PICK-UP

Davidson County DEEDTRS
Recvd: 12/20/01 11:06 13pgs
Fees:68.00 Taxes:20387.00
20011220-0140573

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

Map & Parcel No:
161 50

Name and Address of New Owner:

Keystone Farms,LLC
7104 Crossroad Blvd. Suite 123
Brentwood, TN 37027

Send Tax Bills to:

SAME

SUCCESSOR TRUSTEE'S DEED

WHEREAS, by Deed of Trust dated September 27, 1996 and recorded in Book 10208, Page 421, in the Register's Office for Davidson County, Tennessee, hereinafter referred to as "Deed of Trust", Keystone Farms, L.P., a limited partnership, conveyed to Robert Fidler, 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 that certain instrument dated July 6, 1999, of record in Book 11597, Page 255 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 dated July 19, 2001, and recorded in as Instrument Number 200007250073405 in the Register's Office for Davidson County, Tennessee, appointed Thomas Kelly Derryberry as Successor Trustee in the place and stead of Robert Fidler, 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 1:30 p.m., on October 30, 2001, 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 The Nashville Record, a newspaper of general circulation in Davidson County, Tennessee on October 4, October 11 and October 18, 2001; and

WHEREAS, at the time and place of said sale, and upon the Property being offered under the terms hereinabove set forth, Trade International, Inc., being the highest and best bidder, became the purchaser of the said property for the sum of Five Million, Five Hundred Ten Thousand Dollars ($5,510,000); and

WHEREAS, Trade International, Inc., has assigned its right to purchase said property to Keystone Farms, LLC, a Georgia Limited Liability Company, and it has complied with the terms of this sale.

NOW, THEREFORE, for and in consideration of the payment of the 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 Keystone Farms, LLC, 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 Keystone Farms, LLC, a Georgia Limited Liability Company, its successors and assigns, with the appurtenances, estate, title and interest belonging thereto, 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, prior claims and restrictions in effect thereon, and this conveyance is so made.

The covenants contained in the Foreclosure Sale Use Agreement, attached hereto as Exhibit ''B'' with three Riders, is 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 18th day of December, 2001.

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 18 day of December, 2001.

Ann Litton Jones

NOTARY PUBLIC

My Commission Expires: 11-27-2004

ANN LITTON NOTARY PUBLIC AT LARGE DAVIDSON COUNTY, TENN.

EXHIBIT "A"

Commencing at the southwesterly terminus of Huntington Parkway and the southwesterly margin of Edmondson;

Thence with the southeasterly margin of Edmondson Pike, South 03 degrees 36 minutes 50 seconds West, 405.80 feet to a concrete monument, thence, South 89 Degrees 04 minutes 01 seconds East, 12.01 feet to a concrete monument being at the point of beginning of the following described parcel of property;

Thence, leaving said margin of Edmondson Pike, South 89 degrees 04 minutes 01 seconds East, 484.40 feet to an iron pin;

Thence, South 77 degrees 42 minutes 00 seconds East, 444.30 feet to an iron pin;

Thence South 10 degrees 37 minutes 00 seconds West, 424.16 feet to a concrete monument;

Thence North 79 degrees 23 minutes 00 seconds West, 70.00 feet to concrete monument;

Thence South 10 degrees 37 minutes 00 seconds West, 70.00 feet to a concrete monument;

Thence, South 79 degrees 23 minutes 00 seconds East, 70.00 feet to a concrete monument;

Thence South 10 degrees 37 minutes 00 seconds West, 60.34 feet to an iron pin;

Thence, North 70 degrees 39 minutes 05 seconds West, 888.77 feet to concrete monument, said monument being in the southeasterly margin of Edmondson Pike;

Thence, with said margin of Edmondson Pike, North 03 degrees 36 minutes 50 seconds East, 353.79 feet to the point of beginning, containing 9.7142 acres (423.149 square feet).

Being a portion of the property conveyed to The Realty Shop, Inc., from James L. Rains & wife, Phyllis B. Rains, of record in Deed Book 9803, Page 492, of the Register's Office of Davidson County, Tennessee.

Being the same property conveyed to Keystone Farms, L.P., a Tennessee limited partnership, by deed from The Realty Shop, Inc. of record in Book 10208 Page 418, Register's Office for Davidson County, Tennessee.

EXHIBIT "B"

## ATTACHMENT C
## FORECLOSURE SALE USE AGREEMENT

This Agreement is entered into by Keystone Farms, LLC ("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 Keystone Farms Apartments, HUD Project No. 086-35252, (the "Project" or the "Property") a legal description of which is attached as Exhibit "A"; and

WHEREAS, pursuant to the Act and to provisions of 12 U.S.C. Section 1701z-11 et seq, Management and Preservation of HUD-Owned Multifamily Housing Projects, and the Department of Housing and Urban Development regulations thereunder at 24 CFR Part 290, the Secretary has authority to impose certain use restrictions, as set forth in this Agreement, on the property subject to a mortgage held by the Secretary that is sold at foreclosure to a purchaser other than HUD;

WHEREAS, by Deed executed this 8th day of December, 2001, by Thomas Kelly Derryberry, Trustee, the Project has been conveyed to the Purchaser; and

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:

### 1. TERM OF AGREEMENT

This Agreement shall be in effect,

[ ] twenty (20 ) years from the date of this Agreement
or
[ ] until ____/____/____.

[X] Two-Year Rent Protection for Pre-Existing Very Low-Income Tenants, beginning on the date of the closing.

## 2. REMEDIES FOR NONCOMPLIANCE

Upon any 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 this agreement, for the appointment of a receiver to take over and operate the Project in accordance with the terms of this Agreement, and/or such other relief as may be appropriate, since the injury to the Secretary arising from a default of the terms of the 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 the 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 construe a waiver of the right to exercise that or any other right or remedy at any time.

## 3. SUCCESSORS AND ASSIGNS

This Agreement is binding upon 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 in writing its obligations under this Agreement.

## 4. 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.

## 5. 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.

## 6. SEPARABILITY

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

## 7. AMENDMENT

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

IN WITNESS WHEREOF:

The Purchaser has executed this Use Agreement in triplicate this 18th day of December, 2001.

WITNESS:

PURCHASER:

By: Signature

Keystone Farms, LLC
Typed Name of Purchaser

7104 Crossroads Blvd # 123
Street Address

Brentwood, TN 37027
City, State, Zip Code

The U.S. Department of Housing and Urban Development (HUD) has executed this Use Agreement in triplicate this 18th day of December, 20 01.

WITNESS:

Ivy A. Clement

FOR: THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT

BY:

MILDRED J. TAYLOR
Official's Typed Name

SUPERVISORY PROJECT MANAGER
Title

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 Mildred J. Taylor, the within named bargainor, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath acknowledged that she is the authorized agent of the Secretary of Housing and Urban Development, and that as such authorized agent, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the Secretary by herself as Authorized Agent.

IN WITNESS WHEREOF, I hereunto set my hand and official seal, on this the 18th day of December, 2001.

NOTARY PUBLIC

My Commission Expires: 11-27-2004

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 Anisa Telwar Hunt, Chief Manager of Keystone Farms, LLC, a Georgia Limited Liability Company, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged that she executed the foregoing instrument and that said instrument was signed on the day and year first written above, for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal, on this the 18th day of December, 2001.

NOTARY PUBLIC

My Commission Expires: 11-27-2004

RIDER 1 OF 3
NON-DISCRIMINATION AGAINST MULTIFAMILY SECTION 8
CERTIFICATE HOLDERS AND VOUCHER HOLDERS

The Use Agreement includes the following provisions:

Nondiscrimination

In order to comply with Section 204 of the Housing and Community Development Amendments of 1978, 12 USC §1701z-12, as amended, the Purchaser, for itself, its successors and assigns, agrees not to unreasonably refuse 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 successor legislation (hereinafter referred to as Section 8). This provision is limited in its application, for tenants or applicants with Section 8 Certificates or their equivalent (other than Vouchers), 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.

If the Purchaser breaches this provision, HUD and/or one or more third-party beneficiaries, shall be entitled to institute legal action to enforce performance and observance of such provision and to enjoin any acts which are violative of such provision. For the purposes of this provision, a third-party beneficiary shall be any person who holds a Certificate of Family Participation or a Voucher under Section 8 or any equivalent document under successor legislation.

By initialling hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Use Agreement.

PURCHASER _____

SECRETARY OF HOUSING AND URBAN DEVELOPMENT _____

RIDER 2 OF 3

POST-CLOSING REPAIR ESCROW REQUIREMENTS

The Use Agreement includes the following provisions:

Purchaser covenants to complete required repairs within twelve (12) months of Closing. To ensure completion, the Purchaser shall provide to HUD, at Closing, one of the following, as determined by HUD:

(1) An unconditional, irrevocable and non-documentary Letter of Credit (LOC) in the amount of $15,000 unconditional, irrevocable and non-documentary Letter of Credit satisfactory to Seller, to assure completion of the rehabilitation required by the Rider entitled "Required Rehabilitation."

(2) If repairs are performed in stages, as agreed between Purchaser and HUD prior to Closing, up to five (5) LOCs may be provided to HUD. The first LOC will be equal to at least ten percent (10%) of the total estimated repair costs and such LOC shall remain in effect for a period of six (6) months after the work has been completed to HUD's satisfaction. HUD may cash this LOC and apply the funds to correct latent defects in the completed repairs if the Purchaser is unable or unwilling to make such repairs within the six-month period, or for such purposes as HUD deems appropriate. The remaining four LOCs provided to HUD will be in equal dollar amounts, the sum of which will equal the total estimated repair costs less the five percent LOC, and will have an expiration date at least six (6) months beyond the estimated completion date for repairs. The four LOCs shall be returned to the Purchaser after the repairs have been completed to HUD's satisfaction.

(3) Performance and payment bonds meeting State and local codes as assurance of completion for post-closing repair requirements, as listed on Form HUD-9552 and its exhibits. Purchaser must use HUD Form-2452 for the payment bond and HUD Form-2452A for the performance bond, or other documents acceptable to HUD.

a. Evidence of the existence of payment and performance bonds each in the amount of $ 57,497 must be provided to HUD.

b. Purchaser must follow the following requirements:

   i. The surety entity issuing the bonds must be included on the accredited U.S. Treasury list, Circular 570, published annually in the Federal Register on or about July 1 of each year;

   ii. The payment and performance bonds must not exceed limits listed in the Circular;

iii. The payment and performance bonds must show HUD as payee, along with Purchaser's mortgagee, at the mortgagee's request.

(4) If the Purchaser fails to complete repairs in accordance with this Agreement, the Secretary will not exercise the remedies as described in paragraph 2, above, if any lender holding a lien or security interest on the Project:

(a) Gives written notice to HUD within the period provided for repairs, that it intends to complete the repairs, and

(b) Completes such repairs within 30 days of the notice or within such longer periods that HUD may approve in writing.

(5) The Purchaser covenants not to increase the rent for any unit, from the rent HUD is requiring a tenant to pay on the Closing date, until such unit meets all the rehabilitation requirements set forth above.

By initialling hereunder, the parties acknowledge that this Rider is incorporated into and is a part of the Use Agreement.

PURCHASER _____

SECRETARY OF HOUSING AND URBAN DEVELOPMENT _____

RIDER 3 OF 3
TWO-YEAR RENT PROTECTION FOR PRE-EXISTING
VERY LOW-INCOME TENANTS

To ensure compliance with Section 203(g) of the Multifamily Housing Property Disposition Reform Act of 1994 (the "Act"), the Purchaser agrees that, for any very low-income family (as defined in 24 CFR 813) which is a pre-existing tenant of an unassisted project as defined in the Act and which would be required to pay rent in an amount in excess of 30 percent of its adjusted income (as defined in Section 3(b) of the United States Housing Act of 1937), for a period of 2 years beginning upon the date of acquisition of the project by the Purchaser:

(1) the rent payable by any very low-income family which, on that date, is paying over 30% of its adjusted annual income for rent shall not exceed the amount being charged on that date; and,

(2) the rent payable by any very low-income family which is paying 30% or less of its adjusted annual income for rent, shall not be subject to any rent increase which would require the family to pay more than 30% of its adjusted annual income.

For all tenants covered by these provisions, the Purchaser must include in the leases the terms and conditions of the two year rent protection including a provision for an initial tenant income certification and not more than one tenant income certification a year, except upon reduction of tenant income or upon tenant request.

By initialing hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Use Agreement.

PURCHASER _____

SECRETARY OF HOUSING AND URBAN DEVELOPMENT _____

EXHIBIT "A"

to Exhibit "B" Keystone Farms

Commencing at the southwesterly terminus of Huntington Parkway and the southwesterly margin of Edmondson;

Thence with the southeasterly margin of Edmondson Pike, South 03 degrees 36 minutes 50 seconds West, 405.80 feet to a concrete monument, thence, South 89 Degrees 04 minutes 01 seconds East, 12.01 feet to a concrete monument being at the point of beginning of the following described parcel of property;

Thence, leaving said margin of Edmondson Pike, South 89 degrees 04 minutes 01 seconds East, 484.40 feet to an iron pin;

Thence, South 77 degrees 42 minutes 00 seconds East, 444.30 feet to an iron pin;

Thence South 10 degrees 37 minutes 00 seconds West, 424.16 feet to a concrete monument;

Thence North 79 degrees 23 minutes 00 seconds West, 70.00 feet to concrete monument;

Thence South 10 degrees 37 minutes 00 seconds West, 70.00 feet to a concrete monument;

Thence, South 79 degrees 23 minutes 00 seconds East, 70.00 feet to a concrete monument;

Thence South 10 degrees 37 minutes 00 seconds West, 60.34 feet to an iron pin;

Thence, North 70 degrees 39 minutes 05 seconds West, 888.77 feet to concrete monument, said monument being in the southeasterly margin of Edmondson Pike;

Thence, with said margin of Edmondson Pike, North 03 degrees 36 minutes 50 seconds East, 353.79 feet to the point of beginning, containing 9.7142 acres (423.149 square feet).

Being a portion of the property conveyed to The Realty Shop, Inc., from James L. Rains & wife, Phyllis B. Rains, of record in Deed Book 9803, Page 492, of the Register's Office of Davidson County, Tennessee.

Being the same property conveyed to Keystone Farms, L.P., a Tennessee limited partnership, by deed from The Realty Shop, Inc. of record in Book 10208 Page 418, Register's Office for Davidson County, Tennessee.

**AFFIDAVIT OF VALUE**

STATE OF TENNESSEE
COUNTY OF

I hereby affirm that the actual consideration for this transfer or value of the property transferred, whichever is greater, is $5,510,000.00

Louisa Edwards Hunt

AFFIANT

Sworn to and subscribed before me this 18 day of December, 2001.

Anne Sutton Tuck

NOTARY PUBLIC

My Commission Expires: 11-27-2001

ANNE SUTTON TUCK NOTARY PUBLIC