 1.3 million square feet with 10 customers in four markets and a weighted-average remaining lease term (based on square feet) of 6.4 years. Our portfolio was 98.6% leased as of June 30, 2018 .

We have used, and intend to continue to use, the net proceeds from our offerings primarily to make investments in real estate assets. We may use the net proceeds from our offerings to make other real estate-related investments and debt investments and to pay distributions. The number and type of properties we may acquire and debt and other investments we may make will depend upon real estate market conditions, the amount of proceeds we raise in our offerings, and other circumstances existing at the time we make our investments.

Our primary investment objectives include the following:

- preserving and protecting our stockholders' capital contributions;
- providing current income to our stockholders in the form of regular cash distributions; and
- realizing capital appreciation upon the potential sale of our assets or other liquidity events.

There is no assurance that we will attain our investment objectives. Our charter places numerous limitations on us with respect to the manner in which we may invest our funds. In most cases these limitations cannot be changed unless our charter is amended, which may require the approval of our stockholders.

We may acquire assets free and clear of mortgage or other indebtedness by paying the entire purchase price in cash or equity securities, or a combination thereof, and we may selectively encumber all or only certain assets with debt. The proceeds from our borrowings may be used to fund investments, make capital expenditures, pay distributions, and for general corporate purposes.

We expect to execute our corporate financing strategy by considering various lending sources, which may include long-term fixed-rate mortgage loans, unsecured or secured lines of credit or term loans, private placement or public bond issuances, and the assumption of existing loans in connection with certain property acquisitions, or any combination of the foregoing.

Net Asset Value

Our board of directors, including a majority of our independent directors, has adopted valuation procedures, as amended from time to time, that contain a comprehensive set of methodologies to be used in connection with the calculation of our NAV. See our valuation procedures, incorporated by reference as Exhibit 99.1 to this Quarterly Report on Form 10-Q, for a more detailed description of our valuation procedures, including important disclosure regarding real property valuations provided by Altus

Group U.S. Inc. (the "Independent Valuation Firm"). All parties engaged by us in the calculation of our NAV, including the Advisor, are subject to the oversight of our board of directors. Generally, all of our real properties are appraised once each calendar year by third-party appraisal firms in accordance with our valuation procedures and such appraisals are reviewed by our Independent Valuation Firm. As used below, "Fund Interests" means our outstanding shares of common stock, along with the partnership units in the Operating Partnership ("OP Units") held by third parties (if any), and "Aggregate Fund NAV" means the NAV of all of the Fund Interests.

The following table sets forth the components of Aggregate Fund NAV as of June 30, 2018 :

(in thousands)	As of June 30, 2018
Real estate properties	$ 150,850
Cash and other assets, net of other liabilities	2,624
Debt obligations	(78,500)
Aggregate Fund NAV	$ 74,974
Total Fund Interests outstanding	7,491

The following table sets forth the NAV per Fund Interest as of June 30, 2018 :

(in thousands, except per Fund Interest data)	Total	Class T Shares	Class I Shares	Class W Shares
As of June 30, 2018				
Monthly NAV	$ 74,974	$ 71,978	$ 2,933	$ 63
Fund Interests outstanding	7,491	7,192	293	6
NAV Per Fund Interest	$ 10.0086	$ 10.0086	$ 10.0086	$ 10.0086

The valuation for our real estate properties as of June 30, 2018 was provided by the Independent Valuation Firm in accordance with our valuation procedures and determined by starting with the acquisition price of our real properties, which was adjusted based on subsequent events and assumptions used by the Independent Valuation Firm. Certain key assumptions that were used by our Independent Valuation Firm in the discounted cash flow analysis are set forth in the following table:

	Weighted-Average Rates
Exit capitalization rate	5.30%
Discount rate/internal rate of return	6.20%

In addition, the Independent Valuation Firm assumed a weighted-average holding period for our real properties of 11.2 years.

A change in the rates used would impact the calculation of the value of our real properties. For example, assuming all other factors remain constant, the changes listed below would result in the following effects on the value of our real properties:

Input	Hypothetical Change	Increase (Decrease) to the NAV
Exit capitalization rate (weighted-average)	0.25% decrease	3.21 %
	0.25% increase	(2.92)%
Discount rate (weighted-average)	0.25% decrease	2.20 %
	0.25% increase	(2.14)%

The valuation of our debt obligations as of June 30, 2018 was in accordance with fair value standards under GAAP. The key assumption used in the discounted cash flow analysis was the market interest rate. Market interest rates relating to the underlying debt obligations are based on unobservable Level 3 inputs, which we have determined to be our best estimate of current market interest rates of similar instruments. The weighted-average market interest rate used in the June 30, 2018 valuation was 3.69% .

A change in the market interest rates used would impact the calculation of the fair value of our debt obligations. For example, assuming all other factors remain constant, a decrease in the weighted-average market interest rate of 0.25% would not have a material impact on the fair value of our debt obligations. Alternatively, assuming all other factors remain constant, an increase in the weighted-average market interest rate of 0.25% would decrease the fair value of our debt obligations by approximately 0.54% .

RESULTS OF OPERATIONS

Results for the Three and Six Months Ended June 30, 2018 Compared to the Same Periods in 2017

The following table summarizes the changes in our results of operations for the three and six months ended June 30, 2018 as compared to the three and six months ended June 30, 2017 . Same store information is not provided due to the fact that all buildings were acquired during 2018.

	For the Three Months Ended June 30,			For the Six Months Ended June 30,		
(in thousands, except per share data)	2018	2017	Change	2018	2017	Change
Net operating income:						
Total rental revenues	$ 790	$ —	$ 790	$ 883	$ —	$ 883
Total rental expenses	(143)	—	(143)	(156)	—	(156)
Total net operating income	647	—	647	727	—	727
Other (expenses) income:						
Real estate-related depreciation and amortization	(461)	—	(461)	(527)	—	(527)
General and administrative expenses	(401)	(306)	(95)	(696)	(558)	(138)
Advisory fees, related party	(320)	—	(320)	(334)	—	(334)
Acquisition expense reimbursements, related party	(1,254)	—	(1,254)	(1,995)	—	(1,995)
Other expense reimbursements, related party	(326)	—	(326)	(572)	—	(572)
Interest expense and other	(324)	(34)	(290)	(507)	(67)	(440)
Total expense support from the Advisor	1,400	373	1,027	2,462	691	1,771
Total other (expenses) income	(1,686)	33	(1,719)	(2,169)	66	(2,235)
Net (loss) income	(1,039)	33	(1,072)	(1,442)	66	(1,508)
Net (loss) income attributable to noncontrolling interests	—	—	—	—	—	—
Net (loss) income attributable to common stockholders	$ (1,039)	$ 33	$ (1,072)	$ (1,442)	$ 66	$ (1,508)
Weighted-average shares outstanding	6,248	258	5,990	4,614	257	4,357
Net (loss) income per common share - basic and diluted	$ (0.17)	$ 0.13	$ (0.30)	$ (0.31)	$ 0.26	$ (0.57)

Rental Revenues. Rental revenues are comprised of base rent, straight-line rent and amortization of above- and below-market lease assets and liabilities and tenant reimbursement revenue. Total rental revenues increased for the three and six months ended June 30, 2018 , as compared to the same periods in 2017 , due to our acquisition activity during the first and second quarters of 2018.

Rental Expenses . Rental expenses include certain property operating expenses typically reimbursed by our customers, such as real estate taxes, property insurance, property management fees, repair and maintenance, and utilities. Total rental expenses increased for the three and six months ended June 30, 2018 , as compared to the same periods in 2017 , due to our acquisition activity during the first and second quarters of 2018.

Other Income and Expenses. Other income and expenses, in aggregate, increased for the three and six months ended June 30, 2018 , as compared to the same periods in 2017 , due to:

- acquisition expense reimbursements due to the Advisor as a result of us commencing our acquisition phase in 2018;
- real estate-related depreciation and amortization expense and advisory fees;
- other expense reimbursements due to the Advisor primarily relating to compensation for services provided by individual employees of the Advisor;
- interest expense primarily related to the line of credit, as well as to notes payable to investors in our private offering; and
- general and administrative expenses that primarily consisted of compensation to our independent directors, accounting and legal expenses and other professional services incurred.

Offsetting the increases above was:

- higher expense support from the Advisor pursuant to the expense support agreement.

ADDITIONAL MEASURES OF PERFORMANCE

Net Loss and Net Operating Income ("NOI")

We define NOI as GAAP rental revenues less GAAP rental expenses. For the three and six months ended June 30, 2018 , GAAP net loss attributable to common stockholders was $1.0 million and $1.4 million , respectively. For the three and six months ended June 30, 2018 , NOI was $0.6 million and $0.7 million , respectively. There was no NOI for the three and six months ended June 30, 2017 . We consider NOI to be an appropriate supplemental performance measure and believe NOI provides useful information to our investors regarding our financial condition and results of operations because NOI reflects the operating performance of our properties and excludes certain items that are not considered to be controllable in connection with the management of the properties, such as real estate-related depreciation and amortization, acquisition-related expenses, impairment charges, general and administrative expenses and interest expense. However, NOI should not be viewed as an alternative measure of our financial performance since it excludes such expenses, which expenses could materially impact our results of operations. Further, our NOI may not be comparable to that of other real estate companies as they may use different methodologies for calculating NOI. Therefore, we believe our net income (loss), as defined by GAAP, to be the most appropriate measure to evaluate our overall performance. Refer to "Results of Operations" above for a reconciliation of our GAAP net income (loss) to NOI for the three and six months ended June 30, 2018 .

Funds from Operations ("FFO"), Company-Defined Funds from Operations ("Company-defined FFO") and Modified Funds from Operations ("MFFO")

We believe that FFO, Company-defined FFO, and MFFO, in addition to net income (loss) and cash flows from operating activities as defined by GAAP, are useful supplemental performance measures that our management uses to evaluate our consolidated operating performance. However, these supplemental, non-GAAP measures should not be considered as an alternative to net income (loss) or to cash flows from operating activities as an indication of our performance and are not intended to be used as a liquidity measure indicative of cash flow available to fund our cash needs, including our ability to make distributions to our stockholders. No single measure can provide users of financial information with sufficient information and only our disclosures read as a whole can be relied upon to adequately portray our financial position, liquidity, and results of operations. Fees deferred or waived by the Advisor and payments received from the Advisor pursuant to the expense support agreement are included in determining our net income (loss), which is used to determine FFO, Company-defined FFO, and MFFO. If we had not received expense support from the Advisor, our FFO, Company-defined FFO, and MFFO would have been lower. In addition, other REITs may define FFO and similar measures differently and choose to treat acquisition-related costs and potentially other accounting line items in a manner different from us due to specific differences in investment and operating strategy or for other reasons.

FFO . As defined by the National Association of Real Estate Investment Trusts ("NAREIT"), FFO is a non-GAAP measure that excludes certain items such as real estate-related depreciation and amortization. We believe FFO is a meaningful supplemental measure of our operating performance that is useful to investors because depreciation and amortization in accordance with GAAP implicitly assumes that the value of real estate assets diminishes predictably over time. We use FFO as an indication of our consolidated operating performance and as a guide to making decisions about future investments.

Company-defined FFO. Similar to FFO, Company-defined FFO is a non-GAAP measure that excludes real estate-related depreciation and amortization and also excludes acquisition-related costs and the performance component of the advisory fee, which are characterized as expenses in determining net income (loss) under GAAP. Only the performance component of the advisory fee not paid in cash is excluded. The purchase of operating properties has been a key strategic objective of our business plan focused on generating growth in operating income and cash flow in order to make distributions to investors. However, the corresponding acquisition-related costs are driven by transactional activity rather than factors specific to the on-going operating performance of our properties or investments. Company-defined FFO may not be a complete indicator of our operating performance, and may not be a useful measure of the long-term operating performance of our properties if we do not continue to operate our business plan as disclosed.

MFFO. As defined by the Institute for Portfolio Alternatives ("IPA"), MFFO is a non-GAAP supplemental financial performance measure used to evaluate our operating performance. Similar to FFO, MFFO excludes items such as real estate-related depreciation and amortization, but includes the performance component of the advisory fee. Similar to Company-defined FFO, MFFO excludes acquisition-related costs. MFFO also excludes straight-line rent and amortization of above- and below-market leases. In addition, there are certain other MFFO adjustments as defined by the IPA that are not applicable to us and are not included in our presentation of MFFO.

We are in the acquisition phase of our life cycle. Management does not include historical acquisition-related costs in its evaluation of future operating performance, as such costs are not expected to be incurred once our acquisition phase is complete. We use FFO, Company-defined FFO and MFFO to, among other things: (i) evaluate and compare the potential

performance of the portfolio after the acquisition phase is complete, and (ii) evaluate potential performance to determine liquidity event strategies. We believe FFO, Company-defined FFO and MFFO facilitate a comparison to other REITs that have similar operating characteristics as us. We believe investors are best served if the information that is made available to them allows them to align their analyses and evaluation with the same performance metrics used by management in planning and executing our business strategy. We believe that these performance metrics will assist investors in evaluating the potential performance of the portfolio after the completion of the acquisition phase. However, these supplemental, non-GAAP measures are not necessarily indicative of future performance and should not be considered as an alternative to net loss or to cash flows from operating activities and is not intended to be used as a liquidity measure indicative of cash flow available to fund our cash needs. Neither the SEC, NAREIT, nor any regulatory body has passed judgment on the acceptability of the adjustments used to calculate FFO, Company-defined FFO and MFFO. In the future, the SEC, NAREIT, or a regulatory body may decide to standardize the allowable adjustments across the non-traded REIT industry at which point we may adjust our calculation and characterization of FFO, Company-defined FFO and MFFO.

The following unaudited table presents a reconciliation of GAAP net income (loss) to NAREIT FFO, Company-defined FFO and MFFO:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,		For the Period From Inception (August 12, 2014) to June 30, 2018
(in thousands, except per share data)	2018	2017	2018	2017	
GAAP net (loss) income attributable to common stockholders	$ (1,039)	$ 33	$ (1,442)	$ 66	$ (1,414)
GAAP net (loss) income per common share	$ (0.17)	$ 0.13	$ (0.31)	$ 0.26	$ (1.87)
Reconciliation of GAAP net (loss) income to NAREIT FFO:					
GAAP net (loss) income attributable to common stockholders	$ (1,039)	$ 33	$ (1,442)	$ 66	$ (1,414)
Add NAREIT-defined adjustments:					
Real estate-related depreciation and amortization	461	—	527	—	527
NAREIT FFO attributable to common stockholders	$ (578)	$ 33	$ (915)	$ 66	$ (887)
NAREIT FFO per common share	$ (0.09)	$ 0.13	$ (0.20)	$ 0.26	$ (1.17)
Reconciliation of NAREIT FFO to Company-defined FFO:					
NAREIT FFO attributable to common stockholders	$ (578)	$ 33	$ (915)	$ 66	$ (887)
Add Company-defined adjustments:					
Acquisition expense reimbursements	1,254	—	1,995	—	1,995
Advisory fee—performance component	175	—	175	—	175
Company-defined FFO attributable to common stockholders	$ 851	$ 33	$ 1,255	$ 66	$ 1,283
Company-defined FFO per common share	$ 0.14	$ 0.13	$ 0.27	$ 0.26	$ 1.70
Reconciliation of Company-defined FFO to MFFO:					
Company-defined FFO attributable to common stockholders	$ 851	$ 33	$ 1,255	$ 66	$ 1,283
Deduct MFFO adjustments:					
Straight-line rent and amortization of above/below-market leases	(331)	—	(387)	—	(387)
Advisory fee—performance component	(175)	—	(175)	—	(175)
MFFO attributable to common stockholders	$ 345	$ 33	$ 693	$ 66	$ 721
MFFO per common share	$ 0.06	$ 0.13	$ 0.15	$ 0.26	$ 0.95
Weighted-average shares outstanding	6,248	258	4,614	257	756

We believe that: (i) our FFO loss of $0.6 million , or $0.09 per share, as compared to the total gross distributions declared (which are paid in cash or reinvested in shares offered through our distribution reinvestment plan) in the amount of $0.9 million , or $0.14 per share, for the three months ended June 30, 2018 ; (ii) our FFO loss of $0.9 million , or $0.20 per share, as compared to the total gross distributions declared (which are paid in cash or reinvested in shares offered through our distribution reinvestment plan) in the amount of $1.3 million , or $0.27 per share, for the six months ended June 30, 2018 ; and (iii) our FFO loss of $0.9 million , or $1.17 per share, as compared to the total gross distributions declared (which are paid in cash or reinvested in shares offered through our distribution reinvestment plan) of $1.5 million , or $0.93 per share, for the period from Inception (August 12, 2014) to June 30, 2018 , are not indicative of future performance as we recently initiated the acquisition phase of our life cycle. See “Capital Resources and Uses of Liquidity—Distributions” below for details concerning our distributions, which are paid in cash or reinvested in shares of our common stock by participants in our distribution reinvestment plan.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Our primary sources of capital for meeting our cash requirements during our acquisition phase are, and will be, net proceeds from our initial public offering, including proceeds from the sale of shares offered through our distribution reinvestment plan, debt financings, cash resulting from the expense support provided by the Advisor and cash generated from operating activities. Our principal uses of funds are, and will be, for the acquisition of properties and other investments, capital expenditures, operating expenses, payments under our debt obligations, and distributions to our stockholders. Over time, we intend to fund a majority of our cash needs for items other than asset acquisitions, including the repayment of debt and capital expenditures, from operating cash flows and refinancings. There may be a delay between the deployment of proceeds raised from our initial public offering and our purchase of assets, which could result in a delay in the benefits to our stockholders, if any, of returns generated from our investments.

The Advisor, subject to the oversight of our board of directors and, under certain circumstances, the investment committee or other committees established by our board of directors, will continue to evaluate potential acquisitions and will engage in negotiations with sellers and lenders on our behalf. Pending investment in property, debt, or other investments, we may decide to temporarily invest any unused proceeds from our initial public offering in certain investments that are expected to yield lower returns than those earned on real estate assets. These lower returns may affect our ability to make distributions to our stockholders. Potential future sources of capital include proceeds from secured or unsecured financings from banks or other lenders, proceeds from the sale of assets, and undistributed funds from operations.

We believe that our cash on-hand, anticipated net offering proceeds, anticipated financing activities and cash resulting from the expense support provided by the Advisor will be sufficient to meet our liquidity needs for the foreseeable future.

Cash Flows. Cash provided by operating activities of $1.5 million for the six months ended June 30, 2018 was primarily a result of expense support provided by the Advisor during the period and growth in our property operations, offset in part by rental expenses and general and administrative expenses as a result of owning and managing seven buildings acquired in 2018, as well as other expense reimbursements. Cash used in investing activities of $149.1 million was related to our acquisition activity during the six months ended June 30, 2018 . Cash provided by financing activities of $139.3 million for the six months ended June 30, 2018 was primarily due to our net borrowing activity under our line of credit and net proceeds from the sale of our common stock, partially offset by the cash distributions we paid to our common stockholders.

Capital Resources and Uses of Liquidity

In addition to our cash and cash equivalents balance available, our capital resources and uses of liquidity are as follows:

Line of Credit. On September 18, 2017, we entered into a credit facility agreement with an initial aggregate revolving loan commitment of $100.0 million, and on June 28, 2018 we increased the commitment to $200.0 million. We have the ability from time to time to increase the size of the credit facility by up to an additional $400.0 million for a total of up to $600.0 million, subject to receipt of lender commitments and satisfaction of other conditions. Any increase to the size of the credit facility may be in the form of an increase in the aggregate revolving loan commitments, the establishment of a term loan, or a combination of both. The maturity date of the line of credit is September 18, 2020, and may be extended pursuant to two one-year extension options, subject to continuing compliance with certain financial covenants and other customary conditions. Borrowings under the line of credit will be charged interest based on either: (i) LIBOR plus a margin ranging from 1.60% to 2.50%; or (ii) an alternative base rate plus a margin ranging from 0.60% to 1.50%, each depending on our consolidated leverage ratio. Customary fall-back provisions apply if LIBOR is unavailable. The line of credit is available for general corporate purposes including, but not limited to, the acquisition and operation of permitted investments by us. A pledge of equity interests in our subsidiaries that directly own unencumbered properties will be provided until such time as we elect to terminate such pledges, subject to satisfaction of certain financial covenants. As of June 30, 2018 , we had $78.5 million outstanding under the line of credit with an interest rate of 3.69% ; the unused portion was $121.5 million , of which $14.5 million was available.

Offering Proceeds. As of June 30, 2018 , aggregate gross proceeds raised from the public and private offerings, including proceeds raised through our distribution reinvestment plan, were $78.1 million ($69.6 million net of direct selling costs).

Distributions . We intend to accrue and make cash distributions on a regular basis. For the six months ended June 30, 2018 , 100.0% of our total gross cash distributions were funded from sources other than cash flows from operating activities, as determined on a GAAP basis; specifically 52.4% of our total gross cash distributions were paid from cash provided by expense support from the Advisor, and 47.6% of our total gross cash distributions were funded with proceeds from shares issued pursuant to our distribution reinvestment plan. Some or all of our future cash distributions may be paid from sources other than cash flows from operating activities, such as cash flows from financing activities, which include borrowings (including borrowings secured by our assets), proceeds from the issuance of shares pursuant to our distribution reinvestment plan,

proceeds from sales of assets, cash resulting from a waiver or deferral of fees otherwise payable to the Advisor or its affiliates (including cash received pursuant to the expense support agreement), interest income from our cash balances, and the net proceeds from primary shares sold in the initial public offering. We have not established a cap on the amount of our cash distributions that may be paid from any of these sources. The amount of any cash distributions will be determined by our board of directors, and will depend on, among other things, current and projected cash requirements, tax considerations and other factors deemed relevant by our board.

For the third quarter of 2018, our board of directors authorized monthly cash distributions to all common stockholders of record as of the close of business on the last business day of each month for the third quarter of 2018, or July 31, 2018, August 31, 2018 and September 30, 2018 (each a "Distribution Record Date"). The distributions were authorized at a quarterly rate of (i) $0.13625 per Class I share of common stock and (ii) $0.13625 per Class T share and per Class W share of common stock, less the respective annual distribution fees that are payable monthly with respect to such Class T shares and Class W shares. This quarterly rate is equal to a monthly rate of (i) $0.04542 per Class I share of common stock and (ii) $0.04542 per Class T share and per Class W share of common stock, less the respective annual distribution fees that are payable with respect to such Class T shares and Class W shares. Cash distributions for each month of the third quarter of 2018 have been or will be paid in cash or reinvested in shares of our common stock for those electing to participate in our distribution reinvestment plan following the close of business on the respective Distribution Record Date applicable to such monthly distributions.

There can be no assurances that the current distribution rate or amount per share will be maintained. In the near-term, we expect that we may need to continue to rely on expense support from the Advisor and sources other than cash flows from operations, as determined on a GAAP basis, to pay cash distributions, which if insufficient could negatively impact our ability to pay cash distributions.

The following table outlines sources used, as determined on a GAAP basis, to pay total gross cash distributions (which are paid in cash or reinvested in shares of our common stock through our distribution reinvestment plan) for the quarters ended as of the dates indicated below:

	Source of Cash Distributions								
($ in thousands)	Provided by Expense Support (1)		Provided by Operating Activities		Proceeds from Financing Activities		Proceeds from DRIP (2)		Gross Distributions (3)
2018									
June 30	$ 452	53.1%	$ —	—%	$ —	—%	$ 399	46.9%	$ 851
March 31	206	51.0	—	—	—	—	198	49.0	404
Total	$ 658	52.4%	$ —	—%	$ —	—%	$ 597	47.6%	$ 1,255
2017									
December 31	$ 58	56.9%	$ —	—%	$ —	—%	$ 44	43.1%	$ 102
September 30	24	68.6	—	—	—	—	11	31.4	35
June 30	23	69.7	—	—	—	—	10	30.3	33
March 31	23	69.7	—	—	—	—	10	30.3	33
Total	$ 128	63.1%	$ —	—%	$ —	—%	$ 75	36.9%	$ 203

(1) For the six months ended June 30, 2018 and for the year ended December 31, 2017, the Advisor provided expense support of $2.5 million and $1.7 million, respectively. Refer to Item 8, "Financial Statements and Supplementary Data" in our 2017 Form 10-K for a description of the expense support agreement.
(2) Stockholders may elect to have cash distributions reinvested in shares of our common stock through our distribution reinvestment plan.
(3) Gross distributions are total distributions before the deduction of any distribution fees relating to Class T shares and Class W shares issued in the primary portion of our initial public offering.

Refer to " Note 7 to the Condensed Consolidated Financial Statements " for further detail on our cash distributions.

SUBSEQUENT EVENTS

Status of the Public and Private Offerings

A summary of our initial public offering, including shares sold through our primary offering and our distribution reinvestment plan, and our private offering, as of August 6, 2018 , is as follows:

(in thousands)	Class T	Class W	Class I	Notes to Stockholders	Total
Amount of gross proceeds raised:					
Primary offering	$ 104,772	$ 93	$ 2,533	$ —	$ 107,398
DRIP	781	—	81	—	862
Private offering	62	—	62	376	500
Total offering	$ 105,615	$ 93	$ 2,676	$ 376	$ 108,760
Number of shares issued:					
Primary offering	10,004	9	275	—	10,288
DRIP	78	—	8	—	86
Private offering	7	—	7	—	14
Stock dividends	—	6	3	—	9
Total offering	10,089	15	293	—	10,397

As of August 6, 2018 , approximately $1.89 billion in shares of our common stock remained available for sale pursuant to our initial public offering in any combination of Class T shares, Class W shares and Class I shares, including approximately $499.1 million in shares of common stock available for sale through our distribution reinvestment plan, which may be reallocated for sale in our primary offering.

CONTRACTUAL OBLIGATIONS

A summary of future obligations as of December 31, 2017 was disclosed in our 2017 Form 10-K. There have been no material changes outside the ordinary course of business from the future obligations disclosed in our 2017 Form 10-K.

OFF-BALANCE SHEET ARRANGEMENTS

As of June 30, 2018 , we had no off-balance sheet arrangements that have or are reasonably likely to have a material effect, on our financial condition, changes in our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources.

CRITICAL ACCOUNTING ESTIMATES

Our unaudited condensed consolidated financial statements have been prepared in accordance with GAAP and in conjunction with the rules and regulations of the SEC. The preparation of our unaudited condensed consolidated financial statements requires significant management judgments, assumptions, and estimates about matters that are inherently uncertain. These judgments affect the reported amounts of assets and liabilities and our disclosure of contingent assets and liabilities at the dates of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting periods. With different estimates or assumptions, materially different amounts could be reported in our condensed consolidated financial statements. Additionally, other companies may utilize different estimates that may impact the comparability of our results of operations to those of companies in similar businesses.

Investment in Real Estate Properties

When we acquire a property, we allocate the purchase price of the acquisition based upon our assessment of the fair value of various components, including to land, building, land and building improvements, and intangible lease assets and liabilities. Fair value determinations are based on estimated cash flow projections that utilize discount and/or capitalization rates, as well as certain available market information. The fair value of land, building, and land and building improvements considers the value of the property as if it were vacant. The fair value of intangible lease assets is based on our evaluation of the specific characteristics of each lease. Factors considered include estimates of carrying costs during hypothetical expected lease-up periods, current market conditions and market rates, the customer’s credit quality and costs to execute similar leases. The fair value of above- and below-market leases is calculated as the present value of the difference between the contractual amounts to

be paid pursuant to each in-place lease and our estimate of fair market lease rates for each corresponding in-place lease, using a discount rate that reflects the risks associates with the leases acquired and measured over a period equal to the remaining term of the lease for above-market leases and the initial term plus the term of any below-market fixed-rate renewal options for below-market leases. In estimating carrying costs, we include estimates of lost rentals at market rates during the expected lease-up periods, depending on local market conditions. In estimating costs to execute similar leases, we consider customer improvements, leasing commissions and legal and other related expenses.

Impairment of Real Estate Properties

We review our investment in real estate properties individually whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss is recorded for the difference between estimated fair value of the real estate property and the carrying amount when the estimated future cash flows and the estimated liquidation value of the real estate property are less than the real estate property carrying amount. Our estimates of future cash flows and liquidation values require us to make assumptions that are subject to economic and market uncertainties including, among others, demand for space, competition for customers, changes in market rental rates, costs to operate each property, and expected ownership periods that can be difficult to predict.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

We may be exposed to the impact of interest rate changes. Our interest rate risk management objectives are to limit the impact of interest rate changes on earnings and cash flows, and optimize overall borrowing costs. To achieve these objectives, we plan to borrow on a fixed interest rate basis for longer-term debt and utilize interest rate swap agreements on certain variable interest rate debt in order to limit the effects of changes in interest rates on our results of operations. As of June 30, 2018 , our debt outstanding consisted of borrowings under our line of credit and notes payable to investors in our private offering.

Fixed Interest Rate Debt. As of June 30, 2018 , our fixed interest rate debt consisted of $0.4 million of notes payable issued pursuant to our private offering. The interest rate on these notes is fixed and therefore the notes are not subject to interest rate fluctuations. Based on our debt as of June 30, 2018 , we do not expect that market fluctuations in interest rates will have a significant impact on our future earnings or operating cash flows.

Variable Interest Rate Debt. As of June 30, 2018 , our variable interest rate debt consisted of $78.5 million of borrowings under our line of credit. Interest rate changes on our variable-rate debt could impact our future earnings and cash flows, but would not significantly affect the fair value of such debt. As of June 30, 2018 , we were exposed to market risks related to fluctuations in interest rates on $78.5 million of borrowings. A hypothetical 10% change in the average interest rate on the outstanding balance of our variable interest rate debt as of June 30, 2018 , would change our annual interest expense by approximately $0.2 million.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Under the direction of our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of June 30, 2018 . Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2018 , our disclosure controls and procedures were effective.

Internal Control Over Financial Reporting

There have not been any changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended June 30, 2018 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this report, you should carefully consider the risk factors discussed in Part I, Item 1A, “Risk Factors” of our 2017 Form 10-K, which could materially affect our business, financial condition, and/or future results. The risks described in our 2017 Form 10-K are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition, and/or operating results.

With the exception of the risk factors set forth below, which update the risk factors disclosed in our 2017 Form 10-K, there have been no material changes to the risk factors disclosed in our 2017 Form 10-K.

RISKS RELATED TO INVESTING IN THIS OFFERING

No rule or regulation requires that we calculate our NAV in a certain way, and our board of directors, including a majority of our independent directors, may adopt changes to the valuation procedures. In addition, because we do not include organization and offering expenses and acquisition expenses for which the Advisor has agreed to defer reimbursement in our calculation of NAV, our NAV will be higher during the period of the deferral than it would otherwise be but for the deferral by the Advisor and may decrease once such deferral ends.

There are no existing rules or regulatory bodies that specifically govern the manner in which we calculate our NAV. As a result, it is important that you pay particular attention to the specific methodologies and assumptions we will use to calculate our NAV. Other public REITs may use different methodologies or assumptions to determine their NAV. In addition, each year our board of directors, including a majority of our independent directors, will review the appropriateness of our valuation procedures and may, at any time, adopt changes to the valuation procedures. For example, we do not currently include any enterprise value or real estate acquisition costs in our assets calculated for purposes of our NAV. If we acquire real property assets as a portfolio, we may pay a premium over the amount that we would pay for the assets individually. In addition, we will not include organization and offering expenses (other than selling commissions, dealer manager fees and distribution fees) incurred through December 31, 2018 in our calculation of NAV for periods through December 31, 2018, but rather will amortize them to expense on a straight-line basis over the five years following December 31, 2018. Beginning January 1, 2019, all organization and offering expenses (other than selling commissions, dealer manager fees and distribution fees, which will affect the NAV as indicated below) incurred, as well as those expenses incurred prior to January 1, 2019 which will be amortized, will reduce NAV as part of our estimated income and expense accruals. We have adopted this methodology due to the Advisor’s agreement to advance all such organization and offering expenses through December 31, 2018 and to be reimbursed by us for such advanced organization and offering expenses ratably over the sixty months following December 31, 2018. Similarly, for NAV calculation purposes, any acquisition expenses incurred or paid through December 31, 2019 which have not been reimbursed to the Advisor will not reduce NAV for periods through December 31, 2019, but rather will be amortized to expense on a straight-line basis over the eighteen months following December 31, 2019. Beginning January 1, 2020, all acquisition expenses incurred, as well as those expenses incurred prior to January 1, 2020, which will be amortized, will reduce NAV as part of our estimated income and expense accruals. We have adopted this methodology due to the Advisor’s agreement to defer reimbursement of all or a portion of acquisition expenses incurred or paid on our behalf if, in a given month, the reimbursement of acquisition expenses to the Advisor would cause the NAV per share to be lower than the lesser of $10.00 or the NAV per share calculated for the prior month, which we refer to as a shortfall. If the reimbursement would result in a shortfall, then the Advisor will defer reimbursement of acquisition expenses in the amount necessary to prevent a shortfall for such month. The Advisor will be reimbursed for any such unreimbursed acquisition expenses ratably over the eighteen months following December 31, 2019. Accordingly, during the period of the Advisor’s deferral of the reimbursement of organization and offering expenses and acquisition expenses, our NAV will be higher than it would otherwise be but for the deferral, and may decrease

once such deferral ends. Investors should consider this when determining to purchase shares of our common stock during the period of the deferral. As of June 30, 2018 , the Advisor had incurred organization and offering expenses and acquisition expenses for which the Advisor had deferred reimbursement in an aggregate amount equal to $7.2 million. Our board of directors may change these or other aspects of our valuation procedures, which changes may have an adverse effect on our NAV and the price at which you may sell shares to us under our share redemption program. See our valuation procedures, filed as Exhibit 99.1 to this Quarterly Report on Form 10-Q, for more details regarding our valuation methodologies, assumptions and procedures.

New acquisitions may be valued for purposes of our NAV at less than what we pay for them, which would dilute our NAV and deferred reimbursements of acquisition expenses will dilute our NAV when repaid to the Advisor.

Pursuant to our valuation procedures, the acquisition price of newly acquired properties will serve as our appraised value for the year of acquisition, and thereafter will be part of the rotating appraisal cycle such that they are appraised at least every calendar year. This is true whether the acquisition is funded with cash, equity or a combination thereof. However, the Independent Valuation Firm always has the ability to adjust property valuations for purposes of our NAV from the most recent appraised value. Similarly, if the Independent Valuation Firm believes that the purchase price for a recent acquisition does not reflect the current value of the property, the Independent Valuation Firm has the ability to adjust the valuation for purposes of our NAV downwards immediately after acquisition. Even if the Independent Valuation Firm does not adjust the valuation downwards immediately following the acquisition, when we obtain an appraisal on the property, it may not appraise at a value equal to the purchase price. Accordingly, the value of a new acquisition as established under our valuation procedures could be less than what we pay for it, which could negatively affect our NAV. Large portfolio acquisitions, in particular, may require a "portfolio premium" to be paid by us in order to be a competitive bidder, and this "portfolio premium" may not be taken into consideration in calculating our NAV. In addition, acquisition expenses we incur in connection with new acquisitions will negatively impact our NAV. The Advisor has agreed to defer reimbursement of all or a portion of acquisition expenses incurred or paid on our behalf if, in a given month, the reimbursement of acquisition expenses to the Advisor would cause the NAV per share to be lower than the lesser of $10.00 or the NAV per share calculated for the prior month, which we refer to as a shortfall. If the reimbursement would result in a shortfall, then the Advisor will defer reimbursement of acquisition expenses in the amount necessary to prevent a shortfall for such month. The Advisor will be reimbursed for any such unreimbursed acquisition expenses ratably over the eighteen months following December 31, 2019. Accordingly, during the period of the Advisor's deferral of the reimbursement of acquisition expenses, our NAV will be higher than it would otherwise be but for the deferral, and may decrease once such deferral ends. Investors should consider this when determining to purchase shares of our common stock during the period of the deferral. As of June 30, 2018 , the Advisor had incurred acquisition expenses for which the Advisor had deferred reimbursement in an amount equal to $2.0 million. We may make acquisitions (with cash or equity) of any size without stockholder approval, and such acquisitions may be dilutive to our NAV.

RISKS RELATED TO OUR GENERAL BUSINESS OPERATIONS AND OUR CORPORATE STRUCTURE

Our bylaws designate the Circuit Court for Baltimore City, Maryland as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our bylaws provide that, unless we consent in writing to the selection of an alternative forum, the Circuit Court for Baltimore City, Maryland shall be the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders with respect to our company, our directors, our officers or our employees (we note we currently have no employees). This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that the stockholder believes is favorable for disputes with us or our directors, officers or employees, which may discourage meritorious claims from being asserted against us and our directors, officers and employees. Alternatively, if a court were to find this provision of our charter inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business, financial condition or results of operations. We adopted this provision because we believe it makes it less likely that we will be forced to incur the expense of defending duplicative actions in multiple forums and less likely that plaintiffs' attorneys will be able to employ such litigation to coerce us into otherwise unjustified settlements, and we believe the risk of a court declining to enforce this provision is remote, as the General Assembly of Maryland has specifically amended the MGCL to authorize the adoption of such provisions.

RISKS RELATED TO THE ADVISOR AND ITS AFFILIATES

We will compete with entities sponsored or advised by affiliates of the Sponsor, for whom affiliates of the Sponsor provide certain advisory or management services, for opportunities to acquire or sell investments, and for customers, which may have an adverse impact on our operations.

We will compete with entities sponsored or advised by affiliates of the Sponsor, whether existing or created in the future, as well as entities for whom affiliates of the Sponsor provide certain advisory or management services, for opportunities to acquire, lease, finance or sell certain types of properties. We may also buy, finance or sell properties at the same time as these entities are buying, financing or selling properties. In this regard, there is a risk that we will purchase a property that provides lower returns to us than a property purchased by entities sponsored or advised by affiliates of the Sponsor and entities for whom affiliates of the Sponsor provide certain advisory or management services. Certain entities sponsored or advised by affiliates of the Sponsor own and/or manage properties in geographical areas in which we expect to own properties. Therefore, our properties may compete for customers with other properties owned and/or managed by these entities. The Advisor may face conflicts of interest when evaluating customer leasing opportunities for our properties and other properties owned and/or managed by these entities and these conflicts of interest may have a negative impact on our ability to attract and retain customers.

The Sponsor and the Advisor have implemented lease allocation guidelines to assist with the process of the allocation of leases when we and certain other entities to which affiliates of the Advisor are providing certain advisory services have potentially competing properties with respect to a particular customer. Pursuant to the lease allocation guidelines, if we have an opportunity to bid on a lease with a prospective customer and one or more of these other entities has a potentially competing property, then, under certain circumstances, we may not be permitted to bid on the opportunity and in other circumstances, we and the other entities will be permitted to participate in the bidding process. The lease allocation guidelines are overseen by a joint management committee consisting of our management committee and certain other management representatives associated with other entities to which affiliates of the Advisor are providing similar services.

Because affiliates of the Sponsor and the Advisor currently sponsor and in the future may advise other investment vehicles (each, an "Investment Vehicle") with overlapping investment objectives, strategies and criteria, potential conflicts of interest may arise with respect to industrial real estate investment opportunities ("Industrial Investments"). In order to manage this potential conflict of interest, in allocating Industrial Investments among the Investment Vehicles, the Sponsor follows an allocation policy (the "Allocation Policy") which currently provides that if the Sponsor or one of its affiliates is awarded and controls an Industrial Investment that is suitable for more than one Investment Vehicle, based upon various Allocation Factors (defined below), including without limitation availability of capital, portfolio objectives, diversification goals, target investment markets, return requirements, investment timing and the Investment Vehicle's applicable approval discretion and timing, then the Industrial Investment will be allocated to Investment Vehicles on a rotational basis and will be offered to the Investment Vehicle at the top of the rotation list (that is, the Investment Vehicle that has gone the longest without being allocated an Industrial Investment). If an Investment Vehicle on the list declines the Industrial Investment, it will be rotated to the bottom of the rotation list. Exceptions may be made to the Allocation Policy for (x) transactions necessary to accommodate an exchange pursuant to Section 1031 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), or (y) characteristics of a particular Industrial Investment or Investment Vehicle, such as adjacency to an existing asset, legal, regulatory or tax concerns or benefits, portfolio balancing or other Allocation Factors listed below, which make the Industrial Investment more advantageous to one of the Investment Vehicles. In addition, the Sponsor may from time to time specify that it will not seek new allocations for more than one Investment Vehicle until certain minimum allocation levels are reached.

The Sponsor may from time to time grant to certain Investment Vehicles certain exclusivity, rotation or other priority (each, a "Special Priority") with respect to Industrial Investments or other investment opportunities. The only currently existing Special Priority has been granted to IPT's second build-to-core fund ("BTC II"), pursuant to which BTC II will be presented one out of every three potential development Industrial Investments (subject to the terms and conditions of the BTC II partnership agreement). The Special Priority granted to BTC II will terminate on the earlier to occur of certain events described in the BTC II partnership agreement, such that it will terminate by or before May 2021. The Sponsor or its affiliates may grant additional Special Priorities in the future and from time to time. In addition, to the extent that a potential conflict of interest arises with respect to an investment opportunity other than an Industrial Investment, the Sponsor currently expects to manage the potential conflict of interest by allocating the investment in accordance with the principles of the Allocation Policy the Sponsor follows with respect to Industrial Investments.

"Allocation Factors" are those factors that the Sponsor maintains and updates from time to time based on review by the Sponsor's Head of Real Estate. Current examples of Allocation Factors include:

- Overall investment objectives, strategy and criteria, including product type and style of investing (for example, core, core plus, value-add and opportunistic);

- The general real property sector or debt investment allocation targets of each program and any targeted geographic concentration;
- The cash requirements of each program;
- The strategic proximity of the investment opportunity to other assets;
- The effect of the acquisition on diversification of investments, including by type of property, geographic area, customers, size and risk;
- The policy of each program relating to leverage of investments;
- The effect of the acquisition on loan maturity profile;
- The effect on lease expiration profile;
- Customer concentration;
- The effect of the acquisition on ability to comply with any restrictions on investments and indebtedness contained in applicable governing documents, SEC filings, contracts or applicable law or regulation;
- The effect of the acquisition on the applicable entity's intention not to be subject to regulation under the Investment Company Act;
- Legal considerations, such as Employee Retirement Income Security Act of 1974, as amended ("ERISA") and Foreign Investment in Real Property Tax Act ("FIRPTA"), that may be applicable to specific investment platforms;
- The financial attributes of the investment opportunity;
- Availability of financing;
- Cost of capital;
- Ability to service any debt associated with the investment opportunity;
- Risk return profiles;
- Targeted distribution rates;
- Anticipated future pipeline of suitable investments;
- Expected holding period of the investment opportunity and the applicable entity's remaining term;
- Whether the applicable entity still is in its fundraising and acquisition stage, or has substantially invested the proceeds from its fundraising stage;
- Whether the applicable entity was formed for the purpose of making a particular type of investment;
- Affiliate and/or related party considerations;
- The anticipated cash flow of the applicable entity and the asset;
- Tax effects of the acquisition, including on REIT or partnership qualifications;
- The size of the investment opportunity; and
- The amount of funds available to each program and the length of time such funds have been available for investment.

The Sponsor may modify its overall allocation policies from time to time. Any changes to the Sponsor's allocation policies will be timely reported to our Conflicts Resolution Committee. The Advisor will be required to provide information to our board of directors on a quarterly basis to enable our board of directors, including the independent directors, to determine whether such policies are being fairly applied.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Use of Proceeds

On February 18, 2016, our Registration Statement on Form S-11 (File No. 333-200594), pursuant to which we are making the initial public offering of up to $2.0 billion in shares of common stock, was declared effective under the Securities Act, and the initial public offering commenced the same day. The initial public offering will end on February 18, 2019, unless extended by our board of directors in accordance with federal securities laws.

The table below summarizes the gross offering proceeds raised from our initial public offering, including shares issued pursuant to our distribution reinvestment plan; the direct selling costs incurred by certain of our affiliates on our behalf in connection with the issuance and distribution of our registered securities; and the offering proceeds net of those direct selling costs.

(in thousands)	For the Period from Inception (August 12, 2014) to June 30, 2018
Gross offering proceeds	$ 77,628
Selling commissions (1)	$ 1,582
Dealer manager fees (1)	1,783
Offering costs	5,171
Total direct selling costs incurred related to public offering (2)	$ 8,536
Offering proceeds, net of direct selling costs	$ 69,092

(1) The selling commissions and dealer manager fees are paid to the Dealer Manager. A substantial portion of the commissions and fees are reallowed by the Dealer Manager to participating broker dealers as commissions and marketing fees and expenses.

(2) This amount excludes the distribution fees paid to the Dealer Manager, all or a portion of which are reallowed by the Dealer Manager to participating broker dealers or broker dealers servicing accounts of investors who own Class T shares or Class W shares, referred to as servicing broker dealers. The distribution fees are not paid from and do not reduce offering proceeds, but rather they reduce the distributions payable to holders of Class T shares and Class W shares.

As of June 30, 2018 , we had acquired seven buildings comprised of approximately 1.3 million square feet for a total purchase price of approximately $149.4 million .

Share Redemption Program

Subject to certain restrictions and limitations, our share redemption program may provide a limited opportunity for stockholders to have shares of our common stock redeemed for cash. To the extent our board of directors determines that we have sufficient available cash for redemptions, we initially intend to redeem shares under our share redemption program on a monthly basis; however, our board of directors may determine from time to time to adjust the timing of redemptions or suspend, terminate or otherwise modify our share redemption program.

While stockholders may request on a monthly basis that we redeem all or any portion of their shares pursuant to our share redemption program, we are not obligated to redeem any shares and may choose to redeem only some, or even none, of the shares that have been requested to be redeemed in any particular month, in our discretion. In addition, our ability to fulfill redemption requests is subject to a number of limitations. As a result, share redemptions may not be available each month. Under our share redemption program, to the extent we determine to redeem shares in any particular month, we will only redeem shares as of the last calendar day of that month (each such date, a “Redemption Date”). Redemptions will be made at the transaction price in effect on the Redemption Date, except that all shares of our common stock that have not been outstanding for at least one year will be redeemed at 95.0% of the transaction price and Class T shares that have been outstanding for at least one year but less than two years will be redeemed at 97.5% of the transaction price. Each of these deductions is referred to as an “Early Redemption Deduction.” An Early Redemption Deduction will not be applied with respect to: (i) Class W shares and Class I shares that have been outstanding for at least one year; and (ii) Class T shares that have been outstanding for at least two years. The “transaction price” generally will be equal to the NAV per share of our common stock most recently disclosed by us. We will redeem shares at a price that we believe reflects the NAV per share of such stock more appropriately than the most recently disclosed monthly NAV per share, including by updating a previously disclosed transaction price, in cases where we believe there has been a material change (positive or negative) to the NAV per share relative to the most recently disclosed monthly NAV per share. An Early Redemption Deduction may be waived in certain circumstances including: (i) in the case of redemption requests arising from the death or qualified disability of the holder; (ii) in the event that a stockholder’s shares are redeemed because the stockholder has failed to maintain the $2,000 minimum account balance; or (iii) with respect to shares purchased through our distribution reinvestment plan or received from us as a stock dividend. To have shares redeemed, a stockholder’s redemption request and required documentation must be received in good order by 4:00 p.m. (Eastern time) on the second to last business day of the applicable month. Settlements of share redemptions will be made within three business days of the Redemption Date. An investor may withdraw its redemption request by notifying the transfer agent before 4:00 p.m. (Eastern time) on the last business day of the applicable month.

Under our share redemption program, we may redeem during any calendar month shares whose aggregate value (based on the price at which the shares are redeemed) is 2.0% of our aggregate NAV as of the last calendar day of the previous quarter and during any calendar quarter whose aggregate value (based on the price at which the shares are redeemed) is up to 5.0% of our aggregate NAV as of the last calendar day of the prior calendar quarter. During a given quarter, if in each of the first two months of such quarter the 2.0% redemption limit is reached and stockholders' redemptions are reduced *pro rata* for such months, then in the third and final month of that quarter, the applicable limit for such month will likely be less than 2.0% of our aggregate NAV as of the last calendar day of the previous month because the redemptions for that month, combined with the redemptions in the previous two months, cannot exceed 5% of our aggregate NAV as of the last calendar day of the prior calendar quarter.

Although the vast majority of our assets consist of properties that cannot generally be readily liquidated on short notice without impacting our ability to realize full value upon their disposition, we intend to maintain a number of sources of liquidity including: (i) cash equivalents (e.g. money market funds), other short-term investments, U.S. government securities, agency securities and liquid real estate-related securities; and (ii) one or more borrowing facilities. We may fund redemptions from any available source of funds, including operating cash flows, borrowings, proceeds from this offering and/or sales of our assets.

Should redemption requests, in our judgment, place an undue burden on our liquidity, adversely affect our operations or risk having an adverse impact on us as a whole, or should we otherwise determine that investing our liquid assets in real properties or other illiquid investments rather than redeeming our shares is in the best interests of the company as a whole, then we may choose to redeem fewer shares than have been requested to be redeemed, or none at all. In the event that we determine to redeem some but not all of the shares submitted for redemption during any month for any of the foregoing reasons, shares submitted for redemption during such month will be redeemed on a pro rata basis. All unsatisfied redemption requests must be resubmitted after the start of the next month or quarter, or upon the recommencement of the share redemption program, as applicable. If the transaction price for the applicable month is not made available by the tenth business day prior to the last business day of the month (or is changed after such date), then no redemption requests will be accepted for such month and stockholders who wish to have their shares redeemed the following month must resubmit their redemption requests.

The preceding summary does not purport to be a complete summary of our share redemption program and is qualified in its entirety by reference to the share redemption program, which is incorporated by reference as Exhibit 4.2 to our 2017 Form 10-K.

As of June 30, 2018 , we had not redeemed any shares of our common stock and had not received any eligible requests for redemption pursuant to our share redemption program.

ITEM 6. EXHIBITS

The exhibits required by this item are set forth on the Exhibit Index attached hereto.

EXHIBIT INDEX

Exhibit Number	Description
3.1	Third Articles of Amendment and Restatement. Incorporated by reference to Exhibit 3.1 to Pre-Effective Amendment No. 1 to Post-Effective Amendment No. 3 to the Registration Statement on Form S-11 (File No. 333-200594) filed with the SEC on June 30, 2017 ("Pre-Effective Amendment").
3.2	Third Amended and Restated Bylaws of Black Creek Industrial REIT IV Inc. (formerly known as Industrial Logistics Realty Trust Inc.). Incorporated by reference to Exhibit 3.2 to the Quarterly Report on form 10-Q filed with the SEC on November 9, 2017.
4.1	Form of Subscription Agreement. Incorporated by reference to Appendix B to Post-Effective Amendment No. 5 to the Registration Statement on Form S-11 (File No. 333-200594) on April 18, 2018.
4.2	Third Amended and Restated Distribution Reinvestment Plan. Incorporated by reference to Exhibit 4.2 to the Pre-Effective Amendment No. 1 to Post-Effective Amendment No. 3 to Form S-11 (File No. 333-200594) filed with the SEC on July 3, 2017.
4.3	Share Redemption Program, effective as of November 1, 2017. Incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed with the SEC on November 2, 2017.
10.1	Amended and Restated Advisory Agreement (2018), dated June 13, 2018, by and among Black Creek Industrial REIT IV Inc., BCI IV Operating Partnership LP and BCI IV Advisors LLC. Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed with the SEC on June 15, 2018.
10.2	Fourth Amended and Restated Limited Partnership Agreement of BCI IV Operating Partnership LP, dated June 13, 2018. Incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed with the SEC on June 15, 2018.
10.3	Purchase and Sale Agreement, dated January 16, 2018, by and between SA Rhombus LLC and BCI IV Acquisitions LLC. Incorporated by reference to Exhibit 10.11 to Post-Effective Amendment No. 5 to the Registration Statement on Form S-11 (File No. 333-200594) filed with the SEC on April 18, 2018.
10.4	Agreement Regarding Assignment and Assumption of Purchase Agreement, dated February 23, 2018, by and between Lanic Engineering, Inc. and BCI IV Acquisitions LLC. Incorporated by reference to Exhibit 10.12 to Post-Effective Amendment No. 5 to the Registration Statement on Form S-11 (File No. 333-200594) filed with the SEC on April 18, 2018.
10.5	Purchase and Sale Agreement, dated March 7, 2018, by and between Arctic Partners, LTD and BCI IV Acquisitions LLC. Incorporated by reference to Exhibit 10.13 to Post-Effective Amendment No. 5 to the Registration Statement on Form S-11 (File No. 333-200594) filed with the SEC on April 18, 2018.
10.6*	Purchase Agreement, dated May 1, 2018, by and between TLF (Inland Empire Distribution Center #3), LLC and BCI IV Acquisitions LLC.
10.7*	Purchase and Sale Agreement, dated May 16, 2018, by and between BPG OCOEE 1, LLC and BCI IV Acquisitions LLC.
10.8*	Purchase and Sale Agreement, dated June 4, 2018, by and between Pescadero Land Holdings, LLC and BCI IV Acquisitions LLC.
10.9	First Amendment, dated January 19, 2018, by and among BCI IV Operating Partnership LP, a Delaware limited partnership, as the Borrower; the lenders from time to time who are parties thereto; and Wells Fargo Bank, National Association, as Administrative Agent and as a lender. Incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed with the SEC on July 3, 2018.
10.10	Second Amendment and Incremental Revolving Commitment Assumption Agreement, dated June 28, 2018, by and among BCI IV Operating Partnership LP, a Delaware limited partnership, as the Borrower; the lenders from time to time who are parties thereto; Wells Fargo Bank, National Association, as Administrative Agent and as a lender, Bank of America, N.A., as a lender, U.S. Bank National Association, as a lender, JPMorgan Chase Bank, N.A., as a lender, and Regions Bank, N.A., as a lender. Incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed with the SEC on July 3, 2018.
31.1*	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

Exhibit Number	Description
32.1**	Certifications of Principal Executive Officer and Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99.1	Net Asset Value Calculation and Valuation Procedures. Incorporated by reference to Exhibit 99.1 to the Current Report on Form 8-K filed with the SEC on Jun 15, 2018.
101	The following materials from Black Creek Industrial REIT IV Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2018, filed on August 13, 2018, formatted in XBRL (eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Operations, (iii) Condensed Consolidated Statement of Equity, (iv) Condensed Consolidated Statements of Cash Flows, and (v) Notes to the Condensed Consolidated Financial Statements.

* Filed herewith.
** Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BLACK CREEK INDUSTRIAL REIT IV INC.

August 13, 2018 By: /S/ DWIGHT L. MERRIMAN III

Dwight L. Merriman III
Managing Director, Chief Executive Officer
(Principal Executive Officer)

August 13, 2018 By: /S/ THOMAS G. MCGONAGLE

Thomas G. McGonagle
Managing Director, Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 10.6

PURCHASE AGREEMENT

(701 Malaga Place, Ontario, San Bernardino County, California 91761-8627)

THIS PURCHASE AGREEMENT (this " **Agreement** ") is made and entered into as of May 1, 2018 (the " **Effective Date** "), by and between **TLF (INLAND EMPIRE DISTRIBUTION CENTER #3), LLC** , a Delaware limited liability company (" **Seller** "), and **BCI IV ACQUISITIONS LLC** , a Delaware limited liability company (" **Buyer** ").

R E C I T A L S

Seller desires to sell, and Buyer desires to purchase, the "Property" (as hereinafter defined) on the terms and conditions hereinafter documented.

NOW, THEREFORE, in consideration of the mutual undertakings of the parties hereto, the receipt of which is hereby acknowledged, it is hereby agreed by the parties as follows:

1. Certain Defined Terms . As used herein:

1.1 " **Access Agreement** " shall mean that certain letter agreement, dated April 5, 2018, by and between Seller and Buyer, as accepted by Buyer on April 6, 2018 (the " **Access Acceptance Date** ").

1.2 " **Appurtenances** " shall mean, as to the "Land" (as hereinafter defined), (a) all easements or licenses benefitting the Land; (b) all streets, alleys and rights of way, open or proposed, in front of or adjoining or servicing all or any part of the Land; (c) all strips and gores in front of or adjoining all or any part of the Land; (d) all development rights, air rights, wind rights, water, water rights, riparian rights, and water stock relating to the Land; and (e) all other rights, benefits, licenses, interests, privileges, easements, tenements and hereditaments appurtenant to the Land or used in connection with the beneficial use and enjoyment of the Land or in anywise appertaining to the Land.

1.3 " **Closing Date** " shall mean the date that is ten (10) days after the expiration of the Due Diligence Period, unless otherwise agreed in writing by the parties, as such date may be extended as expressly provided in this Agreement.

1.4 " **Closing Documents** " shall mean any certificate, instrument or other document executed by a party or an affiliate of a party and delivered at or in connection with the "Closing" (as hereinafter defined) pursuant to this Agreement.

1.5 " **Deposit** " shall mean SIX HUNDRED TWENTY-FIVE THOUSAND AND No/100 DOLLARS ($625,000.00), together with all interest earned thereon.

1.6 " **Due Diligence Materials** " shall mean all documents, materials, data, analyses, reports, studies and other information pertaining to or concerning Seller, the Property or the purchase of the Property, to the extent the same have been delivered to or made available for review by Buyer or any of its agents, employees or representatives, including (a) all documents, materials, data, analyses, reports, studies and other information made available to Buyer or any of its agents, employees or representatives for review

within a reasonable period of time prior to the expiration of the Due Diligence Period electronically or through an on-line data website (or thereafter within a reasonable period of time prior to the expiration of the Due Diligence Period provided that after the initial delivery of documents and materials, Seller provides Buyer with written or e-mail notice of such additional documents and materials), and (b) all information disclosed in the real estate records of the applicable jurisdiction in which the Property is located, but in all cases excluding the "Excluded Materials" (as hereinafter defined) except to the extent any Excluded Materials are actually delivered or made available to Buyer or any of its agents, employees or representatives.

1.7 " **Due Diligence Period** " shall mean the period commencing on the Access Acceptance Date and ending at 5:00 p.m. Pacific time on Monday, May 7, 2018.

1.8 " **Existing Lease** " shall mean, collectively, that certain lease captioned "LEASE AGREEMENT," dated January 15, 2015, that certain amendment captioned "FIRST AMENDMENT," dated as of November 28, 2017, each by and between Seller and Tenant, and any amendments thereto entered into in accordance with this Agreement.

1.9 " **Governmental Entity** " shall mean any United States national, federal, state, provincial, municipal or local government, governmental, regulatory or administrative authority, agency, instrumentality or commission or any court, tribunal, or judicial body.

1.10 " **Hazardous Material** " shall mean any hazardous, toxic or dangerous waste, substance or material, pollutant or contaminant, as defined for purposes of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601 et seq.), as amended, or the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.), as amended, or any other Laws (collectively, " **Environmental Laws** "), or any substance which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous, or any substance which contains gasoline, diesel fuel or other petroleum hydrocarbons, polychlorinated biphenyls (PCBs), or radon gas, urea formaldehyde, asbestos or lead.

1.11 " **Improvements** " shall mean the improvements, structures and fixtures located upon the Land.

1.12 " **Intangible Property** " shall mean, as to the Land, the Improvements and the Personal Property, (a) all Leases of any portion of the Land or Improvements, and (b) to the extent the following items are assignable without cost to Seller and relate solely to the Land, Improvements and Personal Property, (i) all "Service Agreements" (as hereinafter defined) that are to be assumed by Buyer at the Closing as provided in this Agreement, (ii) governmental permits, (iii) entitlements, (iv) licenses and approvals, (v) unexpired warranties and guarantees received in connection with any work or services performed with respect thereto, or equipment installed therein, (vi) tenant lists, (vii) advertising material, (viii) telephone exchange numbers and (ix) all trademarks and tradenames used exclusively in connection with the Property, but in all cases excluding the "Reserved Company Assets" (as hereinafter defined).

1.13 " **Internal Revenue Code** " shall mean the Internal Revenue Code of 1986, as amended from time to time, and any corresponding provisions of succeeding law and any regulations, rulings and guidance issued by the Internal Revenue Service.

1.14 " **Laws** " shall mean any binding domestic or foreign laws, statutes, ordinances, rules, resolutions, regulations, codes or executive orders enacted, issued, adopted, promulgated, applied, or hereinafter imposed by any Governmental Entity, including, building, zoning and environmental protection, as to the use, occupancy, rental, management, ownership, subdivision, development, conversion or redevelopment of the Property.

1.15 " **Leases** " shall mean, collectively, (a) the Existing Lease and (b) any leases of space in the Property (including amendments thereto) entered into in accordance with this Agreement.

1.16 " **Leasing Costs** " shall mean, with respect to a particular Lease, all capital costs, expenses incurred for capital improvements, equipment, painting, decorating, partitioning and other items to satisfy any construction obligations of the landlord under such Lease (including any expenses incurred for architectural or engineering services in respect of the foregoing), " **tenant allowances** " in lieu of or as reimbursements for the foregoing items, payments made for purposes of satisfying or terminating the obligations of the tenant under such Lease to the landlord under another lease (*i.e.* , lease buyout costs), costs of base building work, free rent and other similar inducements, relocation costs, temporary leasing costs, leasing commissions, brokerage commissions, design and other professional fees and costs, in each case, to the extent the landlord under such Lease is responsible for the payment of such cost or expense.

1.17 " **Liens** " shall mean any liens, mortgages, deeds of trust, pledges, security interests or other encumbrances securing any debt or monetary obligation.

1.18 " **Personal Property** " shall mean, as to the Land and Improvements, the tangible personal property owned by Seller located on, and used exclusively in connection with, the Land and Improvements including all building materials, supplies, hardware, carpeting and other inventory located on or in the Land or Improvements and maintained in connection with the ownership and operation thereof, but in all cases excluding computer software, personal property owned by Tenant and the Reserved Company Assets.

1.19 " **Reserved Company Assets** " shall mean, subject to the express proration provisions set forth in this Agreement, the following assets of Seller as of the Closing Date: all (a) cash, (b) cash equivalents (including certificates of deposit), (c) deposits held by third parties (*e.g.,* utility companies), (d) accounts receivable and any right or claim to a refund, reimbursement or other payment relating to a period or occurrence prior to the Closing, including any real estate tax refund (subject to the prorations hereinafter set forth) and any claims under a lease, warranty or guaranty arising from acts and occurrences prior to the Closing, (e) bank accounts, (f) claims or other rights against any present or prior partner, member, employee, agent, manager, officer or director of Seller or its direct or indirect partners, members, shareholders or affiliates, (g) any refund in connection with termination of Seller's existing insurance policies, (h) all contracts between Seller and any law firm, accounting firm, property manager, leasing agent, broker, environmental consultants and other consultants and appraisers entered into prior to the Closing, (i) any proprietary or

confidential materials (including any materials relating to the background or financial condition of a present or prior direct or indirect partner or member of Seller), (j) the internal books and records of Seller relating, for example, to contributions and distributions prior to the Closing, (k) any software, (l) any trademarks, trade names, brand marks, brand names, trade dress or logos relating thereto, except for any tradename or logo unique to the Property (as opposed to a logo of Seller) expressly conveyed to Buyer in accordance with this Agreement, if any, (m) any development bonds, letters of credit or other collateral held by or posted with any Governmental Entity or other third party with respect to any improvement, subdivision or development obligations concerning the Property or any other real property, and (n) any other intangible property that is not used exclusively in connection with the Property.

1.20 " **Tenant** " shall mean G.P.R. Logistics LLC, a New Jersey limited liability company.

1.21 " **Title Company** " shall mean Chicago Title Insurance Company.

2. Purchase and Sale . Upon the terms and conditions hereinafter set forth, Seller shall sell to Buyer, and Buyer shall purchase from Seller, the Property. As used herein, " **Property** " shall mean, collectively, all of Seller's right, title and interest in (a) the land described in **Schedule 1** (the " **Land** "), (b) the Appurtenances, (c) the Improvements, (d) the Personal Property, and (e) the Intangible Property.

3. Purchase Price . The purchase price (the " **Purchase Price** ") for the Property shall be THIRTY MILLION EIGHT HUNDRED FIFTY THOUSAND AND No/100 DOLLARS ($30,850,000.00). The Purchase Price shall be paid to Seller by Buyer as follows:

3.1 Deposit. Within two (2) business days following the Effective Date, Buyer shall deliver, by wire transfer of immediately available federal funds or cashier's check drawn on a national bank reasonably satisfactory to Escrow Agent, the Deposit to Chicago Title Insurance Company (" **Escrow Agent** "), at its offices at 10 South LaSalle Street, Suite 3100, Chicago, Illinois 60603, Attention: Ms. Cindy Malone (Telephone: (312) 223-3360; E-mail: cindy.malone@ctt.com). If this Agreement has not been terminated (pursuant to Section 4.6.2 below or otherwise) prior to the expiration of the Due Diligence Period, then the Deposit shall become nonrefundable to Buyer except as otherwise expressly provided in this Agreement. At all times during which the amounts so deposited hereunder shall be held by Escrow Agent, the same shall be held by Escrow Agent as a deposit against the Purchase Price in accordance with the terms and provisions of this Agreement. While the Deposit or any portion thereof is being held by Escrow Agent, the Deposit shall be invested by Escrow Agent in the following investments (" **Approved Investments** "): (a) money market funds, or (b) such other short-term investment option offered by Escrow Agent as may be reasonably agreed to by Seller and Buyer. All interest earned on the Deposit shall be deemed part of the Deposit for all purposes under this Agreement. At the Closing, the entire Deposit shall be applied to the Purchase Price. Notwithstanding any provision to the contrary contained in this Agreement, the "Independent Consideration" [as hereinafter defined] shall be deemed independent consideration for the Due Diligence Period and any termination rights provided to Buyer in this Agreement and shall be non-refundable to Buyer and paid to Seller under all circumstances.

3.2 Closing Payment. The Purchase Price, as adjusted by the application of the Deposit and by the prorations and credits specified herein, shall be paid, by wire transfer of immediately available

federal funds (through the escrow described in Section 5 below), as and when provided in Section 5.2.2 below and in the "Escrow Agreement" (as hereinafter defined). The amount to be paid under this Section 3.2 is referred to herein as the " **Closing Payment** ."

4. Conditions Precedent . The obligation of Buyer to acquire the Property as contemplated by this Agreement is subject to satisfaction of all of the conditions precedent for the benefit of Buyer set forth in Sections 4.1, 4.2, 4.5.3, 4.7 and 4.8 herein, any of which may be waived prior to the Closing only in writing by Buyer on or before the applicable date specified for satisfaction of the applicable condition. The obligation of Seller to transfer the Property as contemplated by this Agreement is subject to satisfaction of all of the conditions precedent for the benefit of Seller set forth in Sections 4.3 and 4.4 herein, any of which may be waived prior to the Closing only in writing by Seller on or before the applicable date specified for satisfaction of the applicable condition. If any of such conditions is not fulfilled (or waived in writing) pursuant to the terms of this Agreement, then the party in whose favor such condition exists may terminate this Agreement and, in connection with any such termination made in accordance with this Section 4 , Seller and Buyer shall be released from further obligation or liability hereunder (except for those obligations and liabilities that expressly survive such termination), and the Deposit (less the Independent Consideration which shall be paid to Seller) shall be disposed of in accordance with Section 9 below. However, the Closing shall constitute a waiver of all conditions precedent (provided that the foregoing shall not preclude Buyer from bringing a claim for Seller's breach of Seller's representations and warranties in accordance with Section 7.3 hereof).

4.1 Performance by Seller. The performance and observance, in all material respects, by Seller of all covenants and agreements of this Agreement to be performed or observed by Seller prior to or on the Closing Date shall be a condition precedent to Buyer's obligation to purchase the Property.

4.2 Representations and Warranties of Seller. The obligation of Buyer to close the transaction contemplated by this Agreement is subject to the truth, in all material respects, of the representations and warranties of Seller set forth in this Agreement, as of the Closing Date, as though made on and as of the Closing Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), excluding, however, any matter or change (a) expressly permitted or contemplated by the terms of this Agreement or (b) contained in any of the Due Diligence Materials or actually known to Buyer prior to the expiration of the Due Diligence Period (as such knowledge is defined in Section 7.4.2 herein). Without limitation on the foregoing, in the event that the closing certificate (the " **Seller Closing Certificate** ") in the form attached hereto as **Exhibit B** to be delivered by Seller at the Closing shall disclose any material adverse changes in the representations and warranties of Seller under this Agreement that are not otherwise permitted or contemplated by the terms of this Agreement, contained in any of the Due Diligence Materials or actually known to Buyer prior to the expiration of the Due Diligence Period (as such knowledge is defined in Section 7.4.2 herein), then Buyer shall have the right to terminate this Agreement by written notice delivered to Seller prior to the Closing and, in connection with any such termination, Buyer shall be entitled to a return of the Deposit (less the Independent Consideration, which shall be paid to Seller), and Seller and Buyer shall be released from further obligation or liability hereunder (except for those obligations and liabilities which expressly survive such termination).

4.3 Performance by Buyer. The performance and observance, in all material respects, by Buyer of all covenants and agreements of this Agreement to be performed or observed by Buyer prior to or on the Closing Date shall be a condition precedent to Seller's obligation to sell the Property.

4.4 Representations and Warranties of Buyer. The obligation of Seller to close the transaction contemplated by this Agreement is subject to the truth, in all material respects, of the representations and warranties of Buyer set forth in this Agreement, as of the Closing Date, as though made on and as of the Closing Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date). Without limitation on the foregoing, in the event that Buyer's closing certificate (the " **Buyer Closing Certificate** ") in the form attached hereto as **Exhibit C** shall disclose any material adverse changes in the representations and warranties of Buyer under this Agreement, then Seller shall have the right to terminate this Agreement by written notice to Buyer and, in connection with any such termination, Seller and Buyer shall be released from further obligation or liability hereunder (except for those obligations and liabilities which expressly survive such termination).

4.5 Title Matters .

4.5.1 Title Report; Survey. Prior to the Effective Date, Seller delivered to Buyer (1) that certain title commitment, NCS Number: 21800205, LO Number: 00085497-994-LT2-KD, issued by Title Company, with an effective date of February 2, 2018 (the " **Preliminary Title Report** ") covering the Property, and (2) a copy of that certain survey (the " **Survey** ") entitled "ALTA/NPS LAND TITLE SURVEY," prepared by Jayne E. Leavitt of Bock & Clark, B&C Project No. 201800578, 001. Buyer shall notify Seller in writing (the " **Title Notice** ") prior to 5:00 p.m. Pacific time on the date that is five (5) business days prior to the expiration of the Due Diligence Period (the period beginning on the Access Acceptance Date and ending at such time is referred to herein as the " **Title Review Period** ") as to which matters, if any, within the Preliminary Title Report and which matters shown on the Survey (or any update thereof) are not acceptable to Buyer in Buyer's sole and absolute discretion (individually, a " **Disapproved Title Matter** "). Any matter within the Preliminary Title Report, the Survey, and any matter that would be disclosed by a current, accurate survey of the Land and the Improvements that Buyer fails to so disapprove in a Title Notice delivered prior to the expiration of the Title Review Period shall be conclusively deemed to have been approved by Buyer. If Buyer timely delivers a Title Notice indicating a Disapproved Title Matter, then Seller shall have three (3) business days after receipt of such Title Notice to elect to notify Buyer in writing (a " **Title Response Notice** ") that Seller either (a) will in good faith attempt to remove such Disapproved Title Matter from title to the Property on or before the Closing, or (b) elects not to cause such Disapproved Title Matter to be removed from title to the Property. If Seller fails to deliver a Title Response Notice as to a particular Disapproved Title Matter within such three (3) business day period, then Seller shall be deemed to have made the election in clause (b) above as to such Disapproved Title Matter. Prior to the expiration of the Due Diligence Period, the procurement by Seller of a written commitment from Title Company to issue the "Owner's Policy" (as hereinafter defined), or an endorsement thereto insuring Buyer against any Disapproved Title Matter at Closing, shall be deemed the removal of such Disapproved Title Matter from title to the Property, provided that such endorsement shall be satisfactory to Buyer in its sole discretion, and shall be issued at Seller's sole cost and expense. If Seller makes (or is deemed to have made) the election in clause (b) above as to any Disapproved Title Matter, then Buyer shall have until the expiration of the Due Diligence Period, within

which to notify Seller in writing that Buyer elects to either (x) nevertheless proceed with the purchase and take title to the Property subject to such Disapproved Title Matter, or (y) terminate this Agreement. If Buyer makes the election set forth in clause (y) above, then this Agreement shall immediately terminate, Buyer shall be entitled to a return of the Deposit (less the Independent Consideration, which shall be paid to Seller), and Seller and Buyer shall have no further rights or obligations hereunder, except for the provisions hereof that expressly survive termination of this Agreement. If Buyer fails to notify Seller in writing of its election prior to the expiration of the Due Diligence Period, then Buyer shall be deemed to have made the election set forth in clause (x) above.

4.5.2 Additional Title Matters. Approval by Buyer of any additional title exceptions, defects, encumbrances or other title matters first disclosed in writing after the end of the Title Review Period (" **Additional Title Matters** ") shall be a condition precedent to Buyer's obligations to purchase the Property (Buyer hereby agreeing that its approval of such Additional Title Matters shall be subject to Buyer's approval in its sole and absolute discretion). Unless Buyer gives written notice (" **Title Disapproval Notice** ") that it disapproves any Additional Title Matters, stating the Additional Title Matters so disapproved, before the sooner to occur of the Closing or five (5) days after receipt of written notice of such Additional Title Matters, Buyer shall be deemed to have approved such Additional Title Matters. Notwithstanding the foregoing to the contrary, if Buyer receives notice of an Additional Title Matter on or after the date which is two (2) business days prior to the Closing Date, then either party shall have the option to extend the Closing for three (3) additional business days to allow the parties sufficient time to review such Additional Title Matter provided that the party requesting such extension of the Closing delivers to the other party written notice of such extension within one (1) business day of receipt of the Additional Title Matter. Seller shall have until the Closing within which to remove the disapproved Additional Title Matters set forth therein from title or obtain from Title Company a commitment to issue an endorsement affirmatively insuring against such items in a form acceptable to Buyer in Buyer's commercially reasonable discretion, at no cost or expense to Buyer (Seller having the right but not the obligation to do so). The procurement by Seller of a written commitment from Title Company to issue the Owner's Policy, or an endorsement thereto insuring Buyer against the disapproved Additional Title Matter at Closing, shall be deemed the removal of such disapproved Additional Title Matter from title to the Property, provided that such endorsement shall be to Buyer's commercially reasonable satisfaction, and shall be issued at Seller's sole cost and expense. In the event Seller determines at any time that it is unable or unwilling to remove any one or more of such disapproved Additional Title Matters, Seller shall give written notice to Buyer to such effect; in such event, Buyer may, at its option, terminate this Agreement upon written notice to Seller but only if given prior to the sooner to occur of the Closing or five (5) days after Buyer receives Seller's notice, in which case this Agreement shall immediately terminate, the Deposit (less the Independent Consideration, which shall be paid to Seller), shall be returned to Buyer, and Seller and Buyer shall have no further rights or obligations hereunder, except for the provisions hereof that expressly survive termination of this Agreement. If Buyer fails to give such termination notice by such date, Buyer shall be deemed to have waived its objection to, and to have approved, the matters set forth in Seller's notice.

4.5.3 Exceptions to Title. Buyer's obligation to purchase the Property is subject to the condition precedent that, at the Closing, Title Company shall be willing to issue the Owner's Policy

effective upon the Closing. Buyer shall be obligated to accept title to the Property, subject to the following exceptions to title (the " **Permitted Exceptions** "):

(a) Real estate taxes and assessments not yet delinquent;

(b) The printed exceptions, if any, which appear in a 2006 ALTA extended coverage form Owner's Policy of Title Insurance issued by Title Company in the State of California;

(c) The Leases; and

(d) Such other exceptions to title or survey exceptions as may be approved or deemed approved by Buyer pursuant to the above provisions of this Section 4.5 or otherwise expressly permitted under this Agreement, or any exceptions resulting from the actions (or inactions) of Buyer or its agents or representatives.

Conclusive evidence of the availability of such title shall be the willingness of Title Company to issue to Buyer on the Closing Date a 2006 ALTA extended form Owner's Policy of Title Insurance issued by Title Company in the State of California (the " **Owner's Policy** "), in the face amount of the Purchase Price, which policy shall show (i) title to the Land and Improvements to be vested of record in Buyer, and (ii) the Permitted Exceptions to be the only exceptions to title; provided, however, if Buyer fails to fulfill Title Company's conditions required for issuance of such Owner's Policy, including but not limited to delivery of a current ALTA survey, then the condition precedent described in this Section 4.5.3 shall be deemed satisfied if Title Company shall be willing to issue a ALTA standard coverage form Owner's Policy of Title Insurance upon or following the Closing. In connection with obtaining coverage over survey matters under any ALTA form of Owner's Policy, Buyer shall deliver to Title Company prior to the Closing Date a current ALTA survey certified by a licensed surveyor in the State of California sufficient to permit or cause Title Company to insure against survey matters at the Closing. Notwithstanding any provision to the contrary contained in this Agreement or any of the Closing Documents, any or all of the Permitted Exceptions may be omitted by Seller in the "Deed" (as hereinafter defined) without giving rise to any liability of Seller, irrespective of any covenant or warranty of Seller that may be contained or implied in the Deed (which provisions of this sentence shall survive the Closing and not be merged therein). Notwithstanding any provision to the contrary contained in this Agreement, Seller agrees that it will remove all Liens (other than non-delinquent taxes) expressly caused or permitted by Seller, or insure or endorse over any other Liens (other than non-delinquent taxes); provided however, any insurance or endorsement over a Lien shall be to Buyer's commercially reasonable satisfaction if Seller did not expressly cause or permit such Lien, and to Buyer's sole satisfaction if Seller expressly caused or permitted such Lien.

4.5.4 Endorsements to Owner's Policy. It is understood that Buyer may request a number of endorsements to the Owner's Policy. Buyer shall satisfy itself prior to the expiration of the Title Review Period whether Title Company will be willing to issue such endorsements at the Closing and the issuance of such endorsements shall not be a condition to the Closing.

4.6 Due Diligence Reviews. Except for title matters and matters shown on the Survey (which shall be governed by the provisions of Section 4.5 above), and subject to the provisions hereinafter

set forth, Buyer shall have until the expiration of the Due Diligence Period within which to perform and complete all of Buyer's due diligence examinations, reviews and inspections of all matters pertaining to the purchase of the Property, including all engineering and environmental reports and all leases, license agreements and service contracts, sewer/water conditions, utilities service information, zoning information, access information, assessments and city fees, developmental conditions and approvals, operating expenses and legal, physical, environmental and compliance matters and conditions regarding the Property (the foregoing being collectively called the " **Property Information** "). Subject to Section 4.6.1 below, during the Due Diligence Period and prior to the Closing, Seller shall provide Buyer and its actual and potential investors, lenders and assignees, and their respective representatives, attorneys, accountants, consultants, surveyors, title companies, agents, employees, contractors, appraisers, architects and engineers, with reasonable access to the Property (subject to the rights of tenants under the Leases) upon reasonable advance notice and shall also make available for review and copying (at Buyer's expense) copies of all documents, materials and other information relating to the Property Information that Buyer may reasonably request and that, to Seller's knowledge, are in the possession of Seller or its agents which Seller shall make available to Buyer within three (3) business days following the Effective Date, or three (3) business days following Seller's receipt of request from Buyer if such request is not made prior to the Effective Date. In no event, however, shall Seller be obligated to make available (or cause to be made available) any proprietary or confidential documents including reports or studies that have been superseded by subsequent reports or studies, or any of the following confidential and proprietary materials (collectively, the " **Excluded Materials** "): (a) information contained in financial analyses or projections (including Seller's budgets, valuations, cost-basis information and capital account information); (b) material that is subject to attorney-client privilege or that is attorney work product; (c) appraisal reports or letters; (d) organizational, financial and other documents relating to Seller or its affiliates (other than any evidence of due authorization and organization required under this Agreement); (e) material that Seller is legally required not to disclose other than by reason of legal requirements voluntarily assumed by Seller after the Effective Date; (f) preliminary or draft reports or studies, or reports or studies that have been superseded by final reports or studies; (g) letters of intent, purchase agreements, loan documents or other documents, instruments or agreements evidencing or relating to any prior financing or attempted sale of the Property or any portion thereof; or (h) the "Excluded Contracts" (as hereinafter defined). In no event shall any right of Buyer to access or inspect the Property or to conduct further reviews and analyses after the expiration of the Due Diligence Period, as set forth herein, give rise to any due diligence approval or termination right in favor of Buyer under this Agreement.

4.6.1 Review Standards. Buyer shall at all times conduct its due diligence reviews, inspections and examinations (and shall cause its consultants' and other third parties' reviews, inspections and examinations performed for or at the request of Buyer to be conducted) in a manner so as to not cause liability, damage, lien, loss, cost or expense to Seller or the Property and so as to not unreasonably interfere with or disturb any tenant or Seller's operation of the Property. Buyer will indemnify, defend, and hold Seller, its members, partners, employees, manager, agents, officers, directors, shareholders, fiduciaries, attorneys, licensees, contractors, brokers, invitees, tenants and the Property harmless from and against any such liability, damage, lien, loss, cost or expense (except to the extent arising from the mere discovery of any pre-existing condition at the Property or the gross negligence or willful misconduct of Seller). Prior to entry upon the Property, Buyer shall provide Seller with copies of certificates of insurance in accordance with the requirements set forth in the Access Agreement that shall be maintained by Buyer and each consultant

which Buyer will have present on the Property in connection with its investigations upon the Property. Without limitation on the foregoing, in no event shall Buyer: (a) conduct any intrusive physical testing (environmental, structural or otherwise) at the Property (such as soil borings, water samplings or the like) or take physical samples from the Property without Seller's express, prior written consent, which consent, as to such intrusive physical testing or sampling, may be given or withheld in Seller's sole discretion (and Buyer shall in all events promptly restore the Property to substantially the same condition existing immediately prior to such entry (provided, however, Buyer shall have no obligation to repair any damage caused by the gross negligence or willful misconduct of Seller or to restore any pre-existing latent defect or condition unless Buyer exacerbated such pre-existing latent defect or condition in violation of this Agreement)) and which consent to intrusive physical testing or sampling, may be further conditioned upon, among other things, Seller's approval of the following: (i) the insurance coverage of the contractor who will be conducting such testing or sampling, (ii) the scope and nature of the testing or sampling to be performed by such contractor, and (iii) a written confidentiality agreement by such contractor in form reasonably satisfactory to Seller; (b) contact any consultant or other professional engaged by Seller or Tenant (or its representatives) without Seller's express, prior written consent (which consent shall not be unreasonably withheld); provided, however, Seller expressly authorizes Buyer to contact and consult with Seller's seismic consultant, Telesis Engineers, Inc., who is preparing a seismic report regarding the Property (the " **Seller's Seismic Report** "); or (c) contact any Governmental Entity having jurisdiction over the Property, other than ordinary contact normally associated with routine due diligence examinations that does not involve any discussions with governmental officials or applications of any kind, with the express understanding that Buyer shall not undertake any discussions or communications with any governmental officials without (i) Seller's express, prior written consent, which consent may be given or withheld in Seller's sole and absolute discretion for any reason or no reason, and (ii) participation by a representative of Seller. Without limitation of the foregoing, Buyer shall not be permitted to contact Tenant of the Property without giving Seller (i) advance written notice, and (ii) the opportunity to have a representative of Seller participate in any such communications. Seller shall have the right, at its option, to cause a representative of Seller to be present at all inspections, reviews and examinations conducted hereunder. Buyer shall schedule any entry (by it or its designees) onto the Property in advance with Seller, upon not less than twenty-four (24) hours' prior notice (written or e-mail) to Seller or its authorized representative. Buyer shall keep the Property free and clear of all mechanics', materialmen's and other liens resulting from the due diligence examinations or any of its other work under this Agreement. Buyer shall remove or bond over any liens within ten (10) days after Buyer becomes aware of the same. Upon the completion of any inspection, review or examination, Buyer shall promptly restore the Property to substantially the same condition existing immediately prior to Buyer's conducting such inspection, review or examination, at Buyer's sole cost and expense; provided, however, Buyer shall have no obligation to repair any damage caused by the gross negligence or willful misconduct of Seller or to restore any pre-existing latent defect or condition unless Buyer exacerbated such pre-existing latent defect or condition in violation of this Agreement. In the event of any termination hereunder (other than by reason of Seller's default), Buyer shall return all documents and other materials furnished by Seller hereunder and at Seller's written request, then Buyer shall promptly deliver to Seller true, accurate and complete copies of any draft or final written reports relating to the Property prepared for or on behalf of Buyer by any third party without any representation or warranty as to the accuracy or completeness of such documents, all at Buyer's sole cost and expense. Notwithstanding anything to the contrary herein, Buyer shall not be required to provide, copy or make

available to Seller any internal memoranda, appraisals and valuation reports and similar information or information covered by the attorney-client privilege. The Access Agreement is hereby incorporated by this reference and shall apply to this Agreement; provided, however, to the extent that the terms and conditions of the Access Agreement conflicts with this Agreement, the terms and conditions of this Agreement shall control. Buyer shall be responsible to Seller for any breaches of the Access Agreement by any person or entity to whom information or access to the Property was given by or through Buyer as though the breach were committed by Buyer itself. This Section 4.6.1 shall survive the Closing or any termination of this Agreement.

4.6.2 Termination Right. Prior to the expiration of the Due Diligence Period, Buyer may in its sole discretion, for any reason or no reason, terminate this Agreement by written notice to Seller (such notice being herein called the " **Termination Notice** "), whereupon this Agreement, and the obligations of the parties hereunder, shall terminate (and no party hereto shall have any further obligation in connection herewith except under those provisions that expressly survive a termination of this Agreement), One Hundred and No/100 Dollars ($100.00) of the Deposit shall be paid to Seller as independent consideration for this Agreement (the " **Independent Consideration** "), and the balance of the Deposit shall be delivered to Buyer. In the event that Buyer shall fail to have delivered the Termination Notice to Seller before the expiration of the Due Diligence Period, Buyer shall have no further right to terminate this Agreement pursuant to this Section 4.6 .

4.7 Tenant Estoppel Certificates. It shall be a condition precedent to Buyer's obligation to acquire the Property hereunder that Seller obtain and deliver an estoppel certificate from Tenant (the " **Tenant Estoppel Certificate** "), in the form required under Section 4.7.1 below. If such condition is not satisfied (or waived by Buyer), on or before 12:00 p.m. Pacific time on the date which is two (2) business days prior to the Closing Date (the " **Estoppel Condition Deadline Date** "), then (a) either Buyer or Seller shall each have the right to extend the Estoppel Condition Deadline Date for up to fifteen (15) days after the scheduled Closing Date (the " **Extended Estoppel Condition Deadline Date** ") by providing written notice thereof to the other party on or before 3:00 p.m. Pacific time on the Estoppel Condition Deadline Date, in order to allow Seller sufficient time to satisfy this condition precedent to the Closing, and upon the timely satisfaction (or waiver by Buyer) of such condition, the Closing shall occur two (2) business days after satisfaction of the condition set forth in this Section 4.7 (the " **Extended Closing Date** "), or (b) if neither Buyer nor Seller has timely elected to extend the Estoppel Condition Deadline Date and the Closing Date as provided in (a) above, then Buyer shall have the right to terminate this Agreement by written notice given prior to 5:00 p.m. Pacific time on the Estoppel Condition Deadline Date, in which case this Agreement shall terminate and Buyer shall be entitled to a refund of the Deposit (less the Independent Consideration, which shall be paid to Seller), and no party hereto shall have any further obligation under this Agreement except under those provisions that expressly survive a termination of this Agreement.

4.7.1 The Tenant Estoppel Certificate shall be substantially in (a) the form required under Tenant's Lease (including specific limitations set forth in Tenant's Lease which limit the scope of the information required to be provided by Tenant in any Tenant Estoppel Certificate to be provided by Tenant), or (b) the form estoppel certificate attached hereto as **Exhibit D** , modified, as applicable, to comply with any provisions in Tenant's Lease that pertain to estoppel certificates; provided, however, that the form

may also be the standard form generally used by Tenant so long as such standard form complies with Tenant's Lease; provided further, however, if Seller receives from Tenant such standard form prior to Tenant's execution thereof, then Buyer shall have the right to reasonably approve of such form. In addition, any provisions of the estoppel certificate (or comparable certificate or statement) regarding defaults, defenses, disputes, environmental matters, claims, offsets, credits, abatements, concessions and recaptures against rent and other charges may be limited to the actual knowledge of Tenant. Buyer's failure to object to the Tenant Estoppel Certificate (or any information or provision therein) by written notice to Seller given within three (3) days after Buyer's receipt thereof (but not later than the Closing Date) shall be deemed to constitute Buyer's acceptance and approval thereof. Notwithstanding anything to the contrary contained in this Agreement, Buyer may not object to (A) any matter adverse to the Property, in any material respect, (B) any objectionable information or provision contained in the Tenant Estoppel Certificate or (C) any uncompleted obligations or defaults by landlord or tenant unless such obligations or defaults will be completed prior to Closing or credited to Buyer at Closing, provided that in all instances described in clauses (A), (B) or (C), such matter, information or provision was (i) set forth in the Existing Lease, (ii) disclosed in the Due Diligence Materials, or (iii) actually known to Buyer prior to the expiration of the Due Diligence Period (as such knowledge is defined in Section 7.4.2 herein).

4.7.2 Seller shall utilize commercially reasonable efforts to obtain the Tenant Estoppel Certificate from the Tenant. As used in this Agreement, " **commercially reasonable efforts** " shall not include any obligation to institute or threaten legal proceedings, to declare or threaten to declare any person in default, to incur any liabilities, to expend any monies or to cause any other person to do any of the same.

4.8 Tenant Lease . It shall be a condition precedent to Buyer's obligation to acquire the Property hereunder that Tenant shall not have terminated, or given written notice of its intent, to terminate the Existing Lease pursuant to the terms of the Existing Lease or otherwise. In addition, Tenant shall not have vacated the Property, abandoned the Property or filed for bankruptcy or be subject to an involuntary bankruptcy proceeding.

5. Closing Procedure . The closing (the " **Closing** ") of the sale and purchase herein provided shall occur on the Closing Date.

5.1 Escrow. The Closing shall be accomplished pursuant to escrow instructions (the " **Escrow Agreement** ") among Buyer, Seller and Escrow Agent in the form of **Exhibit E** , which Buyer and Seller shall execute concurrently herewith, and any supplemental escrow instructions provided by Buyer or Seller as may be permitted by the terms of the Escrow Agreement (so long as the material terms of this Agreement shall control in the event of any inconsistencies).

5.2 Closing Deliveries. The parties shall deliver to Escrow Agent the following:

5.2.1 Seller Deliveries. At least one (1) business day prior to the Closing Date, Seller shall deliver (or cause to be delivered) to Escrow Agent the following:

(a) A duly executed and acknowledged original grant deed (the " **Deed** ") in the form of **Exhibit F** for the Property;

(b) A duly executed original bill of sale, assignment and assumption agreement (a " **Bill of Sale, Assignment and Assumption** ") in the form of **Exhibit G** for the Property;

(c) A duly executed original certificate of "non-foreign" status in the form of **Exhibit H** and a duly executed original California state Form 593-C certificate sufficient to exempt Seller from any California state withholding requirement with respect to the sale contemplated by this Agreement;

(d) Unless Buyer and Seller elect to deliver the same outside of escrow, a duly executed notice to Tenant (the " **Tenant Notice** "), in the form of **Exhibit I** , which notice Buyer shall, at Buyer's sole cost and expense, either mail to Tenant by certified mail, return receipt requested or hand-deliver to Tenant (and Buyer shall provide proof of delivery thereof to Seller promptly following the Closing);

(e) Unless Buyer and Seller elect to deliver the same outside of escrow, duly executed notices to each of the vendors under any Service Agreement to be assumed by Buyer at the Closing as provided in this Agreement (" **Vendor Notices** "), such Vendor Notices to be in such form(s) as are reasonably required by Seller, which notices Buyer shall, at Buyer's sole cost and expense, mail to each such vendor by certified mail, return receipt requested (and Buyer shall provide proof of delivery thereof to Seller promptly following the Closing);

(f) A Seller Closing Certificate duly executed by Seller;

(g) Evidence reasonably satisfactory to Escrow Agent regarding the due organization of Seller and the due authorization and execution by Seller of this Agreement and the documents required to be delivered hereunder;

(h) To the extent they do not constitute Reserved Company Assets and are then in the possession of Seller (or its agents or employees) and have not theretofore been delivered to Buyer: (i) any plans and specifications for the Improvements for the Property; (ii) all unexpired warranties and guarantees that Seller has received in connection with any work or services performed with respect to, or equipment installed in, the Property; (iii) all keys and other access control devices for the Property; (iv) originals of all Leases for the Property and all correspondence to or from Tenant; (v) originals of all Service Agreements for the Property that will remain in effect after the Closing; and (vi) all correspondence relating to the ongoing operations and maintenance of the Property, including tenant leasing information, leasing files and other material documents relating to the operation or maintenance of the Property in Seller's possession (which materials under this clause may be either delivered at the Closing or as otherwise reasonably agreed by the parties);

(i) If required by Title Company, an Owner's Certificate as to Debts, Liens and Parties In Possession substantially in the form of **Exhibit J** (" **Title Affidavit** ") and a Gap

Certificate substantially in the form of **Exhibit K** (" **Gap Certificate** "), each to facilitate the issuance of any title insurance sought by Buyer in connection with the transactions contemplated hereby, but in no event shall Seller be obligated to provide any additional certificate, affidavit or indemnity in connection with such title insurance; and

(j) Such additional documents as may be reasonably required by Buyer and Escrow Agent in order to consummate the transactions hereunder (provided the same do not increase in any material respect the costs to, or liability or obligations of, Seller in a manner not otherwise provided for herein).

5.2.2 Buyer Deliveries. At least one (1) business day prior to the Closing Date (except as to the Closing Payment, which shall be delivered no later than 10:00 a.m. Pacific time on the Closing Date), Buyer shall deliver to Escrow Agent the following:

(a) The Closing Payment by wire transfer of immediately available federal funds;

(b) A duly executed original Bill of Sale, Assignment and Assumption;

(c) Unless Buyer and Seller elect to deliver the same outside of escrow, a duly executed Tenant Notice;

(d) Unless Buyer and Seller elect to deliver the same outside of escrow, duly executed Vendor Notices;

(e) A duly executed preliminary change of ownership report for the Property;

(f) The duly executed Buyer Closing Certificate;

(g) Evidence reasonably satisfactory to Escrow Agent regarding the due organization of Buyer and the due authorization and execution by Buyer of this Agreement and the documents required to be delivered hereunder; and

(h) Such additional documents as may be reasonably required by Seller and Escrow Agent in order to consummate the transactions hereunder (provided the same do not increase in any material respect the costs to, or liability or obligations of, Buyer in a manner not otherwise provided for herein).

5.2.3 Mutual Deliveries. On the Closing Date, Buyer and Seller shall mutually execute and deliver (or cause to be executed and delivered) to Escrow Agent, the following:

(a) A closing statement (the " **Closing Statement** ") reflecting the Purchase Price, and the adjustments and prorations required hereunder and the allocation of income and expenses required hereby; and

(b) Such transfer tax forms, if any, as are required by state and local authorities.

5.3 Closing Costs.

5.3.1 Seller Closing Costs. Seller shall pay or cause to be paid (a) all county transfer taxes payable in connection with the sale contemplated herein, (b) the portion of the title insurance premium for the Owner's Policy for standard ALTA coverage in the amount of the Purchase Price for the Property (including any fees for the title search), (c) one-half (½) of all escrow charges and (d) the recording fees and charges for the release of any recorded document that Seller is obligated to release of record pursuant to this Agreement, or that Seller has expressly agreed to remove, bond, insure or endorse over pursuant to Section 4.5 hereof.

5.3.2 Buyer Closing Costs. Buyer shall pay (a) the amount by which the title insurance premium for the Owner's Policy and all endorsements exceeds the cost of standard ALTA coverage, (b) one-half (½) of all escrow charges, (c) all costs and expenses of the Survey and any updates thereto, (d) all fees, costs or expenses in connection with Buyer's due diligence reviews and analyses hereunder and (e) all recording fees and charges charged for the recording of the Deed and in connection with any loan obtained by Buyer.

5.3.3 Other Closing Costs. Any other closing costs shall be allocated in accordance with local custom. Seller and Buyer shall pay their respective shares of prorations as hereinafter provided. Except as otherwise expressly provided in this Agreement, each party shall pay the fees of its own attorneys, accountants and other professionals.

5.4 Prorations .

5.4.1 Items to be Prorated. The initial prorations and payments provided for in this Section 5.4 shall be made at the Closing on the basis of the Closing Statement, which shall be prepared by Title Company, as approved by Seller and submitted to Buyer for its review and approval at least two (2) Business days prior to the Closing. The following shall be prorated between Seller and Buyer as of the Closing Date (on the basis of the actual number of days elapsed over the applicable period), with Buyer being deemed to be the owner of the Property during the entire day on the Closing Date, and entitled to receive all operating income of the Property, and obligated to pay all operating expenses of the Property, with respect to the Closing Date:

(a) All non-delinquent real estate and personal property taxes and assessments on the Property for the current tax year. Seller shall be responsible for the payment of any real estate and personal property taxes that are delinquent before the Closing or that are attributable to the period prior to the Closing. For example, if the Closing Date is May 27, 2018, then Seller shall be responsible for the real estate and personal property taxes and assessments on the Property for the 2017-2018 tax year through and including May 26, 2018 regardless of when said taxes are due and payable. In no event shall Seller be charged with or be responsible for any increase in the taxes on the Property resulting from the sale of the Property contemplated by this Agreement, any

change in use of the Property on or after the Closing Date, or from any improvements made or leases entered into on or after the Closing Date. If any assessments on the Property are payable in installments, then the installment allocable to the current period shall be prorated (with Buyer being allocated the obligation to pay any installments due after the Closing Date).

(b) All fixed and additional rentals under the Leases, security deposits (except as hereinafter provided) and other tenant charges. Seller shall deliver or provide a credit in an amount equal to all prepaid rentals for periods after the Closing Date and all refundable cash security deposits (to the extent the foregoing were made by tenants under the Leases and are not applied or forfeited prior to the Closing to Buyer on the Closing Date; it being agreed, however, that Seller shall notify Buyer in writing if it applies any security deposit prior to the Closing, and from and after the expiration of the Due Diligence Period, Seller shall not apply any security deposit without obtaining Buyer's prior consent which consent Buyer may withhold in Buyer's sole discretion. Rents that are delinquent (or payable but unpaid) as of the Closing Date shall not be prorated on the Closing Date. Rather, Buyer shall cause any such delinquent rent (or payable but unpaid rent) for the period prior to the Closing to be remitted to Seller if, as and when collected. At the Closing, Seller shall deliver to Buyer a schedule of all such delinquent or payable but unpaid rent. Additionally, there shall be no proration of any rent that a tenant under a Lease delivers to either Buyer or Seller and that such tenant has identified, at the time of such delivery, as constituting payment or rent due for a month or other period prior to the month in which the Closing occurs (" **Identified Pre-Closing Rent** "). If Buyer receives any such Identified Pre-Closing Rent, Buyer shall cause such Identified Pre-Closing Rent to be remitted to Seller if, as, and when collected. Until the date that is six (6) months after the Closing, Buyer shall include such delinquencies (or unpaid amounts) in its normal billing and shall pursue the collection thereof in good faith after the Closing Date (but Buyer shall not be required to litigate or declare a default under any Lease or pursue any other action or remedy in connection with the recovery from tenants of such delinquencies or other unpaid amounts). To the extent that Buyer or Seller receives payment of rents (or other income of any kinds whatsoever in connection with other Tenant charges) on or after the Closing Date other than Identified Pre-Closing Rent, such payments shall be applied first toward the rent (or other tenant charge) for the month in which the Closing occurs then to the rent (or other tenant charge) owed to Buyer in connection with the applicable Lease or other document for which such payments are received, and then to any delinquent rents (or other tenant charges) owed to Seller, with a party's share thereof being promptly delivered to such party; provided, however, that any year-end or similar reconciliation payment shall be allocated as hereinafter provided. Buyer may not waive any delinquent (or unpaid) rents or modify a Lease so as to reduce or otherwise affect amounts owed thereunder for any period in which Seller is entitled to receive a share of charges or amounts without first obtaining Seller's written consent. Seller hereby reserves the right to pursue any remedy for damages against any tenant owing delinquent rents and any other amounts to Seller (but following the Closing shall not be entitled to terminate any Lease or any tenant's right to possession), provided that, Seller shall not exercise any such remedy for a period of six (6) months after the Closing except in connection with the recovery from tenants of taxes or assessments relating to any period prior to the Closing Date (the " **Pre-Closing Tax Collection Remedies** "). Buyer shall reasonably cooperate with Seller, at no material out-of-pocket cost to Buyer, in any collection efforts hereunder, including Seller's Pre-Closing Tax Collection Remedies, but shall not be required

to litigate or declare a default under any Lease. With respect to delinquent or other uncollected rents and any other amounts or other rights of any kind regarding tenants who are no longer tenants of the Property as of the Closing Date, Seller shall retain all of the rights relating thereto.

(c) Payments required to be paid by tenants under Leases for such tenants' shares of property taxes and assessments, insurance, common area maintenance and other expenses of the Property are collectively referred to herein as " **Reimbursable Tenant Expenses** ." Reimbursable Tenant Expenses shall be determined in accordance with the Leases, including any Lease provisions that provide for the adjustment of Reimbursable Tenant Expenses based on occupancy changes (*i.e.,* "gross-up" provisions). Seller's "share" of Reimbursable Tenant Expenses for the calendar year in which the Closing occurs (the " **Closing Year** ") shall be determined in accordance with Section 5.4.4(a) below. Notwithstanding the foregoing, there shall be no proration of any such Reimbursable Tenant Expenses that are delinquent as of the Closing. Rather, until the date that is six (6) months after the Closing, Buyer shall include such delinquencies (or unpaid amounts) in its normal billing and shall pursue the collection thereof in good faith after the Closing Date (but Buyer shall not be required to litigate or declare a default under any Lease or pursue any other action or remedy in connection with the recovery from tenants of Reimbursable Tenant Expenses relating to any period prior to the Closing Date).

(d) All amounts payable under any Service Agreements (to the extent assumed by Buyer and subject to the terms of Section 7.5.2 below); reimbursements and recoveries of water, sewer and trash charges under the Leases; annual permits and/or inspection fees (calculated on the basis of the period covered); and any other expenses of the operation and maintenance of the Property.

(e) Any other items of operating income or operating expense that are customarily apportioned between the parties in real estate closings of comparable commercial properties in the metropolitan area where the Property is located, as applicable; however, there will be no prorations for debt service, insurance premiums or payroll (because Buyer is not acquiring or assuming Seller's financing, insurance or employees).

5.4.2 Utilities. To the extent not in Tenant's name, Buyer shall transfer all utilities to its name as of the Closing Date, and where necessary, post deposits with the utility companies. To the extent not in Tenant's name, Seller shall use commercially reasonable efforts to cause all utility meters to be read as of the Closing Date. Seller shall be entitled to recover any and all deposits held in Seller's name by any utility company as of the Closing Date. To the extent not in Tenant's name, all charges for utilities for which the meters cannot be read or amounts ascertained at Closing shall be prorated outside of the escrow contemplated herein within sixty (60) days after the Closing Date.

5.4.3 Leasing Costs. Seller shall be responsible for all Leasing Costs that are payable by reason of (a) the execution of the Existing Lease prior to the Effective Date, (b) the renewal, extension, expansion of, or the exercise of any other option under, the Existing Lease, prior to the Effective Date, and (c) amendments of the Existing Lease entered into prior to the Effective Date. If the Closing occurs, Seller hereby agrees to provide Buyer with a credit at the Closing in an amount equal to those Leasing Costs

expressly set forth on **Exhibit A** attached hereto which have not been paid as of the Closing Date. If the Closing occurs, Buyer shall be responsible for the payment (or, in the case of any amounts paid prior to the Closing, the reimbursement to Seller) of all other Leasing Costs which are not the responsibility of Seller hereunder, including (A) all Leasing Costs that become due and payable (whether before or after the Closing) as a result of (1) any Leases entered into during the Escrow Period in accordance with the terms of this Agreement (" **New Leases** "), (2) amendments entered into during the Escrow Period in accordance with the terms of this Agreement to renew, extend, expand or otherwise amend the Existing Lease or New Leases, or (3) any renewals, extensions or expansions of, or the exercise of any other option under, Existing Leases or New Leases exercised by tenants during the Escrow Period; and (B) all Leasing Costs as a result of renewals, extensions, expansions, or the exercise of any other option, occurring on or after the Closing Date of any Leases. Except as expressly set forth set forth on **Exhibit A** attached hereto, Buyer shall assume the economic effect of any "free rent" or other concessions pertaining to the period from and after the Effective Date. Except as expressly set forth set forth on **Exhibit A** attached hereto, if, as of the Closing Date, Seller shall have paid any Leasing Costs, including absorbing any free rent as owner of the Property during the Escrow Period, for which Buyer is responsible pursuant to the foregoing provisions, Buyer shall reimburse Seller therefor at the Closing provided that Seller provides Buyer with reasonable notice of such amounts prior to the expiration of the Due Diligence Period. Seller shall pay (or cause to be paid), prior to the Closing, or credit Buyer at the Closing (to the extent unpaid) all Leasing Costs for which Seller is responsible pursuant to the foregoing provisions, and (subject to the reimbursement obligations set forth above) Seller shall pay (or cause to be paid) when due all Leasing Costs payable during the Escrow Period. For purposes hereof, the term " **Escrow Period** " shall mean the period from the Effective Date until the Closing Date.

5.4.4 Proration of Reimbursable Tenant Expenses .

(a) For the Closing Year. In order to enable Buyer to make any reconciliations of tenant reimbursements of Reimbursable Tenant Expenses for the portion of the Closing Year during which Seller owned the Property, Seller shall determine in accordance with Section 5.4.1(c) above the Reimbursable Tenant Expenses actually paid or incurred by Seller for the portion of the Closing Year during which Seller owned the Property (" **Seller's Actual Reimbursable Tenant Expenses** ") and the tenant reimbursements for such Reimbursable Tenant Expenses actually paid to Seller by tenants for the portion of the Closing Year during which Seller owned the Property (" **Seller's Actual Tenant Reimbursements** "). Without limitation on Section 5.4.6 below, on or before the date that is three (3) months after the Closing Date, Seller shall deliver to Buyer for Buyer's review and approval, a proposed reconciliation statement (a " **Seller's Reconciliation Statement** ") for the Property setting forth (i) Seller's Actual Reimbursable Tenant Expenses, (ii) Seller's Actual Tenant Reimbursements, and (iii) a calculation of the difference between the two (*i.e.,* establishing that Seller's Actual Reimbursable Tenant Expenses were either more or less than Seller's Actual Tenant Reimbursements). Upon Buyer's review and approval of Seller's calculations, which approval or disapproval shall be provided within ten (10) business days of Buyer's receipt of a Seller's Reconciliation Statement, any amount due to Seller pursuant to the foregoing calculation (in the event Seller's Actual Tenant Reimbursements are less than Seller's Actual Reimbursable Tenant Expenses) shall be paid by Buyer within the earlier to occur of (A) ten (10) business days after Buyer collects such under collected amounts from Tenant, or (B) nine (9) months after the Closing Date. If Seller's

Actual Tenant Reimbursements are more than Seller's Actual Reimbursable Tenant Expenses, then Seller shall pay to Buyer such over collected amounts within ten (10) business days after Buyer's approval (or deemed approval) of a Seller's Reconciliation Statement. If Buyer does not approve or disapprove of a Seller's Reconciliation Statement within such ten (10) business day period, Buyer shall be deemed to have approved of such Seller's Reconciliation Statement. If Buyer disapproves of a Seller's Reconciliation Statement, the parties shall diligently and expeditiously work towards resolving the discrepancies in such Seller's Reconciliation Statement. If Buyer is paid any amounts by Seller, Buyer thereafter shall be obligated to promptly remit the applicable portion to Tenant. Buyer shall indemnify, defend, and hold Seller and the other "Seller Related Parties" (as hereinafter defined) harmless from and against any losses, costs, claims, damages, and liabilities, including reasonable attorneys' fees and expenses incurred in connection therewith, arising out of or resulting from Buyer's failure to remit any amounts actually received from Seller to Tenant in accordance with the provisions hereof. If Buyer has transferred its interest in the Property to a successor-in-interest or assignee prior to such date, then, on or before the transfer of its interest in the Property, Buyer shall (1) in writing expressly obligate such successor-in-interest or assignee to be bound by the provisions of this Section 5.4.4(a) , and (2) deliver written notice of such transfer to Seller, and thereafter Seller shall make the deliveries specified above to Buyer's successor-in-interest or assignee. A Seller's Reconciliation Statement shall be final and binding for purposes of this Agreement.

(b) For Prior Calendar Years. Seller shall be responsible for the reconciliation with Tenant of Reimbursable Tenant Expenses and Tenant reimbursements thereof for any calendar year prior to the Closing Year. The obligations set forth in this Section 5.4.4(b) shall survive the Closing.

5.4.5 Intentionally Deleted .

5.4.6 General Provisions .

(a) In the event any prorations or apportionments made under this Section 5.4 and/or made in the Closing Statement shall prove to be incorrect for any reason, then any party shall be entitled to an adjustment to correct the same. Any item that cannot be finally prorated because of the unavailability of information shall be tentatively prorated on the basis of the best data then available and reprorated when the information is available.

(b) Notwithstanding anything to the contrary set forth herein, all reprorations contemplated by this Agreement shall be completed within six (6) months after the Closing Date except as expressly set forth in Section 5.4.4(a) hereof.

(c) Following the Closing, Seller shall retain all rights in and to any rents or other amounts due for any period prior to the Closing, and Buyer shall retain all rights in and to any rents or other amounts due from Tenant for any period after the Closing. If Seller collects any rents or other amounts from Tenant from and after the Closing for amounts due for any period after the Closing, Seller shall hold the same in trust for Buyer and shall promptly remit the same to Buyer.

(d) The obligations of Seller and Buyer under this Section 5.4 shall survive the Closing for six (6) months after the Closing Date.

6. Condemnation or Destruction of Property . In the event that, after the Effective Date but prior to the Closing Date, either any portion of the Property is taken pursuant to eminent domain proceedings or any of the Improvements are damaged or destroyed by any casualty, Seller shall be required to give Buyer prompt written notice of the same after Seller's actual discovery of the same, but shall have no obligation to cause any direct or indirect member, partner or owner of Seller to contribute capital to Seller or any other entity, or to repair or replace (or cause to be repaired or replaced) any such damage, destruction or taken property. At Closing, Seller shall assign to Buyer (except to the extent any condemnation proceeds or insurance proceeds are attributable to lost rents or other items applicable to any period prior to the Closing) all claims of Seller regarding any condemnation or casualty insurance coverage, as applicable, and all condemnation proceeds or proceeds from any such casualty insurance received by Seller on account of any casualty (except to the extent required for collection costs or repairs by Seller prior to the Closing Date), as applicable. In connection with the foregoing, Seller shall not compromise, settle or adjust any claims without the prior consent of Buyer, which consent shall not be unreasonably withheld, conditioned or delayed. In connection with any assignment of insurance proceeds hereunder, Seller shall credit Buyer with an amount equal to the applicable deductible amount under Seller's insurance (but not more than the amount by which (a) the cost as of the Closing Date to repair the damage is greater than (b) the insurance proceeds and coverage to be assigned to Buyer), and any repair costs that are not covered by insurance proceeds. In the event (A) the condemnation award or the cost of repair of damage to the Property on account of a casualty, as applicable, shall exceed three percent (3%) of the Purchase Price, (B) a casualty is uninsured or underinsured and Seller does not elect to credit Buyer at the Closing with an amount equal to the cost to repair such uninsured or underinsured casualty (Seller having the right, but not the obligation, to do so), or (C) the condemnation or damage to the Property (i) materially and adversely affects access to or parking at the Property, (ii) results in the Property violating any Laws or failing to comply with zoning or any recorded covenants, conditions or restrictions affecting the Property, or (iii) and the restoration thereof reasonably expects to exceed six (6) months, then Buyer may, at its option, terminate this Agreement by notice to Seller, given on or before the Closing Date, whereupon Buyer shall receive a refund of the Deposit less the Independent Consideration, which shall be paid to Seller (and no party hereto shall have any further obligation in connection herewith except under those provisions that expressly survive a termination of this Agreement). In the event the condemnation award or the cost of repair of damage to the Property on account of a casualty, as applicable, shall exceed three percent (3%) of the Purchase Price, and said casualty is uninsured or underinsured, Seller may, at its option, terminate this Agreement by notice to Buyer, given on or before the Closing Date, whereupon Buyer shall receive a refund of the Deposit less the Independent Consideration, which shall be paid to Seller (and no party hereto shall have any further obligation in connection herewith except under those provisions that expressly survive a termination of this Agreement).

7. Representations, Warranties and Covenants .

7.1 Representations and Warranties of Seller. Seller hereby represents and warrants to Buyer that, except as set forth in **Schedule 2** , as of the Effective Date:

(a) Leases. (i) There are no written leases of space in the Property or other agreements to occupy all or any portion of the Property that will be in force after the Closing and under which Seller is the landlord (whether by entering into the leases or agreements, or acquiring the Property subject to such leases or agreements) other than the Leases; (ii) all of the Leases are in full force and effect; (iii) neither Seller nor to Seller's knowledge, Tenant, is in monetary default or has given written notice of any existing material non-monetary default under any of the Leases, except as set forth on **Schedule 2** ; and (iv) to Seller's knowledge, Seller has delivered, or made available, to Buyer, copies of all of the Leases utilized by Seller in its ownership and operation of the Property. Except as expressly stated in this Agreement, all leasing commissions due to brokers in connection with the Existing Lease have been fully paid and satisfied by Seller;

(b) Litigation. Other than litigation disclosed in **Schedule 2** hereto, there is no pending (nor has Seller received any written notice of any threatened) action, litigation, condemnation or other legal proceeding against the Property or against Seller with respect to the Property.

(c) Compliance. Except as disclosed in the Due Diligence Materials or in **Schedule 2** hereto, Seller has not received any written notice from any Governmental Entity having jurisdiction over the Property to the effect that the Property is not in compliance with applicable Laws other than notices of non-compliance that have been remedied.

(d) Service Agreements. Seller has not entered into any service or equipment leasing contracts relating to the Property that will be binding on Buyer or the Property after the Closing, except for the Service Agreements disclosed as part of the Due Diligence Materials hereto (subject to any restrictions on assignment contained therein). Seller has not received any written notice that it is in monetary default, and neither party has given written notice of any existing material non-monetary default under the Service Agreements. As used herein, the " **Service Agreements** " shall mean, collectively, service or equipment leasing contracts relating to the Property (other than Excluded Contracts) that are (A) disclosed as part of the Due Diligence Materials, or (B) entered into in accordance with this Agreement. As used herein, " **Excluded Contracts** " shall mean contracts to which Seller or its affiliate is a party and relating to the Property for (1) insurance; (2) existing property management agreement; (3) the engagement of attorneys, accountants, brokers, surveyors, title companies, environmental consultants, engineers or appraisers; and (4) any other service contracts or agreements entered into after the Effective Date which Seller is obligated to terminate at or prior to the Closing at Seller's sole cost and expense. The Excluded Contracts are not being assigned to or assumed by Buyer hereunder, except that Buyer is assuming the obligation to pay the Leasing Costs for which it is responsible under Section 5.4.3 above.

(e) Due Authority. This Agreement and all agreements, instruments and documents herein provided to be executed or to be caused to be executed by Seller are and on the Closing Date will be duly authorized, executed and delivered by and are binding upon Seller. Seller is a Delaware limited liability company, duly formed and validly existing and in good standing under the Laws of such state, and is duly authorized and qualified to do all things required of it under this

Agreement. Seller has the capacity and authority to enter into this Agreement and consummate the transactions herein provided without the consent or joinder of any other party (except as otherwise may be set forth in this Agreement).

(f) No Conflict. Except as otherwise set forth in this Agreement, to Seller's knowledge, neither this Agreement nor any agreement, document or instrument executed or to be executed in connection with the same, nor anything provided in or contemplated by this Agreement or any such other agreement, document or instrument, does now or shall hereafter materially breach, violate, invalidate, cancel, make inoperative or interfere with, or result in the acceleration or maturity of, any agreement, document, instrument, right or interest, or applicable Law affecting or relating to Seller or the Property.

(g) Insolvency. Seller has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by Seller's creditors, (iii) suffered the appointment of a receiver to take possession of all, or substantially all, of Seller's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Seller's assets, or (v) made an offer of settlement, extension or composition to its creditors generally.

(h) Hazardous Materials. Except as set forth in the Environmental Report or as disclosed as part of the Due Diligence Materials, to Seller's knowledge, there are no Hazardous Materials installed or stored in or otherwise existing at, on, in or under the Property in violation of any Environmental Laws.

(i) Patriot Act . To Seller's knowledge, none of its investors, affiliates or other agents (if any), acting or benefiting in any capacity in connection with this Agreement (excluding any shareholders in any such affiliated entities that are publicly traded companies) is a (i) a person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, Executive Order No. 13224 on Terrorist Financing (effective September 24, 2001) (the " **Executive Order** "); (ii) a person or entity owned or controlled by, or acting for or on behalf of any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) a person or entity that is named as a "specially designated national" or "blocked person" on the most current list published by the U.S. Treasury Department's Office of Foreign Assets Control (" **OFAC** ") at its official website, http://www.treas.gov/offices/enforcement/ofac; (iv) a person or entity that is otherwise the target of any economic sanctions program currently administered by OFAC; or (v) a person or entity that is affiliated with any person or entity identified in clause (i), (ii), (iii) and/or (iv) above (herein, a " **Prohibited Person** "). Except for the assets of any affiliated companies that are publicly traded companies, the assets Seller will transfer to Buyer under this Agreement are not the property of, and are not beneficially owned, directly or indirectly, by a Prohibited Person. The assets Seller will transfer to Buyer under this Agreement are not the proceeds of specified unlawful activity as defined by 18 U.S.C. §1956(c)(7).

(j) Employees . There are no employees of Seller employed in connection with the use, management, maintenance or operation of the Property whose employment will continue after the Closing Date.

7.2 Representations and Warranties of Buyer. Buyer hereby represents and warrants to Seller that:

7.2.1 This Agreement and all agreements, instruments and documents herein provided to be executed or to be caused to be executed by Buyer are and on the Closing Date will be duly authorized, executed and delivered by and are binding upon Buyer; Buyer is a limited liability company, duly organized and validly existing and in good standing under the Laws of the State of Delaware, and is duly authorized and qualified to do all things required of it under this Agreement; and Buyer has the capacity and authority to enter into this Agreement and consummate the transactions herein provided without the consent or joinder of any other party (except as otherwise may be set forth in this Agreement). Notwithstanding any provision to the contrary contained in this Section 7.2.1 , Buyer intends to seek the approval of its board of directors in order to consummate the acquisition of the Property, which approval Buyer intends to seek prior to the expiration of the Due Diligence Period. If Buyer does not terminate this Agreement prior to the expiration of the Due Diligence Period, then Buyer shall be deemed to have obtained such approvals;

7.2.2 To Buyer's knowledge, neither this Agreement nor any agreement, document or instrument executed or to be executed in connection with the same, nor anything provided in or contemplated by this Agreement or any such other agreement, document or instrument, does now or shall hereafter breach, violate, invalidate, cancel, make inoperative or interfere with, or result in the acceleration or maturity of, any agreement, document, instrument, right or interest, or applicable Law affecting or relating to Buyer.

7.2.3 Buyer has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by Buyer's creditors, (iii) suffered the appointment of a receiver to take possession of all, or substantially all, of Buyer's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Buyer's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally.

7.2.4 To Buyer's knowledge, none of its investors, affiliates or other agents (if any), acting or benefiting in any capacity in connection with this Agreement (excluding any shareholders in any such affiliated entities that are publicly traded companies) is a (i) a person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (ii) a person or entity owned or controlled by, or acting for or on behalf of any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) a person or entity that is named as a "specially designated national" or "blocked person" on the most current list published by OFAC at its official website, http://www.treas.gov/offices/enforcement/ofac; (iv) a person or entity that is otherwise the target of any economic sanctions program currently administered by OFAC; or (v) a person or entity that is affiliated with a Prohibited Person. Except for the assets of any affiliated companies that are publicly traded companies, the assets Buyer will transfer to Seller under this Agreement are not the property of, and are not beneficially owned, directly

or indirectly, by a Prohibited Person. The assets Buyer will transfer to Seller under this Agreement are not the proceeds of specified unlawful activity as defined by 18 U.S.C. §1956(c)(7).

7.3 Survival. The representations, warranties and covenants and all other obligations, provisions and liabilities under this Agreement or any of the Closing Documents (including any cause of action by reason of a breach thereof) shall survive the Closing for six (6) months after the Closing Date, unless otherwise expressly provided in this Agreement. Notwithstanding anything to the contrary in this Agreement, Seller shall have no liability, and Buyer shall make no claim against Seller, for (and Buyer shall be deemed to have waived any failure of a condition hereunder by reason of) a failure of any condition or a breach of any representation or warranty, covenant or other obligation of Seller under this Agreement, or any Closing Document executed by Seller (including for this purpose any matter that would have constituted a breach of Seller's representations and warranties had they been made on the Closing Date) if (a) the failure or breach in question constitutes or results from a condition, state of facts or other matter that was contained in any of the Due Diligence Materials or otherwise actually known to Buyer prior to the Closing (as such knowledge is defined in Section 7.4.2 herein), and Buyer proceeds with the Closing or (b) to the extent, in the case of a representation and warranty of Seller, the same is confirmed by the Tenant Estoppel Certificate.

7.4 Knowledge .

7.4.1 When a statement is made under this Agreement to the " **knowledge** " or " **actual knowledge** " of Seller (or other similar phrase), it shall mean the present actual knowledge, without taking into account any constructive or imputed knowledge, and without duty of inquiry, of Mr. Drew Stepanek, but such individual shall not have any liability in connection herewith.

7.4.2 When a statement is made under this Agreement to the knowledge or actual knowledge of Buyer or known to Buyer (or other similar phrase), it shall mean the present actual knowledge without taking into account any constructive or imputed knowledge, and without duty of inquiry (except as expressly set forth herein), of Mr. Gregg Boehm and Ms. Betsy Kennett, but such individuals shall not have any liability in connection herewith. Mr. Gregg Boehm and Ms. Betsy Kennett shall be deemed to have actual knowledge of any matter contained in any of the Due Diligence Materials, or delivered in accordance Section 10.8 hereof.

7.5 Interim Covenants of Seller. Until the Closing Date or the sooner termination of this Agreement, to the extent Seller has the right and power to do so:

7.5.1 Maintenance/Operation. Seller shall use commercially reasonable efforts to maintain and operate the Property in substantially the same manner as prior hereto pursuant to its normal course of business (such maintenance obligations not including capital expenditures or expenditures not incurred in such normal course of business), subject to reasonable wear and tear and further subject to destruction by casualty, condemnation or other events beyond the reasonable control of Seller. Without limitation of the foregoing, Seller shall use commercially reasonable efforts to maintain its current insurance. Notwithstanding the foregoing, Seller may (but shall not be obligated to), as part of its normal course of business, pursue tenant improvements under the Leases.

7.5.2 Service Agreements. After the expiration of the Due Diligence Period, Seller shall not enter into any new Service Agreement that will be binding on Buyer or the Property without the prior consent of Buyer (not to be unreasonably withheld, conditioned or delayed prior to the expiration of the Due Diligence Period, and sole and absolute discretion thereafter); provided, however, that Seller may, after the expiration of the Due Diligence Period and without the prior consent of Buyer, (i) in the ordinary course of Seller's business enter into new service contracts and similar agreements which are cancelable on thirty (30) days' notice without penalty or are assignable without fee or consent by any person, or (ii) renew any service contracts or similar agreements affecting the Property in existence as of the Effective Date, provided the same (x) are made in accordance with the terms of such existing service contracts or similar agreements, (y) are cancelable upon thirty (30) days' notice without penalty or are assignable without fee or consent by any person, and (z) written notice of any such contract or amendment is promptly provided to Buyer. Seller may modify or terminate any Excluded Contract at any time. If Buyer fails to notify Seller in writing of Buyer's objections within three (3) business days of Buyer's receipt of the proposed modification, termination or new Service Agreement (and a request for Buyer's approval), then Buyer shall be deemed to have approved the same. In addition, if Buyer fails to notify Seller in writing of Buyer's objection to any existing Service Agreement prior to the expiration of the Due Diligence Period, then Buyer shall be deemed to have approved the same and shall assume the same at the Closing pursuant to the Bill of Sale, Assignment and Assumption. If Buyer delivers a written notice of objection to any Service Agreement prior to the expiration of the Due Diligence Period, then, to the extent a termination right in favor of Seller is provided for in such Service Agreement, Seller shall promptly provide a notice of termination to the vendor thereunder with respect to each such Service Agreement to which Buyer has timely objected (collectively, the " **Objectionable Service Agreements** "); provided, however, that if the termination of any Objectionable Service Agreement cannot be made effective upon the Closing Date (Seller not being obligated to pay any money to accomplish such termination), then such Objectionable Service Agreement shall be assumed by Buyer at the Closing pursuant to the Bill of Sale, Assignment and Assumption together with all Service Agreements that do not constitute Objectionable Service Agreements. Seller shall use commercially reasonable efforts, prior to the Closing Date, to obtain third party consents to the assignments of those Service Agreements which require such third parties' consent and shall keep Buyer reasonably informed of the results of such efforts, provided that Seller's obtaining any third party consents shall not be a condition to Buyer's obligation to close the transactions contemplated under this Agreement. Any transfer, assignment or termination fee or other fees incurred as a result of Seller's transfer, assignment or termination of an Objectionable Service Agreement shall be paid by Seller.

7.5.3 Leases. Seller may continue to offer the Property for lease in the same manner as prior hereto pursuant to its normal course of business and, upon request, Seller shall keep Buyer reasonably informed as to the status of material leasing activities known to Seller prior to the Closing Date. After the expiration of the Due Diligence Period, Seller shall not enter into any New Lease or materially modify or terminate the Existing Lease without the prior consent of Buyer, which consent Buyer may withhold in its sole and absolute discretion. If Buyer fails to notify Seller in writing of Buyer's objections within three (3) business days of Buyer's receipt of the proposed modification, termination or new lease terms (and a request for Buyer's approval), then Buyer shall be deemed to have approved the same.

7.5.4 Encumbrances. Seller shall not encumber the Property with any mortgages, deeds of trust or other encumbrances except as expressly permitted above without Buyer's consent (which shall not be unreasonably withheld, conditioned or delayed as to easements, licenses and similar documents required in the ordinary course of business).

7.6 Seller's Environmental Inquiry . Buyer acknowledges and agrees that the sole inquiry and investigation Seller has conducted in connection with the environmental condition of the Property is to obtain that certain report captioned "REPORT OF ENVIRONMENTAL SITE ASSESSMENT INLAND EMPIRE DISTRIBUTION CENTER #3 701 MALAGA PLACE ONTARIO, CALIFORNIA," prepared by Pond, Robinson & Associates, LP, dated June 2009, Project No. 093034 (the " **Environmental Report** "), and that, for all purposes, including California Health and Safety Code Section 25359.7, Seller has acted reasonably in solely relying upon said inquiry and investigation.

7.7 Natural Hazard Disclosure Requirement Compliance . Seller has commissioned Disclosure Source, Inc. ((800) 880-9123) (" **Natural Hazard Expert** ") to prepare a natural hazard disclosure statement (the " **Natural Hazard Disclosure** ") including the matters required by that certain Article 1.7 of the California Civil Code (currently Section 1103 through 1103.14). Buyer acknowledges that this transaction is not subject to such Article 1.7, but that nevertheless the Natural Hazard Disclosure shall serve to satisfy any and all disclosure requirements relating to the matters referenced in the Natural Hazard Disclosure. Seller does not warrant or represent either the accuracy or completeness of the information in the Natural Hazard Disclosure, and Buyer shall use same merely as a part in its overall investigation of the Property.

8. **DISCLAIMER; RELEASE . AS AN ESSENTIAL INDUCEMENT TO SELLER TO ENTER INTO THIS AGREEMENT, AND AS PART OF THE DETERMINATION OF THE PURCHASE PRICE, BUYER ACKNOWLEDGES AND AGREES, THAT, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT AND THE DOCUMENTS EXECUTED BY SELLER IN CONNECTION HEREWITH:**

8.1 **DISCLAIMER** .

8.1.1 **AS-IS; WHERE-IS . THE SALE OF THE PROPERTY HEREUNDER IS AND WILL BE MADE ON AN "AS IS, WHERE IS" BASIS. EXCEPT AS MAY BE EXPRESSLY PROVIDED IN SECTION 7.1 ABOVE, OR THE SELLER CLOSING CERTIFICATE, SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE OF, AS TO, CONCERNING OR WITH RESPECT TO THE PROPERTY OR ANY OTHER MATTER WHATSOEVER.**

8.1.2 **SOPHISTICATION OF BUYER . BUYER IS A SOPHISTICATED BUYER WHO IS FAMILIAR WITH THE OWNERSHIP AND OPERATION OF REAL ESTATE PROJECTS SIMILAR TO THE PROPERTY, AND BUYER HAS HAD ADEQUATE OPPORTUNITY OR WILL HAVE ADEQUATE OPPORTUNITY PRIOR TO THE CLOSING (BUYER'S FAILURE TO SEND A TERMINATION NOTICE PURSUANT TO SECTION 4.6.2**

ABOVE SHALL CONSTITUTE AN ACKNOWLEDGMENT BY BUYER THAT IT HAS HAD SUCH AN OPPORTUNITY) TO COMPLETE ALL PHYSICAL AND FINANCIAL EXAMINATIONS RELATING TO THE ACQUISITION OF THE PROPERTY HEREUNDER IT DEEMS NECESSARY, AND WILL ACQUIRE THE SAME SOLELY ON THE BASIS OF AND IN RELIANCE UPON SUCH EXAMINATIONS AND THE TITLE INSURANCE PROTECTION AFFORDED BY THE OWNER'S POLICY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER.

8.1.3 **DUE DILIGENCE MATERIALS**. **ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY IS SOLELY FOR BUYER'S CONVENIENCE AND WAS OR WILL BE OBTAINED FROM A VARIETY OF SOURCES. SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO (AND EXPRESSLY DISCLAIMS ALL) REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. SELLER SHALL NOT BE LIABLE FOR ANY MISTAKES, OMISSIONS, MISREPRESENTATION OR ANY FAILURE TO INVESTIGATE THE PROPERTY NOR SHALL SELLER BE BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS, APPRAISALS, ENVIRONMENTAL ASSESSMENT REPORTS, OR OTHER INFORMATION PERTAINING TO THE PROPERTY OR THE OPERATION THEREOF, FURNISHED BY SELLER OR BY ANY MANAGER, MEMBER OR PARTNER OF SELLER, OR BY ANY REAL ESTATE BROKERS, MEMBERS, PARTNERS, AGENTS, REPRESENTATIVES, TRUSTEES, AFFILIATES, DIRECTORS, OFFICERS, SHAREHOLDERS, EMPLOYEES, SERVANTS OR AGENTS OF ANY OF THE FOREGOING, OR OTHER PERSONS OR ENTITIES ACTING ON BEHALF OF SELLER OR AT SELLER'S REQUEST (COLLECTIVELY, "SELLER RELATED PARTIES")** .

8.2 **RELEASE**. **EFFECTIVE AS OF THE CLOSING, BUYER HEREBY RELEASES SELLER AND ALL SELLER RELATED PARTIES FROM ALL CLAIMS THAT BUYER OR ANY PARTY CLAIMING BY, THROUGH OR UNDER BUYER (A "BUYER RELATED PARTY") HAS OR MAY HAVE AS OF THE CLOSING ARISING FROM OR RELATED TO ANY MATTER OR THING RELATED TO OR IN CONNECTION WITH THE PROPERTY, INCLUDING THE PROPERTY INFORMATION, THE LEASES AND THE TENANTS THEREUNDER, ANY CONSTRUCTION DEFECTS, ERRORS OR OMISSIONS IN THE DESIGN OR CONSTRUCTION AND ANY ENVIRONMENTAL CONDITIONS, AND BUYER SHALL NOT LOOK TO ANY SELLER RELATED PARTIES IN CONNECTION WITH THE FOREGOING FOR ANY REDRESS OR RELIEF. THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH OF ITS EXPRESSED TERMS AND PROVISIONS, INCLUDING THOSE RELATING TO UNKNOWN AND UNSUSPECTED CLAIMS, DAMAGES AND CAUSES OF ACTION, AND, IN THAT REGARD, WITH RESPECT TO THE FOREGOING MATTERS, BUYER HEREBY EXPRESSLY WAIVES ALL RIGHTS AND BENEFITS IT MAY NOW HAVE OR HEREAFTER ACQUIRE UNDER CALIFORNIA CIVIL CODE SECTION 1542 WHICH PROVIDES: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE**

RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

___/s/ S.R._____
INITIALS OF BUYER

8.3 **SURVIVAL . THIS SECTION 8 SHALL SURVIVE ANY TERMINATION OF THIS AGREEMENT AND THE CLOSING.**

8.4 **SCOPE OF RELEASE. NOTWITHSTANDING ANY PROVISION HEREOF TO THE CONTRARY, THE PROVISIONS OF THIS SECTION 8 SHALL NOT RELEASE SELLER FROM LIABILITY FOR: (A) ANY DAMAGES, CLAIMS, LIABILITIES OR OBLIGATIONS ARISING OUT OF OR IN CONNECTION WITH A BREACH OF (OR FAILURE TO COMPLY WITH) ANY COVENANT, REPRESENTATION OR WARRANTY OF SELLER SET FORTH IN THIS AGREEMENT OR ANY OF THE CLOSING DOCUMENTS EXECUTED BY SELLER IN CONNECTION WITH THIS AGREEMENT (BUT SUBJECT TO THE LIMITATIONS PROVIDED IN SECTIONS 7.3, 7.4 AND 10.2 OF THIS AGREEMENT); (B) SELLER'S INTENTIONAL, ACTIVE FRAUD; (C) ANY THIRD PARTY CLAIMS FOR PERSONAL INJURY OR PROPERTY DAMAGE OCCURRING PRIOR TO THE CLOSING DATE COVERED BY SELLER'S INSURANCE.**

9. Disposition of Deposit .

9.1 Default by Seller. If the Closing shall not occur by reason of Seller's default under this Agreement or the failure of satisfaction of the conditions benefiting Buyer under Section 4 above or the termination of this Agreement in accordance with Section 4 or Section 6 herein, then the Deposit (less the Independent Consideration, which shall be paid to Seller) shall be returned to Buyer, and neither party shall have any further obligation or liability to the other (other than those obligations that expressly survive a termination of this Agreement); provided, however, if the Closing shall not occur by reason of Seller's default, then Buyer shall be entitled as its sole and exclusive remedy to either (a) specifically enforce this Agreement, but an action for specific performance must be commenced within sixty (60) days after the last scheduled Closing Date pursuant to the terms of this Agreement or be forever barred, or (b) terminate this Agreement and obtain a return of the Deposit (less the Independent Consideration, which shall be paid to Seller), but no other action, for damages or otherwise, shall be permitted. In the event that specific performance is not available and Buyer terminates this Agreement pursuant to this Section 9.1 , then Seller shall reimburse Buyer's reasonable, actual out-of-pocket fees and expenses incurred by Buyer in connection with its inspection and investigation of the Property, including Buyer's attorneys' fees and expenses incurred in connection with the negotiation of this Agreement and the Access Agreement, in an aggregate amount not to exceed Fifty Thousand and No/100 U.S. Dollars ($50,000.00) (the " **Pursuit Costs** "); provided, however, such Pursuit Costs shall not preclude Buyer from collecting attorneys' fees in connection with a suit or other proceeding against Seller pursuant to Section 10.10 hereof if Buyer is the prevailing party in any such action.

9.2 Default by Buyer. **IN THE EVENT THE CLOSING SHALL NOT OCCUR BY REASON OF BUYER'S DEFAULT, THEN AS SELLER'S SOLE AND EXCLUSIVE REMEDY AT LAW AND IN EQUITY, SELLER MAY TERMINATE THIS AGREEMENT AND THE DEPOSIT**

SHALL BE DELIVERED TO AND RETAINED BY SELLER AS FULL COMPENSATION AND LIQUIDATED DAMAGES UNDER THIS AGREEMENT FOR SUCH FAILURE TO CLOSE. IN CONNECTION WITH THE FOREGOING, THE PARTIES RECOGNIZE THAT SELLER WILL INCUR EXPENSES IN CONNECTION WITH THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT AND THAT THE PROPERTY MAY BE REMOVED FROM THE MARKET; FURTHER, THAT IT IS EXTREMELY DIFFICULT AND IMPRACTICABLE TO ASCERTAIN THE EXTENT OF DETRIMENT TO SELLER CAUSED BY THE BREACH BY BUYER UNDER THIS AGREEMENT AND THE FAILURE OF THE CONSUMMATION OF THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT OR THE AMOUNT OF COMPENSATION SELLER SHOULD RECEIVE AS A RESULT OF BUYER'S DEFAULT, AND THAT THE DEPOSIT REPRESENTS THE PARTIES' BEST CURRENT ESTIMATE OF SUCH DETRIMENT. IN THE EVENT THE CLOSING SHALL NOT OCCUR BY REASON OF BUYER'S DEFAULT, THEN THE RETENTION OF THE DEPOSIT SHALL BE SELLER'S SOLE AND EXCLUSIVE REMEDY AT LAW AND IN EQUITY UNDER THIS AGREEMENT BY REASON OF SUCH DEFAULT, SUBJECT TO THE PROVISIONS OF THIS AGREEMENT THAT EXPRESSLY SURVIVE A TERMINATION OF THIS AGREEMENT, INCLUDING SECTION 10.10 BELOW. THIS SECTION 9.2 SHALL SURVIVE ANY TERMINATION OF THIS AGREEMENT. NOTHING CONTAINED IN THIS SECTION 9.2 SHALL LIMIT OR IMPAIR ANY OF SELLER'S RIGHTS AND REMEDIES AGAINST BUYER FOR ANY OTHER PRE-CLOSING DEFAULT BY BUYER UNDER THIS AGREEMENT (INCLUDING BUYER'S DUE DILIGENCE INDEMNITY UNDER SECTION 4.6 ABOVE OR SUCH DUE DILIGENCE INDEMNITY SET FORTH IN THE ACCESS AGREEMENT OR BREACH OF CONFIDENTIALITY UNDER SECTION 10.20 BELOW).

/s/ S.R. /s/ D.S.
BUYER'S INITIALS SELLER'S INITIALS

9.3 Closing. In the event the transaction herein provided shall close, the Deposit shall be applied as a partial payment of the Purchase Price.

10. Miscellaneous .

10.1 Brokers. Buyer represents and warrants to Seller that no broker or finder has been engaged by it in connection with the purchase contemplated by this Agreement. Seller represents and warrants to Buyer that no broker or finder has been engaged by it, other than CBRE, Inc. (" **Broker** "), in connection with the sale contemplated by this Agreement, and Seller agrees to pay to Broker at the Closing any and all fees due to Broker in connection with this transaction pursuant to a separate agreement between Seller and Broker. In the event of a claim for broker's or finder's fee or commissions in connection with the sale contemplated by this Agreement, then Seller shall indemnify, defend and hold harmless Buyer from the same if it shall be based upon any statement or agreement alleged to have been made by Seller, and Buyer shall indemnify, defend and hold harmless Seller from the same if it shall be based upon any statement or agreement alleged to have been made by Buyer. The provisions of this Section 10.1 shall survive the Closing or any termination of this Agreement.

10.2 Limitation of Liability .

10.2.1 Notwithstanding anything to the contrary contained herein, the direct and indirect shareholders, partners, members, trustees, officers, directors, employees, agents and security holders of the parties are not assuming any, and shall have no, personal liability for any obligations of the parties hereto under this Agreement.

10.2.2 Notwithstanding anything to the contrary contained herein, (a) if the Closing of the transactions hereunder shall have occurred, Seller shall have no liability to Buyer (and Buyer shall make no claim against Seller) for a breach of any representation or warranty or any other covenant, agreement or obligation of Seller, or for indemnification, under this Agreement or any Closing Document executed by Seller in connection with this Agreement, unless (i) the valid claims for all such breaches and indemnifications collectively aggregate to more than FIFTY THOUSAND AND No/100 DOLLARS ($50,000.00) (provided, however, that if such valid claims do exceed $50,000.00 in the aggregate, Seller shall only be responsible for that portion of the claim over $50,000.00), and (ii) the liability of Seller under this Agreement and such documents shall not exceed, in the aggregate, an amount equal to ONE MILLION AND No/100 DOLLARS ($1,000,000.00) (the " **Seller Liability Cap** "); provided, however, the Seller Liability Cap shall not apply to any amounts due for reproration under Section 5.4.6 hereof, any indemnity obligations pursuant to Section 10.1 hereof or the Leasing Costs for which Seller is expressly responsible pursuant to Section 5.4.3 hereof; and (b) in no event shall Seller be liable for any consequential or punitive damages. In connection with any action alleging a breach of any warranty of title in the Deed, Buyer agrees that it shall in good faith pursue Title Company under its title policy(ies) with respect to any claim relating to the warranty of title under the Deed prior to bringing an action against Seller provided that the foregoing obligation in no way invalidates the Owner's Policy. For six (6) months following the Closing Date, Seller shall maintain access to funds so as to have the ability to satisfy any post-closing obligations that it may have hereunder.

10.2.3 The limitations of liability contained in this Section 10.2 are in addition to, and not in limitation of, any limitation on liability provided elsewhere in this Agreement or by Law or by any other contract, agreement or instrument.

10.3 Schedules and Exhibits; Entire Agreement; Modification. All schedules and exhibits attached and referred to in this Agreement are hereby incorporated herein as if fully set forth in (and shall be deemed to be a part of) this Agreement. This Agreement and the Access Agreement contain the entire agreement between the parties regarding the matters herein set forth and supersedes all prior agreements between the parties hereto regarding such matters. This Agreement may not be modified or amended except by written agreement signed by both parties.

10.4 Time of the Essence. Time is of the essence of this Agreement. However, whenever action must be taken (including the giving of notice or the delivery of documents) under this Agreement during a certain period of time (or by a particular date) that ends (or occurs) on a non-business day, then such period (or date) shall be extended until the immediately following business day. As used herein, " **business day** " shall mean any day other than a Saturday, Sunday, federal holiday, or state holiday in the state in which the Property is located. Unless expressly indicated otherwise, (a) all references to time in this Agreement

shall be deemed to refer to Pacific time, and (b) all time periods provided for under this Agreement shall expire at 5:00 p.m. Pacific time.

10.5 Interpretation. Section headings shall not be used in construing this Agreement. Each party acknowledges that such party and its counsel, after negotiation and consultation, have reviewed and revised this Agreement. As such, the terms of this Agreement shall be fairly construed and the usual rule of construction, to the effect that any ambiguities herein should be resolved against the drafting party, shall not be employed in the interpretation of this Agreement or any amendments, modifications or exhibits hereto or thereto. The words "herein", "hereof", "hereunder", "hereby", "this Agreement" and other similar references shall be construed to mean and include this Agreement and all amendments and supplements hereto unless the context shall clearly indicate or require otherwise. Whenever the words "including", "include" or "includes" are used in this Agreement, they shall be interpreted in a non-exclusive manner. Except as otherwise indicated, all Schedule, Exhibit and Section references in this Agreement shall be deemed to refer to the Schedules, Exhibits and Sections in this Agreement. Except as otherwise expressly provided herein, any approval or consent provided to be given by a party hereunder must be in writing to be effective and may be given or withheld in the sole and absolute discretion of such party.

10.6 Governing Law. This Agreement shall be construed and enforced in accordance with the Laws of the state in which the Property is located without regard to application of its conflicts of law principles.

10.7 Successors and Assigns. Buyer may not assign or transfer any of its rights or obligations under this Agreement either directly or indirectly (whether by outright transfer, transfer of ownership interests or otherwise) without the prior written consent of Seller; provided, however, Buyer may assign its interest in this Agreement on or before the Closing Date to an entity (a " **Buyer Assignee** ") in which Buyer, directly or indirectly, through one or more subsidiaries, has control, or is under common control with Buyer or any entity (or subsidiary thereof) that is advised by an affiliate of BCI IV Advisors LLC, so long as (a) Buyer gives Seller four (4) business days' advance written notice thereof (including the name, vesting and signature block of the transferee), and (b) Buyer and such Buyer Assignee execute and deliver an assignment and assumption agreement in form reasonably satisfactory to Seller whereby such Buyer Assignee assumes all obligations of this Agreement. In the event of a transfer to a Buyer Assignee, such Buyer Assignee shall assume in writing all of the transferor's obligations and liabilities hereunder (whenever arising, whether before or after such assumption), but such transferor shall not be released from its obligations hereunder. No consent given by Seller to any transfer or assignment of Buyer's rights or obligations hereunder shall be construed as a consent to any other transfer or assignment of Buyer's rights or obligations hereunder. No transfer or assignment in violation of the provisions hereof shall be valid or enforceable. Subject to the foregoing, this Agreement and the terms and provisions hereof shall inure to the benefit of and be binding upon the successors and assigns of the parties.

10.8 Notices. All notices, approvals, demands and communications permitted or required to be given hereunder shall be in writing, and shall be delivered (a) personally, (b) by United States registered or certified mail, postage prepaid, (c) by Federal Express or other reputable courier service regularly providing evidence of delivery (with charges paid by the party sending the notice), or (d) by a PDF or similar attachment

to an email, provided that such email attachment shall be followed within one (1) business day by sending such notice pursuant to clauses (a) or (c) above. Any such notice to a party shall be addressed at the address set forth below (subject to the right of a party to designate a different address for itself by notice similarly given):

To Seller:	TLF (Inland Empire Distribution Center #3), LLC c/o Stockbridge Capital Group Four Embarcadero Center, Suite 3300 San Francisco, California 94111 Attention: Mr. Drew Stepanek Telephone: (415) 658-3338 Email: stepanek@sbfund.com
And With Copy To:	Pircher, Nichols & Meeks 900 North Michigan Avenue, Suite 1000 Chicago, Illinois 60611 Attention: Real Estate Notices (EJML/DML) (File No. 5382.23) Telephone: (312) 915-3103 Email: realestatenotices@pircher.com (Subject Line: EJML/DML/File No. 5382.23)
To Buyer:	BCI IV Acquisitions LLC c/o Black Creek Group 518 17th Street Suite 1700 Denver, Colorado 80202 Attention: Thomas McGonagle Telephone: (303) 228-2200 Email: tom.mcgonagle@blackcreekcapital.com
With copy to:	BCI IV Acquisitions LLC c/o Black Creek Group 518 17th Street Suite 1700 Denver, Colorado 80202 Attention: General Counsel Telephone: (303) 228-2200 Email: josh.widoff@blackcreekcapital.com
With a copy to:	Allen Matkins Leck Gamble Mallory & Natsis LLC Attention: Sandra A. Jacobson, Esq. 1900 Main Street, Fifth Floor Irvine, California 92614 Telephone: (949) 553-1313 Email: sjacobson@allenmatkins.com

Service of any such notice or other communications so made shall be deemed effective on the day of actual delivery (whether accepted or refused). The attorneys for any party hereto shall be entitled to provide any notice that a party desires to provide or is required to provide hereunder.

10.9 Third Parties. Except as provided in Section 8.2 above, nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the parties hereto and their respective successors and assigns, and nothing in this Agreement is intended to relieve or discharge the obligation or liability of any third persons to any party to this Agreement, and no provision shall give any third parties any right of subrogation or action over or against any party to this Agreement.

10.10 Legal Costs. The parties hereto agree that they shall pay directly any and all legal costs which they have incurred or shall incur on their own behalf in the preparation of this Agreement, all deeds and other agreements pertaining to this transaction and that such legal costs shall not be part of the closing costs. In addition, if either Buyer or Seller brings any suit or other proceeding, including an arbitration proceeding, with respect to the subject matter or the enforcement of this Agreement, the prevailing party (as determined by the court, agency, arbitrator or other authority before which such suit or proceeding is commenced), in addition to such other relief as may be awarded, shall be entitled to recover reasonable attorneys' fees, expenses and costs of investigation actually incurred. The foregoing includes attorneys' fees, expenses and costs of investigation (including those incurred in appellate proceedings), costs incurred in establishing the right to indemnification, or in any action or participation in, or in connection with, any case or proceeding under Chapter 7, 11 or 13 of the Bankruptcy Code (11 United States Code Sections 101 et seq.), or any successor statutes. The provisions of this Section 10.10 shall survive the Closing or any termination of this Agreement.

10.11 Further Assurances. Each party shall, whenever and as often as it shall be requested so to do by the other, cause to be executed, acknowledged or delivered any and all such further instruments and documents as may be necessary or proper, in the reasonable opinion of the requesting party, in order to carry out the intent and purpose of this Agreement (provided the same do not increase in any material respect the costs to, or liabilities or obligations of, such party in a manner not otherwise provided for herein). The terms of this Section shall survive the Closing or any termination of this Agreement.

10.12 Severability. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by Law.

10.13 Press Releases. Except as otherwise expressly permitted under Section 10.20 below, no press release or other public disclosure regarding the terms of this Agreement or the transaction contemplated hereby shall be made without the prior written consent of Buyer and Seller, such consent not to be unreasonably withheld with respect only to public disclosure of the fact of the closing of the transaction without inclusion therein of any financial or other detailed terms of this Agreement. Except as otherwise expressly permitted under Section 10.20 below, without limitation on the foregoing, each of Buyer and Seller

shall use diligent efforts not to make any public disclosure of the Purchase Price (except as required by Laws in connection with the delivery or recording of the Deed). However, either party shall have the right to make public disclosures required by (a) Law (but only if such party gives the other party reasonable notice and an opportunity to retain a restraining order or take other similar protective actions) or (b) the rules and regulations of a securities exchange. The terms of this Section shall survive the Closing or any termination of this Agreement.

10.14 Anti-Terrorism Law. Each party shall take any actions that may be required to comply with the terms of the USA Patriot Act of 2001, as amended, any regulations promulgated under the foregoing law, Executive Order No. 13224 on Terrorist Financing, any sanctions program administrated by the U.S. Department of Treasury's Office of Foreign Asset Control or Financial Crimes Enforcement Network), or any other Laws, regulations or executive orders designed to combat terrorism or money laundering, if applicable, to this Agreement. Each party represents and warrants to the other party that it is not an entity named on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Department of Treasury, as last updated prior to the date of this Agreement.

10.15 Post-Closing Access to Records . Within thirty (30) day following receipt by Seller of Buyer's reasonable written request, from the Closing and for two (2) years thereafter, Seller shall, at Seller's principal place of business, during Seller's normal business hours, to the extent still in Seller's possession, make available to Buyer for inspection and copying (at Buyer's sole cost and expense), all of Seller's books and records directly related to the Existing Lease and Tenant's audit rights (expressly excluding any Excluded Materials).

10.16 Information and Audit Cooperation . To the extent necessary to enable Buyer to comply with any financial reporting requirements applicable to Buyer and imposed by any Governmental Entity, including Rule 3-14 of Securities and Exchange Commission Regulation S-X, upon at least ten (10) business days prior written notice to Seller, for three (3) months following the Closing Date, at Buyer's sole cost and expense, Seller shall cooperate in a commercially reasonable manner with Buyer's auditors in preparing an audit of the trial balance related to the operation of the Property for the calendar years 2017 and 2018. Other than any covenant, representation or warranty of Seller set forth in this Agreement or any of the closing documents executed by Seller in connection with this Agreement (but subject to the limitations provided in Sections 7.3, 7.4 and 10.2 of this Agreement), Seller makes no representations, warranties or covenants with respect to the trial balance or the books and records which may be reviewed in auditing the same, and Buyer releases and waives any liability or claims against Seller related to the trial balance or the books and records which may be reviewed and audited. Buyer's release and wavier set forth in this Section 10.16 shall survive the Closing.

10.17 Jurisdiction; Venue . Each party consents to the jurisdiction of any state or federal court located within San Francisco County, California, waives personal service of any and all process upon it, consents to the service of process by registered mail directed to it at the address stated in Section 10.8 hereof, and acknowledges that service so made shall be deemed to be completed upon actual delivery thereof (whether accepted or refused). In addition, each party consents and agrees that venue of any action instituted

under this Agreement or any agreement executed in connection herewith shall be proper in San Francisco County, California, and each party waives any objection to venue.

10.18 Waiver of Trial by Jury . To the extent permitted by Law, the parties hereby irrevocably waive their respective rights to a jury trial of any claim or cause of action based upon or arising out of this Agreement. This waiver shall apply to any subsequent amendments, renewals, supplements or modifications to this Agreement or any document executed pursuant thereto. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

10.19 Acceptance of Deed. The acceptance of the Deed by Buyer shall be deemed full compliance by Seller of all of Seller's obligations under this Agreement except for those obligations of Seller which are specifically stated to survive the Closing hereunder.

10.20 Confidentiality. The terms of the transaction contemplated in this Agreement, including the Purchase Price and all other financial terms, shall remain confidential and shall not be disclosed by either party hereto without the written consent of the other except (a) to such party's directors, officers, partners, employees, legal counsel, accountants, lenders, engineers, architects, brokers, financial advisors and similar professionals and consultants, to the extent such party deems it necessary or appropriate in connection with the transaction contemplated hereunder (and such party shall inform each of the foregoing parties of such party's obligations under this Section 10.20 and shall secure the agreement of such parties to be bound by the terms hereof), or (b) as otherwise required by Law or regulation (including the rules and regulations of a securities exchange). Unless and until the transaction contemplated by this Agreement shall close, Buyer shall also keep confidential all documents, reports and information concerning the Property obtained from Seller or through the due diligence investigation of the Property by Buyer or its agents, except to the extent permitted by clauses (a) or (b) above. The provisions of this Section 10.20 shall survive any termination of this Agreement or the Closing (as applicable).

10.21 1031 Exchange. Seller and/or Buyer may, for the purpose of treating all or part of its sale or acquisition of the Property as a like-kind exchange of property under Section 1031 of the Internal Revenue Code, assign certain rights that it has under this Agreement, including its right to sell or acquire the Property pursuant to this Agreement, to one or more qualified intermediaries, and to provide notice of such assignment to the other party, provided that no such assignment shall release the assigning party from its obligations hereunder and no such assignment shall delay the Closing hereunder. The non-assigning party shall not incur any costs or liabilities in connection with such exchange. The assigning party agrees to save, indemnify, protect and defend the other party (with counsel reasonably satisfactory to such other party) from and against and hold the other party harmless from any and all expenses and/or liabilities arising from such assignment and exchange and the other party shall not be required to take title to any other property. The provisions of this Section 10.21 shall survive the Closing.

10.22 Counterparts; Delivery. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document. The delivery of an executed counterpart of this Agreement by facsimile or as a PDF or similar attachment to an e-mail shall constitute effective delivery of such counterpart for all purposes with the same force and effect as the delivery of an original, executed counterpart.

10.23 Effectiveness. In no event shall any draft of this Agreement create any obligation or liability, it being understood that this Agreement shall be effective and binding only when a counterpart hereof has been executed and delivered by each party hereto.

[Signatures appear on following page.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SELLER:

TLF (INLAND EMPIRE DISTRIBUTION CENTER #3), LLC ,
a Delaware limited liability company

By: TLF Logistics, LLC,
a Delaware limited liability company,
its Manager

By: TLF Logistics II, L.P.,
a Delaware limited partnership,
its Sole Member

By: CV Texas GP, LLC,
a Delaware limited liability company,
its General Partner

By: Core and Value Advisors, LLC,
a Delaware limited liability company,
its Sole Member

By: /s/ Drew Stepanek
Name: Drew Stepanek
Its: Senior Vice President

BUYER:

BCI IV ACQUISITIONS LLC ,
a Delaware limited liability company

By: BCI IV Operating Partnership LP,
a Delaware limited partnership,
its Sole Member

By: Black Creek Industrial REIT IV Inc.,
a Maryland corporation,
its General Partner

By: /s/ Scott Recknor
Name: Scott Recknor
Title: Managing Director

Exhibit 10.7

PURCHASE AND SALE AGREEMENT

[Park 429: 641 & 643 East Crown Point Road, Ocoee, FL]

ARTICLE 1: PROPERTY/PURCHASE PRICE

1.1 Certain Basic Terms .

(a) Purchaser and Notice Address :

BCI IV ACQUISITIONS LLC, a Delaware limited liability company
c/o Black Creek Capital Group
518 17 th Street, 17 th Floor
Denver, Colorado 80202
Attention: Thomas McGonagle
Email: tmcgonagle@blackcreekgroup.com

With a copy to:

Joshua J. Widoff
General Counsel
Black Creek Capital Group
518 17 th Street, 17 th Floor
Denver, Colorado 80202
Email: jwidoff@blackcreekgroup.com

and a copy to:

Jeremy T. Bunnow
Barack Ferrazzano Kirschbaum & Nagelberg LLP
200 West Madison Street, Suite 3900
Chicago, Illinois 60606
Email: jeremy.bunnow@bfkn.com

(b) Seller and Notice Address :

BPG OCOEE 1, LLC, a Delaware limited liability company
c/o BlueScope Properties Group
1540 Genessee Street
Kansas City, MO 64102
Attn: Matthew Roth
Telephone: 816/968-3512
Email: matthew.roth@bluescopeproperties.com

With a copy to:

Greenberg Traurig LLP
77 West Wacker Drive, Suite 3100
Chicago, Illinois 60601
Attn: Milos Markovic, Esq.
Telephone: (312) 456-1041
Email: markovicm@gtlaw.com

(c) Effective Date : May 16, 2018.

(d) Purchase Price : $45,700,000.00.

(e) Earnest Money : $1,000,000.00, including interest thereon.

(f) Due Diligence Period : The period ending at 5:00pm eastern on May 25, 2018.

(g) Closing Date : June 4, 2018.

(h) Title Company :

First American Title Insurance Company,
National Commercial Services
Attn: Chad Wilson, Senior Escrow Officer
1850 Mt. Diablo Blvd., Suite 300
Walnut Creek, CA 94596
Telephone: (925) 927-2155
Email: cjwilson@firstam.com

(i) Escrow Agent :

First American Title Insurance Company,
National Commercial Services
Attn: Chad Wilson, Senior Escrow Officer
1850 Mt. Diablo Blvd., Suite 300
Walnut Creek, CA 94596
Telephone: (925) 927-2155
Email: cjwilson@firstam.com

(j) Broker : CBRE.

1.2 Property . Subject to the terms of this Purchase and Sale Agreement (the " Agreement "), Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller, the following property (the " Property "):

(a) The real property described in **Exhibit A** , together with the buildings and improvements thereon (the " Improvements "), and all appurtenances of the above-described real property, including easements or rights-of-way relating thereto, and, without warranty, all right, title, and interest, if any, of Seller in and to the land lying within any street or roadway adjoining the real property described above or any vacated or hereafter vacated street or alley adjoining said real property.

(b) All title and interest, in and to all fixtures, furniture, equipment, and other tangible personal property, if any, owned by Seller (the " Personal Property ") presently located on such property, but specifically excluding any items of personal property owned by tenants.

(c) All of Seller's interest, as landlord, in the " Leases ," being, collectively, (i) that certain Lease Agreement between Seller and City Furniture, Inc., dated February 22, 2018, (ii) that certain Lease Agreement between Seller and Maintenance Supply Headquarters, LP, dated March 19, 2018 (the " Maintenance Supply Lease "), (iii) that certain Lease Agreement between Seller and Kramer America, dated May 19, 2017, and (vi) all leases and amendments thereto which may be made by Seller after the date hereof and before Closing as permitted by this Agreement.

(d) All of Seller's right, title and interest, if any, in and to all of the following items, to the extent assignable and without warranty (the " Intangible Personal Property "): (A) licenses, and permits relating to the operation of the Property, (B) the right to use the name of the property (if any) in connection with the Property, but specifically excluding any trademarks, service marks and trade names of Seller and with reservation by Seller to use such name in connection with other property owned by Seller in the vicinity of the Property, (C) if still in effect, guaranties and warranties received by Seller from any contractor, manufacturer or other person in connection with the Property, including the construction or operation thereof, excluding with respect to the Ongoing Work (defined below), (D) that certain Holdback Escrow Agreement dated May 7, 2018 among Seller, Kramer America, Inc. and Grace Title, Incorporated, and (E) subject to the provisions of Section 5.2(d) below, that certain Exclusive Lease Listing and Commission Agreement between Seller and Cite Realty Partners, LLC dated as of May 26, 2017 (the " Leasing Commission Agreement ").

(e) All of Seller's interest, as landlord, in the Assumed Service Contracts (hereinafter defined).

1.3 Earnest Money . The Earnest Money, in immediately available federal funds, evidencing Purchaser's good faith to perform Purchaser's obligations under this Agreement, shall be deposited by Purchaser with the Escrow Agent not later than the second business day after the Effective Date. In the event that Purchaser fails to timely deposit the Earnest Money with the Escrow Agent, this Agreement shall be of no force and effect. The Escrow Agent shall pay the Earnest Money to Seller at and upon the Closing, or otherwise, to the party entitled to receive the Earnest Money in accordance with Article 9 below.

1.4 Independent Contract Consideration . At the same time as the deposit of the Earnest Money to the Escrow Agent, Purchaser shall deliver to Seller in cash the sum of One Hundred and No/100 Dollars ($100.00) (the " Independent Contract Consideration ") which amount has been bargained for and agreed to as consideration for Purchaser's exclusive option to purchase the Property and the Due Diligence Period provided herein, and for Seller's execution and delivery of this Agreement. The Independent Contract Consideration is in addition to and independent of all other consideration provided in this Agreement, and is nonrefundable in all events.

ARTICLE 2: INSPECTIONS

2.1 Property Information . Seller shall provide (or has provided) copies to Purchaser, via electronic data room, to the extent in Seller's possession or reasonable control, the following (" Property Information "):

(a) the Leases including all amendments;

(b) the most current rent roll of the Property itemizing all Leases in effect and the current rent, the amount of security deposits, current Operating Costs (as defined below) and other expense recoveries thereunder (" Rent Roll ");

(c) year to date operating statements (the " Operating Statements ");

(d) a list and copies of any management, service or maintenance agreements, if any, relating to the Property (" Service Contracts ");

(e) any existing land title survey of the Property;

(f) any environmental, soils, architectural and engineering reports prepared for Seller in connection with Seller's purchase, ownership or management of the Property;

(g) as-built drawings;

(h) warranties, guaranties, permits, certificates of occupancy and/or substantial completion;

(i) the Leasing Commission Agreement;

(j) the Maintenance Agreement (hereinafter defined);

(k) that certain Standard Form of Agreement Between Owner and Contractor for a Project of Limited Scope made as of May 10 2018 between Steve Black Construction and Seller (the " Ongoing Work Contract ");

(l) tenant financial statements; and

(m) copies of all contracts and agreements regarding the Ongoing Work and the shell/core construction of the Improvements.

Except as otherwise expressly provided herein, Seller makes no representations or warranties as to the accuracy or completeness of the Property Information.

2.2 Tenant Estoppels . Seller shall use commercially reasonable efforts to secure and deliver to Purchaser by the Closing Date estoppel certificates for all Leases executed by the applicable tenants (and any applicable guarantors) consistent with the information in the Rent Roll and substantially in the form attached hereto as **Exhibit B** or such form as may be required under the applicable Leases. Purchaser may terminate this Agreement upon 5 days notice to Seller if by the Closing Date Seller has not

delivered estoppel certificates executed by the applicable tenants (and any applicable guarantors) for Leases covering 100 percent of the leased floor area of the Property that are consistent with the information in the Rent Roll and substantially in the form attached hereto as **Exhibit B**, show no materially adverse matters and are dated no earlier than 30 days prior to the Closing Date. Upon any such termination, the Earnest Money shall be immediately released to Purchaser, and neither party shall have any further rights or liabilities hereunder except for those provisions which survive the termination of this Agreement. Seller shall provide Purchaser with an opportunity to review each estoppel certificate prior to submitting same to each tenant.

2.3 Confidentiality. Purchaser agrees that information gathered in connection with this Agreement that is not generally known to the public (the "Confidential Information") shall be considered Confidential Information, and such Confidential Information shall be used by Purchaser and its agents, contractors, engineers, surveyors, attorneys, accountants, consultants, brokers, officers, directors, members, employees, and current and prospective partners and lenders (collectively, "Consultants") solely for the purpose of Purchaser's evaluation of an acquisition of the Property. Notwithstanding anything to the contrary contained in this Agreement, "Confidential Information" shall not include any (i) documents or information which is or becomes generally available to the public other than as a result of a disclosure by Purchaser or its Consultants; (ii) information which reasonably can be demonstrated to be known to Purchaser or its Consultants prior to its disclosure under that certain Limited Access Agreement between Purchaser and Seller dated April 26, 2018; (iii) information which becomes available to Purchaser or its Consultants on a non-confidential basis from sources other than Seller not bound, to the knowledge of Purchaser, by any legal or other obligation prohibiting the disclosure of Confidential Information by such source to Purchaser. Except as required by a court order or other legal process, Purchaser shall not reveal, disclose, disseminate, publish or communicate to any other persons, parties or entities any Confidential Information without the prior written consent of Seller in each instance, which shall be given or withheld in Seller's sole and absolute discretion, other than to Purchaser's Consultants involved in this transaction who have been advised to preserve the Confidential Information in a confidential manlier (collectively, "Permitted Outside Parties"). Purchaser shall be responsible for ensuring that any and all Permitted Outside Parties complies with the provisions of this Paragraph. In permitting Purchaser and the Permitted Outside Parties to review the Property Information or any other Confidential Information, Seller has not waived any privilege or claim of confidentiality with respect thereto, and no third party benefits or relationships of any kind, either express or implied, have been offered, intended or created. The provisions of this Paragraph shall survive the termination of this Agreement for a period of 1 year but shall not survive Closing.

2.4 Inspections in General. During the Due Diligence Period, Purchaser and its Consultants shall have the right to enter upon the Property for the purpose of making non-physically invasive inspections at Purchaser's sole risk, cost and expense. Seller agrees to cooperate reasonably with any such investigations, tests, samplings, analyses, inspections, studies or meetings and interviews made by or at Purchaser's direction. All of such entries upon the Property shall be at reasonable times during normal business hours and after at least 24 hours prior notice to Seller or Seller's agent (which notice may be provided telephonically or via email to Matthew Roth: (816) 289-2838 or matthew.roth@bluescopeproperties.com), and Seller or Seller's agent shall have the right to accompany Purchaser during any activities performed by Purchaser on the Property. Purchaser shall not disturb the tenants on the Property, and Purchaser's inspection shall be subject to the rights of tenants under their Leases. At Seller's request, Purchaser shall provide Seller, without warranty, with a copy of the final reports made by third parties on behalf of Purchaser, excluding only market and economic feasibility studies and privileged materials. If any inspection or test damages the Property, Purchaser will repair such damage consistent with the condition of the Property as existed before the inspection or test; provided, however, Purchaser shall have no obligation to repair any damage to the extent caused by Seller's negligence or misconduct, to remediate, contain, abate or control any materials not placed on the Property by Purchaser or its Consultants, or to repair or restore any latent condition discovered by Purchaser or its Consultants (as long as Purchaser or its Consultants take reasonable steps not to exacerbate such condition once discovered by Purchaser). Purchaser shall defend, indemnify Seller and hold Seller, together with its affiliates, parent and subsidiary entities, successors, assigns, partners, managers, members, employees, officers, directors, trustees, shareholders, counsel, representatives, agents, property manager and regional property manager (collectively, with Seller, "Seller's Indemnified Parties") and the Property harmless from and against any and all losses, costs, damages, claims, or liabilities, including but not limited to, mechanic's and materialmen's liens and Seller's attorneys' fees, arising from Purchaser's or its Consultants entry onto the Property, and any inspections performed (or other related actions) by Purchaser with respect to the Property; provided, however, that the foregoing indemnity shall not extend to, and in no event shall Purchaser be liable to any of Seller's Indemnified Parties for any (i) negligence or misconduct of any of Seller's Indemnified Parties, (ii) pre-existing condition(s) on or about the Property (except any incremental damage resulting from the exacerbation of such pre-existing condition(s) by Purchaser's and/or any party acting under Purchaser's direction for entry onto and investigation of the Property after their discovery of such pre-existing condition(s)), (iii) the displacement or disturbance of materials (to the extent the investigations resulting in such displacement or disturbance are permitted hereunder) not placed on the Property by Purchaser or its Consultants or (iv) any diminution in value in the Property arising from, or related to, matters discovered by any inspections. The provisions of this paragraph shall survive indefinitely any termination of this Agreement.

Before any entry, Purchaser shall provide Seller with a certificate of insurance evidencing the following coverages:

(i) Worker's Compensation – Coverage A: statutory amount
Coverage B: Employer's Liability insurance:
$500,000 Each Accident
$500,000 Disease, Policy Limit
$500,000 Disease, Each Employee

(ii) Commercial General Liability including contractual liability coverage, on an occurrence basis, including Bodily Injury and Property Damage Liability, Personal and Advertising Injury Liability for the following limits:
General Aggregate $ 2,000,000
Products - Completed Operations Aggregate $ 2,000,000
Each Occurrence $ 1,000,000
Personal and Advertising Injury Liability $ 1,000,000

Purchaser's and Consultant's Commercial General Liability policy shall include an endorsement deleting the contractual liability exclusion contained in the Personal and Advertising Injury Liability coverage.

(iii) Owned, Hired and Non-Owned Business Automobile liability insurance in an amount no less than $1,000,000 per accident Combined Single Limit for bodily injury and property damage

(iv) Umbrella Policy (Occurrence form with defense costs outside the limits): $1,000,000 Each Occurrence/$1,000,000 Aggregate Excess of the Employer's Liability, Commercial General Liability and Automobile Liability coverages on a following form basis, including coverage for Additional Insureds.

All coverage shall remain in effect during any period of entry on the Property by Purchaser or its Consultants and be provided by insurance companies with a current Best's Rating of A VIII or higher. At the expiration of any such policy, Purchaser will provide to Seller evidence of the renewal or replacement of the aforesaid policies.

2.5 Environmental Inspections and Release . The inspections under Paragraph 2.4 may include a non-invasive Phase I environmental inspection of the Property, but no Phase II environmental inspection or other invasive inspection or sampling of soils or materials, including without limitation construction materials, either as part of the Phase I inspection or any other inspection, shall be performed without the prior written consent of Seller, which may be withheld in its sole and absolute discretion, and if consented to by Seller, the proposed scope of work and the party who will perform the work shall be subject to Seller's review and approval. Purchaser shall deliver to Seller copies of any Phase II or other environmental report to which Seller consents on and subject to the terms of Paragraph 2.4 .

Purchaser, for itself and any entity affiliated with Purchaser, waives and releases Seller and its employees, agents, officers, trustees, directors and shareholders from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature, known or unknown, existing and future, contingent or otherwise (including any action or proceeding, brought or threatened, or ordered by any appropriate governmental entity) made, incurred, or suffered by Purchaser or any entity affiliated with Purchaser relating to the presence, misuse, use, disposal, release or threatened release of any hazardous or toxic materials, chemicals or wastes at the Property and any liability or claim related to the Property arising under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Superfund Amendments and Reauthorization Act of 1986, the Resource Conservation and Recovery Act, and the Toxic Substance Control Act, all as amended, or any other cause of action based on any other state, local, or federal environmental law, rule or regulation, provided however, the foregoing release shall not operate to release any claim by Purchaser against any person or entity other than described above in this paragraph or with respect to any obligation or liability of Seller expressly provided under this Agreement or the documents executed and delivered by Seller at or in connection with Closing in accordance with this Agreement (the " Closing Documents "). The provisions of this paragraph shall survive indefinitely any Closing or termination of this Agreement and shall not be merged into the Closing Documents.

Purchaser's
Initials: /s/ A.K.

2.6 Termination During Due Diligence Period . Purchaser shall have the right to terminate this Agreement for any or no reason by giving to Seller notice of termination before the expiration of the Due Diligence Period. Upon such termination,

the Earnest Money shall be immediately released to Purchaser, and neither party shall have any further rights or liabilities hereunder except for those provisions which survive the termination of this Agreement.

2.7 Purchaser's Reliance on its Investigations . TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW AND EXCEPT FOR SELLER'S REPRESENTATIONS AND WARRANTIES IN PARAGRAPH 6.5 AND 7.1 AND ANY WARRANTIES IN THE CLOSING DOCUMENTS (COLLECTIVELY, THE " SELLER'S WARRANTIES ") AND ANY COVENANTS, INDEMNITIES AND OBLIGATIONS OF SELLER UNDER THIS AGREEMENT THAT SURVIVE CLOSING OR THAT ARE CONTAINED IN THE CLOSING DOCUMENTS (COLLECTIVELY, THE " SELLER'S COVENANTS "), THIS SALE IS MADE AND WILL BE MADE WITHOUT REPRESENTATION, COVENANT, OR WARRANTY OF ANY KIND (WHETHER EXPRESS, IMPLIED, OR, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, STATUTORY) BY SELLER. AS A MATERIAL PART OF THE CONSIDERATION FOR THIS AGREEMENT, PURCHASER AGREES TO ACCEPT THE PROPERTY ON AN "AS IS" AND "WHERE IS" BASIS, WITH ALL FAULTS, AND WITHOUT ANY REPRESENTATION OR WARRANTY, ALL OF WHICH SELLER HEREBY DISCLAIMS, EXCEPT FOR SELLER'S WARRANTIES AND SELLER'S COVENANTS. EXCEPT FOR SELLER'S WARRANTIES, NO WARRANTY OR REPRESENTATION IS MADE BY SELLER AS TO (A) FITNESS FOR ANY PARTICULAR PURPOSE, (B) MERCHANTABILITY, (C) DESIGN, (D) QUALITY, (E) CONDITION, (F) OPERATION OR INCOME, (G) COMPLIANCE WITH DRAWINGS OR SPECIFICATIONS, (H) ABSENCE OF DEFECTS, (I) ABSENCE OF HAZARDOUS OR TOXIC SUBSTANCES, (J) ABSENCE OF FAULTS, (K) FLOODING, OR (L) COMPLIANCE WITH LAWS AND REGULATIONS INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO HEALTH, SAFETY, AND THE ENVIRONMENT. WITHOUT LIMITATION ON SELLER'S WARRANTIES AND SELLER'S COVENANTS, PURCHASER ACKNOWLEDGES THAT PURCHASER HAS ENTERED INTO THIS AGREEMENT WITH THE INTENTION OF MAKING AND RELYING UPON ITS OWN INVESTIGATION OF THE PHYSICAL, ENVIRONMENTAL, ECONOMIC USE, COMPLIANCE, AND LEGAL CONDITION OF THE PROPERTY AND THAT PURCHASER IS NOT NOW RELYING, AND WILL NOT LATER RELY, UPON ANY REPRESENTATIONS AND WARRANTIES MADE BY SELLER OR ANYONE ACTING OR CLAIMING TO ACT, BY, THROUGH OR UNDER OR ON SELLER'S BEHALF CONCERNING THE PROPERTY. **WITHOUT LIMITATION ON SELLER'S WARRANTIES AND SELLER'S COVENANTS, AS A MATERIAL PART OF THE CONSIDERATION FOR THIS AGREEMENT, SELLER AND PURCHASER AGREE THAT PURCHASER IS TAKING THE PROPERTY "AS IS" WITH ANY AND ALL LATENT AND PATENT DEFECTS AND THAT THERE IS NO WARRANTY BY SELLER THAT THE PROPERTY IS FIT FOR A PARTICULAR PURPOSE. PURCHASER ACKNOWLEDGES THAT, EXCEPT AS EXPRESSLY PROVIDED HEREIN, IT IS NOT RELYING UPON ANY REPRESENTATION, STATEMENT OR OTHER ASSERTION WITH RESPECT TO THE PROPERTY CONDITION, BUT IS RELYING UPON THE EXAMINATION OF THE PROPERTY. PURCHASER TAKES THE PROPERTY UNDER THE EXPRESS UNDERSTANDING THAT, EXCEPT AS EXPRESSLY PROVIDED HEREIN, THERE ARE NO EXPRESS OR IMPLIED WARRANTIES (EXCEPT SELLER'S WARRANTIES). THE PROVISIONS OF THIS PARAGRAPH 2.7 SHALL SURVIVE INDEFINITELY ANY CLOSING OR TERMINATION OF THIS AGREEMENT AND SHALL NOT BE MERGED INTO THE CLOSING DOCUMENTS.**

Purchaser's
Initials: /s/ A.K.

ARTICLE 3: TITLE AND SURVEY REVIEW

3.1 Delivery of Title Report . No later than May 15, 2018, Seller shall cause to be delivered to Purchaser a preliminary report or title commitment issued by the Title Company (the " Title Report "), covering the Property, together with copies of all documents referenced in the Title Report and a survey (the " Survey ") of the Property.

3.2 Title Review and Cure . Purchaser shall notify Seller in writing of any title objections no later than on May 22, 2018 (the " Objection Deadline "). Seller shall have no obligation to cure any title objections except monetary liens created based on the agreements of Seller (excluding any inchoate (i.e., "unfiled") liens related to the Ongoing Work, collectively, " Seller Liens "), which Seller Liens Seller shall cause to be released at the Closing. Seller may, but shall not be obligated to, attempt to cure by the Closing Date any title objections noted by Purchaser other than Seller Liens. If Seller elects not to cure any title objection, or fails to cure any title objection by the Closing Date, in each case other than Seller Liens, then Purchaser shall either (i) terminate this Agreement by written notice to Seller given on or before 10 days after receipt of any notice by Seller that it elects not to cure or cannot cure any title objections, if earlier, the Closing Date, and the Earnest Money shall be refunded to Purchaser, or (ii) waive such title objections, in which event the Closing shall occur and Purchaser shall accept title to the Property subject to such title condition, subject to Seller's foregoing obligation to cause all Seller Liens to be released. Failure to so terminate shall constitute Purchaser's election to proceed under clause (ii). Notwithstanding anything contained herein, if the Title Report or the Survey are re-issued or updated after the Objection Deadline, Purchaser shall have the right to object (each, a " New Objection ") to any

additional material or adverse matter disclosed or contained (each, a " New Title Document Matter ") in any such update (but excluding any matters related to the Public Improvements). If Seller is unable or unwilling to cure any such New Title Document Matter to the sole satisfaction of Purchaser (in Purchaser's sole and absolute discretion) within the lesser of 5 days following receipt by Seller of a New Objection or the Closing Date, Purchaser shall have the right either to (a) terminate this Agreement by written notice to Seller given on or before 10 days after receipt of any notice by Seller that it elects not to cure or cannot cure any title objections, if earlier, the Closing Date, and the Earnest Money shall be refunded to Purchaser, or (b) waive such title objections, in which event the Closing shall occur and Purchaser shall accept title to the Property subject to such title condition, subject to Seller's foregoing obligation to cause all Seller Liens to be released. Failure to so terminate shall constitute Purchaser's election to proceed under clause (b). Those items approved by Purchaser or deemed approved by Purchaser are hereinafter referred to as the " Permitted Exceptions ."

3.3 Title Policy . At Closing, as a condition to Purchaser's obligation to close, the Title Company shall deliver to Purchaser a 2006 ALTA form of extended coverage Owner's Policy of Title Insurance (the " Title Policy "), issued by the Title Company, dated the date and time of recording of the Deed in the amount of the Purchase Price, insuring Purchaser as owner of fee simple title to the Property and subject only to the Permitted Exceptions and without exception for any Seller Liens. If the foregoing condition is not satisfied at Closing, Purchaser may elect to terminate this Agreement, whereupon the Earnest Money shall be immediately released to Purchaser, and neither party shall have any further rights or liabilities hereunder except for those provisions which survive the termination of this Agreement. The Title Policy may be delivered after Closing if that is customary in the locality and the Title Company irrevocably commits at Closing to so deliver the Title Policy.

ARTICLE 4: OPERATIONS AND RISK OF LOSS

4.1 Ongoing Operations . During the pendency of this Agreement, Seller shall carry on its business and activities relating to the Property substantially in the same manner as it did before the Effective Date. Seller shall maintain all casualty and liability insurance in place as of the Effective Date with respect to the Property in amounts and with deductibles substantially the same as existing on the Effective Date.

4.2 Performance under Leases and Service Contracts . During the pendency of this Agreement, Seller will perform its material obligations under the Leases and Service Contracts and other agreements that may affect the Property.

4.3 Contracts . During the pendency of this Agreement, Seller will not modify any Service Contracts or enter into any contract or agreement that will be an obligation affecting the Property subsequent to the Closing, except contracts entered into in the ordinary course of business required to deal with emergency situations that are terminable without cause on 30 days' notice, without the prior consent of the Purchaser, which shall not be unreasonably withheld or delayed prior to the end of the Due Diligence Period and which may be given or withheld in Purchaser's sole discretion thereafter. Seller agrees to terminate by written notice to the other party thereto and as otherwise required pursuant thereto, effective as of the Closing, all of the contracts that Purchaser does not, by written notice to Seller given on or prior to the expiration of the Due Diligence Period, elect to assume. All contracts that Purchaser elects to assume by written notice to Seller given on or prior to the expiration of the Due Diligence Period shall constitute "Assumed Service Contracts." Any property management and leasing contracts for the Property shall be terminated prior to Closing, with the exception of the Leasing Commission Agreement. For purposes of clarification, the Leasing Commission Agreement, subject to the provisions of Section 5.2(d) , shall be assigned to Purchaser or assumed by Purchaser at Closing. Seller shall pay all termination costs, liquidated damages, fees and/or expenses related to contracts that do not constitute Assumed Service Contracts. Notwithstanding the foregoing, Seller shall not terminate the Ongoing Work Contract (hereinafter defined), provided that Seller shall remain solely obligated under the Ongoing Work Contract, it being understood and agreed that Purchaser shall have no liability or obligations under the Ongoing Work Contract.

4.4 Leasing Arrangements . During the pendency of this Agreement, Seller shall not, without Purchaser's consent (which shall not be unreasonably withheld or delayed prior to the end of the Due Diligence Period and which may be given or withheld in Purchaser's sole discretion thereafter), enter into new leases or amendments, expansions or renewals of existing Leases. Prior to the end of the Due Diligence Period, Purchaser shall be deemed to have consented to any new lease or amendment, expansion, or renewal of an existing Lease if it has not notified Seller specifying with particularity the matters to which Purchaser reasonably objects, within 5 days after its receipt of Seller's written request for consent, together with a copy of the Lease, amendment, expansion, or renewal and any and all related leasing commission agreements and obligations. At Closing, Purchaser shall reimburse Seller to the extent provided in Paragraph 6.2 for commissions and the cost of tenant improvements paid by Seller with respect to new leases and amendments, expansions or renewals of existing Leases that were entered into pursuant to this Paragraph 4.4 and shall assume in writing Seller's obligation under such commission agreements and contracts for tenant improvements if and to the extent expressly identified pursuant to this Paragraph 4.4 and approved or deemed approved by Purchaser pursuant to this Paragraph 4.4 (any such commission agreements, the " New Commission Agreements "). If the rent commencement

date of any such new lease or expansion or renewal of any existing Lease falls before the Closing Date, the amount of commission and tenant improvements reimbursable by Purchaser shall be in the proportion that the length of the period from the rent commencement date to the Closing Date bears to the length of the period from the Closing Date to the end of the noncancellable term applicable to such Lease, expansion or renewal.

4.5 Damage or Condemnation . Risk of loss resulting from any condemnation or eminent domain proceeding which is commenced or has been threatened before the Closing, and risk of loss to the Property due to fire, flood or any other cause before the Closing, shall remain with Seller. If before the Closing the Property or any portion thereof shall be materially damaged, or if the Property or any portion thereof shall be subjected to a bona fide threat of condemnation or shall become the subject of any proceedings, judicial, administrative or otherwise, with respect to the taking by eminent domain or condemnation, then Purchaser may terminate this Agreement by written notice to Seller given within 5 days after Purchaser learns of the damage or taking, in which event the Earnest Money shall be returned to Purchaser. If the Closing Date is within the aforesaid 5-day period, then Closing shall be extended to the next business day following the end of said 5-day period. If no such election is made, and in any event if the damage is not material, this Agreement shall remain in full force and effect and the purchase contemplated herein, less any interest taken by eminent domain or condemnation, shall be effected with no further adjustment, and upon the Closing of this purchase, Seller shall assign, transfer and set over to Purchaser all of the right, title and interest of Seller in and to any awards that have been or that may thereafter be made for such taking, and Seller shall assign, transfer and set over to Purchaser any insurance proceeds that may thereafter be made for such damage or destruction giving Purchaser a credit at Closing for any deductible or self-insured or uninsured amount under such policies. For the purposes of this paragraph, the phrases " Material damage " and " Materially damaged " means (i) damage reasonably exceeding $250,000 to repair, (ii) damage resulting in material access to the Property, or a material portion of the parking, being permanently destroyed, (iii) damage that is self-insured or uninsured (unless Seller elects to give Purchaser a full credit for any such amount), or (iv) damage that would give rise to the right of any tenant to terminate its Lease, which right such tenant has not irrevocably waived in writing.

4.6 Ongoing Work . Seller and Purchaser acknowledge that Seller is in the process of causing the completion of the work described in the Construction Addendum to the Maintenance Supply Lease (collectively, the " Ongoing Work ") pursuant to the Ongoing Work Contract. Seller covenants and agrees to diligently pursue the completion of the Ongoing Work in accordance with the Ongoing Work Contract and the Maintenance Supply Lease and in compliance with all applicable laws and regulations. Prior to the Closing, Seller shall deliver to Purchaser and the Title Company interim lien waivers (on a 30-day trailing basis) with respect to all portions of the Ongoing Work completed prior to the Closing. Following the Closing, Seller's performance of the Ongoing Work shall be pursuant to an Ongoing Work Escrow Agreement (the " Holdback Agreement "), which shall be in the form attached hereto as Exhibit D . To secure Seller's obligation to complete the Ongoing Work, an amount estimated to be 125% of the cost of the Ongoing Work (based on evidence satisfactory to Purchaser in its reasonable discretion) which remains to be completed shall be withheld from Seller's proceeds at Closing and placed into escrow with Escrow Agent as a holdback (the " Ongoing Work Holdback "). The Ongoing Work Holdback shall be disbursed by Escrow Agent in accordance with a Holdback Agreement. Purchaser and Seller shall deliver or cause to be delivered at Closing the fully-executed Holdback Agreement. Upon completion of the Ongoing Work, Seller shall assign to Purchaser all guaranties and warranties received by Seller from any contractor, manufacturer or other person in connection with the construction of the Ongoing Work. The obligations of Seller hereunder shall survive the Closing.

4.7 Conveyance of Public Improvements . In connection with Seller's development of the Property, Seller has built certain public improvements (i.e., gravity sanitary sewer, force main and lift station, and potable water system, collectively, the " Public Improvements "). Prior to Closing, and notwithstanding anything in this Agreement to the contrary, Seller shall convey the Public Improvements to the City of Ocoee, a Florida municipal corporation (the " City ") and concurrently enter into that certain Maintenance, Materials, And Workmanship Agreement With Letter of Credit (the " Maintenance Agreement ") between Seller (as " Developer ") and the City in the form delivered to Purchaser pursuant to Paragraph 2.1 of this Agreement. At Closing Seller shall assign its obligations under the Maintenance Agreement first arising following Closing to Purchaser and Purchaser shall assume the same, and, no later than 30 days after Closing, Purchaser shall replace Seller's letter of credit (approximately $75,000) posted with the City and request that the City promptly return Seller's letter of credit to Seller. The provisions of this paragraph shall survive indefinitely any Closing of this Agreement and shall not be merged into the Closing documents.

4.8 Marketing . Seller shall not actively market the Property for sale, and not solicit, accept, or enter into any negotiations or agreements with respect to the sale or disposition of any or all of the Property, or any interest therein (except as expressly permitted by this Agreement), or sell, contribute or assign any interest in the Property.

ARTICLE 5: CLOSING

5.1 Closing . The consummation of the transaction contemplated herein (" Closing ") shall occur on the Closing Date at the offices of the Escrow Agent whereby Seller, Purchaser and their attorneys need not be physically present and may deliver documents by overnight air courier or other means.

5.2 Conditions to the Parties' Obligations to Close . The obligation of Seller, on the one hand, and Purchaser, on the other hand, to consummate the transaction contemplated hereunder is contingent upon the following:

(a) The other party's representations and warranties contained herein shall be true and correct in all material respects as of the date of this Agreement and the Closing Date, subject to any Seller modifications hereafter made to a Property Representation (as defined and provided for in Paragraph 7.1);

(b) As of the Closing Date, the other party shall have performed its obligations hereunder and all deliveries to be made at Closing have been tendered;

(c) There shall exist no actions, suits, arbitrations, claims, attachments, proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization or other proceedings, pending or threatened against the other party that would materially and adversely affect the other party's ability to perform its obligations under this Agreement;

(d) The Leasing Commission Agreement shall have either been terminated (in which event such agreement shall not be assigned to Purchaser hereunder), or, Seller shall have amended and restated the Leasing Commission Agreement in its entirety in form and substance acceptable to Purchaser in its sole discretion (in which event the Leasing Commission Agreement, as so amended and restated, shall be assigned to Purchaser at Closing); and

(e) There shall exist no pending or threatened action, suit or proceeding with respect to the other party before or by any court or administrative agency which seeks to restrain or prohibit, or to obtain damages or a discovery order with respect to, this Agreement or the consummation of the transaction contemplated hereby.

So long as a party is not in default hereunder, if any condition to such party's obligation to proceed with the Closing hereunder has not been satisfied as of the Closing Date, such party may, in its sole discretion, terminate this Agreement by delivering written notice to the other party on or before the Closing Date, or elect to close, notwithstanding the non-satisfaction of such condition, in which event such party shall be deemed to have waived any such condition. If such party elects to close, notwithstanding the nonsatisfaction of such condition, there shall be no liability on the part of the other party for breaches of representations and warranties of which the party electing to close had knowledge as of the Closing.

5.3 Seller's Deliveries in Escrow . On or before the Closing Date, Seller shall deliver in escrow to the Escrow Agent the following:

(a) Deed . A special warranty deed (the " Deed ") in the form attached hereto as **Exhibit F** , executed and acknowledged by Seller, conveying, to Purchaser Seller's title to the Property, subject only to the Permitted Exceptions. Any discrepancy between the description of the Property in the deed from Seller's immediate grantor and in the Deed shall be quitclaimed by Seller;

(b) Assignment of Leases and Contracts and Bill of Sale . An Assignment of Leases and Contracts and Bill of Sale in the form of **Exhibit C** attached hereto, executed by Seller;

(c) State Law Disclosures . Such disclosures and reports as are required by applicable state and local law in connection with the conveyance of real property; and

(d) FIRPTA . A Foreign Investment in Real Property Tax Act affidavit executed by Seller;

(e) Title Affidavits . Seller shall execute and deliver to the Title Company such agreements or statements as may be reasonably required by the Title Company in order to issue the Title Policy, including as may be required by the Title Company in order to issue a gap endorsement and delete all standard exceptions to the Title Policy, including, without limitation, the exceptions related to the parties in possession and mechanics' liens (including, without limitation, with respect to the Ongoing Work); and

(f) Additional Documents . Any additional documents that Escrow Agent or the Title Company may reasonably require for the proper consummation of the transaction contemplated by this Agreement.

5.4 Purchaser's Deliveries in Escrow. On or before the Closing Date, Purchaser shall deliver in escrow to the Escrow Agent the following:

(a) Purchase Price. The Purchase Price, less the Earnest Money that is applied to the Purchase Price, plus or minus applicable prorations, deposited by Purchaser with the Escrow Agent in immediate, same-day federal funds wired for credit into the Escrow Agent's escrow account. The initial closing step within the escrow shall be for the Title Company to deliver the Purchase Price to Seller;

(b) Assignment of Leases and Contracts and Bill of Sale. An Assignment of Leases and Contracts and Bill of Sale in form of **Exhibit C** attached hereto, executed by Purchaser;

(c) State Law Disclosures. Such disclosures and reports as are required by applicable state and local law in connection with the conveyance of real property; and

(d) Additional Documents. Any additional documents that Escrow Agent or the Title Company may reasonably require for the proper consummation of the transaction contemplated by this Agreement.

5.5 Closing Statements/Escrow Fees. At the Closing, Seller and Purchaser shall deposit with the Escrow Agent executed closing statements consistent with this Agreement in the form required by the Escrow Agent.

5.6 Title Policy. The Title Policy shall be delivered at Closing as provided in Paragraph 3.3.

5.7 Possession. Seller shall deliver possession of the Property to Purchaser at the Closing.

5.8 Post-Closing Deliveries. Immediately after the Closing, Seller shall deliver to the offices of Purchaser's property manager: the original Leases; copies or originals of all Assumed Service Contracts, receipts for deposits, and unpaid bills; all keys, if any, used in the operation of the Property; and, if in Seller's possession or control, any "as-built" plans and specifications of the Improvements.

5.9 Notice to Tenants. Seller and Purchaser shall execute at Closing, and deliver to each tenant immediately after the Closing, notices regarding the sale in substantially in the form of **Exhibit D** attached hereto, or such other form as may be required by applicable state law.

5.10 Closing Costs. At Closing, Purchaser shall pay the cost of any title examination and the premium for the Title Policy, the cost of the Survey up to $20,000, one half of all escrow fees and the cost of recording the Deed. Seller shall pay the cost of the Survey in excess of $20,000, any sales, gross receipts, compensating, documentary, excise, transfer, deed or similar taxes and fees imposed in connection with this transaction, all costs of recording instruments to release any Seller's Liens or to cure other title matters Seller has elected to cure, and one half of all escrow fees. Each party shall pay its own attorneys' fees.

5.11 Close of Escrow. Upon satisfaction or completion of the foregoing conditions and deliveries, the parties shall direct the Escrow Agent to immediately record and deliver the documents described above to the appropriate parties and make disbursements according to the closing statements executed by Seller and Purchaser.

ARTICLE 6: PRORATIONS

6.1 Prorations. If the Purchase Price is received by the Escrow Agent by 1:00 p.m. (Eastern Standard Time) on the Closing Date, the day of Closing shall belong to Purchaser and all prorations hereinafter provided to be made as of the Closing shall each be made as of the end of the day before the Closing Date. If the cash portion of the Purchase Price not so received by the Escrow Agent by 1:00 p.m. (Eastern Standard Time) on the Closing Date, then the day of Closing shall belong to Seller and such proration shall be made as of the end of the day that is the Closing Date. In each such proration set forth below, the portion thereof applicable to periods beginning as of Closing shall be credited to Purchaser or charged to Purchaser as applicable and the portion thereof applicable to periods ending as of Closing shall be credited to Seller or charged to Seller as applicable.

(a) Collected Rent. All collected rent (excluding tenant reimbursements for Operating Expenses) and other collected income (and any applicable state or local tax on rent) under Leases in effect on the Closing Date shall be prorated as of the Closing. Seller shall be charged with any rent and other income collected by Seller before Closing but applicable to any period of time after Closing. Uncollected rent and other income shall not be prorated. Purchaser (and Seller, if collected by Seller) shall apply rent and other income from tenants that are collected after the Closing first to the obligations then owing to Purchaser for its period of

ownership and to costs of collection, remitting the balance, if any, to Seller. Any prepaid rents for the period following the Closing Date shall be paid over by Seller to Purchaser. For a period of 90 days following the Closing, Purchaser will make reasonable efforts, without suit or obligation to declare default or incur any costs, to collect any rents applicable to the period before Closing. Seller may pursue collection as to any rent not collected by Purchaser within 6 months following the Closing Date, provided that Seller shall have no right to terminate any Lease or any tenant's occupancy under any Lease in connection therewith.

(b) Operating Costs . Seller, as landlord under the Leases, is currently collecting from tenants under the Leases additional rent to cover taxes, insurance, utilities (to the extent not paid directly by tenants), common area maintenance and other operating costs and expenses (collectively, " Operating Costs ") in connection with the ownership, operation, maintenance and management of the Property. Seller and Purchaser shall each receive a debit or credit, as the case may be, for the difference between the aggregate tenants' current account balances for Operating Costs and amount of Operating Costs reimbursable to Seller. Operating Costs for Seller's period of ownership shall be reasonably estimated by the parties if final bills are not available. Operating Costs that are not payable by tenants either directly or reimbursable under the Leases shall be prorated between Seller and Purchaser.

(c) Taxes and Assessments . Real estate taxes and assessments imposed by governmental authority that are not yet due and payable and that are not reimbursable by tenants under the Leases as Operating Costs and prorated pursuant to Paragraph 6.1(b) shall be prorated as of the Closing based upon the most recent ascertainable assessed values and tax rates. Seller shall receive a credit for any taxes and assessments paid by Seller (other than through application of additional rents for Operating Costs) and applicable to any period after the Closing.

(d) Final Adjustment After Closing . If final prorations cannot be made at Closing for any item being prorated under this Paragraph 6.1 , then Purchaser and Seller agree to allocate such items on a fair and equitable basis as soon as invoices or bills are available and applicable reconciliation with tenants have been completed, with final adjustment to be made as soon as reasonably possible after the Closing, to the effect that income and expenses are received and paid by the parties on an accrual basis with respect to their period of ownership. Payments in connection with the final adjustment shall be due within 30 days of written notice (together with reasonable back-up therefor).

6.2 Leasing Costs, Leasing Commissions and Service Contracts . At Closing, Purchaser shall assume the obligation to pay all leasing commissions due after the Closing Date and identified on **Schedule 6.2** attached hereto or that become due after the Closing Date pursuant to any New Commission Agreement (collectively, " Purchaser's Leasing Commissions "). All leasing commissions with respect to the Leases other than Purchaser's Leasing Commissions shall be paid by Seller. Furthermore, at Closing, Purchaser shall receive a credit at Closing for any "free rent" or abatement periods (for both full and partial abatement of rent) remaining for non-cancellable term under the Leases for periods from and after the Closing Date as identified on **Schedule 6.2** . Seller and Purchaser acknowledge that, Base Rent under the Lease with Kramer America, Inc., is partially abated for the period following Closing through June 30, 2018 by an amount equal to $26,908.53 per month.

6.3 Tenant Deposits . All tenant security deposits actually received by Seller (and interest thereon if required by law or contract to be earned thereon) and not theretofore applied to tenant obligations under the Leases shall be transferred or credited to Purchaser at Closing. As of the Closing, Purchaser shall assume Seller's obligations related to tenant security deposits to the extent so transferred or credited to Purchaser.

6.4 Utilities . Purchaser shall be responsible for making any deposits required with utility companies. The readings and billings for utilities will be made if possible as of the day before the Closing Date, in which case Seller shall pay all such bills and no proration shall be made at the Closing with respect to utility bills. Otherwise, a proration shall be made based upon the parties' reasonable good faith estimate and a readjustment made within 30 days after the Closing, if necessary.

6.5 Sale Commissions . Seller and Purchaser represent and warrant each to the other that they have not dealt with any real estate broker, sales person or finder in connection with this transaction other than Broker. If this transaction is closed, Seller shall pay Broker in accordance with their separate agreement. Broker is an independent contractor and is not authorized to make any agreement or representation on behalf of either party. Except as expressly set forth above, if any claim is made for broker's or finder's fees or commissions in connection with the negotiation, execution or consummation of this Agreement or the transactions contemplated hereby, each party shall defend, indemnify and hold harmless the other party from and against any such claim based upon any statement, representation or agreement of such party.

ARTICLE 7: REPRESENTATIONS AND WARRANTIES

7.1 Seller's Representations and Warranties . As a material inducement to Purchaser to execute this Agreement and consummate this transaction, Seller represents and warrants to Purchaser that:

(a) Organization and Authority . Seller has been duly organized and is validly existing as a limited liability company, in good standing in the State of Delaware and is qualified to do business in the state in which the Property is located. Seller has the full right and authority and has obtained any and all consents required to enter into this Agreement and to consummate or cause to be consummated the transactions contemplated hereby. This Agreement has been, and all of the documents to be delivered by Seller at the Closing will be, authorized and properly executed and constitutes, or will constitute, as appropriate, the valid and binding obligation of Seller, enforceable in accordance with their terms.

(b) Conflicts and Pending Action . There is no agreement to which Seller is a party or to Seller's knowledge binding on Seller which is in conflict with this Agreement. There is no action or proceeding pending or, to Seller's knowledge, threatened against Seller of the Property, including condemnation proceedings, which challenges or impairs Seller's ability to execute or perform its obligations under this Agreement.

(c) Leases . Seller has provided to Purchaser true, correct and complete copies of the Leases in all material respects; and the Rent Roll delivered to Purchaser accurately reflects, as of its date, prepaid rent, monetary delinquencies, security deposits, current charges for Operating Costs, and expense recoveries, under such Leases. Except for any parties in possession pursuant to, and any rights of possession granted under, the Leases shown on the Rent Roll, Seller has not entered into any other leases, subleases, or other occupancy agreements which would permit or allow for parties in possession of any part of the Property. Seller has not granted to any party any option, rights of first refusal, license or other similar agreement with respect to a purchase or sale of the Property or any portion thereof or any interest therein. Seller has no knowledge of and has neither given nor received any written notice of default with respect to any of the Leases. Except for the Ongoing Work and as expressly stated **Schedule 6.2** attached hereto, all leasing commissions due to brokers under any of the Leases, and, all tenant improvement obligations, concessions and other tenant inducements, have been fully paid and satisfied by Seller and no such commissions, obligations, concessions or inducements become payable in the future.

(d) Service Contracts . The list of Service Contracts delivered to Purchaser pursuant to this Agreement is true, correct, and complete as of the date of its delivery. Neither Seller nor, to Seller's knowledge, any other party is in material default under any Service Contract.

(e) Compliance with Law . Except as disclosed to Purchaser as part of the Property Information, Seller has not received any written notice, sent by any governmental authority or agency having jurisdiction over the Property, that the Property or its use is in violation of any law, ordinance, or regulation in any material respect.

(f) Taxes . Seller has not submitted an application for the creation of any special taxing district affecting the Property, or annexation thereby, or inclusion therein. There is no ongoing appeal with respect to taxes or special assessments on the Property for any year, and any consultants engaged to perform work with respect to appeals of taxes or special assessments on the Property have been paid in full.

(g) No Contractual or Donative Commitments . Seller has not made any contractual or donative commitments relating to the Property to any governmental authority, quasi-governmental authority, utility company, community association, homeowners' association or to any other organization, group, or individual which would impose any obligation upon Purchaser to make any contribution or dedication of money or land, or to construct, install or maintain any improvements of a public or private nature on or off the Property.

(h) No Actions . There are no actions, suits, proceedings or claims pending, or to Seller's knowledge, contemplated or threatened, before any court, commission, regulatory body, administrative agency or other governmental or quasi-governmental body with respect to the Property, or the ability of Seller to consummate the transaction contemplated by this Agreement.

(i) No Bankruptcy . No petition in bankruptcy (voluntary or otherwise), attachment, execution proceeding, assignment for the benefit of creditors, or petition seeking reorganization or insolvency, arrangement or other action or proceeding under federal or state bankruptcy law is pending against or contemplated (or, to Seller's knowledge, threatened) by or against Seller or any general partner or managing member of Seller.

(j) Non-Foreign Status/Patriot Act . Seller is not a foreign person, foreign corporation, foreign partnership, foreign trust or foreign estate. Purchaser has no duty to collect withholding taxes for Seller pursuant to the Foreign Investors Real Property Tax Act of 1980, as amended, or any applicable foreign, state, or local law. Seller is not a (a) a person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, Executive Order No. 13224 on Terrorist Financing (effective September 24, 2001) (the " Executive Order "); (b) a person or entity owned or controlled by, or acting for or on behalf of any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (c) a person or entity that is named as

a "specially designated national" or "blocked person" on the most current list published by the U.S. Treasury Department's Office of Foreign Assets Control (" OFAC ") at its official website, http://www.treas.gov/offices/enforcement/ofac; (d) a person or entity that is otherwise the target of any economic sanctions program currently administered by OFAC; or (e) a person or entity that is affiliated with any person or entity identified in clause (a), (b), (c) and/or (d) above. To Seller's knowledge, none of its investors, affiliates or brokers or other agents (if any), acting or benefiting in any capacity in connection with this Agreement is a Prohibited Person. The assets Seller will transfer to Buyer under this Agreement are not the property of, and are not beneficially owned, directly or indirectly, by a Prohibited Person. The assets Seller will transfer to Buyer under this Agreement are not the proceeds of specified unlawful activity as defined by 18 U.S.C. §1956(c)(7).

"Seller's knowledge," as used in this Agreement means the current actual knowledge of Matthew Roth and Scott Alexander of Seller, without any duty of inquiry or investigation.

Seller's representations and warranties in subparagraphs (c), (d), (e), (f) and (g) (" Property Representations ") are qualified by any actual knowledge obtained by Purchaser by the expiration of the Due Diligence Period. Seller may further qualify the Property Representations by notice, specifying with reasonable particularity the facts and circumstances known to Seller that make the applicable Property Representation false, misleading or inaccurate, delivered to Purchaser before the Closing Date. If Seller delivers a Property Representation notice within less than 3 business days before the Closing, then the Purchaser may by notice to Seller extend the Closing Date to that day which is 3 business days after the date of receipt of the Property Representation notice. If any Property Representation notice delivered after the Due Diligence Period effects a material adverse change in the matter covered by the applicable Property Representation, then Purchaser, as its sole remedy therefor, (i) may terminate this Agreement by giving written notice to Seller no later than 3 business days after receipt of such Property Representation notice and receive a refund of the Earnest Money, (ii) waive Purchaser's right to terminate as a result of such change in such Property Representation or (iii) in the event the change in such Property Representation is the result of a default by Seller hereunder, exercise its rights and remedies under Paragraph 8.2 hereof, it being expressly understood that Seller's provision of such notification shall in no way relieve Seller of any liability for a breach by Seller of any of its representations, warranties, covenants or agreements under this Agreement. "Purchaser's knowledge" as used in this Agreement means the current actual knowledge of Betsy Kennett and Matt Breaux, provided that such individuals shall be deemed to have actual knowledge of all information contained in the Property Information provided by Seller to Purchaser on or before May 18, 2018, the Title Report (and any update thereto), the Survey, and any estoppels from Tenant's under the Leases.

7.2 Purchaser's Representations and Warranties . As a material inducement to Seller to execute this Agreement and consummate this transaction, Purchaser represents and warrants to Seller that:

(a) Organization and Authority . Purchaser has been duly organized and is validly existing as a limited liability company, in good standing in the State of Delaware. Purchaser has the full right and authority and has obtained any and all consents required to enter into this Agreement and to consummate or cause to be consummated the transactions contemplated hereby. This Agreement has been, and all of the documents to be delivered by Purchaser at the Closing will be, authorized and properly executed and constitutes, or will constitute, as appropriate, the valid and binding obligation of Purchaser, enforceable in accordance with their terms. Notwithstanding the foregoing Purchaser will require approval of its board of directors in order to consummate the acquisition of the Property, which approval shall be deemed to have been obtained if Purchaser does not terminate this Agreement prior to the end of the Due Diligence Period.

(b) Conflicts and Pending Action . There is no agreement to which Purchaser is a party or to Purchaser's knowledge binding on Purchaser which is in conflict with this Agreement. There is no action or proceeding pending or, to Purchaser's knowledge, threatened against Purchaser which challenges or impairs Purchaser's ability to execute or perform its obligations under this Agreement.

ARTICLE 8: DEFAULT AND DAMAGES

8.1 Default by Purchaser . If Purchaser shall default in its obligation to purchase the Property pursuant to this Agreement, Seller shall have the right, as its sole and exclusive remedy, to terminate this Agreement and receive the Earnest Money as liquidated damages to recompense Seller for time spent, labor and services performed, and the loss of its bargain. Purchaser and Seller agree that it would be impracticable or extremely difficult to affix damages if Purchaser so defaults and that the Earnest Money, together with the interest thereon, represents a reasonable estimate of Seller's damages. Seller agrees to accept the Earnest Money as Seller's total damages and relief hereunder if Purchaser defaults in its obligation to close hereunder. If Purchaser does so default, this Agreement shall be terminated and Purchaser shall have no further right, title, or interest in or to the Property.

8.2 Default by Seller . If Seller defaults in its obligation to sell the Property under this Agreement or otherwise defaults in any material obligation under this Agreement (which remains uncured as of the Closing Date, provided, Seller shall have not less than 5 days' notice with opportunity to cure, and the Closing Date shall be extended if necessary to afford such cure period), Purchaser's sole remedy shall be to elect one of the following: (a) to terminate this Agreement, in which event Purchaser shall be entitled to the return by the Title Company to Purchaser of the Earnest Money and Seller shall reimburse Purchaser for Purchaser's actual out-of-pocket costs and expenses (including reasonable attorneys' fees, costs and disbursements) related to the negotiation of this Agreement and the transactions contemplated hereby and Purchaser's due diligence, up to a maximum of $125,000.00, or (b) to bring a suit for specific performance provided that any suit for specific performance must be brought within 90 days of Seller's default, to the extent permitted by law, Purchaser waiving the right to bring suit at any later date. This Agreement confers no present right, title or interest in the Property to Purchaser and Purchaser agrees not to file a lis pendens or other similar notice against the Property except in connection with, and after, the proper filing of a suit for specific performance. Notwithstanding the foregoing, nothing contained in this Paragraph 8.2 shall limit the rights and remedies of Purchaser with respect to any obligations or liabilities of Seller that survive the Closing or any termination of this Agreement.

ARTICLE 9: ESCROW INSTRUCTIONS

9.1 Investment and Use of Funds . The Escrow Agent shall invest the Earnest Money in government insured interest-bearing accounts satisfactory to Purchaser and Seller, shall not commingle the Earnest Money with any funds of the Escrow Agent or others, and shall promptly provide Purchaser and Seller with confirmation of the investments made. If the Closing under this Agreement occurs, the Escrow Agent shall apply the Earnest Money against the Purchase Price due Seller at Closing.

9.2 Agreement Termination . Upon a termination of this Agreement, either party to this Agreement (the " Terminating Party ") may give written notice to the Escrow Agent and the other party (the " Non-Terminating Party ") of such termination and the reason for such termination. Such request shall also constitute a request for the release of the Earnest Money to the Terminating Party. The Non-Terminating Party shall then have five business days in which to object in writing to the release of the Earnest Money to the Terminating Party. If the Non-Terminating Party provides such an objection, then the Escrow Agent shall retain the Earnest Money until it receives written instructions executed by both Seller and Purchaser as to the disposition and disbursement of the Earnest Money, or until ordered by final court order, decree or judgment, which is not subject to appeal, to deliver the Earnest Money to a particular party, in which event the Earnest Money shall be delivered in accordance with such notice, instruction, order, decree or judgment. Notwithstanding the foregoing, in the event Purchaser terminates this Agreement in accordance with Paragraph 2.6 , the Escrow Agent shall immediately release the Earnest Money to Purchaser.

9.3 Interpleader . Seller and Purchaser mutually agree that in the event of any controversy regarding the Earnest Money, unless mutual written instructions are received by the Escrow Agent directing the Earnest Money's disposition, the Escrow Agent shall not take any action, but instead shall await the disposition of any proceeding relating to the Earnest Money or, at the Escrow Agent's option, the Escrow Agent may interplead all parties and deposit the Earnest Money with a court of competent jurisdiction in which event the Escrow Agent may recover all of its court costs and reasonable attorneys' fees. Seller or Purchaser, whichever loses in any such interpleader action, shall be solely obligated to pay such costs and fees of the Escrow Agent, as well as the reasonable attorneys' fees of the prevailing party in accordance with the other provisions of this Agreement.

9.4 Liability of Escrow Agent . The parties acknowledge that the Escrow Agent is acting solely as a stakeholder at their request and for their convenience, that the Escrow Agent shall not be deemed to be the agent of either of the parties, and that the Escrow Agent shall not be liable to either of the parties for any action or omission on its part taken or made in good faith, and not in disregard of this Agreement, but shall be liable for its negligent acts and for any loss, cost or expense incurred by Seller or Purchaser resulting from the Escrow Agent's mistake of law respecting the Escrow Agent's scope or nature of its duties. Seller and Purchaser shall jointly and severally indemnify and hold the Escrow Agent harmless from and against all costs, claims and expenses, including reasonable attorneys' fees, incurred in connection with the performance of the Escrow Agent's duties hereunder, except with respect to actions or omissions taken or made by the Escrow Agent in bad faith, in disregard of this Agreement or involving negligence on the part of the Escrow Agent.

ARTICLE 10: MISCELLANEOUS

10.1 Parties Bound . Except for an assignment pursuant to this Paragraph or Paragraph 10.16 , neither party may assign this Agreement without the prior written consent of the other, and any such prohibited assignment shall be void. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the respective legal representatives, successors, assigns, heirs, and devisees of the parties. Purchaser may assign all or any portion of this Agreement or its rights hereunder, or delegate all or any portion of its duties or obligations to an affiliate without Seller's written consent, provided that Purchaser gives Seller notice of the assignment or delegation and that such assignment or delegation does not relieve Purchaser of its obligations hereunder.

For purposes of this Paragraph 10.1 , an affiliate of Purchaser shall include (a) any entity that is owned, controlled by or is under common control with Purchaser (a " Purchaser Control Entity "), (b) any entity in which one or more Purchaser Controlled Entities directly or indirectly is the general partner (or similar managing partner, member or manager) or owns more than 50% of the economic interests of such entity, and (c) any entity (or subsidiary thereof) that is advised by an affiliate of Industrial Property Advisors LLC.

10.2 Confidentiality . Neither party shall make a public announcement of the transactions contemplated herein, before or for a period of two years after the Closing, without the prior written consent of the other. All of the terms and conditions of this Agreement are confidential, and neither party shall disclose such terms and conditions or the existence of this Agreement to anyone, provided that each party may disclose this Agreement's terms and conditions and the existence of this Agreement (a) to its affiliates and its legal counsel and other agents and representatives, including prospective partners and lenders, and (b) as required by law, rule, or regulation, including without limitation, any disclosure required by the United States Securities and Exchange Commission or the Australian Stock Exchange. Purchaser shall not record this Agreement or any memorandum of this Agreement.

10.3 Headings . The article and paragraph headings of this Agreement are for convenience only and in no way limit or enlarge the scope or meaning of the language hereof.

10.4 Invalidity and Waiver . If any portion of this Agreement is held invalid or inoperative, then so far as is reasonable and possible the remainder of this Agreement shall be deemed valid and operative, and effect shall be given to the intent manifested by the portion held invalid or inoperative. The failure by either party to enforce against the other any term or provision of this Agreement shall not be deemed to be a waiver of such party's right to enforce against the other party the same or any other such term or provision in the future.

10.5 Governing Law . This Agreement shall, in all respects, be governed, construed, applied, and enforced in accordance with the law of the state in which the Property is located.

10.6 Survival . Unless otherwise expressly stated in this Agreement, each of the covenants, obligations, representations, and agreements contained in this Agreement shall survive the Closing and the execution and delivery of the Deed required hereunder only for a period of 12 months immediately following the Closing Date; provided, however the provisions of Paragraphs 6.1(d) , 6.3 , 6.5 , and 9.1 and Article 10 shall survive the termination of this Agreement or the Closing, whichever occurs, and shall not be merged, until the applicable statute of limitations with respect to any claim, cause of action, suit or other action relating thereto shall have fully and finally expired. Any claim based upon a misrepresentation or a breach of a warranty contained in Article 7 of this Agreement shall be actionable or enforceable if and only if: (i) notice of such claim is given to the party which allegedly made such misrepresentation or breached such covenant, obligation, warranty or agreement within 12 months after the Closing Date; and (ii) the amount of damages or losses as a result of such claim suffered or sustained by the party making such claim exceeds $35,000; and provided further that the aggregate liability of Seller for any and all such misrepresentations or a breaches of a warranty contained in Article 7 of this Agreement shall be limited to the amount of $1,000,000.00, provided the foregoing limitation shall not apply to attorneys' fees incurred by Purchaser if Purchaser is the prevailing party in any action or proceeding based on any such misrepresentation or breach.

10.7 No Third Party Beneficiary . This Agreement is not intended to give or confer any benefits, rights, privileges, claims, actions, or remedies to any person or entity as a third party beneficiary, decree, or otherwise.

10.8 Entirety and Amendments . This Agreement embodies the entire agreement between the parties and supersedes all prior agreements and understandings relating to the Property except for any confidentiality agreement binding on Purchaser, which shall not be superseded by this Agreement. This Agreement may be amended or supplemented only by an instrument in writing executed by the party against whom enforcement is sought.

10.9 Time . Time is of the essence in the performance of this Agreement.

10.10 Attorneys' Fees . Should either party employ attorneys to enforce any of the provisions hereof, the party against whom any final judgment is entered agrees to pay the prevailing party all reasonable costs, charges, and expenses, including attorneys' fees, expended or incurred in connection therewith.

10.11 Notices . All notices required or permitted hereunder shall be in writing and shall be served on the parties at the addresses set forth in Paragraph 1.1 . Any such notices shall be either (a) sent by overnight delivery using a nationally recognized overnight courier, in which case notice shall be deemed delivered one business day after deposit with such courier, (b) sent by electronic mail, in which case notice shall be deemed delivered upon transmission, or (c) sent by personal delivery, in which case

notice shall be deemed delivered upon receipt. Any notice sent by electronic mail or personal delivery and delivered after 5:00 p.m. (Eastern Standard Time) shall be deemed received on the next business day. A party's address may be changed by written notice to the other party; provided, however, that no notice of a change of address shall be effective until actual receipt of such notice. Copies of notices are for informational purposes only, and a failure to give or receive copies of any notice shall not be deemed a failure to give notice.

10.12 Construction . The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction — to the effect that any ambiguities are to be resolved against the drafting party — shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

10.13 Calculation of Time Periods . Unless otherwise specified, in computing any period of time described herein, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included at, unless such last day is a Saturday, Sunday or legal holiday for national banks in the location where the Property is located, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday, or legal holiday. The last day of any period of time described herein shall be deemed to end at 5:00 p.m. (Eastern Standard Time).

10.14 Procedure for Indemnity . The following provisions govern actions for indemnity under this Agreement. Promptly after receipt by an indemnitee of notice of any claim, such indemnitee will, if a claim in respect thereof is to be made against the indemnitor, deliver to the indemnitor written notice thereof and the indemnitor shall have the right to participate in and, if the indemnitor agrees in writing that it will be responsible for any costs, expenses, judgments, damages, and losses incurred by the indemnitee with respect to such claim, to assume the defense thereof, with counsel mutually satisfactory to the parties; provided, however, that an indemnitee shall have the right to retain its own counsel, with the fees and expenses to be paid by the indemnitor, if the indemnitee reasonably believes that representation of such indemnitee by the counsel retained by the indemnitor would be inappropriate due to actual or potential differing interests between such indemnitee and any other party represented by such counsel in such proceeding. The failure of indemnitee to deliver written notice to the indemnitor within a reasonable time after indemnitee receives notice of any such claim shall relieve such indemnitor of any liability to the indemnitee under this indemnity only if and to the extent that such failure is prejudicial to its ability to defend such action, and the omission so to deliver written notice to the indemnitor will not relieve it of any liability that it may have to any indemnitee other than under this indemnity. If an indemnitee settles a claim without the prior written consent of the indemnitor, then the indemnitor shall be released from liability with respect to such claim unless the indemnitor has unreasonably withheld such consent.

10.15 Execution in Counterparts . This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one Agreement. To facilitate execution of this Agreement, the parties may execute and exchange by PDF counterparts of the signature pages.

10.16 Section 1031 Exchange . Seller may consummate the purchase of the Property as part of a so-called like kind exchange (the " Exchange ") pursuant to § 1031 of the Internal Revenue Code of 1986, as amended (the " Code "), provided that: (i) the Closing shall not be delayed or affected by reason of the Exchange nor shall the consummation or accomplishment of the Exchange be a condition precedent or condition subsequent to Seller's obligations under this Agreement; (ii) Seller shall effect the Exchange through an assignment of its rights under this Agreement to a qualified intermediary; and (iii) Purchaser shall not be required to take an assignment of the purchase agreement for the replacement property or be required to acquire or hold title to any real property for purposes of consummating the Exchange. Purchaser shall not by this agreement or acquiescence to the Exchange (1) have its rights under this Agreement affected or diminished in any manner or (2) be responsible for compliance with or be deemed to have warranted to Seller that the Exchange in fact complies with § 1031 of the Code.

10.17 WAIVER OF JURY TRIAL . TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

10.18 Radon Gas Notice . Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in the state of Florida. Additional information regarding radon and radon testing may be obtained from your county health department.

10.19 Post-Closing Access to Records . Upon receipt by Seller of Purchaser's reasonable written request at any time and from time to time within a period from the Closing until the later of 2 years after Closing to enable Purchaser to either (i) comply with any financial reporting requirements applicable to Purchaser or (ii) confirm or complete any tenant reconciliations

under the Leases, Seller shall, at Seller's principal place of business, during Seller's normal business hours, make all of Seller's records relating to the Property available to Purchaser for inspection and copying (at Purchaser's sole cost and expense).

10.20 Information and Audit Cooperation . To the extent necessary to enable Purchaser to comply with any financial reporting requirements applicable to Purchaser and upon at least 3 Business Days prior written notice to Seller, within 90 days after the Closing Date, Seller shall reasonably cooperate (at no cost or liability to Seller) and allow Purchaser's auditors to audit the trial balance related to the operation of the Property for the calendar year prior to the Closing Date and for the portion of the calendar year starting on January 1 through the Closing Date. Other than any representation, warranty or covenant otherwise set forth in this Agreement or the documents delivered at Closing, Seller makes no representations, warranties or covenants with respect to the trial balance or the books and records which may be reviewed in auditing the same, and Purchaser releases and waives any liability or claims against Seller related to the trial balance or the books and records which may be reviewed and audited.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO
PURCHASE AND SALE AGREEMENT
BY AND BETWEEN
BPG OCOEE 1, LLC
AND
BCI IV ACQUISITIONS LLC

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written below.

BPG OCOEE 1, LLC ,
a Delaware limited liability company

By: /s/ Scott H. Alexander
Name: Scott H. Alexander
Date: May 16, 2018 Title: President

"Seller"

BCI IV ACQUISITIONS LLC ,
a Delaware limited liability company

By: BCI IV Operating Partnership LP, a Delaware limited partner, its sole member

By: Black Creek Industrial REIT IV Inc., a Maryland corporation, its general partner

By: /s/ Andrea Karp
Name: Andrea Karp
Date: May 16, 2018 Title: Managing Director

"Purchaser"

Escrow Agent has executed this Agreement in order to confirm that Escrow Agent shall act as escrowee with respect to and hold in escrow the Earnest Money and the interest earned thereon, and shall disburse the Earnest Money and the interest earned thereon, pursuant to the provisions of Article 9 .

FIRST AMERICAN TITLE INSURANCE COMPANY

By: /s/ Chad Wilson
Name: Chad Wilson
Date: May 16, 2018 Title: Escrow Office

Exhibit 10.8

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT is made as of the 4th day of June, 2018, by and between **Pescadero Land Holdings, LLC** , a Delaware limited liability company (" Seller "), and **BCI IV Pescadero DC LP** , a Delaware limited partnership ("Purchaser").

W I T N E S S E T H :

WHEREAS, Seller owns the industrial building known as "Tracy Pescadero Distribution Center" and located at 1700 E. Pescadero Avenue in Tracy, California; and

WHEREAS, Seller desires to sell its interest in such property and Purchaser desires to purchase such interest from Seller on the terms and conditions set forth below;

NOW THEREFORE, in consideration of the premises and the respective undertakings of the parties hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed:

SECTION 1. DEFINITIONS.

Wherever used in this Agreement, the words and phrases set forth below shall have the meanings set forth below or in an Exhibit to this Agreement to which reference is made, unless the context clearly requires otherwise.

A. " Broker " shall mean CBRE, Inc.

B. " Closing " means the closing at which Seller conveys title to the Project to Purchaser and Purchaser pays Seller the purchase price described in Section 2 herein below.

C. " Closing Date " means the date which is ten (10) days after the Due Diligence Deadline, or such other date as shall otherwise be agreed upon by the parties for the Closing; provided, however, Seller may extend the Closing Date by up to ten (10) business days in order to satisfy the tenant estoppel requirement set forth in Section 7(F) below and may extend the Closing Date as provided in Section 7(H) below so long as (i) if Seller extends the Closing Date as provided above, Purchaser is always provided with at least two (2) business days to close after the foregoing conditions are satisfied; and (ii) the Closing Date is in no event later than June 29, 2018.

D. " Contracts " shall have the meaning set forth in Section 3(D) below.

E. " DIA Credit " has the meaning set forth in Section 8(D)(7) below.

F. " Due Diligence Deadline " means 5:00 p.m. Pacific Time on the date one (1) business day following the mutual execution of this Agreement.

G. " Earnest Money " shall have the meaning set forth in Section 2(A) below.

H. " Excess TI Cost Reimbursement " shall have the meaning set forth in Section 2(D) below.

I. " Improvements " means all buildings, structures, fixtures and other improvements now or hereafter located or erected on the Land (other than any trade fixtures owned by tenants).

J. " Land " means the real property described on Exhibit A, including all adjacent roadways, rights-of-way and alleys to the extent Seller has an interest therein, all oil, gas and other mineral rights and all easements and other rights appurtenant to such real property.

K. " Outstanding TI Work " shall have the meaning set forth in Section 2(C) below.

L. " Permitted Exceptions " means non-delinquent real property taxes on the Project, the rights of tenants, as tenants only, under the Tenant Leases and any other matters set forth on the Title Commitment and Survey (both as defined in Section 7(A) below), which are approved or deemed approved by Purchaser as provided in Paragraph 7(A) below.

M. " Purchase Price " shall have the meaning set forth in Section 2(B) below.

N. " Personal Property " means all tangible and intangible personal property now or hereafter owned by Seller and used in connection with the operation of the Project, including, without limitation, (i) all building and construction materials, equipment, appliances, fixtures and machinery, (ii) all transferable permits, licenses, certificates, approvals and other entitlements issued in connection with the Project, (iii) all plans and specifications, operating manuals, guaranties and warranties with respect to the Project, and (iv) Seller's rights, if any, to use the trade name of the Project.

O. " Project " means collectively the Land, the Improvements, the Personal Property, the Tenant Leases and Seller's interest in the Contracts that are assigned to Purchaser pursuant to the terms of this Agreement.

P. " Survey " shall have the meaning set forth in Section 7(A) below.

Q. " Tenant Leases " shall have the meaning set forth in Section 3(E) below.

R. " TI Work Holdback " shall have the meaning set forth in Section 2(C) below.

S. " Title Commitment " shall have the meaning set forth in Section 7(A) below.

T. " Title Company " means First American Title Insurance Company, 1125 17th Street, Suite 500, Denver, CO 80202, Attn: Karen Biggs.

SECTION 2. EARNEST MONEY; AGREEMENT TO SELL AND PURCHASE.

A. Earnest Money.

Within two (2) business days following the mutual execution of this Agreement, Purchaser shall deposit $1,375,000 (the " Earnest Money ") with the Title Company; and, if Purchaser fails to deposit the Earnest Money with the Title Company when due hereunder, this Agreement shall be null and void. The Earnest Money shall be held by the Title Company in accordance with the terms hereof and invested in a money market account, and all interest earned on the Earnest Money shall be added to and deemed a part of the Earnest Money. A portion of the Earnest Money in the amount of $350,000 (the "Initial Non-Refundable Amount") shall be non-refundable upon deposit with the Title Company and payable to Seller if this Agreement is terminated for any reason except in the event Purchaser terminates this Agreement (i) as a result of Seller's default hereunder, or (ii) as follows: (a) in accordance with Section 7(A) below as a result of Purchaser's objection to a title issue set forth in the Title Commitment (defined below) that would have a material adverse impact on the value, ownership, use, leasing, marketability or financeability of the Property as determined by Purchaser in its commercially reasonable discretion; (b) in accordance with Section 7(B) below as a result of Purchaser's objection to a material environmental condition at the Project, which Seller is unwilling or unable to cure prior to Closing in a manner

acceptable to Purchaser in its commercially reasonable discretion; (c) in accordance with Section 7(D) as a result of a casualty to the Project or portion thereof; (d) in accordance with Section 7(E) as a result of a condemnation proceeding which would result in the taking of the Project or any portion thereof; or (e) in accordance with Section 7(F) as a result of the failure to provide the "Required Pactra Estoppel". Except as provided above, the balance of the Earnest Money (excluding the Initial Non-Refundable Amount) shall be refunded to Purchaser if this Agreement is terminated prior to the expiration of the Due Diligence Deadline. If the Closing does not occur hereunder for any reason other than Purchaser's default hereunder, the balance of the Earnest Money shall be refunded to Purchaser (provided that if the Closing does not occur due to Seller's default, the entire Earnest Money shall be refunded to Purchaser); and, if the Closing does not occur due to Purchaser's default hereunder, the Earnest Money shall be paid to Seller as liquidated damages in accordance with the terms of this Agreement. If the Closing occurs hereunder, the Earnest Money shall be paid to Seller and credited against the Purchase Price.

B. Purchase and Sale.

On the Closing Date Seller shall convey the Project to Purchaser on the terms and conditions set forth herein. On the Closing Date Purchaser shall accept title to the Project from Seller on the terms and conditions set forth herein and shall pay to Seller the purchase price (" Purchase Price ") of FORTY-FIVE MILLION SEVEN HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS ($45,750,000.00), subject to prorations and the "DIA Credit" as set forth below, by wire transfer of immediately available funds.

C. Outstanding TI Work

A portion of the Purchase Price in the amount of One Hundred Thirty-Five Thousand Four Hundred Seventy-Three and 00/100 Dollars ($135,473.00) (" TI Work Holdback ") (subject to verification by Purchaser prior to the expiration of the Due Diligence Deadline) will be placed in a joint order escrow with the Title Company at Closing to insure completion by Seller of the outstanding tenant improvement work described in Exhibit D-3 attached hereto, which needs to be completed under the Tenant Lease with DHL (the " Outstanding TI Work "). Seller will complete the Outstanding TI Work as soon as reasonably possible (but in no event later than ninety (90) days following the Closing Date, subject to delays caused by force majeure events), and the TI Work Holdback shall be released to Seller upon Seller's delivery to Purchaser of all of the following: (1) the City of Tracy's signed "Final Permit Card(s)" and a Certificate of Occupancy from the City of Tracy for the DHL premises (Unit 102), (2) DHL's written acceptance of the Outstanding TI Work as provided in its Tenant Estoppel Certificate (defined below) (or if not confirmed in the Tenant Estoppel Certificate, in such other form as is reasonably acceptable to Purchaser) and (3) the Architect of Record (HPA)'s written confirmation (by email or otherwise) or Certificate of Substantial Completion confirming that the Outstanding TI Work has been completed.

D. Excess TI Cost Reimbursement

As of the Closing Date, Seller will be due an "Excess TI Cost Reimbursement" from DHL (including with respect to the Outstanding TI Work) pursuant to the terms of its Tenant Lease. DHL's remaining Excess TI Cost Reimbursement is estimated to be One Hundred Eleven Thousand Eight Hundred Forty-Three and 23/100 dollars ($111,843.23) as of the date hereof pursuant to the DHL Tenant Improvement Project Cost, dated May 19, 2018, attached hereto as Exhibit K. Such amount shall be updated five (5) days prior to the Close Date; and Seller shall use reasonable efforts to have DHL acknowledged such Excess TI Cost Reimbursement in writing, either in the Tenant Estoppel Certificate or otherwise. PACTRA has paid its Excess TI Reimbursement in full. Purchaser has no claim as to any Excess TI Cost Reimbursement from either DHL or PACTRA, and Seller reserves its rights to such Excess TI Cost Reimbursements. Seller will have the right to collect the Excess TI Cost Reimbursement from DHL after Closing to the extent the Excess TI Cost Reimbursement from DHL has not been paid as of the Closing Date; provided that in no event shall Seller be permitted to take any action to dispossess a Tenant of possession.

E. DIA Escrow

One Hundred Sixty-Four Thousand One Hundred Sixty-Nine Dollars ($164,169.00) (the " DIA Escrow ") of the Purchase Price will be deposited into a joint order escrow with the Title Company at Closing. These funds are comprised of $21,850 for the estimated current cost to complete the Emergency Vehicle Access (EVA) improvements and the amount of $142,319 for the estimated current cost to complete the Bio-Retention Basin improvements pursuant to the letter from Kier & Wright Civil Engineers & Surveyors, Inc (" K&W "), dated April 20, 2018, a copy of which is attached hereto as Exhibit J. The $164,169 is K&W's estimate of the work required under the DIA. Purchaser acknowledges, however, that the actual cost of the work may vary; and Seller does not represent or warrant that this estimate will be the final cost of the work. The DIA Escrow will be deemed to have completely satisfied Seller's obligations under the DIA, and Purchaser shall be responsible for all of Seller's obligations under the DIA from and after the Closing. The DIA Escrow shall be immediately released to Purchaser when Purchaser has replaced the Landscape Bond and DIA Bond as described in Section 8(C)(2)(f) below.

F. Independent Contract Consideration.

A portion of the Earnest Money equal to ONE HUNDRED AND N0/100ths DOLLARS ($100.00), which amount Seller and Purchaser agree has been bargained for as consideration for Seller's execution and delivery of this Agreement and Purchaser's right to inspect the Project pursuant hereto shall, notwithstanding anything to the contrary herein, be deemed non-refundable under all circumstances.

SECTION 3. REPRESENTATIONS AND WARRANTIES BY SELLER.

Seller hereby represents and warrants to Purchaser as of the date hereof and as of the Closing as follows:

A. Due Organization.

Seller is a limited liability company, duly organized and validly existing under the laws of the State of Delaware and qualified to do business in the State of California; Seller has full power and authority, and is duly authorized, to execute, enter into, deliver and perform this Agreement and its obligations hereunder.

B. Power.

This Agreement and all other agreements, instruments and documents required to be executed or delivered by Seller pursuant hereto have been or (if and when executed) will be duly executed and delivered by Seller, and are or will be legal, valid and binding obligations of Seller, enforceable against Seller in accordance with their terms. No consents and permissions are required to be obtained by Seller for the execution and performance of this Agreement and the other documents to be executed by Seller hereunder. The consummation of the transactions contemplated herein and the fulfillment of the terms hereof will not result in a breach of any of the terms or provisions of, or constitute a default under, any agreement or document to which Seller is a party or by which it is bound, or any order, rule or regulation of any court or of any federal or state regulatory body or any administrative agency or any other governmental body having jurisdiction over Seller or the Project.

C. No Proceedings.

Except as set forth in Exhibit B and except for matters covered by insurance (which matters are also described in Exhibit B), Seller has not received any written notice that there is currently pending any action, suit or proceeding, including condemnation, eminent domain or similar proceedings, before any court or governmental agency or body against Seller or the Project which might have any material adverse result to the Project. Without limiting the generality of the foregoing, Seller has not received any written notices from any governmental entities of violations or alleged violations of any laws, rules, regulations or codes, including environmental laws and

building codes, with respect to the Project which have not been corrected to the satisfaction of the governmental agency issuing such notices.

D. Contracts.

Attached hereto as Exhibit C is a list of all contracts or agreements to which Seller is a party for the providing of services to the Project and the leasing of equipment for the Project (which contracts and agreements, together with the contracts and agreements entered into with respect to the Project after the date hereof pursuant to Section 5 below, are herein referred to collectively as the " Contracts "). Seller has made true, correct and complete copies of the Contracts available to Purchaser on the due diligence website created for this transaction. Except as set forth on such Exhibit, to Seller's actual knowledge, all of the Contracts are in full force and effect and free from default.

E. Tenant Leases.

Attached hereto as Exhibit D-1 is a list of all leases and any other licenses and occupancy agreements pursuant to which any person occupies, or has the right to occupy, space in the Project (which leases, agreements and other documents, together with the lease documents entered into with respect to the Project after the date hereof pursuant to Section 5 below, are herein referred to collectively as the " Tenant Leases "). Exhibit D-1 also includes a list of all security deposits currently being held by Seller in connection with the Tenant Leases. Seller has made true, correct and complete copies of the Tenant Leases available to Purchaser on the due diligence website created for this transaction. Except for the Tenant Leases, there are no other leases or other occupancy agreements affecting the Project. Seller has not granted any party any option to purchase the Project, rights of first refusal to purchase the Project or, except as set forth in the Tenants Leases, any licenses or other similar agreement with respect to the Project. To Seller's actual knowledge, except as shown on Exhibit D-2 attached hereto, there are no defaults under any of the Tenant Leases and the Tenant Leases are in full force and effect. There are no brokerage commissions or fees due now or payable in the future in connection with the Tenant Leases except for brokerage commissions that may be due Cushman & Wakefield U.S., Inc. (C&W) for lease renewals pursuant to that certain Commission Agreement for Lease, signed by Seller on December 8, 2017, and by C&W on December 27, 2017 (the "C&W Commission Agreement"); and, except for the Outstanding TI Work, all tenant improvement costs and work applicable to the current term and space covered by the Tenant Leases have been paid completed and paid in full.

F. ERISA.

Seller is not and is not acting on behalf of an "employee benefit plan" within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended, a "plan" within the meaning of Section 4975 of the Internal Revenue Code of 1986, as amended, or an entity deemed to hold "plan assets" within the meaning of 29 C.F.R. § 2510.3-101 of any such employee benefit plan or plans.

G. OFAC

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

H. Taxes and Special Assessments.

Seller has not submitted an application for the creation of any special taxing district affecting the Project, or annexation thereby, or inclusion therein. To Seller's knowledge, Seller has not received written notice that any governmental or quasi-governmental agency or authority intends to impose or increase any special or other assessment against the Project, or any part thereof, including assessments attributable to revaluations of the Project. There is no ongoing appeal with respect to taxes or special assessments on the Project for any year, and any consultants engaged to perform work with respect to appeals of taxes or special assessments on the Project have been paid in full.

I. Employees.

There are no employees of Seller employed in connection with the use, management, maintenance or operation of the Project whose employment will continue after the Closing Date. There is no bargaining unit or union contract relating to any employees of Seller.

J. No Bankruptcy.

No petition in bankruptcy (voluntary or otherwise), attachment, execution proceeding, assignment for the benefit of creditors, or petition seeking reorganization or insolvency, arrangement or other action or proceeding under federal or state bankruptcy law is pending against or contemplated (or, to Seller's Knowledge, threatened) by or against Seller or any general partner or managing member of Seller.

K. Governmental Agreements.

To Seller's actual knowledge, in connection with Seller's development of the Project, Seller did not execute any material agreements with the City of Tracy that will continue to have ongoing obligations on Purchaser after Closing except for (i) City of Tracy Agreement for Maintenance of Landscape and Irrigation Improvements dated March __, 2016 (" Landscape Maintenance Agreement "); (ii) the various documents recorded in the County of San Joaquin real estate records, including the City of Tracy Deferred Improvement Agreement recorded April 9, 2018 as Instrument No. 2018-039087; and (iii) the City of Tracy "Conditions of Approval (or " COA ") for the Project, dated November 30, 2015, together with the City's "Determination of the Development Services Director", which are attached hereto as Exhibit L and which contain obligations the Purchaser will be obligated to fulfill as owner of the Project after Closing.

L. Limitations on Representations and Warranties.

As used herein, the term "Seller's actual knowledge" means the conscious knowledge of Greg Thurman (the lead developer for the Project); and such person shall not have any personal liability or be obligated to perform any due diligence investigations in connection with making any representations or warranties herein. Except for the representations and warranties set forth in Subsections 3(A) and 3(B) above which shall survive the Closing indefinitely, all representations and warranties of Seller in this Agreement shall terminate 180 days after the Closing and Seller shall have no liability thereafter with respect to such representations and warranties except to the extent Purchaser has filed a lawsuit against Seller during such 180-day period for breach of any representation or warranty. If Purchaser has actual knowledge (defined as the actual knowledge of Sara Butz (as opposed to constructive or imputed knowledge), which individual shall have no personal liability) at Closing or receives any written information from Seller at least five (5) business days prior to Closing (or Purchaser obtains its own written information prior to the Closing) which indicates that any of Seller's representations or warranties in this Agreement are not true as of the Closing and Purchaser elects nonetheless to proceed with the Closing, Purchaser shall be deemed to have waived any claim for breach of such representation or warranty. In addition, Seller shall be relieved of any liability for the representations and warranties contained in Paragraph 3(E) with respect to any

Tenant Lease to the extent Purchaser has received and approved an estoppel certificate covering the matters set forth in Paragraph 3(E) from the party who is the tenant under such Tenant Lease.

M. Disclaimer.

EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT OR IN THE CLOSING DOCUMENTS EXECUTED BY SELLER, PURCHASER ACKNOWLEDGES AND AGREES THAT SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE VALUE, NATURE, QUALITY OR PHYSICAL CONDITION OF THE PROJECT, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, (B) THE INCOME TO BE DERIVED FROM THE PROJECT, (C) THE SUITABILITY OF THE PROJECT FOR ANY AND ALL ACTIVITIES AND USES WHICH PURCHASER OR ANY TENANT MAY CONDUCT THEREON, (D) THE COMPLIANCE OF OR BY THE PROJECT OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (E) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROJECT, (F) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROJECT, (G) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROJECT, OR (H) COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING THE EXISTENCE IN OR ON THE PROJECT OF HAZARDOUS MATERIALS OR (I) ANY OTHER MATTER WITH RESPECT TO THE PROJECT. THE FOREGOING RELEASE SHALL NOT EXTEND TO, AND SHALL EXPRESSLY EXCLUDE, CLAIMS ARISING FROM (I) SELLER'S BREACH OF THE EXPRESS REPRESENTATIONS, WARRANTIES, COVENANTS AND OBLIGATIONS (INCLUDING INDEMNITY OBLIGATIONS) UNDER THIS AGREEMENT AND SELLER'S CLOSING DOCUMENTS WHICH EXPRESSLY SURVIVE THE CLOSING. THE FOREGOING RELEASE SHALL ALSO IN NO EVENT BE DEEMED TO ESTABLISH ANY OBLIGATION OR IMPLIED OBLIGATION FOR PURCHASER TO INDEMNIFY SELLER WITH RESPECT TO THE AFOREMENTIONED RELEASED MATTERS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, UPON THE CLOSING, PURCHASER HEREBY WAIVES ANY RIGHT TO MAKE ANY CLAIM BASED ON ANY OF THE FOREGOING, INCLUDING, WITHOUT LIMITATION, ANY RIGHT TO MAKE ANY CLAIM AGAINST SELLER BASED ON THE VIOLATION OF ANY ENVIRONMENTAL LAWS. ADDITIONALLY, NO PERSON ACTING ON BEHALF OF SELLER IS AUTHORIZED TO MAKE, AND BY EXECUTION HEREOF PURCHASER ACKNOWLEDGES THAT NO PERSON HAS MADE, ANY REPRESENTATION, AGREEMENT, STATEMENT, WARRANTY, GUARANTY OR PROMISE REGARDING THE PROJECT OR THE TRANSACTION CONTEMPLATED HEREIN; AND NO SUCH REPRESENTATION, WARRANTY, AGREEMENT, GUARANTY, STATEMENT OR PROMISE IF ANY, MADE BY ANY PERSON ACTING ON BEHALF OF SELLER SHALL BE VALID OR BINDING UPON SELLER UNLESS EXPRESSLY SET FORTH HEREIN. PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROJECT, PURCHASER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROJECT AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, AND AGREES TO ACCEPT THE PROJECT AT THE CLOSING AND WAIVE ALL OBJECTIONS OR CLAIMS AGAINST SELLER (INCLUDING, BUT NOT LIMITED TO, ANY RIGHT OR CLAIM OF CONTRIBUTION) ARISING FROM OR RELATED TO THE PROJECT OR TO ANY HAZARDOUS MATERIALS ON THE PROJECT EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT. PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROJECT WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE

ACCURACY, TRUTHFULNESS OR COMPLETENESS OF SUCH INFORMATION EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT. SELLER IS NOT LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENT, REPRESENTATION OR INFORMATION PERTAINING TO THE PROJECT, OR THE OPERATION THEREOF, FURNISHED BY ANY REAL ESTATE BROKER, CONTRACTOR, AGENT, EMPLOYEE, SERVANT OR OTHER PERSON. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT OR IN THE CLOSING DOCUMENT EXECUTED BY SELLER, PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE PROJECT AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS" CONDITION AND BASIS WITH ALL FAULTS. IT IS UNDERSTOOD AND AGREED THAT THE PURCHASE PRICE HAS BEEN ADJUSTED BY PRIOR NEGOTIATION TO REFLECT THAT ALL OF THE PROJECT IS SOLD BY SELLER AND PURCHASED BY PURCHASER SUBJECT TO THE FOREGOING. THE PROVISIONS OF THIS SUBSECTION SHALL SURVIVE THE CLOSING OR ANY TERMINATION HEREOF.

In connection with the releases set forth above, Purchaser, on behalf of itself, its affiliated successors, assigns and affiliated successors-in-interest, waives the benefit of California Civil Code Section 1542, which provides as follows:

> "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Initials of Purchaser: Initials of Seller:

/s/ J.R.W /s/ W.C.T

SECTION 4. REPRESENTATIONS AND WARRANTIES OF PURCHASER.

Purchaser hereby represents and warrants to Seller as of the date hereof as follows:

A. Due Organization.

Purchaser is a limited liability company organized, validly existing and in good standing under the laws of the State of Delaware. Subject to the provisions in Section 4B below, Purchaser has full power and authority, and is duly authorized, to execute, enter into, deliver and perform this Agreement and its obligations hereunder.

B. Power.

This Agreement and all other agreements, instruments and documents required to be executed or delivered by Purchaser pursuant hereto have been or (if and when executed) will be duly executed and delivered by Purchaser, and are or will be legal, valid and binding obligations of Purchaser, enforceable against Purchaser in accordance with their terms. Except as provided below, no consents and permissions are required to be obtained by Purchaser for the execution and performance of this Agreement and the other documents to be executed by Purchaser hereunder. Notwithstanding anything to the contrary set forth above, Purchaser will require approval of its board of directors in order to consummate the acquisition of the Project; provided, however, if Purchaser waives it right to terminate this Agreement on or before the expiration of the Due Diligence Deadline, Purchaser shall be deemed to have obtained such approval. The consummation of the transactions contemplated herein and the fulfillment of the terms hereof will not result in a breach of any of the terms or provisions of, or constitute a default under, any agreement or document to which Purchaser is a party or by which it is bound, or any order, rule or regulation

of any court or of any federal or state regulatory body or any administrative agency or any other governmental body having jurisdiction over Purchaser.

C. No Proceedings.

Purchaser has not received any written notice that there is currently pending any proceedings, legal, equitable or otherwise, against Purchaser which would affect its ability to perform its obligations hereunder.

D. ERISA.

Purchaser is not and is not acting on behalf of an "employee benefit plan" within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended, a "plan" within the meaning of Section 4975 of the Internal Revenue Code of 1986, as amended, or an entity deemed to hold "plan assets" within the meaning of 29 C.F.R. § 2510.3-101 of any such employee benefit plan or plans.

E. OFAC

Purchaser is currently in compliance with, and shall at all times during the term of this Agreement (including any extension thereof) remain in compliance with, the regulations of the OFAC.

F. Limitations on Representations and Warranties.

As used herein, the term "Purchaser's actual knowledge" means the conscious knowledge of Sara Butz, and such person shall not have any personal liability or be obligated to perform any due diligence investigations in connection with making any representations or warranties herein. All representations and warranties of Purchaser in this Agreement shall survive the Closing indefinitely.

SECTION 5. OPERATION OF THE PROJECT PRIOR TO CLOSING AND POST-CLOSING LANDSCAPE OBLIGATION.

Seller agrees to do all of the following, from and after the date hereof and prior to the Closing:

(A) Operate and maintain the Project in the same manner as it is currently being operated and shall, subject to damage, destruction or loss to the Project in which event Purchaser shall have the rights set forth in Section 7(D) below, cause the Project to be, on the Closing Date, in the same condition as exists as of the date of this Agreement (normal wear and tear excepted).

(B) Maintain, or cause to be maintained, all existing insurance carried by Seller on the Improvements.

(C) Without the prior written consent of Purchaser (except in the case of emergencies and except for tenant improvements required or permitted under the Tenant Leases), not make, or obligate itself to make, any material alterations or modifications to the Project.

(D) After the date which is two (2) business days prior to the expiration of the Due Diligence Deadline, not enter into any new agreements affecting the Project which would survive the Closing, including any leases or contracts, and not make any modifications or amendments to any agreements affecting the Project which would survive the Closing, without the prior written consent of Purchaser (which consent Purchaser may withhold in its sole discretion); provided, however, Seller shall not be obligated to obtain Purchaser's consent for any agreements or modifications which can be terminated on not more than 30 days' notice without the payment of any premium or penalty. At least two (2) business

days prior to the expiration of the Due Diligence Deadline, Seller shall give Purchaser written notice of such agreements (if any) which Seller shall be entering into prior to the expiration of the Due Diligence Deadline.

(E) On or prior to Closing, terminate all property management agreements and, subject to the immediately following sentence, terminate all Contracts which Purchaser has elected not to assume by delivery of written notice to Seller on or before the Due Diligence Deadline. Promptly after the Due Diligence Deadline, Seller shall send notice terminating any Contract which Purchaser does not want to assume; and, as for any Contract (other than any property management agreement) terminated by Seller where the termination will not be effective until after Closing, Purchaser shall assume such Contracts, and shall be responsible for any normal charges payable under such Contract, but in each case only for the period from and after the Closing Date through the effective date of such termination.

(F) As an obligation that will survive the Closing, Seller will agree to use reasonable good faith efforts to confirm the initial landscape improvement acceptance date by the City of Tracy ("Acceptance Date") under the Landscape Maintenance Agreement, such date being the date which the City of Tracy acknowledges as the commencement date of the two (2) year period under the Landscape Maintenance Agreement, during which the LMA Bond must be maintained. Seller will deliver City's written confirmation to Purchaser, which may be in the form of an email, letter, signed permit card, notice or other City of Tracy format ("City's Acceptance Date Confirmation"). Seller will have a period of six (6) months following the Closing ("Acceptance Date Confirmation Period") to deliver the City's Acceptance Date Confirmation to Purchaser. Should the City of Tracy require an inspection of the Project as a condition to such acceptance and should the City of Tracy require corrective work as a condition to the City of Tracy's acceptance of the Project's landscape improvements ("Corrective Work") during the Acceptance Date Confirmation Period, Seller will be solely responsible for contracting with the appropriate contractor(s) to complete the Corrective Work at Seller's sole cost and expense up to a maximum amount of $200,000, with the Purchaser responsible for any such cost and expense in excess of such amount; provided, however, Purchaser will be responsible for maintaining the Project in a first-class manner throughout the Acceptance Date Confirmation Period, consistent with the requirements of the Landscape Maintenance Agreement. Should the City of Tracy find deficiencies related to poor maintenance of the Project's landscaping which are not related to the original installation thereof (for example, dead or dying plants, broken or malfunction irrigation systems), Purchaser will be solely responsible for curing such deficiencies at its expense. Upon receipt of the City's Acceptance Date Confirmation, Seller's obligations under this Section 5(F) will terminate and Seller will have no further obligations under this Section 5(F). If Seller is unable to obtain the City's Acceptance Date Confirmation within the Acceptance Date Confirmation Period, Seller shall have no further obligation with respect to the Landscape Maintenance Agreement or the landscaping at the Project; and the Purchaser shall thereafter be solely responsible with respect thereto.

SECTION 6. ACCESS TO THE PROJECT.

Purchaser has entered into an Access Agreement, dated April 24, 2018, for the benefit of Seller (the "Access Agreement"); and Purchaser's obligations under the Access Agreement shall survive the execution of this Agreement and the Closing or termination of this Agreement.

SECTION 7. CONDITIONS TO CLOSING.

In addition to the conditions provided in other provisions of this Agreement, the parties' obligations to perform their undertakings provided in this Agreement, are each conditioned on the fulfillment of each of the following which is a condition to such party's obligation to perform hereunder (subject to such party's waiver in strict accordance with Section 9 below):

(A) Purchaser has obtained a current title insurance commitment from the Title Company for the Project (the "Title Commitment"); and, as soon as reasonably possible, Purchaser shall also obtain a current survey of the Project (the "Survey"). Purchaser previously delivered written notice dated May 14, 2018 (" Purchaser's Title Notice ") to Seller of any matters set forth in the Survey or Title Commitment which have been disapproved by Purchaser, and all matters set forth therein which have not been disapproved by Purchaser in Purchaser's Title Notice shall be deemed "Permitted Exceptions." Seller shall have until 3:00 p.m. Pacific Time on the date one (1) business day following the mutual execution of this Agreement to send Purchaser written notice in its sole discretion (" Seller's Title Notice ") notifying Purchaser that it has elected to correct on or prior to Closing any matters which Purchaser has disapproved; and Seller shall be deemed to have elected not to cure any other matters set forth in Purchaser's Title Notice, provided, however, Seller shall in any event cause (i) any mortgages or deeds of trust placed on the Project by Seller to be discharged and released as of the Closing, and (ii) any judgment liens against Seller and any mechanic liens as a result of work done by Seller which are placed on the Project to be discharged and released. Notwithstanding the foregoing, due to the recent nature of the construction on the Project, Purchaser acknowledges that (1) Seller may be required to provide a separate affidavit and/or indemnity to the Title Company to eliminate any general mechanic's lien exception from the Title Policy; and (2) Purchaser may be required to accept a specific mechanic's lien exception for any ongoing work for which Purchaser will receive a credit at Closing or for which money has been placed in escrow with the Title Company (collectively, the " Specific Lien Issues "). Purchaser agrees that addressing the Specific Lien Issues in the manner set forth above is acceptable to Purchaser. Seller may extend the Closing Date for up to ten (10) days in order to cure any title exceptions which Seller has elected or is obligated to cure hereunder. If Seller does not elect to correct any matters disapproved by Purchaser as set forth above, Purchaser shall have until the expiration of the Due Diligence Deadline'" in which to elect either to waive its objection to such matters in which case such matters shall be deemed Permitted Exceptions or terminate this Agreement and obtain a refund of the Earnest Money; and Purchaser shall be deemed to have elected to waive its objection to such matters if Purchaser does not notify Seller of its election to terminate this Agreement prior to the expiration of the Due Diligence Deadline. As a condition of the Purchaser's obligation to proceed with the Closing, the Title Company shall have committed to issue to Purchaser a title insurance policy (the "Title Insurance Policy") with Purchaser named as insured, dated as of the Closing Date, with a liability limit equal to the Purchase Price, insuring that title to the Land and the Improvements is vested in Purchaser, subject only to the Permitted Exceptions and Tenant Leases.

(B) As a condition of Purchaser's obligation to proceed with Closing (and not as a default), Purchaser shall be satisfied in its sole and absolute discretion with all aspects of the Project; provided, however, if Purchaser does not notify Seller by the Due Diligence Deadline that it is not so satisfied, this condition shall be deemed waived by Purchaser. If Purchaser does notify Seller by the Due Diligence Deadline that it is not satisfied with the Project, this Agreement shall terminate, except for those provisions which by their terms survive such termination; and, except as set forth in Section 2(A) above, the Earnest Money shall be refunded to Purchaser.

(C) As a condition to each party's obligation to perform hereunder, the due performance by the other of all undertakings and agreements to be performed by the other hereunder and the truth in all material respects of each representation and warranty as set forth herein made pursuant to this Agreement by the other at the Closing Date except for such changes as are expressly permitted under the terms of this Agreement; provided, however, if either party cannot remake any of its representations and warranties in all material respects as of Closing through no fault of its own, the other party's sole remedies shall either be to terminate this Agreement and receive a refund of the Earnest Money (except for the Initial Non-Refundable Amount if any representation or warranty cannot be remade through no fault of Seller) or waive the condition that such representation or warranty be remade as of Closing.

(D) As a condition to Purchaser's obligation to perform hereunder (and not as a default), that there shall not have occurred between the date hereof and the Closing Date, inclusive, destruction of or damage or loss to the Project (whether or not covered by insurance proceeds) from any cause whatsoever the cost of which to repair exceeds $750,000 or entitles any tenant to terminate its Tenant Lease. Seller shall promptly notify Purchaser of such damage, and Purchaser shall have five (5) business days after receipt of such notice in which to elect to terminate this Agreement and receive a refund of the Earnest Money. If Purchaser does not elect to terminate this Agreement within such period or if the cost of repairing the damage to the Project is less than $750,000 (and no tenant has the right to terminate its Tenant Lease), the parties shall proceed with the Closing in which case Seller shall assign to Purchaser any claims for proceeds from the insurance policies covering such destruction or damage (and give Purchaser a credit for the amount of any deductible thereof or any uninsured portion of the casualty up to an amount equal to $750,000, there shall be no other adjustment in the Purchase Price and Seller shall have no obligation to repair such damage. In the event the Agreement is not terminated, Seller shall not compromise, settle or adjust any claims without the prior written consent of Purchaser.

(E) As a condition to Purchaser's obligation to perform hereunder (and not as a default), that there shall not have occurred at any time or times on or before the Closing Date any taking or threatened taking of the Project or any material part thereof by condemnation (or any condemnation that allows any tenant to terminate its Tenant Lease), eminent domain or similar proceedings. Notwithstanding the foregoing, Purchaser may elect to waive such condition in which case Seller shall assign to Purchaser at Closing all of Seller's right, title and interest in and to any proceeds resulting from any such proceeding. In the event the Agreement is not terminated, Seller shall not compromise, settle or adjust any claims without the prior written consent of Purchaser.

(F) Purchaser acknowledges that it has received a tenant estoppel certificate from Pactra in the form attached hereto as Exhibit E-1 and that such tenant estoppel certificate satisfies any requirement with respect thereto in connection with the Pactra Tenant Lease. As a condition to Purchaser's obligations to perform hereunder (and not as a default), however, Seller shall have delivered to Purchaser a written acknowledgment (the " DHL Tenant Estoppel Certificate ") from Exel, Inc., d/b/a DHL Supply Chain (USA), dated as of a date not more than thirty (30) days prior to Closing, without material deviation from either the form attached hereto as Exhibit E-2 or the form required under its Tenant Lease or in such other forms reasonably approved by Purchaser. Seller shall use reasonable efforts to obtain the DHL Tenant Estoppel Certificate; provided, however, if Seller is unable to obtain the DHL Tenant Estoppel Certificate required herein, Purchaser shall have the option as its sole and exclusive remedies of (i) terminating this Agreement and, except as set forth in Section 2(A) above with respect to the Initial Non-Refundable Amount, obtaining a refund of the Earnest Money or (ii) proceeding with the Closing and waiving the requirement that it receive the DHL Tenant Estoppel Certificate.

(G) As a condition to Purchaser's obligations to perform hereunder (and not as a default), no tenant shall have terminated, or given notice of intent to terminate, its Tenant Lease pursuant to the terms of such Tenant Lease or otherwise. No tenant shall have abandoned its premises or filed for voluntary bankruptcy or be subject to an involuntary bankruptcy proceeding.

(H) Seller shall use reasonable good faith efforts to transfer to Purchaser the roof warranty for the Project (the " Roof Warranty ") from GAF, including submitting the application for the transfer of the Roof Warranty with GAF, paying the $500 transfer fee and arranging for the roof inspection by GAF required to transfer the Roof Warranty to Purchaser. If Seller obtains an inspection report from GAF which confirms that the Roof Warranty may be transferred to Purchaser, Seller and Purchaser shall proceed with the Closing subject to the other terms and conditions set forth in this Agreement; and Seller's obligations with respect to the Roof Warranty shall be deemed satisfied except that Seller shall file the

assignment of the Roof Warranty to Purchaser with GAF immediately following the Closing. The Closing Date shall be deemed automatically extended to the date that is two (2) business days after the satisfaction of this condition; provided, however, if such inspection report is not obtained by June 27, 2018, Purchaser shall, as its sole and exclusive remedy, either (1) terminate this Agreement (other than those provisions of the Agreement which by their terms survive termination of this Agreement), in which case, notwithstanding anything to the contrary in this Agreement, the Earnest Money shall be refunded to Purchaser, or (2) elect to proceed to Closing without the inspection report (and roof warranty transfer requirement). If Purchaser fails to notify Seller by 5:00 p.m. Pacific Time on June 27, 2018, that it has elected to waive the foregoing condition pursuant to clause (2) in the immediately preceding sentence, Purchaser shall be deemed to have elected to terminate this Agreement pursuant to clause (1) in the immediately preceding sentence.

SECTION 8. CLOSING.

A. Time.

The Closing hereunder shall occur on the Closing Date at the offices of the Title Company.

B. Actions.

At the Closing, Seller shall convey the Project to Purchaser; and Purchaser shall pay to Seller the Purchase Price, plus or minus prorations as set forth herein. The Closing shall occur through an escrow, the cost of which shall be shared equally between Purchaser and Seller. Seller shall convey, and Purchaser shall receive, full possession of the Project at Closing, subject only to (i) the Tenant Leases, (ii) Permitted Exceptions, (iii) real estate and personal property taxes not yet due and payable, and (iv) all federal, state and local laws, ordinances and regulations.

C. Deliveries.

(1) At the Closing, Purchaser shall receive each of the following, in form and substance reasonably satisfactory to Purchaser (it being agreed by Purchaser that the documents attached hereto as exhibits are satisfactory in form to Purchaser), all of which shall have been deposited by Seller in escrow with the Title Company at least one (1) business day prior to the Closing Date:

(a) a grant deed in the form attached hereto as Exhibit F executed by Seller (the " Deed ");

(b) a bill of sale and assignment for the Personal Property in the form of Exhibit G, executed by Seller;

(c) an assignment of the Contracts and the C&W Commission Agreement, in the form of Exhibit H attached hereto (the " Assignment of Contracts "), executed by Seller, assigning to Purchaser all of the Contracts and the C&W Commission Agreement, except for those Contracts which have been terminated effective on or prior to the Closing in accordance with the terms hereof; provided, however, for the absence of doubt, Seller shall not assign the construction contracts for the Outstanding TI Work since Seller will be completing the Outstanding TI Work after Closing;

(d) an assignment of the Tenant Leases, in the form of Exhibit I hereto (the " Assignment of Tenant Leases "), executed by Seller;

(e) notices to each of the tenants under the Tenant Leases, notifying them of the sale of the Project and directing them to pay all future rent as Purchaser may direct;

(f) a closing statement setting forth all prorations and credits required hereunder;

(g) an affidavit from Seller that it is not a "foreign person" or subject to withholding requirements under the Foreign Investment in Real Property Tax Act of 1980, as amended, and a California 593-C;

(h) the original of all Tenant Leases, Contracts, licenses and permits, plans and specifications, operating manuals and guaranties and warranties with respect to the Project to the extent they are in the possession of Seller or its agents, provided, however, Seller shall have access to such items after Closing to the extent reasonably necessary for Seller to resolve any legal matters with respect to the Project relating to the period prior to the Closing;

(i) all keys and combinations to locks located at the Project;

(j) a termination of the existing management agreement for the Project;

(k) such evidence as Purchaser or the Title Company may reasonably require as to the due authorization, execution and delivery by Seller of this Agreement and the documents required to be executed by Seller hereunder;

(l) a certificate executed by Seller reaffirming that Seller's representations and warranties set forth in this Agreement are true and correct in all material respects as of the Closing except as may be set forth in such certificate, provided such certificate shall be subject to the qualifications and limitations on Seller's liabilities set forth in this Agreement; and

(m) any transfer tax declarations required to be signed by Seller under applicable law in connection with the Deed.

(2) At the Closing (or, except in the case of clause (f) below, at such later date as set forth below), Seller shall have received each of the following, in form and substance reasonably satisfactory to Seller (it being agreed by Seller that the documents attached hereto as exhibits are satisfactory in form to Seller), all of which shall have been deposited by Purchaser in escrow with the Title Company at least one (1) business day prior to the Closing Date (or such later time as is designated below):

(a) payment of the Purchase Price, plus or minus prorations;

(b) copies of the Assignment of Contracts and the Assignment of Tenant Leases, executed by Purchaser;

(c) such evidence as Seller or the Title Company may reasonably require as to the due authorization, execution and delivery by Purchaser of this Agreement and the documents required to be executed by Purchaser hereunder;

(d) a certificate executed by Purchaser reaffirming that Purchaser's representations and warranties set forth in this Agreement are true and correct in all material respects as of the Closing except as may be set forth in such certificate, provided such certificate shall be subject to the qualifications and limitations on Purchaser's liabilities set forth in this Agreement; and

(e) any transfer tax declarations required to be signed by Purchaser under applicable law in connection with the Deed;

(f) within thirty (30) days following the Closing Date, evidence reasonably satisfactory to Seller that Purchaser has (i) replaced the "Landscape Bond" (also referred to herein as " LMA Bond ") in the amount of $356,270.00, which was provided by Seller pursuant to the terms of the that Landscape Maintenance Agreement and (ii) replaced the "DIA Bond" in the amount of $150,000, which was provided by Seller pursuant to that certain City of Tracy Deferred Improvement Agreement NEI Phase 2 – Ridgeline Industrial Building on Pescadero Avenue, between Seller and the City of Tracy, which was recorded with the San Joaquin County Recorder as Document 2018 039087 (" DIA "). (The replacement bonds to be provided by Purchaser pursuant to this clause (f) are referred to collectively as the "Replacement Bonds.") If Purchaser has not replaced the Landscape Bond and DIA Bond at Closing with the Replacement Bonds, Purchaser shall indemnify, defend and hold Seller harmless, for any and all losses, liabilities and expenses incurred as a result of claims made against either the Landscape Bond or the DIA Bond during the period from Closing until such time as Purchaser has replaced the Landscape Bond and DIA Bond with the Replacement Bonds.

D. Prorations.

The Purchase Price for the Project shall be subject to prorations and credits as follows to be determined as of 12:01 A.M. on the Closing Date, the Closing Date being a day of income and expense to Purchaser, with all prorations being based on the actual number of days in the year; provided, however, if Seller's bank does not receive the Purchase Price by 1:00 p.m. its time on the Closing Date, the prorations shall be determined as of 12:01 a.m. on the first business day following the Closing Date:

1. Purchaser shall receive a credit at Closing for all rents, including estimated payments for operating expenses and real estate taxes, collected by Seller prior to the Closing and allocable to the period after Closing but not for any rent which has not been collected by Seller. No credit shall be given the Seller for accrued and unpaid rent or any other non-current sums due from tenants until said sums are paid, and Seller shall retain the right to collect any such rent provided Seller does not sue to evict any tenants or terminate any Tenant Leases. Purchaser shall use reasonable efforts after Closing to collect any rent under the Tenant Leases which has accrued as of the Closing; provided, however, Purchaser shall not be obligated to sue any tenants or exercise any legal remedies under the Tenant Leases or otherwise pursue such amounts other than the ordinary course of business. Any portion of any rents collected subsequent to the Closing Date and properly allocable to periods prior to the Closing Date shall be paid, promptly after receipt, to the Seller, but subject to all of the provisions of this Section; and any portion thereof properly allocable to periods on or subsequent to the Closing Date shall be paid to Purchaser. All payments collected from tenants after Closing by either Seller or Purchaser shall be applied to the rent designated by the tenant making such payment. If such tenant does not designate the rent to which such payment shall be applied, such payments shall first be applied to the month in which the Closing occurs, then to any rent due to Purchaser for the period after Closing and finally to any rent due to Seller for the period prior to Closing; provided, however, notwithstanding the foregoing, if Seller collects any payments from tenants after Closing through its own collection efforts, Seller may first apply such payments to rent due Seller for the period prior to the Closing. Any cash security deposits held by Seller at Closing shall be credited to Purchaser on the Closing Date, and any non-cash security deposits held by Seller at Closing, including letters of credit, shall be transferred to Purchaser at Closing. In furtherance of the foregoing, upon the Closing Date, Seller shall have obtained, prepared and executed a bank transfer application to transfer any letters of credit issued pursuant to a Tenant Lease to Purchaser, which application shall be delivered by Seller to the bank within one (1) business date following the Closing Date. Thereafter, the parties shall work together in good faith to cause the bank to issue the transferred letter of credit to Purchaser

as soon as feasible. During the term of this Agreement, Seller shall not apply any security deposits without the prior written consent of Purchaser.

2. The adjustment rent or escalation payments payable under the Tenant Leases for taxes and operating expenses shall be reprorated after their final determination based on Seller's and Purchaser's respective share of such taxes and operating expenses. Within sixty (60) days following the Closing, Seller shall deliver Purchaser all back-up invoices for costs incurred by Seller as operating expenses in calendar year 2018, so as to allow Purchaser to perform a year end reconciliation as required under the Tenant Leases. As soon as reasonably possible after the end of the year in which the Closing occurs, Purchaser shall make a final calculation of the real estate taxes and operating expenses for the Project for such year as well as the adjustment rent or escalation payments payable under the Tenant Leases in connection therewith. Purchaser shall also calculate Purchaser's and Seller's share thereof as set forth in the preceding sentence which calculation shall be submitted to Seller for its reasonable approval but only as to the portion affecting Seller. Seller shall provide its approval or disapproval of such calculation within ten (10) days after receiving the calculation; and, if Seller does not notify Purchaser of its approval or disapproval within such ten (10) day period, Seller shall be deemed to have approved such calculation. If Seller has collected more in estimated payments from the tenants for operating expenses and taxes than it is entitled to retain after the final reconciliations are completed, Seller shall pay such excess to Purchaser for refund to the tenants; and, if Seller has collected less in estimated payments than it is entitled to receive after the final reconciliations are completed, Purchaser shall bill the tenants for such amount and shall remit such amounts to Seller upon receipt. Such obligations shall survive the Closing Date.

3. Except to the extent they are directly paid by the tenants, real estate and personal property taxes due and payable with respect to the Project in the year in which the Closing occurs (regardless of when such taxes are assessed or accrue), together with any costs incurred by Seller in protesting such taxes or the assessments on the Project, shall be prorated based on the portion of the applicable tax year which has elapsed prior to the Closing Date. If the amount of any such taxes has not been determined as of Closing, such credit shall be based on the most recent ascertainable taxes and shall be reprorated upon issuance of the final tax bill. If the taxes can be paid on a discounted basis, the proration shall be done on the basis of the discounted amount payable at the earlier of the Closing Date or the date on which such taxes were paid. Seller shall also give Purchaser a credit for any special assessments against the Project which are due and payable prior to Closing, and Purchaser shall be responsible for all special assessments due and payable on or after the Closing.

4. If, after the Closing, Purchaser or Seller receives (in the form of a refund, credit, or otherwise) any amounts as a result of a real property tax contest, appeal, or protest (a " Protest "), such amounts will be applied as follows: first, to reimburse Purchaser or Seller, as applicable, for all costs incurred in connection with the Protest; second, to Purchaser for payment of refunds payable to past, present, or future tenants of the Project, in accordance with the terms of any Tenant Leases; and third, to Seller to the extent that such Protest covers the period prior to the Closing Date and to Purchaser to the extent that such Protest covers the period from and after the Closing Date. Seller will not initiate any new Protest without the prior reasonable approval of Purchaser, and Seller will not unreasonably refuse to initiate a Protest prior to the Closing Date if Purchaser so requests in writing.

5. Utilities and fuel payable by the owner of the Project, including, without limitation, steam, water, electricity, gas and oil, which are not directly paid by tenants, shall be prorated as of the Closing. Seller shall use reasonable efforts to cause the meters, if any, for utilities to be read the day on which the Closing Date occurs and to pay the bills rendered on the basis of such readings. If any such meter reading for any utility is not available, then adjustment therefor shall be made on the basis of the most recently issued bills therefor which are based on meter readings no earlier than thirty (30) days prior to the Closing Date; and such adjustment shall be reprorated when the next utility bills are received. Purchaser shall

give Seller a credit at Closing for all deposits with utility companies serving the Project in which case Seller shall assign its rights to such deposits to Purchaser at the Closing; or, at Seller's option, Seller shall be entitled to receive a refund of such deposits from the utility companies, and Purchaser shall post its own deposits.

6. Charges payable by the owner of the Project under the Contracts assigned to Purchaser pursuant to this Agreement shall be prorated on an accrual basis.

At least three (3) days prior to Closing, Seller shall deliver to Purchaser a draft closing statement setting forth the prorations required hereunder. Within sixty (60) days after the Closing Date, Purchaser and Seller shall agree on a revised closing statement to the extent additional information is received after Closing with respect to the prorations described above; and within sixty (60) days after the end of the year in which the Closing has occurred, Purchaser and Seller shall agree on final prorations provided, however, Seller shall in any event be entitled to recover its share of any tax refunds or percentage rents as set forth herein paid after such final prorations. The party owing money to the other party based on any revisions to the prorations shall make such payment within ten (10) business days after agreement on such revisions, except as may be otherwise provided herein with respect to Operating Expenses.

E. Closing Costs.

Purchaser shall pay (1) the cost of the portion of ALTA extended coverage in the Title Policy (defined below) and any endorsements to the Title Policy, (2) the cost of the Survey requested by Purchaser, (3) one-half of any escrow or closing charge by the Title Company, (4) any recording fees payable in connection with the recording of the deed hereunder, and (5) its own due diligence and legal expenses. Seller shall pay (1) any transfer taxes payable in connection with the recording of the deed hereunder, (2) the premium for the CLTA coverage in the Title Policy, (3) one-half of any escrow or closing charge by the Title Company, and (4) its own legal expenses.

F. Leasing Expenses.

Purchaser shall be responsible for, and shall indemnify and hold Seller harmless against, any brokerage commissions, tenant improvement expenses and other leasing costs in connection with any Tenant Leases executed after the date of this Agreement, lease amendments executed after the date hereof or in connection with options exercised after the date of this Agreement, including any such costs payable pursuant to the C&W Commission Agreement. In addition, Purchaser shall give Seller a credit at Closing for any such expenses or costs which are paid by Seller prior to Closing in connection with any Tenant Leases or amendments thereto executed, or options under Tenant Leases exercised, after the date of this Agreement. On or before Closing, Seller will either pay or give Purchaser a credit for the unpaid portion of the Unfunded Allowance or any unpaid commissions for any Tenant Leases and tenant lease amendments executed prior to the date of this Agreement, except for any commissions due and payable under the C&W Commission Agreement in connection with any options exercised after the date hereof under the Tenant Lease with Pactra USA, Inc.; and Purchaser shall be responsible for paying such portion after Closing.

SECTION 9. WAIVER; SEVERABILITY.

Each party hereto may, at any time or times, at its election, waive any of the conditions to its obligations hereunder by a written waiver expressly detailing the extent of such waiver (and no other waiver or alleged waiver by such party shall be effective for any purpose). No such waiver shall reduce the rights or remedies of such party by reason of any breach by the other party or parties of any of its or their obligations hereunder. If any term, covenant, condition or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of

the terms, covenants, conditions or provisions of this Agreement, or the application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

SECTION 10. BROKERS.

Each party represents and warrants to the other that it has not engaged or dealt with any brokers or finders in connection with the transactions set forth herein except for the Broker, and each party shall indemnify and hold the other party harmless from any claim, liability, loss or damage resulting from the indemnifying party's breach of the foregoing representation and warranty or from any party claiming a brokerage commission is due through such party's acts. Seller shall be obligated to pay any commissions or fees due the Broker.

SECTION 11. SURVIVAL; FURTHER INSTRUMENTS.

Except as expressly set forth herein, none of the terms and provisions herein shall survive the Closing, and neither party shall be entitled to bring any cause of action against the other party with respect thereto after Closing. Each party will, whenever and as often as it shall be requested so to do by the other, cause to be executed, acknowledged or delivered any and all such further instruments and documents as may be necessary or proper, in the reasonable opinion of the requesting party, in order to carry out the intent and purpose of this Agreement and as are consistent with this Agreement.

SECTION 12. NO THIRD PARTY BENEFITS.

This Agreement is made for the sole benefit of Purchaser and Seller and their respective successors and assigns (subject to the limitation on assignment set forth below), and no other person or persons shall have any right or remedy or other legal interest of any kind under or by reason of this Agreement. Whether or not either party hereto elects to employ any or all of the rights, powers or remedies available to it hereunder, such party shall have no obligation or liability of any kind to any third party by reason of this Agreement or by reason of any of such party's actions or omissions pursuant hereto or otherwise in connection with this Agreement or the transactions contemplated hereby.

SECTION 13. REMEDIES.

A.Purchaser Defaults.

If Purchaser defaults in its obligation to close escrow as provided in this Agreement, Seller's sole remedy shall be to recover the Earnest Money as liquidated damages; provided, however, the Earnest Money shall not be deemed liquidated damages or a limit as to Purchaser's indemnification obligations under the Access Agreement. The parties agree that Seller's damages in the event of a failure by Purchaser to Close Escrow will be difficult to determine and that the Earnest Money is a fair estimate of those damages. THE AMOUNT PAID TO AND RETAINED BY SELLER AS LIQUIDATED DAMAGES PURSUANT TO THE FOREGOING PROVISIONS SHALL BE SELLER'S SOLE AND EXCLUSIVE REMEDY IF PURCHASER FAILS TO CLOSE THE PURCHASE OF THE PROPERTY. THE PARTIES HERETO EXPRESSLY AGREE AND ACKNOWLEDGE THAT SELLER'S ACTUAL DAMAGES IN THE EVENT OF A FAILURE BY PURCHASER TO CLOSE ESCROW WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO ASCERTAIN AND THAT THE AMOUNT OF THE EARNEST MONEY PLUS ANY INTEREST ACCRUED THEREON REPRESENTS THE PARTIES' REASONABLE ESTIMATE OF SUCH DAMAGES. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS SECTION 12, SELLER AND PURCHASER AGREE THAT THIS LIQUIDATED DAMAGES PROVISION IS NOT

INTENDED AND SHOULD NOT BE DEEMED OR CONSTRUED TO LIMIT IN ANY WAY PURCHASER'S INDEMNIFICATION OBLIGATIONS IN THE ACCESS AGREEMENT.

SELLER'S INITIALS: /s/ W.C.T. PURCHASER'S INITIALS: /s/ J.R.W.

B.Seller Defaults.

If Seller shall default hereunder prior to Closing, Purchaser shall be entitled as its sole remedies to either (i) terminate this Agreement and obtain a refund of all of the Earnest Money (including the Non-Refundable Amount) and reimbursement of its actual out-of-pocket costs incurred in connection with this Agreement in an amount not to exceed Seventy-Five Thousand Dollars ($75,000.00); or (ii) to sue for specific performance of this Agreement; and Purchaser waives any other rights or remedies at law or equity. Seller shall have no liability after Closing for the breach of any representations, warranties or covenants set forth in this Agreement and any closing documents delivered pursuant hereto except to the extent the loss suffered by Purchaser as a result of such breaches exceeds $50,000 in the aggregate, and in no event shall Seller's liability after Closing for a breach of Seller's representations, warranties and covenants under this Agreement and any closing documents delivered pursuant hereto as a result of such breaches exceed two percent (2%) of the Purchase Price in the aggregate. The foregoing cap, however, shall in no event be applicable to Seller's obligations with respect to prorations, the payment of commissions or the obligations to complete the Outstanding TI Work. For six (6) months following the Closing Date, Seller shall maintain access to funds so as to have the ability to satisfy any post-closing obligations that it may have hereunder.

SECTION 14. NOTICES.

All notices and other communications which either party is required or desires to send to the other shall be in writing and shall be sent by (i) e-mail or facsimile provided a copy thereof is also sent by one of the following means, (ii) hand delivery, (iii) registered or certified mail, postage prepaid, return receipt requested, or (iv) nationally-recognized overnight courier service. Notices and other communications shall be deemed to have been given on actual receipt. Notices shall be addressed as follows:

(a) To Seller:

c/o LaSalle Investment Management, Inc.
333 West Wacker Drive, 23 rd Floor
Chicago, Illinois 60606
Attention: Mike Lewandowski
Telephone Number (312) 897-4009
E-Mail: mike.lewandowski@lasalle.com

with a copy to:

Hagan & Vidovic LLP
101 North Wacker Drive, Suite 611
Chicago, Illinois 60606
Attention: R.K. Hagan
Telephone Number (312) 525-8132
E-Mail: robert.hagan@handvlegal.com

(b)To Purchaser:

c/o Black Creek Group
518 17th Street, 17th Floor
Denver, Colorado 80202
Attention: Thomas McGonagle
Email: tom.mcgonagle@blackcreekgroup.com

With a copy to:
Joshua J. Widoff
General Counsel
Black Creek Group
518 17th Street, 17th Floor
Denver, Colorado 80202
Email: josh.widoff@blackcreekgroup.com

and a copy to:

Allen Matkins Leck Gamble Mallory & Natsis LLC
Attention: Sandra A. Jacobson, Esq.
1900 Main Street, Fifth Floor
Irvine, California 92614
Phone: (949) 553-1313
Email: sjacobson@allenmatkins.com

or to such other person and/or address as shall be specified by either party in a notice given to the other pursuant to the provisions of this Section.

SECTION 15. ATTORNEYS' FEES.

In the event either party institutes legal proceedings to enforce its rights hereunder, in addition to the relief granted the substantially prevailing party in such litigation, arbitration or mediation shall be paid all reasonable expenses of the litigation by the losing party, including its reasonable attorneys' fees and expert witness fees.

SECTION 16. CONFIDENTIALITY.

Seller and Purchaser agree to keep this Agreement (including the Purchase Price and the names of the parties hereto) confidential and not disclose or make any public announcements with respect to the subject matter hereof without the consent of the other party. Notwithstanding the foregoing or anything to the contrary herein, Purchaser may disclose this Agreement's terms and conditions and the existence of this Agreement (a) to its affiliates and its legal counsel and other agents and representatives, including prospective partners and lenders, and (b) as required by law, including without limitation, any disclosure required by the United States Securities and Exchange Commission. Neither Seller nor Purchaser shall issue any press release with respect to Purchaser's acquisition of the Project or the terms of this Agreement without the prior written consent of the other party, which consent may be withheld in such party's sole discretion.

SECTION 17. LIMITATION ON LIABILITY.

Any obligation or liability of either of the parties hereunder shall be enforceable only against, and payable only out of, the property of such party, and in no event shall any officer, director, shareholder, partner, beneficiary,

agent, advisor or employee of either party be held to any personal liability whatsoever or be liable for any of the obligations of the parties hereunder.

SECTION 18. WAIVER OF CERTAIN DAMAGES.

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE PARTIES HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVE AND RELEASE ANY RIGHT, POWER OR PRIVILEGE EITHER MAY HAVE TO CLAIM OR RECEIVE FROM THE OTHER PARTY ANY PUNITIVE, EXEMPLARY, STATUTORY OR TREBLE DAMAGES OR ANY INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES WITH RESPECT TO ANY BREACH OF ITS OBLIGATIONS UNDER THIS AGREEMENT, ACKNOWLEDGING AND AGREEING THAT THE REMEDIES HEREIN PROVIDED, WILL IN ALL CIRCUMSTANCES BE ADEQUATE. THE FOREGOING WAIVER AND RELEASE SHALL APPLY IN ALL ACTIONS OR PROCEEDINGS BETWEEN THE PARTIES.

SECTION 19. WAIVER OF JURY TRIAL.

TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE PARTIES TO THIS AGREEMENT HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OTHER DOCUMENT OR INSTRUMENT BETWEEN THE PARTIES RELATING TO THIS AGREEMENT, THE PROPERTY OR ANY DEALINGS BETWEEN THE PARTIES HERETO RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THAT RELATIONSHIP, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS, ANTITRUST CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON-LAW OR STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO THIS AGREEMENT AND ALL OTHER AGREEMENTS AND INSTRUMENTS PROVIDED FOR HEREIN, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH LEGAL COUNSEL OF ITS OWN CHOOSING, OR HAS HAD AN OPPORTUNITY TO DO SO, AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS HAVING HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS, OR MODIFICATIONS TO THIS AGREEMENT OR ANY OTHER AGREEMENT OR DOCUMENT ENTERED INTO BETWEEN THE PARTIES IN CONNECTION WITH THIS AGREEMENT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT WITHOUT A JURY.

SELLER'S INITIALS : /s/ W.C.T. PURCHASER'S INITIALS: /s/ J.R.W.

SECTION 20. LIKE-KIND EXCHANGE

Each party agrees to reasonably cooperate with the other party in effecting an exchange transaction by the other party which includes the Project pursuant to Section 1031 of the United States Internal Revenue Code, provided that any exchange initiated by either party shall be at such party's sole cost and expense and shall not delay the Closing; and neither party shall be obligated to accept title to any other property as a result of such exchange. Each party hereby agrees to take all reasonable steps on or before the Closing Date to facilitate such exchange if requested by the other party, provided that (a) no party making such accommodation shall be required to acquire any substitute property, (b) such exchange shall not affect the representations, warranties, liabilities, covenants and obligations of the parties to each other under the Agreement, (c) no party making such

accommodation shall incur any additional cost, expense or liability in connection with such exchange (other than expenses of reviewing and executing documents required in connection with such exchange), and (d) no dates in the Agreement will be extended as a result thereof unless by mutual written agreement of the parties. Notwithstanding anything to the contrary contained in the foregoing, if Seller so elects to close the transfer of the Property as an exchange, then (i) Seller, at its sole option, may delegate its obligations to transfer some or all of the assets under the Agreement, and may assign its rights to receive all or a portion of the Purchase Price from Purchaser, to a deferred exchange qualified intermediary (a " QI") or to an exchange accommodation titleholder (" EAT"), as the case may be; (ii) such delegation and assignment shall in no way reduce, modify or otherwise affect the obligations of Seller pursuant to the Agreement; (iii) Seller shall remain fully liable for its obligations under the Agreement as if such delegation and assignment shall not have taken place; (iv) QI or EAT, as the case may be, shall have no liability to Purchaser; and (v) the closing of the transfer of the Project to Purchaser shall be undertaken by direct deed, assignment and other appropriate conveyance from Seller (or, if applicable, from other affiliates of Seller whom Seller will cause to execute such deeds, assignments and other appropriate instruments of conveyance) to Purchaser or to EAT, as the case may be. Notwithstanding anything to the contrary contained in the foregoing, if Purchaser so elects to close the acquisition of the Project as an exchange, then (i) Purchaser, at its sole option, may delegate its obligations to acquire the Project under the Agreement, and may assign its rights to receive the Project from Seller, to a QI or to an EAT, as the case may be; (ii) such delegation and assignment shall in no way reduce, modify or otherwise affect the obligations of Purchaser pursuant to the Agreement; (iii) Purchaser shall remain fully liable for its obligations under the Agreement as if such delegation and assignment shall not have taken place; (iv) QI or EAT, as the case may be, shall have no liability to Seller; and (v) the closing of the acquisition of the Project by Purchaser or the EAT, as the case may be, shall be undertaken by direct deed from Seller (or, if applicable, from other affiliates of Seller whom Seller will cause to execute such deeds, assignments and other appropriate instruments of conveyance) to Purchaser (or to EAT, as the case may be).

SECTION 21. MISCELLANEOUS.

This Agreement (including all Exhibits hereto which are hereby incorporated by reference) contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements between the parties hereto respecting such matters. This Agreement shall be construed and enforced in accordance with the laws of the state where the Project is located. Purchaser may not assign its rights under this Agreement without the prior written consent of Seller except Purchaser may assign all or any portion of this Agreement or its rights hereunder, or delegate all or any portion of its duties or obligations to an affiliate of Purchaser without Seller's written consent; any assignee shall be deemed to have assumed all of the assignor's obligations hereunder, and the assignor shall remain liable hereunder. Except in connection with a 1031 exchange, Seller shall not assign this Agreement or any rights hereunder, or delegate any of its obligations, without the prior written approval of Purchaser. For purposes of this Section 21 , an affiliate of Purchaser shall include (a) any entity that is owned, controlled by or is under common control with Purchaser (a " Purchaser Control Entity "), and (b) any entity in which one or more Purchaser Controlled Entities directly or indirectly is the general partner (or similar managing partner, member or manager) or owns more than 50% of the economic interests of such entity, or (c) any entity (or subsidiary thereof) that is advised by an affiliate of BCI IV Advisors LLC. Purchaser shall notify Seller at least five (5) business days prior to the Closing of any assignment of this Agreement. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Time is of the essence of this Agreement and each provision hereof. The provisions of this Agreement may not be amended, changed or modified orally, but only by an agreement in writing signed by the party against whom any amendment, change or modification is sought. Purchaser shall not record this Agreement, any memorandum of this Agreement, any assignment of this Agreement or any other document which would cause a cloud on the title to the Project. This Agreement may be executed in counterparts and by facsimile or other electronic signature, each of which shall be deemed to be an original and all of which shall be deemed to be one and the same instrument. The section headings appearing in this Agreement are for convenience of reference only and are not intended, to any extent and for any purpose, to limit or define the text of any section

or any subsection hereof. The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

SECTION 22. ADDITIONAL REIT PROVISIONS.

A. Post-Closing Access to Records . Upon receipt by Seller of Purchaser's reasonable written request at anytime and from time to time within a period from the Closing until the later of (i) 2 years after Closing, or (ii) for the period any tenant has the right under its lease for the Project to audit such books and records of Seller, Seller shall, at Seller's principal place of business, during Seller's normal business hours, make all of Seller's records relating to the Project, other than those previously delivered to Purchaser and other than any privileged or confidential books and records, available to Purchaser for inspection and copying (at Purchaser's sole cost and expense).

B. Information and Audit Cooperation . To the extent necessary to enable Purchaser to comply with any financial reporting requirements applicable to Purchaser and upon at least five (5) business days prior written notice to Seller, within 90 days after the Closing Date, Seller shall reasonably cooperate (at no cost or liability to Seller) and allow Purchaser's auditors to audit the trial balance related to the operation of the Project for the calendar year prior to the Closing Date and for the portion of the calendar year starting on January 1 through the Closing Date. Other than any representation, warranty or covenant otherwise set forth in this Agreement or the documents delivered at Closing, Seller makes no representations, warranties or covenants with respect to the trial balance or the books and records which may be reviewed in auditing the same, and Purchaser releases and waives any liability or claims against Seller related to the trial balance or the books and records which may be reviewed and audited.

[Signatures on Following Page]

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

"Seller" Pescadero Land Holdings, LLC,
a Delaware limited liability company

By: RPG Tracy, LLC,
its Operator Member

By: /s/ Michael K. Gray
Title: Member

"Purchaser" BCI IV PESCADERO DC LP,
a Delaware limited partnership

By: BCI IV PESCADERO DC GP LLC,
a Delaware limited liability company
its General Partner

By: BCI IV Operating Partnership LP,
a Delaware limited partnership,
its Sole Member

By: Black Creek Industrial REIT IV Inc.,
a Maryland corporation,
its General Partner

By: /s/ J.R. Wetzel
Name: J.R. Wetzel
Title: Senior Managing Director

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Dwight L. Merriman III, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Black Creek Industrial REIT IV Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 13, 2018

/s/ DWIGHT L. MERRIMAN III

Dwight L. Merriman III
Managing Director, Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Thomas G. McGonagle, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Black Creek Industrial REIT IV Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 13, 2018

/s/ THOMAS G. MCGONAGLE

Thomas G. McGonagle
Managing Director, Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 32.1

CERTIFICATIONS PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
Certification of Principal Executive Officer

In connection with the Quarterly Report on Form 10-Q of Black Creek Industrial REIT IV Inc. (the "Company") for the period ended June 30, 2018 , as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Dwight L. Merriman III, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 13, 2018

/s/ DWIGHT L. MERRIMAN III

Dwight L. Merriman III
Managing Director, Chief Executive Officer
(Principal Executive Officer)

Certification of Principal Financial Officer

In connection with the Quarterly Report on Form 10-Q of Black Creek Industrial REIT IV Inc. (the "Company") for the period ended June 30, 2018 , as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas G. McGonagle, certify pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 13, 2018

/s/ THOMAS G. MCGONAGLE

Thomas G. McGonagle
Managing Director, Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)