PICK-UP

Davidson County DEEDWARR
Recvd: 11/01/01 16:02 5pgs
Fees:28.00 Taxes:24235.00
20011101-0119578

This Instrument prepared by:
Stokes Bartholomew Evans & Petree, P.A. (FRH)
424 Church Street, Suite 2800
Nashville, Tennessee 37219

ADDRESS NEW OWNER:	SEND TAX BILL TO:	MAP-PARCEL
American Realty Investors Ltd. (L.P.) Karlstr 6 42579 Heiligenhaus Germany Attn: Carsten Kuempers	Same	Map 134-14, Parcels 40 and 48

SPECIAL WARRANTY DEED

FOR AND IN CONSIDERATION of the sum of TEN AND NO/100 ($10.00) DOLLARS cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, **K&M ENTERPRISES**, a Tennessee general partnership (the "Grantor"), has bargained and sold, and by these presents does transfer and convey unto **AMERICAN REALTY INVESTORS LTD. (L.P.)**, a Georgia limited partnership (the "Grantee"), its successors and assigns, certain tracts or parcels of land in Davidson County, State of Tennessee, described as follows:

See Exhibit A attached hereto and incorporated herein by this reference.

This conveyance of the property herein, and all covenants and warranties of Grantor contained herein, are made expressly subject to those matters set forth on Exhibit B attached hereto and incorporated herein by this reference.

TO HAVE AND TO HOLD the said tract or parcel of land, with the appurtenances, estate, title and interest thereto belonging to the said Grantee, and Grantee's successors and assigns forever.

Grantor covenants and binds itself, and its successors and assigns, to warrant specially and forever defend the title to the property to the said Grantee, Grantee's successors and assigns, against

the lawful claims of all parties claiming by, through or under the Grantor, but not further or otherwise.

Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

IN WITNESS WHEREOF, the Grantor has caused this Special Warranty Deed to be executed this 1st day of November, 2001.

K&M ENTERPRISES

By: _____
Walter G. Knestrick, Managing General Partner

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me, the undersigned, a Notary Public of the State and County aforesaid, personally appeared Walter G. Knestrick, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be a partner of K&M ENTERPRISES, the within named bargainor, a Tennessee general partnership, and that he as such partner, executed the foregoing instrument for the purposes therein contained, by signing the name of the partnership by himself as partner.

NOTARY PUBLIC AT LARGE DAVIDSON COUNTY, TENN.

WITNESS my hand, at office, this 1st day of November, 2001.

_____
Notary Public

My Commission Expires:
FRED RUSSELL HARWELL
Notary Public, Davidson Co., TN
My Comm. Expires May 30, 200

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

The actual consideration or value, whichever is greater, for this transfer is $6,550,000.00.

_____
Affiant

Subscribed and sworn to before me this 1st day of November, 2001.

_____
Notary Public

STELLA M. McDANIEL NOTARY PUBLIC AT LARGE DAVIDSON CO., TENN.

My Commission Expires:
11-27-2004

182437.1 / 5318-1

EXHIBIT A

Being a parcel of land in Nashville, First Civil District, Twenty-Eighth Councilmanic District, Davidson County, Tennessee, located on the westerly side of Antioch Pike between Harding Place and Perimeter Hill Drive, being a part of Lot No. 2 as shown on the plan of Lot 2, Perimeter 4-A and Lot 9, South Perimeter Park, Section 4-A, as of record in Book 6250, page 883, Register's Office for Davidson County, Tennessee and being more particularly described according to a survey made by Barge Waggoner Sumner & Cannon, Inc., Ronald W. Ferguson, RLS #1972, File No. 24570-01, last revised October 10, 2000, as follows:

Beginning at a new iron pin in the westerly right-of-way line of Antioch Pike as widened, said point being N 32°41'58" W, 414.3 feet, more or less from the centerline of Perimeter Hill Drive;

Thence, leaving said right-of-way line with the northerly line of Lot No. 1, as shown on the plan of Perimeter 4-A, as of record in Book 6250, page 794, R.O.D.C., S 54°30'54" W, 204.18 feet to a new iron pin;

Thence, with the westerly line of said Lot No. 1, S 33°29'28" E, 212.01 feet to a new iron pin in the northerly line of property conveyed to M.H. Paschall, et ux and H.R. Proctor, et ux by deed of record in Book 5991, page 748, R.O.D.C.;

Thence, with said northerly line S 59°26'01" W, 170.48 feet to an iron pin;

Thence, continuing with said line, S 53°34'57" W, 33.30 feet to an iron pin in the easterly line of Reserved Parcel as shown on the plan of Section 4-A, South Perimeter Park, as of record in Book 5200, page 799, R.O.D.C.;

Thence, with said easterly line N 41°41'38" W, 3.46 feet to an iron pin;

Thence, continuing with said line N 31°37'24" W, 75.71 feet to a new iron pin;

Thence, with the westerly line of said Reserved Parcel, S 24°44'16" W, 251.86 feet to a new iron pin in the northerly right-of-way line of Perimeter Hill Drive;

Thence, with said right-of-way line with a curve to the right 42.00 feet to a new P.K. nail, said curve having a central angle of 05°38'22", a radius of 426.72 feet, a tangent of 21.02 feet, and a chord of N 86°49'11" W, 41.98 feet;

Thence, continuing with said right-of-way line, N 84°00'00" W, 245.76 feet to an iron pin;

Thence, leaving said right-of-way line with the easterly line of Lot No. 10, as shown on the plan of Section 4-A, South Perimeter Park as of record in Book 5200, page 799, R.O.D.C., N 06°00'00" E, 302.43 feet to a new iron pin in the southerly line of Lot No. 1, as shown on said plan of Section 4-A;

Thence, with said line S 84°00'00" E, 51.06 feet to a concrete monument;

Thence, continuing with said line, S 80°18'47" E, 274.55 feet to an iron pin;

Thence, with the easterly line of said Lot 1, N 37°03'37" W, 279.77 feet to an iron pin;

Thence, leaving said line with the southerly line of Lot No. 2 as shown on the plan of Harding-Antioch Subdivision as of record in Book 6050, page 47, R.O.D.C., N 57°15'03" E, 224.48 feet;

Thence, leaving said line with the westerly line of property conveyed to Gerry J. Baggett by deed of record in Book 8198, page 498, R.O.D.C., S 33°29'28" E, 162.18 feet to a new iron pin;

Thence, with the southerly line of said Baggett property, N 54°30'54" E, 204.87 feet to a new iron pin in the westerly right-of-way line of Antioch Pike, as widened;

Thence, with said right-of-way line S 32°41'58" E, 50.06 feet to the point of beginning.

Containing 196,713 square feet or 4.52 acres, more or less.

Being the same property conveyed to K&M Enterprises, a Tennessee general partnership, by deed from J.C. Bradford & Co., L.L.C., a Tennessee limited liability company, of record as Instrument No. 20001018-0103459, said Register's Office.

TOGETHER WITH that certain Declaration of Temporary Parking Easement, of record as Instrument No. 20010417-0037497, Register's Office for Davidson County, Tennessee.

EXHIBIT B

1. Real estate taxes for 2001, a lien, now due and payable but not yet delinquent

2. Matters shown on the Plan of record in Book 6250, page 883, said Register's Office

3. Matters shown on the Plan of record as Instrument No. 20001221-0125098, said Register's Office

4. Memorandum of Lease Agreement by and between K&M Enterprises, a Tennessee general partnership, and PaineWebber Incorporated, a Delaware corporation, of record as Instrument No. 20001018-0103463, said Register's Office

5. Memorandum of Lease Agreement by and between K&M Enterprises, a Tennessee general partnership, and PaineWebber Incorporated, a Delaware corporation, of record as Instrument No. 20001018-0103464, said Register's Office

6. Declaration of Temporary Parking Easement recorded as Instrument No. 20010417-0037497, said Register's Office

7. Declaration of Protective Covenants for South Perimeter Park, of record in Book 5801, page 38, as corrected in Book 5920, page 427, said Register's Office

8. Declaration of Restrictive Covenants of record in Book 6145, page 123, said Register's Office

9. Declaration of Restrictive Covenants for Perimeter Hill, of record in Book 6297, page 371, said Register's Office

10. Restrictive Covenants contained in deed of record in Book 6291, page 145, said Register's Office

11. Sanitary Sewer and/or Storm Drainage Easement of record in Book 6313, page 955, said Register's Office