



**Subscription Agreement NRES Investment
presented by
National Real Estate Solution**

The undersigned hereby represents and acknowledges the following:

1. I am over the age of 21 years.
2. I have read the attached “NRES – Investor Guidelines” document and understand the materials contained therein.
3. I have had an opportunity to review the materials contained in these documents with my financial, tax and legal advisers.
4. I have had an opportunity to discuss the investment with the principals of National Real Estate Solution (“NRES”) and to ask any pertinent questions.
5. I have not been guaranteed any particular rate of return on my investment, nor have any of the organizers made promises regarding any rates of return whatsoever except as expressly set forth in the “NRES – Investor Guidelines” of which this Subscription Agreement forms a part.
6. I understand funds I deliver to NRES will be placed in a Bank of America account of NRES. I further understand that once my funds are transferred to NRES who will use them to invest in real estate, all decisions regarding completion of acquisition, management, improvement and resale shall be made solely by NRES. By execution of this Subscription Agreement, I hereby grant to NRES a limited power of attorney to execute any and all necessary escrow instructions on my behalf related to any of the actions described in the preceding sentence.
7. The investors return in the NRES’ programs as defined below. In each program, all sums over and above the investor’s principal amount will be paid from and are contingent upon the generation of profits. The amounts that will be paid to the investor is as follows:
 - I.* Once the funds are placed in the National Real Estate Solution Account and utilized for a specific investment, pursuant to the Subscription Agreement, the funds either start earning 10% simple interest per year for “buy and holds” or will be used for a flip at 8%. The rate of return will not begin until the principle funds are used for a specific investment.
 - II.* The lender must elect at the initial loan date to either withdraw the interest payments on a monthly basis or allow them to accumulate in which the investor will enjoy the benefits of accumulated annual interest, (Interest is based on simple annual interest), as well as

being eligible for a splitting of profits when the investment property is sold. Profit split for property at sale is 50% to investors, 50% to NRES. This election must be made at the time of the initial loan and cannot be revoked after the loan is made.

- III. If the investor decides to withdraw the principal amount of the investment or any portion thereof, they will give notice to NRES by letter or email, and verified by returned letter or email, and the withdrawal process will begin immediately. As soon as the funds are freed up in the current investment, it will be returned to the investor along with any unpaid interest due. Most investments usually take 4 plus months in the case of a flip. However, in case the flip is converted to a buy and hold, the investor will have the opportunity at that point in time to start receiving their interest return on a monthly basis, or to allow the investment to accumulate on an annual basis and to split the profits 50%/50% with NRES when the property is sold based on a decision of the majority of investors in that property. As a final protection of all lenders principal after five (5) years from the date of this loan, the Maker can, at their own discretion elect to give the investors two alternatives:
- IV. A. To stay with the property leased out with a percentage return available to all investors based on their prorated share. In this case, NRES will take over all property management for 6% of gross revenue: or
- B. As an alternative, provided there are no other note-holders collaterally secured by the same deed of trust against said property, Payee may elect to receive a quit claim deed to the real property in lieu of principal and interest. If Payee is one of a number of note-holders collaterally secured by the same deed of trust, then all such lenders may elect, by majority in interest vote, to receive a quit claim deed to said property in lieu of interest and principal. In the event the majority so elects, the election shall be binding on all note-holders secured by the same deed of trust against said property.
- C. At any time after 5 years, when the majority of investors want to sell the property, based on a majority of interest invested, the property will be sold and the profits split as defined above.

8. I also understand that all income and expenses, receipts and disbursements related to acquisition, operation and resale of such properties will be maintained by NRES.

9. I have reviewed the "Risks" section of the "NRES – Investor Guidelines" document and understand that even though NRES is legally obligated to repay the amount of my loan there is a risk I could lose it if NRES becomes insolvent.

10. If I lose my entire loan it will not cause a material change in my standard of living.

11. I have sufficient financial knowledge to assess the risks and rewards of the proposed investment or have received advice from professionals who have evaluated the proposed investment.

12. I have a pre-existing business or personal relationship with the NRES principals as follows: _____

13. I understand the offering described in the "NRES – Investor Guidelines" document has not been, nor will it be registered or qualified under any Federal or State Securities law. The Organizers have stated the transaction is private and exempt from registration under **SEC Act Section 3(a)(3)** and California Corporations Code Section **25102 et. seq.** I further understand the issuance of the securities or the payment or receipt of any part of the consideration therefore prior to the qualification is unlawful, unless the sale of securities is

exempt from the qualification by **Section 25100, 25102, or 25105** of the California Corporations Code. The rights of all parties to this agreement are expressly conditioned upon the qualification being obtained, unless the sale is so exempt.

14. I am purchasing the interest for my own account and not with the intent to resell it.

15. I understand that in the event I wish to sell my interest in the investment prior to its liquidation it may be difficult to find a buyer.

16. Considering the foregoing I desire to make an investment in the amount set forth below:

This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same agreement. Facsimile copies of signed signature pages will be deemed binding originals. This Agreement supersedes any prior agreement.

I hereby declare the foregoing is true and correct and offer to lend the sum of

\$ _____ to National Real Estate Solution, Inc.

(Signature) (date) (Print)

(Address for Documents)

Accepted and approved:

**National Real Estate Solution, Inc, (date)
By Steven H. Puthuff, President & CEO**

**National Real Estate Solution, Inc, (date)
By Dan Lyons, Vice President, Marketing and Sales**

The information contained herein may be legally privileged and confidential. It is intended solely for the entity (or individual) to whom addressed, its agent, or designee. Unauthorized distribution is unlawful and prohibited.