

Last updated: August 13, 2009

MERITAGE PROPERTIES LLC PRIVACY POLICY

Meritage Properties LLC is concerned about and respects the privacy of investors' personal financial information. We understand that our investors furnish sensitive information to us in the course of our daily business, and we are committed to treating such information responsibly. We know that our investors expect privacy and security for their personal and financial affairs. This policy applies to all personal financial information regardless of whether it is collected via the Internet or by other methods such as in connection with the submission of paper documents to us.

At Meritage Properties LLC, our philosophy is that personal financial information is just that, personal. Meritage will not provide your personal information to any nonaffiliated third party for marketing purposes, through electronic mail or otherwise.

Meritage will take appropriate steps to safeguard sensitive information that has been provided to us by our investors. The following privacy policy and disclosure outlines our practices regarding personally identifiable financial information for investors and consumers.

"Meritage Properties", "Meritage", "we", "our" or "us" means Meritage Properties LLC and its subsidiaries and affiliates.

TYPES OF INFORMATION MERITAGE COLLECTS

While conducting business on your behalf, we obtain nonpublic personal information about you from several sources, including the following:

- Information we receive from you on applications, forms, and other information that you voluntarily provide to us, whether in writing, in person, by telephone, electronically, via the Internet or any other means. This information may include your name, address, telephone number, social security number, employment information, income, date of birth, and account transaction information.
- Information about your transactions with us or our affiliates. This information may include your types of accounts, account balances, and account activity.
- Information we receive from a consumer reporting agencies. This information may include account information and information about your creditworthiness.

- Information we receive about you and your transactions with other nonaffiliated third parties, including public sources. This information may include real-estate records, street and e-mail addresses, and telephone numbers.
- The general types of information we collect via the Meritage website are described below.

HOW MERITAGE DISCLOSES INFORMATION

We do not disclose any nonpublic personal information about our investors to third parties, except to third parties we employ to perform functions on our behalf, such as sending communications, analyzing data, and providing marketing and/or customer services assistance. These third parties may have access to investor information, to the extent that it is required in order to perform their duties, but are prohibited from utilizing such information for their own marketing purposes. We may also disclose personal information at the request of governmental authorities conducting an investigation, to comply with valid legal processes such as a search warrant, subpoena, or court order, or to protect our rights and property or the property or personal safety of another user of the Website or any member of the public

SAFEGUARDING CUSTOMER INFORMATION

We restrict access to nonpublic personal information about current and former investors and consumers to those employees who need that information to provide products or services. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard nonpublic personal information.

ONLINE PRIVACY AND SECURITY

Meritage maintains a website at <www.meritageprop.com> (the "Site"). The Site is primarily informational. We do not use the Site to collect any personally identifiable information from our investors or other visitors, except to the extent visitors voluntarily provide their information to us.

HOW DO WE COLLECT INFORMATION ABOUT YOU ONLINE?

Investors who have unique log ins are tracked each time they log into the site. This will allow them to access updated information about the fund or funds in which they hold investments. The Site does not allow any investor to access specific information about his participation in any fund or any other specific information relating exclusively to the investor.

While we do not collect any personally identifiable information about a visitor to the site, we do use cookies and other technologies to track and collect aggregated information about visitors to the Site. For instance, we collect information about which web pages are viewed most frequently or the way that visitors navigate through the Site. This information allows us to improve the Site and make it more responsive to our investors and other visitors.

COOKIES

The primary way in which we collect information about visitors to the Site is through the use of cookies. A “cookie” is a text file that is sent to a browser from a website and stored on a computer’s hard drive. Cookies record information about a visitor to a website, the pages that were visited by the visitor, the date of the visit, and any preferences that may have been set while the visitor was browsing the website. This information may be used, now or in the future, to control your access to certain features, customize the content, or to analyze your activity and behavior on our website. Cookies cannot retrieve any other data from your hard drive or obtain your e-mail address or read cookies that were created by other websites. The browser only allows the website that created the cookie to access it.

If you are concerned about the use of cookies, your browser’s options may be set to notify you when a cookie is saved to your computer or to disallow cookies. Prohibiting the use of cookies may restrict your access to certain types of content or features.

The Site does not use any form of web bugs, spyware, or any other form of technology that would allow us to track any information about you when you are not on the Site.

SECURITY

Our website uses security features such as data encryption, Secure Sockets Layer (SSL) protocol, and user names and passwords. We recommend that you safeguard your user name and password and notifying us immediately when the compromise of any passwords is suspected or if you become aware of, or suspect, any loss, theft or unauthorized use in connection with any service.

HOW DO WE USE THE AGGREGATED INFORMATION WE COLLECT ON THE SITE?

Aggregated information is used for internal development and tracking purposes, and may be shared with third parties from time to time. For instance, we may share this information with a vendor we retain to help us improve the way the Site functions or to add new functionality. When we do share this data we will obtain assurances from these third parties that they will make no use of any of this information in any way that is inconsistent with the policies set forth herein.

WHAT IF MERITAGE IS ACQUIRED BY A THIRD PARTY?

Nothing in this Privacy Policy is intended to and shall not be interpreted in any manner that would prevent Meritage from being acquired by a third party or from Meritage selling some or all of its assets, including the Site and/or its interest in any of the funds it manages, to a third party. In the event of such a transaction, whatever personally identifiable information we have about you would be transferred to such third party or parties that acquire Meritage, its assets or interests in funds. However, any such third party would be obliged to comply with the provisions of this Privacy Policy until such time that they have had an opportunity to advise you of any changes they may make.

REVISING AND AMENDING THE PRIVACY POLICY

This Privacy Policy may be revised by us from time to time as permitted by law. To maintain your trust and confidence, we will notify you promptly, as required by law, in the event that business or legal requirements arise which would require any changes to our policy. We will also post to the Site any amendments to our Privacy Policy and encourage you to check the Site regularly.

Collection In And Transfer To The United States

This Privacy Policy is governed by the laws of the United States. If you are located outside United States, please be aware that any information you provide to us will be collected in or transferred to the United States. By using our Website, participating in any of our services and/or providing us with your information, you consent to this transfer.

QUESTIONS AND DISPUTES

In the event that you believe that Meritage has failed to comply with any of the terms and conditions set forth in this Privacy Policy please contact Andrew J. Nathan at (914) 723-3533 or anathan@meritageprop.com or by regular mail at

Meritage Properties LLC
2 Overhill Road, Suite 425
Scarsdale, NY 10583

We will investigate any issues brought to our attention and work with you to find a mutually acceptable solution in the event that we have deviated from the practices set forth herein. In the event that you are not satisfied with our efforts, please check our Terms Of Use for further information about your waiver of any right to bring claims in a federal or state court based on or arising out of this Policy. All such claims shall be referred to binding arbitration.