

OPTION AGREEMENT

THIS OPTION AGREEMENT ("Agreement") made and entered into as of this 28th day of September 2012, by and between Real Estate Advisors, LLC, an Iowa limited liability company (Buyer), and R Own Properties, LLC ("Seller").

RECITALS:

A. Seller is the owner of a tract of land commonly known as 3720 & 3800 11th Street, Rock Island, Illinois and parcel number South Rock Island Township 5018 & 5017 ("Premises") described in Exhibit "A" attached hereto and made a part hereof;

B. Buyer desires to obtain from Seller and Seller desires to grant to Buyer an option to purchase the Premises in accordance with the following terms and conditions:

NOW THEREFORE, the parties agree as follows:

1. In consideration of the sum of Seventy Five Thousand (\$75,000.00) (the "Option Fee") (non-refundable, hard money not applicable to the Purchase Price and made payable directly to Seller), to be paid to Seller by Buyer within five (5) days following last execution of this Agreement, Seller hereby gives and grants unto Buyer the exclusive right, privilege, and option to purchase (the "Option") the Premises which are also outlined in red on the plot plan attached hereto and made a part hereof and marked Exhibit "B" including all improvements and appurtenances belonging or affixed thereto, together with all right, title and interest of Seller in and to any land lying in the right of way of any street in front of or adjoining the Premises to the center line thereof. If there is a discrepancy between the area outlined in red on Exhibit "B" and the description in Exhibit "A", then the outline in red shall control. Escrow Agent (hereinafter defined) shall deposit Buyer's additional earnest money into an interest bearing account with interest accruing thereon inuring to the benefit of Buyer.

2. The Option shall be exercisable on or before 12:01 a.m. on December 31, 2012 (the "Option Period"). Buyer shall have the right to extend the Option for two (2) additional periods of ninety (90) days each, upon payment of an additional Option Fee of Seventy-Five Thousand Dollars (\$75,000.00) for each additional option period (non-refundable, hard money not applicable to the Purchase Price and made payable directly to Seller), which additional Option Fee is to be paid directly to Seller by Buyer within five (5) business days following the exercise of the applicable extension period. The Option shall be exercisable and each election to extend the Option shall be made by written notice from Buyer, to be delivered personally, by certified mail, to Seller at the address shown below or by email to Seller at the email address shown below.

3. If Buyer exercises the Option, then this Agreement shall constitute an Agreement of Purchase and Sale, subject to the terms and conditions hereof. The purchase price for the Premises shall be (\$1,750,000.00) One Million Seven Hundred Fifty Thousand Dollars, payable in cash upon Closing (hereinafter defined). Closing of this transaction shall take place, provided all the terms and conditions of this Agreement have been complied with, as provided for in this Agreement, thirty (30) days after the date of the exercise of the Option. The term "Closing" means the date upon which the funds shall be transferred and the deed of title to the Premises recorded. The Closing shall be scheduled to coincide with the Buyer's acquisition of adjoining or nearby properties and Seller agrees to cooperate with the Buyer to schedule the Closing to enable the near simultaneous closing of such adjacent or nearby properties with the Closing of this transaction.

4. Buyer may order a metes and bounds survey of the Premises (the "Survey"), showing the Premises, which Survey shall be prepared by a surveyor licensed in Illinois ("Surveyor"). The Survey shall be made in accordance with the "Minimum Standard Detail Requirements for ALTA/ACSM Land Title



Surveys" adopted by the American Land Title Association and the American Congress on Surveying and Mapping in 1992 and shall include items 1, 2, 3, 4, 6, 7, 8, 10, 11, 13 and 16 of Table A thereof. Seller will deliver to Buyer upon the execution hereof a copy of any survey of the Premises that is in the possession of Seller. Buyer shall pay for any additional survey endorsements that may be required.

5. During the period that this Option is in effect, and until the transfer of title, Seller will permit and provide access to Buyer and Buyer's designees to conduct and obtain such inspections, studies, tests and analyses of the Premises, and of adjacent property within Seller's control, as Buyer deems necessary or appropriate, including but not limited to engineering and site use studies, topographical and boundary surveys, surface and subsurface soil tests, soil borings, groundwater tests, inspections and audits as to the environmental or other condition of the Premises, and adjacent property within Seller's control. Buyer shall indemnify and hold Seller harmless from and against all claims for death or injury to persons or property arising from or as a result of Buyer, its agents, representatives or designees going upon the Premises and/or as a result of any tests or surveys conducted on the Premises by or through Buyer. Buyer shall promptly restore the Premises after all such tests to its condition on the date hereof.

7. Buyer shall provide and pay for an owner's policy of title insurance (ALTA Form 1970-B) for the Premises issued by Rock Island County Abstract and Title Guaranty Company for Chicago Title Insurance Company or other title company selected by Buyer ("Title Company"), in an amount equal to the Purchase Price, assuring that title to the Premises is in the condition required by Paragraph 9 hereof, with all so-called "survey exceptions" and "mechanic's lien" exceptions and other printed exceptions deleted (the "Title Policy"). Buyer shall obtain a commitment for the Title Policy (the "Commitment") from the Title Company, which shall include an exact copy of all covenants, conditions, restrictions and easements of record and which Commitment shall agree to insure complete contiguity of all parcels comprising the Premises. Buyer shall have fifteen (15) days after receipt of the Commitment to advise Seller that Buyer either accepts the condition of title as stated therein or that the condition of title is unacceptable to Buyer. If Buyer notifies Seller that the condition of title is unacceptable, then Seller shall have thirty (30) days within which to cure those conditions which are unacceptable to Buyer, provided, however, that Seller shall be required to discharge any mortgages, liens, judgments or the like affecting the Premises which can be discharged by the payment of money, and further provided that Seller shall be required to use reasonable efforts to remove or cure, at Buyer's request, and at Seller's cost any non-monetary title defect. Buyer may accept such title as Seller is able to convey without reduction of the purchase price. Seller shall not, after the execution hereof, create any easement, lien or right of any third party affecting the Premises without the prior consent of Buyer.

8. All documents pertaining to the purchase of the Premises shall be deposited in escrow with the Rock Island County Abstract and Title Guaranty Company as escrow agent (the "Escrow Agent") at least five (5) days, prior to Closing. Closing of this transaction shall take place pursuant to Paragraph 3 hereof if and when (i) the Title Company will issue the Title Policy (ii) the conditions precedent in Paragraph 14 hereof have been satisfied or waived in writing by Buyer, and (iii) all the other terms and conditions of this Option have been satisfied, as provided for in this Option. This Option shall serve as escrow instructions, subject to the Escrow Agent's usual conditions of acceptance where not contrary to any of the terms hereof. The Escrow Agent is hereby authorized to close the transaction and to make all prorations and allocations that, in accordance with this Option, are to be made between the parties hereto.

9. At least five (5) days prior to the date of closing, Seller shall deposit in escrow a general warranty deed conveying to Buyer the absolute fee simple ownership of the Premises, free and clear of all liens, conditions, easements, claims, restrictions and encumbrances whatsoever, except leases to be defined in Exhibit "C", general real estate taxes not then due and payable, and any covenant, condition, restriction or easement of record or survey exception to which Buyer does not object. Simultaneously with Seller's depositing the deed in escrow, Seller shall deliver to Buyer an exact copy thereof.

10. All real estate taxes shall be apportioned as of the date of transfer of title according to the calendar year, using the last available Rock Island County Collector's information according to the standard practices of the Rock Island County Bar Association. If the tax bill covers a larger tax lot of which the Premises is a portion, the Escrow Agent shall prorate the tax amount for the Premises based on the ratio that



the number of acres comprising the Premises bears to all of the acres in such tax lot. Any assessments, reassessed assessments and/or respread taxes upon the Premises shall be paid out of Seller's funds at Closing.

12. If there has been any construction on the Premises within the period provided by law for the filing of mechanic's liens, Seller shall furnish evidence satisfactory to Buyer and the Title Company of the payment in full for all labor and materials, and if there has been no such construction done by or at the request of Seller, its agents or employees, Seller shall provide an appropriate affidavit to the Title Company confirming the same so that, in any event, the Title Policy shall contain no exception for mechanic's liens unless due to work done by Buyer, its agents or employees.

13. Seller hereby represents, and warrants to and agrees with Buyer as follows:

- (a) that Seller is the owner of the Premises in fee simple and the same are free and clear of all liens, claims, easements, restrictions, conditions and encumbrances, except leases as defined in Exhibit "C", taxes not yet due and payable and except for those items referred to in Paragraph 7 above to which Buyer does not object and non-delinquent mortgages not in excess of the Purchase Price.
- (b) that Seller has the full right and authority to enter into this Agreement and to convey the Premises to Buyer;
- (f) that to the knowledge of Seller, the Premises is not contaminated. Seller has provided to Buyer all environmental information in Seller's possession. Upon execution of this document Buyer acknowledges that Buyer has received the Environmental Report prepared by Curry Environmental Services, Inc in 1997 and that Environmental report is all of the knowledge that the Seller has with regards to environment of the Premise.
- (h) Seller is not delinquent or in default on any mortgage, deed of trust or other consensual lien.
- (i) Buyer is solely responsible for vacating the Premises. Seller allows Buyer to enter into lease termination agreements with tenant(s) contingent on Buyer's purchase of the Premises. Seller shall not cause to extend or modify or enter into any new leases any terms of the leases with existing or new Tenant(s).

14. The following conditions precedent must have been satisfied and evidence thereof satisfactory to Buyer, deposited in escrow or submitted to Buyer by the Closing date.

- (i) Buyer shall have received from counsel acceptable to it an Opinion that Seller has the right and authority to enter into this Agreement and to carry out the provisions hereof.
- (j) All warranties and representations in paragraph 13 have been complied with by Seller.

15. 16. Seller and Buyer warrant and represent to each other that no real estate broker initiated or otherwise brought about the sale of the Premises except Buyer may enter into a commission agreement with QC Iowa Realty. Buyer shall be responsible for and hereby agrees to pay real estate commissions payable in connection with this transaction per such separate agreement with QC Iowa Realty. Such commission shall be payable at the Closing by the Escrow Agent out of funds otherwise due Seller. QC Iowa Realty shall represent the Buyer and not the Seller. The manager and member of the Buyer is a licensed real estate broker in the state of Illinois.

17. Any notification provided for herein to Seller or Buyer shall be deemed to have been given when given personally, sent by overnight courier which obtains a receipt from addressee, or mailed postpaid



by registered or certified mail as follows:

To Seller: R Own Properties, LLC
PO Box 1042
Moline, IL 61266
Email: acquisitionanddevelopment@hotmail.com

To Buyer: Real Estate Advisors, LLC
4550 E 53rd St, Ste 120
Davenport, Iowa 52807
Email: tedr@qciowarealty.com

18. The Escrow Agent shall charge Buyer with recording fees and the escrow fee; Seller shall be charged with all transfer taxes and any amounts due Buyer on account of prorations.

19. If Seller has performed all of its obligations to be performed hereunder and if Buyer has elected not to exercise the Option or to close this transaction then neither party shall have any further liability to the other hereunder.

20. Seller further represents and warrants that Seller is not a "foreign person" within the meaning of federal or state law.

21. Seller hereby certifies that Seller is not a "nonresident alien, foreign corporation, foreign partnership, "foreign trust" or "foreign estate" within the meaning of the Internal Revenue Code of 1954, as amended, and the regulations thereunder, and Seller agrees, at the Closing, to deliver into escrow any affidavit or certificate required pursuant to the Internal Revenue Code or any regulations thereunder.

22. The terms "Buyer" and "Seller" shall include all parties designated and their respective heirs, executors, administrators, successors, nominees, and assigns, and wherever the singular is used, it shall include the plural, and wherever the masculine gender is used, it shall include the neuter and feminine as the context requires. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the parties hereto, their respective assigns, heirs, personal representatives, or nominees. Buyer shall have the right to assign its rights and obligations hereunder to a nominee without Seller's approval and, if the nominee assumes Buyer's obligations hereunder, then Buyer shall immediately be released from further liability hereunder.

23. All covenants, promises, understanding and agreements herein contained shall be made as of the date hereof; shall be deemed to be made again on the Closing and shall survive the Closing and delivery and recording of the deed notwithstanding any inspections or investigations made by Buyer. This Agreement contains the entire agreement between Seller and Buyer and the parties hereto are not bound by any agreements, understandings and conditions, oral or written, except those stipulated herein.

24. Any person signing below as trustee or as agent for or officer of a principal or corporation warrants his or her authority to do so. Any person signing below warrants that, unless a representative capacity is set forth in connection with his or her signature, he or she is acting for himself or herself alone. Seller warrants that Seller has the right and power to enter into this Option and to carry out the terms hereof and upon the execution hereof shall provide evidence thereof satisfactory to Buyer which may include, at Buyer's election, appropriate opinions from Seller's counsel. All persons signing as Seller agree to execute Seller's deed required hereunder.

25. Upon execution hereof, the parties shall execute a separate "Option Contract" containing reference to this Agreement which Buyer may cause to be recorded in the Office of the Rock Island County Recorder for the purpose of providing notice of this Option Agreement and its terms, covenants and



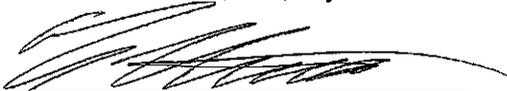
conditions.

26. The terms of this Agreement shall be kept strictly confidential by the Seller prior to Closing and Seller shall not disclose the terms and conditions of this Agreement to another person or entity without the Buyer's prior, written approval; however, Buyer may disclose the terms of this Agreement to Seller's attorney and accountant to obtain advice and service in conjunction with this transaction.

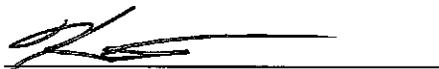
27. Seller shall be entitled to assign this Agreement to a qualified intermediary to effectuate a like kind exchange under section 1031 of the Internal Revenue Code and Buyer agrees to cooperate with Seller to effectuate such like kind exchange.

28. Seller agrees to complete a Internal Revenue Code form W-9 contemporaneously with the execution of this Agreement.

Real Estate Advisors, LLC, Buyer



By Frederick "Ted" Rebitzer, its Manager



_____, Seller

EXHIBIT "A"

Lot 1 in the Final Plat of Watch Tower Second Addition located in part of the Northwest Quarter of Section 11 and part of the Southwest Quarter of Section 11, all in Township 17 North Range 2 West of the 4th Principal Meridian, located in the City of Rock Island, County of Rock Island, State of Illinois; and

Lot 2 in the Final Plat of Watch Tower Second Addition located in part of the Northwest Quarter of Section 11 and part of the Southwest Quarter of Section 11, all in Township 17 North Range 2 West of the 4th Principal Meridian, located in the City of Rock Island, County of Rock Island, State of Illinois.

TAX PARCEL NUMBER: SR-5017 and SR-5018
TAXPAYER ID NO. 10-347-09-00 and 10-347-10-00



Exhibit "B"

Note: aerial photo prior to bowling alley (Miroballi Properties LLC) building being razed.

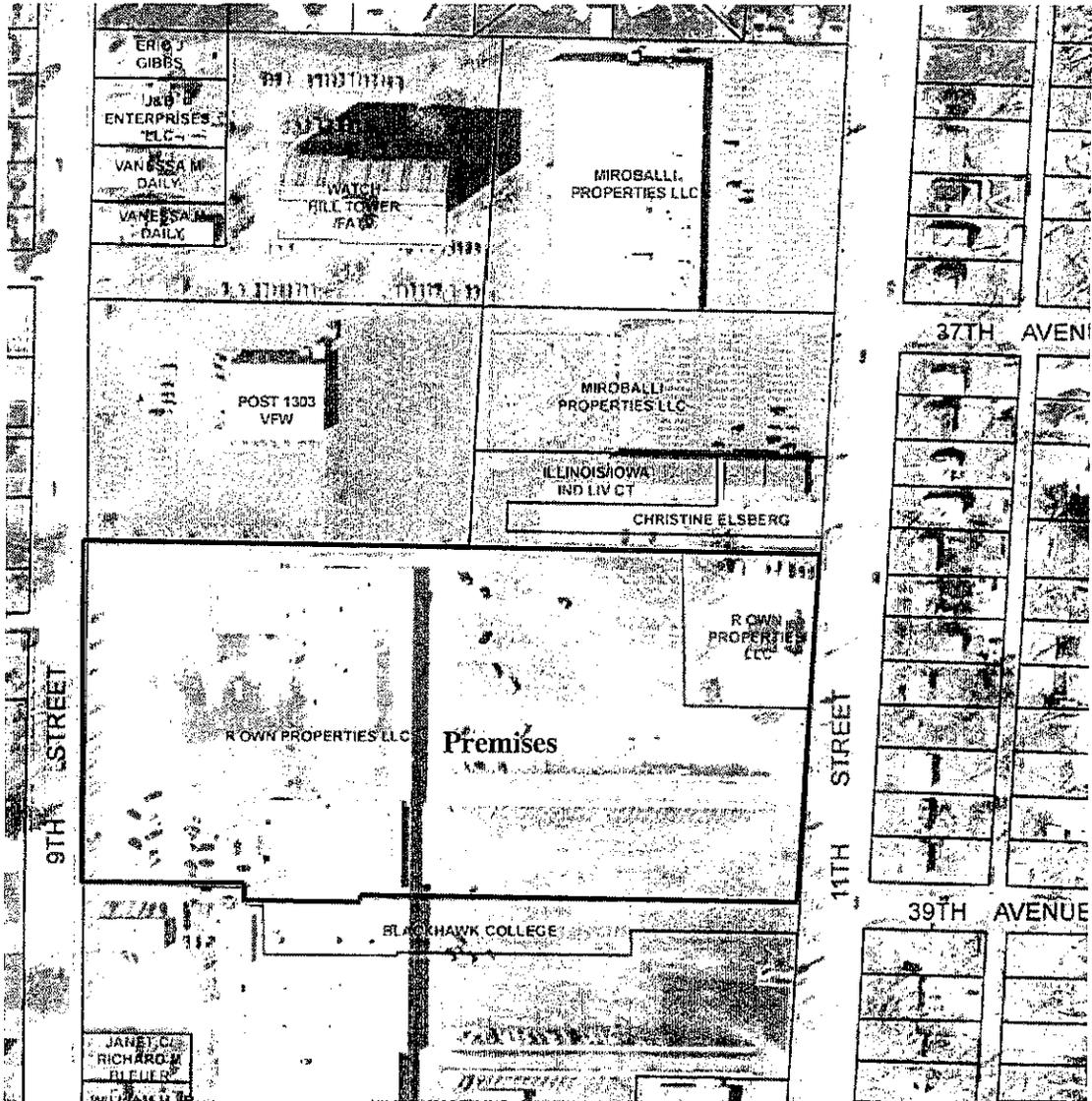
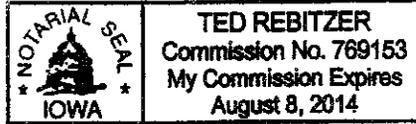


EXHIBIT "C"

UNIT	TENANT	GUARANTOR
9TH ST SIDE PARKING AREA	HILL & VALLEY	HILL & VALLEY
3759 9TH ST.(FORMER 910-924 37TH AVE)	THE APOSTOLIC SANCTUARY OF THE QUAD CITIES	SAME AS TENANT
928 37TH AVE & 3788 11TH ST	EXPRESS CONTRACTING	SAME AS TENANT
3786 11TH ST	PLATINUM STYLEZ BEAUTY SUPPLY	JOSHUA KULP & DORATHY KULP
3790-A	JOSHUA REYES- FRANCHISEE OF BOOST MOBILE	JOSHUA REYES
3806 11TH ST	JADED GYPSIE TATTOO & DAN BONOWSKI	DAN BONOWSKI
3808 11TH ST	GB STORES	GYBASSUK STORES LLC & AUNG GYI & ANNE BASSUK
3816 11TH ST	COMFORT FURNITURE INC	RANDY WEBSTER
3830 11TH ST	DOLLAR GENERAL	(OLD)DOLGENCORP INC (NEW) DG RETAIL LLC
3710 11TH ST	ILLINOIS TITILE	ILLINOIS TITILE LOANS INC

Iowa
STATE OF ILLINOIS)
SCOTT)
COUNTY OF ROCK ISLAND)

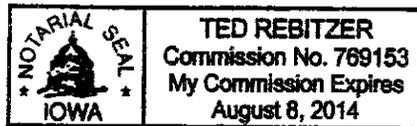


Before me, a Notary Public in and for said County and State, personally appeared Kevin Wilkner who acknowledged to me that Kevin Wilkner did sign the foregoing Agreement as R Dwa Properties LLC free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Scott, County, Illinois this 28th day of September, 2012.

Notary Public

STATE OF IOWA)
)
COUNTY OF SCOTT)



Before me, a Notary Public in and for said County and State, personally appeared Frederick "Ted" Rebitzer, who acknowledged to me that he did sign the foregoing Agreement and that the same is his free act and deed for himself and as the manager of Real Estate Advisors, LLC, an Iowa limited liability company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Scott County, Iowa this 28th day of September, 2012.


Notary Public



REAL ESTATE ADVISORS LLC 07-12
PO BOX 1171
BETTENDORF, IA 52722-0020

1011
70-2312/711
3

9/28/12

Date

Pay to the Order of R Own Properties \$ 75,000.⁰⁰
Seventy Five Thousand and 00/100 Dollars

Security Features Details on Back



[Signature] NP

For Option Fee

⑆07⑆⑆123⑆⑆23⑆⑆ ⑈285854⑈ 0101⑆

REAL ESTATE ADVISORS LLC 07-12
PO BOX 1171
BETTENDORF, IA 52722-0020

1011
70-2312/711
3

9/28/12
Date

Pay to the Order of R Own Properties \$ 75,000.⁰⁰
Seventy Five Thousand and 00/100 Dollars



For Option Fee

[Signature]
MP

⑆071123123⑆ ⑆285854⑆ 01011