PICK-UP

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FELIX T. ... REGISTER
DAVIDSON COUNTY, TN.

28154

THIS INSTRUMENT PREPARED BY:
Thomas Kelly Derryberry
Chief Attorney
U. S. Department of HUD
251 Cumberland Bend Drive
Nashville, TN 37228-1803

Map 34-1, Parcel 9

Name and Address of New Owner:

Rivergate Meadows Limited Partnership
c/o Ronnie Wallace, General Partner
P. O. Box 1019
Fayetteville, TN 37334

Send Tax Bills to:

SAME

SUCCESSOR TRUSTEE'S DEED

WHEREAS, by deed of trust dated October 3, 1984, and recorded in Book 6395, page 582, in the Register's Office for Davidson County, Tennessee, hereinafter referred to as "Deed of Trust", Rivergate Associates, Ltd., a Tennessee Limited Partnership, conveyed to Beth Zitzow, Trustee, the hereinafter described real estate together with the fixtures and chattels appertaining thereto, hereinafter referred to as "Property", to secure an indebtedness evidenced by a note of even date therewith, which note is fully described in the Deed of Trust, hereinafter referred to as the "Note"; and

WHEREAS, the said Note and Deed of Trust was assigned to the Secretary of Housing and Urban Development of Washington, D.C. by instrument of record in Book 7525, page 319, in the Register's Office for Davidson County, Tennessee; and

WHEREAS, default having occurred in the payment of the Note, and in accordance with the terms of the Note and Deed of Trust, the holder thereof declared the entire indebtedness due and payable in full; and

WHEREAS, the lawful owner and holder of the indebtedness, by the terms of a certain instrument of record in Book 9139, page 25, in the Register's Office for Davidson County, Tennessee appointed Thomas Kelly Derryberry as Successor Trustee in the place and stead of Beth Zitzow, Trustee; and

WHEREAS, the owner and holder of the indebtedness directed Thomas Kelly Derryberry, Successor Trustee, to sell the property in accordance with the terms of the Deed of Trust, and pursuant to said direction, Thomas Kelly Derryberry, Successor Trustee, did advertise the Property for sale as provided in the Deed of Trust, and the Property was advertised to be sold commencing at 10:30 a.m., on February 10, 1994, at the front door of the Davidson County Courthouse in Nashville, Davidson County, Tennessee, at public auction to the highest and best bidder, and the advertisement of sale was duly published in The Nashville Record, a newspaper of general circulation in Davidson County, Tennessee on January 13, 1994, January 20, 1994, and January 27, 1994; and

WHEREAS, at the time and place of said sale, and upon the Property being offered under the terms hereinabove set forth, Wallace Construction Company, being the highest and best bidder, became the purchaser of the said property for the sum of Five Million One Hundred Thousand and No/100 dollars ($5,100,000.00); and

WHEREAS, Wallace Construction Company, has assigned its right to purchase the Property to Rivergate Meadows Limited Partnership, a Tennessee Limited Partnership, hereafter referred to as the "Purchaser," and

WHEREAS, the purchaser, has complied with the terms of this sale by paying the bid amount in cash to the Trustee.

NOW, THEREFORE, in consideration of the payment and sum stated above, the receipt of which is hereby acknowledged, I, THOMAS KELLY DERRYBERRY, Successor Trustee, in my capacity as Successor Trustee but not further or otherwise, have bargained and sold, and by these presents do hereby transfer, assign and convey to Rivergate Meadows Limited Partnership, a Tennessee Limited Partnership the following described property in Davidson County, Tennessee; to wit:

SEE ATTACHED EXHIBIT "A" FOR LEGAL DESCRIPTION WHICH IS INCORPORATED HEREIN BY REFERENCE THE SAME AS IF COPIED HEREIN VERBATIM.

TOGETHER with the privileges and appurtenances to the same belonging, and all of the rents, issues, and profits which may arise or be had therefrom; and

TOGETHER with all buildings and improvements of every kind and description now erected or placed thereon, and all fixtures, including but not limited to all gas and electric fixtures, engines and machinery, radiators, heaters, furnaces, heating, air-conditioning and laundry equipment, steam and hot water boilers, stoves, ranges, elevators and motors, bathtubs, sinks, water closets, basins, pipes, faucets and other plumbing and heating fixtures, mantels, refrigerating plant and refrigerators, whether mechanical or otherwise, cooking apparatus and appurtenances, furniture, shades, awnings, screens, blinds and other furnishings.

TO HAVE AND TO HOLD the Property, unto Rivergate Meadows Limited Partnership, a Tennessee Limited Partnership, their heirs and assigns, with the appurtenances, estate, title and interest thereto belonging unto, in fee simple forever. Sale was advertised and made as Successor Trustee only, without covenants or warranties of title, express or implied, subject to any taxes, easements, restrictions in effect thereon, and this conveyance is so made.

The covenants contained in the Use Agreement attached hereto as Exhibit "B" are incorporated into this Successor Trustee's Deed and shall be enforceable by the parties thereto as covenants running with the land, pursuant to the Multifamily Mortgage Foreclosure Act, 12 U. S. C., Section 3701, et. seq.

IN WITNESS WHEREOF, I, Thomas Kelly Derryberry, Successor Trustee, have executed this instrument on this the 15th day of March, 1994.

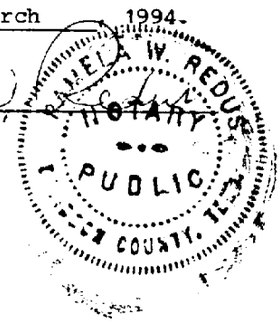
Thomas Kelly Derryberry
THOMAS KELLY DERRYBERRY
SUCCESSOR TRUSTEE

STATE OF TENNESSEE
COUNTY OF DAVIDSON

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, the within named Thomas Kelly Derryberry, Successor Trustee, the bargainor, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged that he executed the within instrument for the purposes therein contained.

Witness my hand and seal this the 15th day of March, 1994.

Pamela W. Reduse
NOTARY PUBLIC



My Commission Expires:

My Commission Expires SEPT. 16, 1995

LEGAL DESCRIPTION

RIVERGATE MEADOWS APARTMENTS

GOODLETTSVILLE, TENNESSEE

Commencing at the point of intersection of the centerlines of Alta Loma Road and Gates Road; thence with the centerline of Alta Loma Road, in a southeasterly direction, and on a curve to the right having a radius of 716.2' for a distance of 24.8' to a point; thence radially with said curve, N 35 degrees 02' 34" E, 25.00' to the point of beginning for this description, said point of beginning commencing in the north right-of-way of Alta Loma Drive and also being the southwest corner of Lot 1 of Wild Acres Estates (Book 2330, page 10 R.O.D.C.T.); thence with the west line of Lot 1, also the east line of Lot 2 of said subdivision, N 27 degrees 05' 24" E, 407.24' to the northwest corner of Lot 1, also the northeast corner of Lot 2 and being in the south line of a tract reserved for future development as a part of Lot 1 of said subdivision; thence along the south line of said tract and the north lines of Lot 2 and Lot 3 of said subdivision, N 62 degrees 57' 52" W, 154.63' to a point said point being in the north line of Lot 3; thence on a new line severing the east portion of said reserved tract and being just east of the east margin of T.V.A. Easement, N 24 degrees 45' 00" E, 455.17' to an iron pin (set), said pin being at the southeast corner of W. C. Moncrief and Co. property; thence with the east line of Moncrief, N 24 degrees 54' 57" E, 370.41' to a point in said east line; thence S 83 degrees 01' 56" E, 866.72' to a point in the west right-of-way of the Louisville & Nashville Railroad; thence with said west right-of-way and being 50' from and parallel to said railroad centerline, S 06 degrees 58' 04" W, 586.73' to a point at a deflection in said railroad west right-of-way at the railroad evaluation station 127+55; thence continuing with said railroad right-of-way but leaving said railroad centerline, S 68 degrees 23' 29" W, 464.65' to a set stone (found); thence leaving said railroad right-of-way and with the north line of the Alta Loma Subdivision (Book 421, page 44), N 59 degrees 21' 46" W, 450.53' to an iron pin (set); thence with the west line of Alta Loma Subdivision and the east line of said reserved tract, S 22 degrees 19' 04" W, 251.63' to a monument (found) in said west line, the northeast corner of Lot 1, Wild Acres Estates; thence with the east line of Lot 1 also the west line of Alta Loma Subdivision, S 22 degrees 21' 31" W, 438.85' to the southeast corner of said Lot 1 and in the north right-of-way of Alta Loma Road; thence with said north right-of-way on a curve to the west having a radius of 741.2' for a distance of 132.80' to the point of beginning and containing 17.6994 acres or 770,986 square feet.

Being the same property conveyed by Southern Publishing Association of Seventh Day Adventists, Inc. to Rivergate Associates, Ltd., by Deed of record in Book 6345 Page 576 Register's Office for Davidson County, Tennessee.

RECORDERS MEMO
LEGIBILITY OF WRITING, TYPING OR PRINTING IN THIS DOCUMENT UNSATISFACTORY WHEN RECEIVED

EXHIBIT "A"
(1 of 2)

Legal Description for Slope Construction Easement for the Excavation of Material from the Eastern Portion of the C. D. & W. Investments, Limited Property.

Commencing at the point of intersection of the centerlines of Alta Loma Road and Gates Road; thence with the centerline of Alta Loma Road, in a southeasterly direction, and on a curve to the right having a radius of 716.2' for a distance of 24.8' to a point; thence radially with said curve, N 35 degrees 02' 34" E, 25.00' to a point, said point commencing in the north right-of-way of Alta Loma Drive and also being the southwest corner of Lot 1 of Wild Acres Estates (Book 2330, page 10 R.O.D.C.T.); thence with the west line of Lot 1, also the east line of Lot 2 of said subdivision, N 27 degrees 05' 24" E, 407.24' to the northwest corner of Lot 1, also the northeast corner of Lot 2 and being in the south line of a tract reserved for future development as a part of Lot 1 of said subdivision; thence along the south line of said tract and the north lines of Lot 2 and Lot 3 of said subdivision, N 62 degrees 57' 52" W, 154.63' to a point, said point being in the north line of Lot 3; said point being the point of beginning for this description; thence with the east line of the C. D. & W. Investments, Ltd. property, N 24 degrees 45' 00" E, 455.17' to an iron pin (set), the southeast corner of W. C. Moncrief & Co., Inc. property; thence with the south line of Moncrief and the north line of C. D. & W. Investments, Ltd. property, N 84 degrees 11' 56" W, 52.86' to a point; thence with the centerline of a T.V.A. Easement, S 24 degrees 45' 00" W, 436.01' to a point in the north line of Lot 3 of Wild Acres Estates; thence with said north line, S 62 degrees 57' 52" E, 50.04' to the point of beginning.

PROPERTY ADDRESS: 100 Rivergate Meadows, Goodlettsville, TN 37072

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AFFIDAVIT OF VALUE

STATE OF TENNESSEE
COUNTY OF DAVIDSON

I hereby affirm that the actual consideration for this transfer or value of the property transferred, whichever is greater, is $5,100,000.

AFFIANT

Sworn to and subscribed before me this 15 day of March, 1994.

NOTARY PUBLIC

My Commission Expires: 2/1/98

NOTARY PUBLIC AT LARGE DAVIDSON COUNTY TENNESSEE

LEGAL DESCRIPTION

RIVERGATE MEADOWS APARTMENTS

GOODLETTSVILLE, TENNESSEE

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PROPERTY ADDRESS: 100 Rivergate Meadows, Goodlettsville, TN 37072

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EXHIBIT B

FORECLOSURE SALE USE AGREEMENT

This Agreement is entered into by Rivergate Meadows Limited Partnership ("Purchaser") and the Secretary of Housing and Urban Development ("Secretary" or "HUD").

WHEREAS, pursuant to the provisions of the Multifamily Mortgage Foreclosure Act, 12 U.S.C. Sections 3701 et seq. (the "Act"), and the Department of Housing and Urban Development's regulations thereunder at 24 C.F.R. Part 27, the Secretary has elected to exercise the nonjudicial power of sale provided under the Act, or pursuant to a judicial foreclosure the Secretary has elected to apply Section 367(b) of the Act, with respect to Rivergate Meadows Apartments, HUD Project No. 086-35207. (the "Project") a legal description of which is attached as Exhibit "A"; and

WHEREAS, pursuant to Section 364 and 367(b) of the Act and the Department's regulations at 24 C.F.R. 27.20, the Secretary has required as a condition and term of the sale of the Project that the Purchaser agrees to continue to operate the Project in accordance with the terms, as appropriate, applicable to a Project with a mortgage insured under Section 221(d)4 of the National Housing Act.

WHEREAS, by Deed executed this 15th day of March, 1994, by Thomas Kelly Derryberry, Successor Trustee, the official who conducted the foreclosure sale, the Project has been conveyed to the Purchaser; and

WHEREAS, the Secretary has required the Purchaser to maintain certain units in the Project for Low and Very Low Income Families pursuant to Section 203(d) of the Housing and Community Development Amendments of 1978, 12 U.S.C. 1701z-11(d), as amended; and

WHEREAS, the Purchaser has deposited with HUD a Letter of Credit, in an amount and form acceptable to HUD, to ensure completion of repairs to the Project, as described below;

NOW, THEREFORE, in consideration of the mutual promises set forth herein and in further consideration of the sale of the Project to the Purchaser, the parties agree as follows:

A. General Provisions

1. Term of Agreement; Rental or Cooperative Use. This Agreement shall be in effect from the date of execution hereof until 2026. (20 years from the date of this Agreement or the last scheduled payment under the insured mortgage or direct loan, as applicable). During the term of this Agreement the Purchaser shall maintain the Project as rental or cooperative housing.

2. Term of Restriction for Low and Very Low Income Unit(s) Use. For 15 years from the date of this Agreement, 11

units, as set forth in Section C.1. below, shall be restricted for occupancy and reoccupancy by Low or Very Low Income Families (families with incomes at or below 80 percent of the median income for the area as established by HUD). The Purchaser shall maintain a waiting list of Low and Very Low Income applicants and shall fill vacancies in these units from this list on a first-come, first-served basis.

3. Conveyance of Project. The Purchaser will not, without the prior written approval of HUD, convey or permit the conveyance of the Project, or any part thereof.

4. Remedies for Noncompliance. Upon a violation of any provision of this Agreement by the Purchaser, HUD may give written notice thereof to the Purchaser by registered or certified mail, addressed to the address stated in this Agreement, or such other address as subsequently, upon appropriate written notice thereof to the Secretary, may be designated by the Purchaser as its legal business address. If such violation is not corrected to the satisfaction of the Secretary within 30 days after the date such notice is mailed or within such further time as HUD reasonably determines is necessary to correct the violation, without further notice, HUD may declare a default under this Agreement and may apply to any court, State or Federal, for specific performance of this Agreement, for an injunction against any violation of the Agreement, for the appointment of a receiver to take over and operate the Project in accordance with the terms of the Agreement, and/or such other relief as may be appropriate, since the injury to the Secretary arising from a default under any of the terms of this Agreement would be irreparable and the amount of damage would be difficult to ascertain.

   The availability of any remedy under the Agreement shall not preclude the exercise of any other remedy under any provision of law, nor shall any action taken in the exercise of any remedy be considered a waiver of any other rights or remedies. Failure to exercise any right or remedy shall not constitute a waiver of the right to exercise that or any other right or remedy at any time.

5. Successors and Assigns. This Agreement is binding upon the Purchaser and the Purchaser's heirs, successors and assigns. The Purchaser agrees that if title to the Project is conveyed during the term of this Agreement, the Purchaser will require its grantee to assume its obligations under this Agreement.

6. Contradictory Agreements. The Purchaser certifies that it has not, and agrees that it will not, execute any other agreement with provisions contradictory of, or in opposition to, the provisions of this Agreement, and that, in any event, the requirements of this Agreement are

paramount and controlling as to the rights and obligations set forth herein and supersede any other requirements in conflict with this Agreement.

7. Separability. The invalidity of any provision of this Agreement shall not affect the validity of the remaining provisions hereof.

8. Amendment. This Agreement may be amended by the mutual written consent of the parties, except for those provisions required by statute.

9. Property Subject to Examination. The Project property, equipment, buildings, plans, offices, apparatus, devices, books, contracts, records, documents, and other papers relating thereto shall at all times be maintained in reasonable condition for proper audit and shall be subject to examination and inspection at any reasonable time by an official of HUD. The Purchaser will keep copies of all written contracts or other instruments which affect the Project property, all or any of which may be subject to inspection and examination by the Secretary or his or her duly authorized agents.

10. Restrictions. No Member of Congress or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of the benefits of the Use Agreement, but this provision shall not be construed to extend to this Use Agreement if the Use Agreement is made with a corporation for its general benefit.

11. Reports. At the request of the Secretary, the Purchaser shall submit reports concerning occupancy, financial status, operation, and condition of the Project.

12. Nondiscrimination Against Section 8 Certificate Holders and Voucher Holders. The Purchaser will not refuse unreasonably to lease a dwelling unit offered for rent, offer or sell cooperative stock, or otherwise discriminate in the terms of tenancy or cooperative purchase and sale because any tenant or purchaser is the holder of a Certificate of Family Participation or a Voucher under Section 8 of the United States Housing Act of 1937 (42 USC § 1437f), or any program designated by the Secretary as a successor program to the Section 8 program. This provision is limited to those tenants or applicants with Section 8 Certificates or their equivalent (other than Vouchers) and to those units which rent for an amount not greater than the Section 8 fair market rent for a comparable unit in the area as determined by HUD.

13. Civil Rights Requirements. The Purchaser will comply with the provisions of all Federal, State, or local laws prohibiting discrimination in housing.

14. Lease Form. The Purchaser shall require all tenants to execute a lease for the Restricted Units in the form prescribed by HUD.

15. Security Deposits. The Purchaser shall not require, as a condition of the occupancy or leasing of any unit in the Project, any consideration or deposit other than the prepayment of the first month's rent plus a security deposit in an amount that does not exceed the greater of $50 or one month's total tenant payment for the Restricted Units controlled under A.2. above., to guarantee the performance of the covenants of the lease. Any funds collected as security deposits shall be kept separate and apart from all other funds of the Project in a trust account, the amount of which shall at all times equal or exceed the aggregate of outstanding obligations under this account. If the Project is a cooperative, the Purchaser shall not require, as a condition for the occupancy of any unit, any consideration or deposit other than the prepayment of one month's carrying charge (or other monthly charge which is equivalent to a rental payment) plus a security deposit or other equivalent fee in an amount not exceeding one month's carrying charge. Any funds collected as security deposits shall be kept in a trust account as described above.

16. Commercial Units (Spaces). Changes to the use or number of commercial units in the Project, from the use as of the date of this Agreement, must receive the prior written approval of HUD.

BOOK 9279 PAGE 921

B. Maintenance and Required Repairs

1. Project Maintenance. The Purchaser shall maintain the Project and its grounds and equipment in accordance with HUD's Housing Quality Standards (HQS - 24 CFR 886, Subpart C) and local codes.

2. Destruction of Project. In the event that any or all of the Project is destroyed or damaged by fire or other casualty, the money derived from any insurance on the property shall be applied to rebuild or replace the property destroyed or damaged, unless the Secretary gives prior written approval to use the insurance proceeds for other purposes.

3. Hazard Insurance. Hazard insurance shall be maintained in a type and amount acceptable to HUD.

4. Demolition of Project Property. The Purchaser will not demolish any part of the Project or withdraw any part of the Project from use (except as temporarily necessary for routine repairs), without the prior written approval of HUD.

5. Required Repairs. Within 9 months from the date of this Agreement, the Purchaser will complete repairs to the project to bring it into compliance with all applicable State and local laws, codes, ordinances and regulations and in accordance with Section 8 Housing Quality Standards pursuant to 24 CFR Part 886, Subpart C and such other items as are set forth in the Property Improvement/

Requirements (Form HUD-9552), Exhibit B.

( ) Lead-based paint provision applicable
(xx) Lead-based paint provisions not applicable

a. Lead-Based Paint Hazard Removal. In order to assure that the Federal lead-based paint (LBP) hazard removal requirements are met, the Purchaser is responsible for the following action:

1. Within _____ months from the date of this Use Agreement, Purchaser shall (a) remove all LBP and all potential LBP hazards from the Project and (b) certify, to HUD (in form acceptable to HUD) and HUD shall determine, through its inspection (or at its discretion, the inspection and certification of a local government official) that all LBP hazards have been removed from the Project in accordance with 24 CFR 35.56.

2. Purchaser understands and agrees that HUD's inspection and finding of satisfactory performance is not intended to and does not constitute a guarantee that all LBP and all potential LBP hazards have been eliminated from the Project and does not relieve Purchaser of the responsibility for complying with applicable Federal, State and local LBP laws and regulations.

3. Purchaser agrees to indemnify HUD from any liability arising by reason of Purchaser's failure to perform Purchaser's obligations under this Agreement with respect to the elimination of immediate LBP health hazards, the prohibition against the use of LBP, and Purchaser's responsibility for complying with applicable Federal, State and local LBP laws and regulations.

4. To the fullest extent permitted by law and equity, these requirements shall be binding for the benefit and in favor of and be enforceable by HUD and by its successors in office. HUD shall be entitled to (a) institute legal action to enforce performance and observance of these covenants, (b) enjoin acts which are violative of these requirements, and (c) exercise any other legal or equitable right or remedy with respect to these covenants. These rights and remedies may be exercised separately or in combination.

b. Temporary Relocation. If temporary relocation is necessary because of such rehabilitation, temporary relocation cost of all temporarily relocated tenants shall be fully paid by the Purchaser, as described under 24 CFR 290.47.

c. Permanent Relocation. If permanent relocation is necessary because of such rehabilitation, the

Purchaser shall offer the following assistance to all relocated tenants:

1. Advisory services, necessary to locate decent, safe and sanitary and affordable replacement housing which, to the extent feasible, shall be in a location not generally less desirable than this Property.

2. Reimbursement for reasonable moving expenses, which need not exceed an amount determined by HUD to be reasonable for the household size and circumstances of the move.

HUD will not provide the Purchaser with any funds or subsidy with which to make the payments required by this paragraph.

d. Remedies for Failure to Perform Repairs. To ensure completion of required repairs that are to be completed by the Purchaser, the Purchaser has delivered to the Secretary an unconditional, irrevocable and non-documentary Letter of Credit (LOC), in the amount of $878,000, which shall remain in effect and may be drawn on by the Secretary for at least 15 months]6 months past the deadline for repairs stated above[from the date of this Agreement. If the repairs are not completed to the satisfaction of HUD within the time period specified in this Section, HUD may, in its sole discretion, cash any LOC and/or seek such remedies under Section A, 3, herein, as the Secretary deems appropriate. If HUD cashes the Purchaser's LOC as a remedy for the Purchaser's default, HUD may apply the funds so obtained to complete the repairs or for such other Project purposes as the Secretary deems appropriate.

e. Staged Repairs/Rehabilitation. If repair/rehabilitation is staged, as agreed upon between the Purchaser and HUD prior to Closing, up to four (4) LOCs, or reductions of one LOC which represented the full LOC requirement with lesser LOCs representing the remaining stages, may be permitted. Each LOC must have an expiration date as set forth in Section B.5.d. The LOC or LOCs, as appropriate, will be returned as the Purchaser completes repairs and HUD has inspected and accepted the repairs.

f. Repairs by a Lender. If the Purchaser fails to repair the Project in accordance with this Agreement, the Secretary will not exercise the remedies as described in Section B.5.d., above if any lender holding a lien or security interest on the Project:

1. Gives written notice to HUD within the period provided for repairs, that it intends to complete the repairs, and

2. Completes such repairs within 30 days of the notice or within such longer period as HUD may approve in writing.

6. Replacement Reserve. In order to ensure that funds are available on an ongoing basis to carry out project repairs and replacement of equipment, the Purchaser shall maintain a Reserve for Replacements escrow in any Federally insured financial institute. The escrow shall be funded annually in the amount of $ 40,800.00 . Payments shall be in monthly installments starting on a proportional per unit basis as units are repaired by the Purchaser and accepted as being repaired by HUD. Full monthly payments are to be made when all units have been repaired and accepted by HUD. The total Reserve for Replacement Account represents an amount for the total number of units in the project, whether or not all units in the project are subsidized. Withdrawals/ expenditures of funds from the Account shall be made only with the prior written approval of HUD.

C. Restricted Units.

1. Rental Rates. As required by Section A.2. above, 11 units shall be restricted for use by Low and Very Low Income Families as defined under 24 CFR 812 and 813. The rental rates for these units will be the same as the rents for the unrestricted units in the Project. The following are the size and number of Restricted Units and, if applicable, the Utility Allowances for these units:

No. Units	Bedroom Size	Utility Allowance $
0	Eff.	0
4	1	0
7	2	0
0	3	0
0	4	0
0	5	0

2. Rental Charges for Restricted Units. The Low and Very Low Income Families will pay monthly rent equal to 30 percent of 1/12th of their adjusted annual income as defined under 24 CFR 813 and calculated on Form HUD 50059k [Worksheet for Computing Total Tenant Payment - Section 8 Program, Previously HUD-owned (or Foreclosed) Projects] as contained in HUD Handbook 4350.3 [Occupancy Requirements of Subsidized Multifamily Housing Programs]. Rental charges for the Restricted Units shall become effective as soon as possible and in no event later than sixty (60) days from sales closing. Any utilities paid by Tenants in these units are included in the Total Tenant Payment, not in addition to their monthly payment.

Rental charge increases shall be based on annual recertification of income as prescribed by the above regulations and procedures.

3. The Purchaser shall not evict or otherwise remove from occupancy, except for cause, any Tenant who is not eligible for reduced rental payments, as described above, and who may be residing in a Restricted Unit at the time of sales closing. Such a Tenant, under good standing, may remain in occupancy and upon the Tenant's voluntary move out, said unit shall be reoccupied by a Low or Very Low Income Tenant during the 15-year Restricted period.

4. Admission to Restricted Units. During the term of the Restriction in A.2. above, admission to dwelling units covered by this Agreement shall be restricted to Low and Very Low Income Families (as defined in 24 CFR 813), or under any HUD-approved Preference occupancy provisions for applicable Families and on a first-come, first-served basis.

5. Preference for Admission to Restricted Units. Preference or priority for admission to the Project and for placement on the waiting list, which the Purchaser shall maintain, shall be governed by 24 CFR 215.22 (1989), as amended.

IN WITNESS WHEREOF:

The Purchaser has executed this Use Agreement in triplicate this 15th day of March, 1994.

BOOK 9279 PAGE 925

WITNESS:

Scotty Wallace

PURCHASER:

Ronnie Wallace

By: Signature
Ronnie Wallace, General Partner

Purchaser Rivergate Meadows Limited Partnership,
A Tennessee Limited Partnership

Typed Name of Purchaser
P. O. Box 1019

Street Address
Fayetteville, TN 37334

City, State, Zip Code

The U.S. Department of Housing and Urban Development (HUD) has executed this Use Agreement in triplicate this 15th day of March, 1994.

WITNESS:

Thomas Kelly Taylor

FOR: THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT

BY: William J. Pawlchik

for JOHN H. FISHER

Official's Typed Name
Manager, Nashville HUD Field Office

Title

STATE OF TENNESSEE
COUNTY OF DAVIDSON

On this 15th day of March, 1994, before me personally appeared William T. Pavelchik, to me personally known, who, being by me duly sworn, did say that he is the authorized agent of the Secretary of Housing and Urban Development, which executed the foregoing instrument, and that said instrument was signed and sealed in behalf of said Secretary of Housing and Urban Development the day and year first written above.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Pamela W. Rodgers
NOTARY PUBLIC

My Commission Expires: My Commission Expires SEPT. 16, 1995

STATE OF TENNESSEE
COUNTY OF DAVIDSON

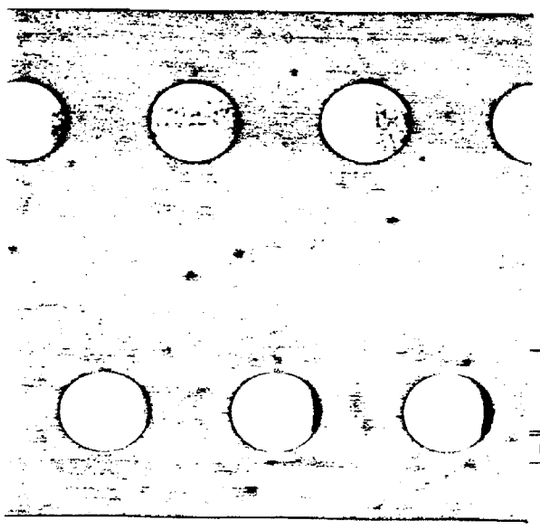
On this the 15th day of March, 1994, before me personally appeared Ronnie Wallace, with whom I am personally acquainted and who upon oath, acknowledged himself to be the General Partner of Rivergate Meadows Limited Partnership, a Tennessee Limited Partnership, and that he as such executed the foregoing instrument for the purpose therein contained by signing his name as General Partner.

WITNESS my hand and seal, at office, in Nashville, Tennessee, this 15th day of March, 1994.

Cheri Ashby
NOTARY PUBLIC

My Commission Expires: 2/1/98

2173 94/16 0101 03CHECK 18935.00



OFFICIAL RECEIPT
FELIX Z. WILSON, II
REGISTER OF DAVIDSON COUNTY
NASHVILLE, TENNESSEE

RECEIVED OF _____

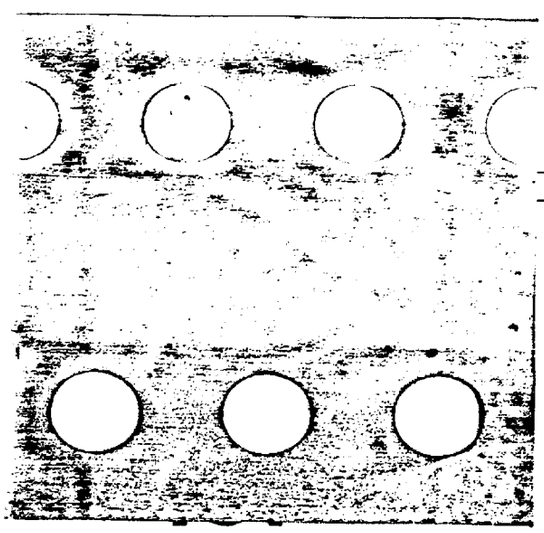
FOR _____

BOOK 9279 PAGE 927

CO - CONVEYANCE	CC - CERTIFIED COPY	MISC - MISCELLANEOUS
MO - MORTGAGE	REL - RELEASE	CO TX - STATE TAX CONVEY
WD WARRANTY DEED	UCC - UNIFORM COMMERCIAL CODE	MO TX - STATE TAX MORT
TD TRUST DEED		PRFEE - PROBATE FEE

DATE	SYMBOL	VALUATION	TAX AND FEES	TOTAL PAID
				MAMT 5100000.00
				MOR TX 18870.00
				PRFEE 1.00
				TDEED 64.00
				TOTAL 18935.00
				CHECK 18935.00
03/16/94	01			08:44 0001 2173

RECEIPT IS NOT VALID UNTIL CHECK IS PAID BY BANK



28154
INTER-REFERENCE

94 MAR 16 AM 8:44

FELIX Z. WILSON, II REGISTER
DAVIDSON COUNTY, TN.

No. 767542