Davidson County DEEDWARR
Recvd: 09/15/08 15:18 6 pgs
Fees:33.00 Taxes:133385.00
20080915-0094367

This Instrument Prepared By and When Recorded Return to:
Thompson Hine LLP
41 South High Street, Suite 1700
Columbus, Ohio 43215-6101
Attn: Darrel R. Davison, Esq.

Address New Owner: 1606 Santa Rosa Road, Suite 109
Richmond, Virginia 23229

Send Tax Bills To: G&E Apartment REIT Canyon Ridge, LLC
c/o Grubb & Ellis Realty Investors, LLC
1606 Santa Rosa Road, Suite 109
Richmond, Virginia 23229

Tax ID Nos.: 086-00-0-343.00 (Tract 1) and 097-00-0-008.00 (Tract 2)

SPECIAL WARRANTY DEED

FOR AND IN CONSIDERATION of the sum of Ten and No/100 Dollars ($10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, APARTMENTS AT CANYON RIDGE, LLC, a Delaware limited liability company (herein referred to as "Grantor") has/have this day bargained and sold and, by these presents, does/do hereby transfer and convey unto G&E APARTMENT REIT CANYON RIDGE, LLC, a Delaware limited liability company (herein referred to as "Grantee"), and its assigns, forever, the following described tract or parcel of land located in Davidson County, Tennessee, to wit:

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF

TO HAVE AND TO HOLD said tract or parcel of land together with all the improvements thereon and the appurtenances thereunto belonging unto the said Grantee, and its assigns, in fee simple, forever.

GRANTOR COVENANTS with the said Grantee that it is lawfully seized and possessed of said property, that it has a good and lawful right to sell and convey the same, and that it is free from any lien or encumbrance whatsoever, except for applicable zoning and building regulations, all visible easements, restrictions, limitations, conditions, covenants and other encumbrances of record, and 2008 real estate taxes, which are to be prorated.

GRANTOR FURTHER COVENANTS with the said Grantee and binds itself, its successors and assigns, to warrant and forever defend the title thereto of said tract or parcel of land to the said Grantee, and its assigns, against the lawful claims and demands of all persons whomsoever.

ALL warranties of Grantor herein contained are expressly limited to those persons or parties claiming by, through or under Grantor.

WITNESS this the 15th day of September, 2008.

GRANTOR:

APARTMENTS AT CANYON RIDGE, LLC, a Delaware limited liability company

By: PRINCIPAL REAL ESTATE INVESTORS, LLC, a Delaware limited liability company, its authorized signatory

By: _____
Johnna E. Donahue
Senior Acquisition Consultant

By: _____
Donna H. Lutcavish
Assistant Managing Director
Equity Closing

STATE OF IOWA)
COUNTY OF POLK)

Personally appeared before me, Patricia L. Johnson, a Notary Public for the state and county aforesaid, Johnna E. Donahue and Donna H. Lutcavish with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that they are the Senior Acquisition Consultant and Assistant Managing Director, Equity Closing, respectively, of Principal Real Estate Investors, LLC, a Delaware limited liability company, the authorized signatory of Apartments at Canyon Ridge, LLC, a Delaware limited liability company, the maker, and are authorized by the maker to execute this instrument on behalf of the maker.

WITNESS my hand and seal at office this 8th day of September, 2008.

_____
NOTARY PUBLIC
My Commission Expires:
November 8, 2008

PATRICIA L. JOHNSON
Commission Number 737563
My Commission Expires
November 8, 2008

STATE OF IOWA)
COUNTY OF POLK)

The actual consideration or value, whichever is greater, for this transfer is $36,050,000.00.

AFFIANT:

APARTMENTS AT CANYON RIDGE, LLC, a
Delaware limited liability company

By: PRINCIPAL REAL ESTATE
INVESTORS, LLC, a Delaware limited
liability company, its authorized signatory

By: _____
Johnna E. Donahue
Senior Acquisition Consultant

By: _____
Donna H. Lutcavish
Assistant Managing Director
Equity Closing

Subscribed and sworn to before me, this 8th day of September, 2008.

_____
NOTARY PUBLIC
My Commission Expires:
November 8, 2008

PATRICIA L. JOHNSON
Commission Number 737563
My Commission Expires
November 8, 2008

EXHIBIT A

Tract I: **File No. 0825564**

Being a parcel of land in the Second Civil District of Nashville, Davidson County, Tennessee, located in the southwest quadrant of the intersection of Central Pike and State Route 45 Fly-Over being more particularly described as follows:

Beginning at a concrete highway monument at the intersection of the westerly margin of State Route 45 and the southerly margin of Central Pike;

Thence, with the westerly margin of State Route 45, the following calls:

S 05 deg. 58' 29" W, 633.37 feet to a point,

S 05 deg. 27' 21" E, 468.99 feet to a concrete monument,

S 06 deg. 22' 46" E, 22.38 feet to a concrete monument,

S 24 deg. 08' 35" W, 395.95 feet to a concrete monument,

S 46 deg. 33' 27" W, 318.70 feet to a concrete monument,

S 54 deg. 12' 24" W, 970.23 feet to a concrete monument,

Thence, leaving Interstate 40 with the easterly line of Oakwell Farms Apartments of record in Plat Book 6250, page 981, R.O.D.C., N 04 deg. 08' 26" E, 519.19 feet to an iron pin;

Thence, with the south line of Canyon Ridge, LLC, of record in Instrument No. 200308150118070, R.O.D.C., S 82 deg. 52' 12" E, 322.95 feet to a point;

Thence, with the east line of Canyon Ridge, LLC, N 31 deg. 48' 51" W, 266.49 feet to a point in the line of ERP Operating Limited Partnership of record in Instrument No. 200001100003209 R.O.D.C.;

Thence, with the easterly line of ERP Operating Limited Partnership, the following calls:

N 63 deg. 59' 14" E, 518.92 feet to a point,

N 27 deg. 33' 07" E, 179.45 feet to an iron pin,

N 00 deg. 48' 36" W, 319.36 feet to a point,

N 89 deg. 11' 24" E, 329.68 feet to a point,

With a curve concave to the west having a central angle of 04 deg. 41' 15", a radius of 970.00 feet and a chord of N 03 deg. 09' 14" W, 79.34 feet for an arc length of 79.36 feet to a point,

N 05 deg. 29' 51" W, 204.18 feet to a point,

With a curve concave to the west having a central angle of 54 deg. 06' 02", a radius of 275.00 feet and a chord of N 32 deg. 32' 52" W, 250.13 feet for an arc length of 259.66 feet to a point,

(Continued on next page)

N 59 deg. 35' 53" W, 102.80 feet to a point,

With a curve concave to the north having a central angle of 17 deg. 12' 34", a radius of 335.00 feet and a chord of N 50 deg. 59' 35" W, 100.24 feet to an arc length of 100.62 feet to a point,

S 47 deg. 36' 41" W, 71.82 feet to a point,

N 54 deg. 58' 07" W, 702.90 feet to a point in the southerly margin of Central Pike,

Thence, with said margin, S 84 deg. 09' 21" E, 74.65 feet to a point,

Thence, with a curve concave to the north having a central angle of 04 deg. 29' 35", a radius of 5,764.58 feet and a chord of S 86 deg. 29' 16" E, 451.93 feet for an arc length of 452.05 feet to a point,

Thence, S 87 deg. 36' 26" E, 100.00 feet to a point,

Thence, S 02 deg. 23' 34" W, 7.00 feet to a point,

Thence, S 87 deg. 36' 26" E, 330.00 feet to a point,

Thence, S 64 deg. 16' 37" E, 117.89 feet to the Point of Beginning.

Containing 922,779 square feet or 21.18 acres, more or less.

Tract II:

Being a parcel of land in the Second Civil District of Nashville, Davidson County, Tennessee, located east of Dodson Chapel Road between Central Pike and Interstate 40 and being more particularly described as follows:

Beginning at an iron pin at the common corner of ERP Operating Limited Partnership of record in Instrument No. 200001100003209, R.O.D.C., and Canyon Ridge, LLC, of record in Instrument No. 20030815118069, R.O.D.C., said pin being S 83 deg. 23 min. 40 sec. E, 356.71 feet and S 84 deg. 53 min. 55 sec. E, 1021.32 feet from an iron pin in the east margin of Dodson Chapel Road,

Thence, with Canyon Ridge, LLC, S 31 deg. 48 min. 51 sec. E, 266.49 feet to a point,

Thence, N 82 deg. 52 min. 12 sec. W, 322.95 feet to an iron pin in the east line of Oakwell Farms of record in Book 11448, page 860, R.O.D.C.,

Thence, with said Oakwell Farms, N 02 deg. 37 min. 38 sec. E, 201.82 feet to a point in the south line of ERP Operating Limited Partnership,

Thence, with the line of ERP Operating Limited Partnership S 84 deg. 53 min. 55 sec. E, 171.40 feet to the Point of Beginning.

Containing 50,747 square feet or 1.16 acres, more or less.

(Continued on next page)

File No. 0825564

Being the same property conveyed to Apartments at Canyon Ridge, LLC, a Delaware Limited Liability Company in Instrument 20050526-0059709 recorded 5/26/2005, Register's Office for Davidson County, Tennessee. (Tract 1 and 2)

Being the same property conveyed to Canyon Ridge, LLC in Instrument 20030815-0118069 (Tract 1) and 20030815-0118070 (Tract 2) recorded 8/15/2003, Register's Office for Davidson County, Tennessee.

Being the same property conveyed to Merry Land Holdings, LLC in Instrument 20030529-0072383 recorded 5/29/2003, Register's Office for Davidson County, Tennessee (Tract 1).

Being the same property conveyed to Jerry Nelson and Eloise K. Nelson, Trustee's of the Jerry D. Nelson and Eloise K. Nelson Family Trust by Deed of record in Book 9440, Page 925 , Register's Office for Davidson County, Tennessee.(Tract 2)

Being the same property conveyed to Merry Land Properties, Inc. by Deed of record in Book 11345, Page 982 and Book 11345, page 987 , Register's Office for Davidson County, Tennessee.(Tract 1)