

## CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT (this "Agreement") is made and entered into on \_\_\_\_\_, 2008 by and between SOFOS REALTY CORPORATION, a Hawaii corporation ("Sofos Realty") whose address is 600 Kapiolani Blvd., Suite 200, Honolulu, Hawaii 96813, acting on behalf of Simply Storage of Hawaii, LLC ("Owner"), and prospective Purchaser ("Purchaser"), whose name and address appear at the end of this Agreement.

### RECITALS:

A. Owner owns certain real and personal property interests located at 500 Ala Kawa Street, Unit #120 Honolulu, Hawaii 96817, a fee simple parcel otherwise identified as (the "Property"). SOFOS REALTY has been retained by Owner to serve as Owner's exclusive broker for the sale of the Property.

B. Purchaser may express an interest in purchasing the Property from Owner, and would like to request that it be provided with information regarding the Property. Owner is unwilling to provide Purchaser with any information absent Purchaser's agreement to keep such information strictly confidential.

NOW, THEREFORE, in consideration of the covenants and mutual premises herein contained, the parties here to do hereby agree as follows:

1. **Confidential Business Information.** Purchaser acknowledges and agrees that any and all information regarding the Property, in whatever form, disclosed by Owner, either directly or through SOFOS REALTY or any other consultant of Owner, shall constitute "Confidential Business Information". Confidential Business Information shall include, without limitation, the offering prepared by SOFOS REALTY on Owner's behalf (the "Offering Memorandum"). However, Confidential Business Information does not include any information that: (i) was known to Purchaser prior to receipt of such information; (ii) is or becomes generally known to the public through means other than the disclosure of such information by Purchaser or Purchaser's officers, directors, employees, agents, or other representatives; or (iii) becomes available to Purchaser on a non-confidential basis from a person other than Owner, who to Purchaser's knowledge is not otherwise bound by a confidentiality agreement with Owner or SOFOS REALTY, or who is not otherwise prohibited from transmitting the information to Purchaser. As used in this Agreement, the term "person" shall be broadly interpreted to include, without limitation, any corporation, company, partnership, firm or individual.

2. **Ownership.** Purchaser acknowledges and agrees that the Confidential Business Information constitutes valuable, special and unique assets of Owner, and that such Confidential Business Information is and shall continue to be, at all times, the exclusive property of Owner.

3. **Confidentiality Obligations.** Purchaser acknowledges and agrees that any disclosure of the Confidential Business Information will cause irreparable harm to Owner. Purchaser shall keep the Confidential Business Information strictly confidential. Until and unless the prior written consent of Owner is obtained, which consent may be withheld for no or any reason whatsoever, Purchaser shall not: (i) disclose or reveal, directly or indirectly, the Confidential Business Information to any third party, under any circumstances, by any means or for any purpose; (ii) copy, reproduce, retain, transmit, summarize, quote or recreate from memory any Confidential Business Information, including any information derived from such Confidential Business Information, for any purpose other than in connection with Purchaser's internal due diligence review of the Property and its operations to determine whether to make an offer to purchase the Property. Purchaser shall also make no public announcement or other disclosure of its interest in purchasing the Property. Purchaser shall cause its officers, directors, employees, attorneys, consultants, servants, agents and other representatives to fully comply at all times with the confidentiality obligations herein contained. Purchaser shall exercise the highest degree of care in safeguarding the Confidential Business Information against loss, theft or other inadvertent disclosure, and shall take all steps necessary or desirable to ensure the maintenance of confidentiality.

4. **Digital Materials; Internet Access.** Any passwords given to Purchaser to access the non-public area of SOFOS REALTY's or Owner's web site(s) shall not be shared with any person or persons not specifically approved, in writing in advance, by SOFOS REALTY or Owner; provided, however, in no instance shall these passwords be provided to any real estate agent or broker, whether or not said agent or broker is representing Purchaser in the potential acquisition of the Property.

5. **Permitted Disclosures.** In each instance where Owner consents to Purchaser's disclosure of any Confidential Business Information, before making such disclosure, Purchaser shall obtain the written agreement of the party to whom such information is to be disclosed that such party shall keep such information so disclosed strictly confidential and not disclose the same to any third party without Owner's prior written consent, and that such party shall be bound by the terms of this Agreement.

6. **Delivery if the Offering Memorandum and Right to Terminate.** Upon Purchaser's execution of this Agreement and the delivery of the same to SOFOS REALTY, SOFOS REALTY shall provide Purchaser with a copy of the Offering Memorandum. Owner and SOFOS REALTY expressly reserve the right in their sole and absolute discretion to reject any or all proposals or expressions of interest in the Property and to terminate discussions or negotiations with any party at any time with or without notice.

7. **No Representation or Warranty.** Purchaser acknowledges that any Confidential Business Information disclosed to Purchaser does not purport to be all-inclusive, or to contain all of the information which a prospective purchaser may desire regarding the Property. Purchaser shall further acknowledge and agree that any

Confidential Business Information disclosed to Purchaser does not constitute any representation or warranty regarding the Property of any kind whatsoever, whether oral or written, express or implied, from Owner or SOFOS REALTY, or any of their respective officers, directors, employees, attorneys or agents, as to any matter concerning the Confidential Business Information set forth, contained in or addressed therein, nor any indication that there has been no change in the business, affairs or condition of the Property since the date of the preparation and disclosure of the Confidential Business Information. Neither Owner, SOFOS REALTY nor any of their respective officers, directors, employees, attorneys or agents make any representation or warranty, expressed or implied, as to the accuracy or completeness of the Confidential Business Information or any of its contents and no legal liability is assumed or implied with respect thereto. Owner shall in no event be liable to Purchaser or any other third party for any indirect, special, consequential, or incidental damages arising from the use of and/or reliance on the Confidential Business Information by Purchaser, whether based on contract, tort or any other legal theory, even if Owner has been advised in advance of the possibility of such damages. Purchaser acknowledges and agrees that, in the event that Purchaser enters into an agreement with Owner to purchase the Property, Purchaser shall assume the sole responsibility, to perform Purchaser's own thorough investigation of the Property.

8. **No Obligation to Purchaser.** Purchaser agrees that in no event shall the provision of any Confidential Business Information to Purchaser create in Owner or SOFOS REALTY any obligation to provide to Purchaser any information which Owner and SOFOS REALTY in their sole and absolute discretion elect not to disclose. Purchaser also acknowledges and agrees that neither this Agreement nor the provision of any Confidential Business Information to Purchaser in any way obligates owner to sell or to enter into negotiations with respect to the sale of the Property to Purchaser or to any other person. Neither Owner nor Purchaser will be bound to consummate any sale unless and until a definitive purchase agreement, in a form mutually acceptable to both parties, is executed and delivered by both parties.

9. **Agency.** In the event that Purchaser retains the services of a broker representative to assist in the negotiations relating to the purchase of the Property, Seller agrees (i) to pay for one (1%) percent of the sales price as a commission in this transaction at the close of escrow to such broker representative and (ii) Purchaser and his or her broker agrees to indemnify and hold harmless Owner, SOFOS REALTY and each of their respective officers, directors, employees and agents from any and all claims, damages, losses, liabilities or expenses (including, without limitation, reasonable legal fees and expenses) arising out of any claim or claims by any broker, finder or similar person or entity for commissions, fees or other compensation which are due or claimed to be due as a result of the actions of Purchaser. If Purchaser's broker is not listed below at the execution of this Agreement, neither Owner nor Sofos Realty Corporation shall be obligated to pay any commission to Purchaser's broker.

Purchaser's Broker: Company: \_\_\_\_\_  
Agent: \_\_\_\_\_  
License #: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_  
State & Zip: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
E-mail: \_\_\_\_\_

10. **Return or Destruction of the Confidential Business Information.** In the event that Purchaser does not wish to pursue negotiations leading to acquisition of the Property, or if such negotiations are discontinued in the future, or in the event that Purchaser has concluded its review of any Confidential Business Information provided to Purchaser hereunder, Purchaser shall immediately return to SOFOS REALTY (or, at SOFOS REALTY's instruction, immediately destroy and certify such destruction Confidential Business Information to SOFOS REALTY in writing) the Confidential Business Information, whatever form, including any and all permitted copies, reproductions, summaries, analyses or extracts thereof in the possession or control of Purchaser or any of its officers, directors, employees, attorneys, consultants, servants, agents and other representatives.

11. **Remedies.** Purchaser agrees to indemnify Owner and SOFOS REALTY for any loss or damage suffered as a result of any breach by Purchaser of the terms of this Agreement, including any reasonable fees incurred by Owner or SOFOS REALTY in the collection of such indemnity. Without prejudice to any of the rights and remedies otherwise available to Owner and/or SOFOS REALTY, Owner and/or SOFOS REALTY shall be entitled to injunctive relief, should Purchaser or any of its officers, directors, employees, attorneys, consultants, servants, agents and other representatives breach or threaten to breach any of the provisions of this Agreement. Purchaser agrees to reimburse Owner for its costs and expenses (including, without limitation, reasonable legal fees and expenses) incurred to remedy any and all breaches of this Agreement. Nothing herein contained shall be construed to prohibit Owner and/or SOFOS REALTY from pursuing any other remedies available to Owner and/or SOFOS REALTY for such breach or threatened breach, including the recovery of damages from Purchaser.

12. **No Assignment.** This Agreement shall be binding upon and inure to the benefit of Owner and to its successors and assigns and of Purchaser and to its successors and assigns. Purchaser will not assign this Agreement or any rights nor delegate any duties. Any attempt to do so will be void.

13. **No Waiver.** The failure by Owner and/or SOFOS REALTY to exercise any of their respective rights or remedies hereunder shall not operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right or remedy by Owner and/or SOFOS REALTY hereunder.

14. **Entire Agreement; Modification.** This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof and there are no understandings or agreements other than those incorporated in this Agreement. This Agreement shall not be amended, modified, or supplemented at anytime, unless by a writing executed by the parties hereto.

15. **No Party Deemed Drafter.** The parties agree that no party shall be deemed to be the drafter of this Agreement and further that, in the event that this Agreement is ever construed by a court of law, such court shall not construe this Agreement or any provision of this Agreement against any party as the drafter of this Agreement.

16. **Severability of Provisions.** Any provisions of this Agreement which is prohibited or unenforceable in any jurisdiction, be ineffective to the extent of such prohibition or unenforceability, without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

17. **Jurisdiction.** Any judicial proceeding brought against any of the parties to this Agreement on any dispute arising out of this Agreement or any matter related hereto shall be brought in the courts of the State of Hawaii or in the United States District Court for the District of Hawaii, and, by execution and delivery of this Agreement, each of the parties to this Agreement accepts for itself the exclusive jurisdiction of the aforesaid courts. Each part hereto irrevocable waives to the fullest extent permitted by law any objection that it may now or hereafter have to the laying of the venue of any judicial proceeding brought in such courts and any claim that any such judicial proceeding has been brought in an inconvenient forum.

18. **Notices.** Any notice given by either party pursuant to this Agreement shall be valid if in writing and personally delivered, sent by facsimile transmission, or if sent by registered or certified mail, return receipt requested, postage prepaid, to the last known address of the other party. Such notice shall be effective upon such personal delivery, completion of facsimile transmission, or three (3) days after such mailing. Either party may, at any time and from time to time, in the manner set forth for the giving of notices, give notice to the other party hereunder of any change of address,

and such address shall be sufficient as the last known address of the party hereunder. The following addresses and facsimile numbers shall be used until notice to the contrary:

If to SOFOS REALTY: Sofos Realty Corporation  
600 Kpaiolani Blvd., Suite 200  
Honolulu, Hawaii 96813  
Attention: Mr. S. Steven Sofos  
Fax No.: (808) 522-5969  
E-mail: [ssofos@sofosrealty.com](mailto:ssofos@sofosrealty.com)

If to Purchaser: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Phone No.: \_\_\_\_\_  
Fax No.: \_\_\_\_\_  
E-mail: \_\_\_\_\_

19. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Hawaii without giving effect to principles of conflicts of law that may otherwise require the application of the law of another jurisdiction.

20. **Counterparts; Facsimile.** This Agreement may be executed in several counterparts, or by facsimile (teletype) copies, each of which shall be deemed an original, but all of which shall constitute one and the same instrument, binding all parties hereto, notwithstanding that all of the parties are not signatory to the original or the same counterparts. All of such counterpart signature pages shall be read as though one, and they shall have the same force and effect as though all of the signers had signed a single signature page. If any party signs by means of facsimile (teletype) copy, such facsimile (teletype) copy shall be deemed to be an original and effective as of the time and date of such signing, and the signer agrees to promptly forward to the other party or parties the signed original hereof.

21. **Survival.** The confidentiality provisions of this Agreement shall be applicable for the earlier of (i) the transfer of title of the Property to Purchaser, solely with respect to the Property acquired, of (ii) five (5) years from the date of this Agreement; provided, however, all representations, warranties, and indemnifications provided herein shall survive any expiration or termination of this Agreement.

22. **Authorization.** The person executing this Agreement on behalf of Purchaser represents and warrants that (a) he/she is authorized and empowered in the name and on behalf of Purchaser to execute and deliver this Agreement for and on behalf of Purchaser; (b) Purchaser has the requisite power and authority to enter into the Agreement and to perform its obligations hereunder; and (c) the execution and delivery

of this Agreement by Purchaser and the consummation by Purchaser of the obligations contemplated in this Agreement have been duly authorized by Purchaser (and its board of directors, shareholders, members, managers or partners, as applicable and if necessary) and no other proceedings on part of then Purchaser are necessary to authorize the execution and delivery of this Agreement and the performance of the obligations contemplated hereby.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

PROSPECTIVE PURCHASER: **(PLEASE TYPE OR PRINT ALL ENTRIES)**

Company: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-mail: \_\_\_\_\_

“Purchaser”