

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Mr Marc H Ostrofsky		02/13/2006	INDIVIDUAL: UNITED STATES
Mr Robert W Martin		02/13/2006	INDIVIDUAL: UNITED STATES
J-INTERNET, LLC		02/13/2006	LIMITED LIABILITY COMPANY: DELAWARE

RECEIVING PARTY DATA

Name:	INTERNET REIT, INC.
Street Address:	1233 West Loop South
Internal Address:	Suite 1400
City:	Houston
State/Country:	TEXAS
Postal Code:	77027
Entity Type:	CORPORATION: DELAWARE

PROPERTY NUMBERS Total: 4

Property Type	Number	Word Mark
Serial Number:	78645967	IREIT
Serial Number:	78645962	DOMAIN NAMES ARE THE REAL ESTATE OF THE INTERNET
Serial Number:	78645960	INTERNET REIT
Serial Number:	78644011	ACQUISITION & DEVELOPMENT OF INTERNET REAL ESTATE

CORRESPONDENCE DATA

Fax Number: (312)554-8015
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 312 554-7970
 Email: mfoy@pattishall.com
 Correspondent Name: Michelle Foy

CH \$115.00 78645967

Address Line 1: 311 S. Wacker Drive
Address Line 2: Suite 5000
Address Line 4: Chicago, ILLINOIS 60606

ATTORNEY DOCKET NUMBER:	02304-000-00018
NAME OF SUBMITTER:	Michelle Foy
Signature:	/Michelle Foy/
Date:	03/30/2007

Total Attachments: 5
source=reit#page1.tif
source=reit#page2.tif
source=reit#page3.tif
source=reit#page4.tif
source=reit#page5.tif

**SECTION 351 PLAN OF EXCHANGE, CONTRIBUTION AND
REPAYMENT AGREEMENT**

THIS SECTION 351 PLAN OF EXCHANGE, CONTRIBUTION AND REPAYMENT AGREEMENT (this "Agreement") is made and entered into effective as of February 13, 2006 (the "Effective Date"), by and among Marc H. Ostrofsky ("Ostrofsky"), Robert W. Martin ("Martin"), and J-INTERNET, LLC, a Delaware limited liability company (each an "Assignor" and collectively the "Assignors"), and JF Investment, LLC, a Delaware limited liability company and Internet REIT, Inc., a Delaware corporation (the "Company").

RECITALS

WHEREAS, the Assignors currently own 100% of the issued and outstanding limited partnership interests (the "Partnership Interests") of Internet REIT, L.P., a Delaware limited partnership (the "Partnership"), and 100% of the issued and outstanding membership interests (the "Membership Interests") of IREIT GP, L.L.C., a Delaware limited liability company and sole general partner of the Partnership (the "General Partner"); and

WHEREAS, the Assignors desires to contribute (i) all of their Partnership Interests, all of which were issued in exchange for the Assignors' Base Capital contributions, as defined in that certain Amended and Restated Agreement of Limited Partnership dated as of August 5, 2005 (the "Partnership Agreement"), and (ii) all of their Membership Interests to the Company (the "Contribution") in exchange for shares of the Company's Common Stock, \$.0001 par value ("Common Stock"); and

WHEREAS, immediately subsequent to the Contribution, the Company will offer shares of the Company's Series A Preferred Stock, \$.0001 par value ("Preferred Stock"), in exchange for cash in a private placement offering (the "Private Placement"); and

WHEREAS, the Assignors intend to exchange (the "Exchange") their Class A Supplemental Capital and their Class B Supplemental Capital, as applicable (as defined in the Partnership Agreement), advances and the principal amount of all indebtedness owed to certain of Martin and Ostrofsky by the Partnership for shares of Preferred Stock immediately prior to the closing of the Private Placement and for repayment in cash as set forth herein; and

WHEREAS, the principal amount and interest of all indebtedness owed to JF Investment, LLC shall be repaid in full as provided herein; and

WHEREAS, the parties intend that the Contribution, the Exchange and the Private Placement will be completed in a manner consistent with orderly procedure in compliance with the requirements of Section 351 of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the Company and the Assignors expect that the persons who receive stock of the Company as part of the Contribution and the Exchange, and the persons who invest in the Company through the Private Placement, will collectively own at least 80% of the issued and outstanding shares of the Company's capital stock immediately following the Private Placement as part of the "80% control group" for purposes of Section 351 of the Code.

NOW, THEREFORE, in consideration of the Recitals and the mutual covenants, agreements, and benefits to be obtained hereby, and other good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge, the parties hereby agree as follows:

AGREEMENTS

1. Contribution of Partnership Interests and Membership Interests. The Assignors hereby contribute, transfer, assign and convey to the Company, as their initial capital contributions, all of their respective Partnership Interests in the Partnership and Membership Interests in the General Partner as of the Effective Date.
2. Effect of Contribution. The Contributions shall be treated as an initial capital contribution by each Assignor, and in consideration for such contributions Assignors shall be issued (a) shares of the Company's Common Stock, (b) shares of the Company's Series A Preferred Stock, in each case as set forth on Exhibit A, and (c) a cash payment, payable within 2 days of closing of the Private Placement equal to 3.9% of J-INTERNET LLC's unreturned Class A Supplemental Capital.
3. Indebtedness.
 - (a) The indebtedness of (A) the Company (i) to Ostrofsky in an aggregate principal amount of \$225,000, advanced on December 16, 2005 and represented by a Convertible Promissory Note and an amendment thereto dated January 27, 2006 (the "Ostrofsky Note"), bearing interest at a per annum rate of 3.45%, and (ii) to Martin in an aggregate principal amount of \$50,000, advanced on December 16, 2005 and represented by a Convertible Promissory Note (the "Martin Note"), bearing interest at a per annum rate of 3.45%, shall be extinguished and deemed repaid in full in exchange for (B) the issuance to (x) Ostrofsky of 225,000 shares and (y) Martin of 50,000, in each case of the Company's Series A Convertible Preferred Stock and (z) the repayment in full in cash, within 30 days of the date hereof, of all accrued interest on the Ostrofsky Note and the Martin Note, with such interest continuing to accrue through and including the date of repayment as if the entire original aggregate principal amount of the Ostrofsky Note and the Martin Note were still outstanding.
 - (b) The indebtedness of the Company to JF Investment, LLC in an aggregate principal amount of (i) \$250,000, advanced on December 23, 2005 and represented by a Convertible Promissory Note (the "December JF Note"), bearing interest at a per annum rate of 3.45%, and (ii) \$500,000, advanced on October 13, 2005 and represented by a Convertible Promissory Note (the "October JF Note", and with the December JF Note, the "JF Notes"), bearing interest at a per annum rate of 3.45%, shall be repaid as follows: (x) the aggregate principal amount of the JF Notes (\$750,000) shall be repaid in full in cash on the date hereof and (y) all accrued interest on the JF Notes shall be repaid in full in cash within 2 days of the date hereof, with such interest continuing to accrue through and including the date of repayment as if the entire original aggregate principal amount of the JF Notes were still outstanding.

- (c) The provisions herein with respect to the Ostrofsky Note, the Martin Note and the JF Notes (collectively, the "Notes") shall amend the provisions included in each of such Notes to the extent expressly required by any contrary terms included herein, but each other term and condition of each such Note shall not be affected hereby and shall remain in full force and effect.
4. Conveyance Instruments. Each Assignor has executed an *Assignment Separate from Certificate*, copies of which are attached hereto as Exhibit B, in order to transfer their respective Partnership Interests and Membership Interests to the Company.
5. Miscellaneous.
- 5.1 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.
- 5.2 Binding Agreement. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, survivors, executors, successors and assigns.
- 5.3 Choice of Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Delaware.

[The remainder of this page is intentionally blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective February 13, 2006.


ASSIGNORS:

Robert W. Martin

Marc H. Ostrofsky

J-INTERNET, LLC, a Delaware limited liability company

By: SJR HOLDINGS, LLC, its Manager



Stuart J. Rabin, Managing Member

JF INVESTMENT, LLC, a Delaware limited liability company

By: 

Stuart J. Rabin, Manager

COMPANY:

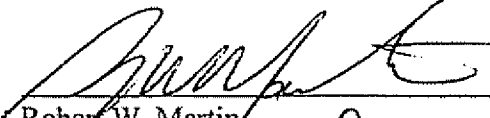
INTERNET REIT, INC., a Delaware corporation

By: _____
Robert W. Martin, Chief Executive Officer

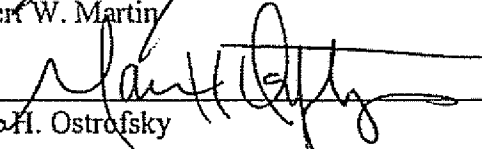
0558666;07

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective February 13, 2006.

ASSIGNORS:



Robert W. Martin



Marc H. Ostrofsky

J-INTERNET, LLC, a Delaware limited liability company

By: SJR HOLDINGS, LLC, its Manager


Stuart J. Rabin, Managing Member

JF INVESTMENT, LLC, a Delaware limited liability company

By: _____
Stuart J. Rabin, Manager

COMPANY:

INTERNET REIT, INC., a Delaware corporation

By: 

Robert W. Martin, Chief Executive Officer

0558666.07