[*Sample*]

LETTERHEAD

[DATE]

Retirement Board

Address

Address

Ladies and Gentlemen:

This letter is being written and delivered to confirm certain agreements with regard to the investment made by Board (the “Investor”) in L.P., a Delaware limited partnership (the “Partnership”), pursuant to Section 17.2 of the Amended and Restated Agreement of Limited Partnership of the Partnership dated as of December 15, 2016 (as amended, restated, waived, supplemented or otherwise modified from time to time, the “Partnership Agreement”) and the Subscription Agreement among the Partnership, Real Estate Fund, L.P. (the “General Partner”) and the Investor dated on or about the date hereof. Capitalized terms used herein and not otherwise defined herein shall have the meanings given to them in the Partnership Agreement. Section references herein shall, unless otherwise provided, refer to sections in the Partnership Agreement.

This side letter acknowledges the Massachusetts laws and regulations relating to the investment of public pension funds as they pertain to the investment of the Investor’s funds in the Partnership.

In order to induce the Investor to execute and deliver the Subscription Agreement, each of the Partnership, the General Partner and Realty Advisors LLC (the “Investment Advisor”) hereby represents and agrees, for so long as the Investor is not a Defaulting Limited Partner, as follows:

1. Proscribed Investments.

## The Investor hereby represents and warrants to the General Partner that it is subject to Massachusetts General Laws Chapter 32, §§ 23(2)(g)(ii) and (iii), which provide that no funds of the Investor can be directly invested in any bank or financial institution which directly or through any subsidiary has outstanding loans to any corporation engaged in the manufacture, distribution or sale of firearms, munitions, including rubber or plastic bullets, tear gas, armored vehicles, or military aircraft for use or development in any activity in South Africa or Northern Ireland, and no investment of funds shall be made in the stocks, securities or other obligations of any company so engaged; provided, however, that if funds are directly invested in banks, financial institutions or any companies doing business in South Africa, excluding the aforementioned, such funds must be invested as much as reasonably possible in such banks, financial institutions or companies which have adopted the platform of guiding principles for investing in South Africa set forth in Massachusetts General Laws Chapter 32, § 23(5) so long as such use is consistent with sound investment policy.

## The Investor hereby represents and warrants to the General Partner that pursuant to Chapter 119 of the Acts of 1997 of Massachusetts, no funds of the Investor can be directly invested in the stocks, securities or other obligations of any company which derives more than fifteen (15%) percent of its gross annual revenues from the sale of tobacco products.

## The Investor hereby represents and warrants to the General Partner that it is subject to the general superintendence of the Massachusetts Public Employee Retirement Administration Commission (“PERAC”). If PERAC at any time advises the Investor that any Real Estate Investment would result in the Investor’s violation of applicable Massachusetts law and the Investor delivers a legal opinion from counsel with expertise in Massachusetts law to such effect, then the Investor shall be excused from participating in such investment in accordance with the applicable provisions of Section 5.3(a).

1. Applicable Law. The Investment Regulations promulgated by PERAC (840 Code of Massachusetts Regulations 1.00 et seq., hereinafter, “840 CMR”) and the rights and obligations of the parties under this side letter with respect to any PERAC regulations, shall be governed by and interpreted, construed and enforced in accordance with the domestic substantive laws of the Commonwealth of Massachusetts without giving any effect to the choice or conflicts of law provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction. The General Partner hereby confirms its intention to comply with all pertinent and applicable regulations contained in 840 CMR to the extent they apply to the General Partner.
2. Public Records Law. The General Partner acknowledges that the Investor is subject to Massachusetts state laws, including, without limitation, Massachusetts General Laws Chapter 4, Section 7 and Chapter 66, the Public Records Law (PRL), which requires that public records that fail to meet any of the enumerated exemptions in the PRL be made available upon request to the public, and that in such capacity the Investor must disclose any information required by the PRL. The General Partner confirms that disclosure of any information required by the PRL shall not be considered as a breach of /or default by the Investor under the Partnership Agreement, the Subscription Agreement, this Letter Agreement or any other documents to which the Investor is a party. Neither the General Partner, the Manager, nor the Fund shall make any claim against the Investor, if the Investor, in good faith, reasonably determines it is required by the PRL to disclose or make available to the public any report, notice or other information the Investor receives.
3. Fiduciary Acknowledgement. The Investor hereby represents and warrants to the General Partner that it is a public employee retirement fund regulated by PERAC. In consideration solely of the foregoing, the General Partner acknowledges that it will be deemed to be a “fiduciary” pursuant to Massachusetts General Laws Chapter 32 Section 23B(k)(1)(a) and the pertinent and applicable PERAC investment regulations contained in 840 CMR with respect to funds contributed to the Partnership by the Investor for investment purposes; provided that the foregoing shall not affect any provision set forth in the Partnership Agreement; provided, further, that so long as the General Partner discharges its duties with respect to the Partnership with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of such duties with respect to the Partnership, the General Partner will be deemed to be complying with the obligation to act as a “fiduciary” with respect to the Investor’s assets invested in the Partnership.
4. Indemnification. The Investor represents that it is subject to Massachusetts law, and based solely on such representation, the General Partner recognizes that the Investor is restricted under Massachusetts law from directly indemnifying the Partnership or the General Partner. Notwithstanding the foregoing, in the context of a limited partnership, PERAC has allowed modification of such prohibition. Accordingly, the Investor hereby agrees to indemnify, to the fullest extent not prohibited by law, each Indemnified Party (as defined in the Investor’s Subscription Agreement) against any and all losses, claims, damages, expenses and liabilities, including, but not limited to, any investigation, legal or other expenses relating to or arising out of (a) any false representation, certification or warranty made by the Investor, or breach or failure by the Investor to comply with any covenant, undertaking or agreement made by the Investor in this side letter, the Partnership Agreement, the Investor’s Subscription Agreement or in any other document furnished by or on behalf of the Investor to any Indemnified Party in connection with the Investor’s investment in the Partnership (the “Documents”) or (b) any action for securities law violations instituted by or on behalf of the Investor against an Indemnified Party that is finally resolved by judgment against the Investor or in favor of an Indemnified Party. The Investor also agrees to indemnify each Indemnified Party to the fullest extent not prohibited by law for any and all costs, fees, and expenses resulting from the Investor’s assertion of lack of proper authorization to enter into any of the Documents to which it is a party or perform the obligations hereof or thereof because the Investor is acting as agent, representative or nominee. Each of the Indemnified Parties (to the extent not a party hereto) is an intended third party beneficiary hereof. Notwithstanding the foregoing, nothing in this side letter shall relieve the Investor of any obligation it may have under the Partnership Agreement to make Capital Contributions and return distributions to the Partnership in accordance with the terms and conditions of the Partnership Agreement or otherwise limit the ability of the General Partner and the Partnership to enforce the obligations of the Investor under the Partnership Agreement, the Investor’s Subscription Agreement, and any other agreement entered into by the Investor in connection with its investment in the Partnership.
5. Regulatory Compliance. The Investor hereby represents and warrants to the General Partner that it is a public employee retirement fund regulated by PERAC. Based solely on such representation, the General Partner hereby agrees to disclose the following information annually to the Investor and PERAC:

### any arrangements for compensation or other benefit received or expected to be received by the General Partner or any of its Affiliates, from Persons who are not Affiliates of the General Partner in connection with the General Partner’s services to the Investor pursuant to the Partnership Agreement;

### the compensation, in whatever form, paid or expected to be paid, directly or indirectly, by the Partnership, the General Partner or any of their respective Affiliates to any other Person in relation to the General Partner’s services to the Partnership, the Investor or the Limited Partners pursuant to the Partnership Agreement; and

### any conflict of interest of the General Partner that could reasonably be expected to materially impair the General Partner’s ability to render unbiased and objective services to the Investor pursuant to the Partnership Agreement.

1. General.

## Binding Effect. This side letter is binding and enforceable against the Partnership, the General Partner and the Investor, notwithstanding any contrary provisions in the Partnership Agreement or the Investor’s Subscription Agreement, and in the event of a conflict between the provisions of this side letter and the Partnership Agreement or the Investor’s Subscription Agreement, the provisions of this side letter shall control. The rights and obligations under this side letter are not assignable by any of the parties without the consent of the other parties. The benefits of this side letter shall (i) be suspended if and for so long as the General Partner designates the Investor as a Defaulting Limited Partner in accordance with the Partnership Agreement and (ii) terminate if the Investor has transferred its entire Interest in the Partnership (other than to an Affiliate).

## Severability.  If any provision of this side letter is found to be illegal or unenforceable, then the provision will be deemed deleted and this side letter will be construed as though the provision was not contained herein and the remainder of this side letter will remain in full force and effect.

## Counterparts.  This side letter may be executed in counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which, when taken together, shall constitute one and the same agreement.

## Amendments. This side letter may be amended at any time only by agreement by the Investor and the General Partner in writing.

## Assignment. The Investor may not transfer or assign this side letter or any right or obligation hereunder to any person without the prior written consent of the General Partner. The Partnership, the General Partner or the Investment Advisor may provide copies of this side letter to other investors and potential investors in the Partnership and any Parallel Investment Vehicle. If the foregoing is agreeable to you, please signify your acceptance by executing this side letter in the space provided below and returning an executed copy to the undersigned. The terms of this side letter shall become effective upon execution, delivery and acceptance of the Subscription Agreement relating to the Partnership and the Partnership Agreement by the Investor and the General Partner.

Sincerely,

REAL ESTATE PARTNERS L.P.

By: GP, L.P.  
Its: General Partner

By: Realty Advisors LLC  
Its: General Partner

By:

Name:

Title:

REAL ESTATE FUND GP, L.P.

By: Realty Advisors LLC  
Its: General Partner

By:

Name:

Title:

Accepted and agreed as of the date first written above:

Retirement Board

By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name:

Title: