Address New Owner:	Map-Parcel Numbers:	Send Tax Bills To:
Hermitage Properties, Inc. c/o UBS Realty Investors, LLC 51 West 52nd Street New York, NY 10019	97-151.00	Hermitage Properties c/o UBS Realty Investors, LLC 51 West 52nd Street New York, NY 10019
This instrument prepared by: E. Allen Prichard, Kennedy Covington, 100 North Tryon Street, Suite 4200, Charlotte, NC 28202		

SPECIAL WARRANTY DEED

FOR AND IN CONSIDERATION of the sum of TWENTY EIGHT MILLION SEVEN HUNDRED THOUSAND and 00/100 DOLLARS ($28,700,000.00) cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, PRIEST LAKE LIMITED PARTNERSHIP, a Delaware limited partnership (the "Grantor") has bargained and sold, and by these presents transfers and conveys to HERMITAGE PROPERTIES, INC., a Delaware corporation (the "Grantee"), Grantee's (heirs) (successors) and assigns, certain land in Davidson County, State of Tennessee, being more particularly described in Exhibit A, which is attached hereto and incorporated herein by reference (the "Property").

This conveyance of the Property, and all covenants and warranties contained herein, are made expressly subject to the matters set forth on Exhibit B hereto (the "Permitted Exceptions").

This is (improved) (unimproved) property, known as Alta Lake Apartments.
3960 Bell Road, Hermitage, TN 37076

TO HAVE AND TO HOLD the Property, with all appurtenances, estate, title, and interest thereto belonging to the Grantee, Grantee's (heirs) (successors) and assigns, forever.

STATE OF ~~TENNESSEE~~ NORTH CAROLINA

COUNTY OF MECKLENBURG

The actual consideration or value, whichever is greater, for this transfer is $28,700,000

Affiant

MARY LYNN NEWTON NOTARY PUBLIC MECKLENBURG CO., NC

Subscribed and sworn to before me this 5th day of JUNE, 2002

Notary Public

My Commission Expires: 10-25-02

Davidson County DEEDWARR
Recvd: 06/11/02 15:09 5pgs
Fees:28.00 Taxes:106190.00

20020611-0071163

2063854.03
LIB: CH

Grantor covenants with the Grantee that the Property is free from all encumbrances made or suffered by Grantor, except to the extent otherwise set forth herein.

Grantor further covenants and binds itself, its successors and assigns to warrant and forever defend the title to the Property to the Grantee, Grantee's (heirs) (successors) and assigns against the lawful claims of all persons whomsoever claiming by, through or under Grantor.

IN WITNESS WHEREOF, the Grantor has executed this Deed this 5th day of June, 2002.

PRIEST LAKE LIMITED PARTNERSHIP, a Delaware limited partnership

BY: WP Lake, L.L.C., its general partner

By: _____

Title: Administrative Manager

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

Before me, the undersigned, a Notary Public in and for the state and County aforesaid, personally appeared JAMES R. SIMPSON, with whom I am personally acquainted or proved to me on the basis of satisfactory evidence, and who, upon his (her) oath, acknowledged (her) himself to be the Administrative Manager of WP Lake, L.L.C., a limited liability company, general partner of Priest Lake Limited Partnership, a Delaware limited partnership, and that (s)he as such Administrative Manager, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the limited liability company as the general partner of Priest Lake Limited Partnership as his(her) free act and deed.

Witness my hand seal at office, this 5th day of June, 2002.

[NOTARY SEAL] _____
Notary Public

My commission expires: 10-25-02.

MARY LYNN NEWTON NOTARY PUBLIC MECKLENBURG CO., NC

2063854.03
LIB: CH

Exhibit A

Legal Description

Land in Davidson County, being all of Lot 1 as shown on the final subdivision plat entitled "Lots 1, 2 & 3 ALTA Lake P.U.D. Subdivision Plat" as recorded in the Register's Office for Davidson County, Tennessee as Instrument Numbers 200003020020461, 200003020020462 and 200003020020463 as amended by Surveyor's Certificate of Correction recorded as Instrument Number 200003090024166 in the Register's Office for Davidson County, Tennessee.

Being the same property conveyed to Priest Lake Limited Partnership, a Delaware limited partnership by deed from Bennett-Volunteer, LLC, a Tennessee limited liability company recorded as Instrument Number 200003140026103, in the Register's Office for Davidson County, Tennessee.

Together with the easement rights set forth in the Easement Agreement, dated March 10th, 2000, recorded as Instrument Number 200003140026104 in the Register's Office for Davidson County, Tennessee.

INCLUDED IN THE ABOVE PROPERTY, BUT EXPRESSLY EXCLUDED THEREFROM, is that property conveyed to First Suburban Water Utility District of Davidson County, Tennesseee (Cumberland Utility District) of record in Book 10971, Page 622, as corrected in Book 11283, page 913, Register's Office for Davidson County, Tennessee.

EXHIBIT B

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction.

1. ~~Any discrepancies or conflicts in boundary lines, any shortages in area, or any~~ encroachment or overlapping of improvements.

2. Any facts, rights, interest or claims which are not shown by the public record but which could be ascertained by an accurate survey of the land or by making inquiry of persons in possession thereof.

3. Easements, liens or encumbrances or claims thereof, which are not shown by the public record.

4. Any lien, or right to lien for services, labor or material imposed by law and not shown ~~by the public record.~~

5. Taxes for the year 2002, a lien, not yet due and payable. ~~(Map & Parcel # 97 – 151.0 – 2001 Taxes were paid in the amount of $233,672.68 on February 21, 2002)~~ subject, however to proration between Purchaser and Seller

6. If improvements are completed after January 1 of any year the law requires supplemental assessments for the year in which improvements are completed, as defined by Statute. The Company assumes no liability for taxes assessed by correction pursuant to the provisions of TCA 67-5-603, et seq.

7. All matters as shown on Plat of record as Instrument Nos. 200003020020461, 200003020020462, and 200003020020463 Register's Office for Davidson County, Tennessee; as amended by a Surveyor's Certificate of Correction also recorded as Instrument No. 200003090024166, Register's Office for Davidson County, Tennessee.

8. Rights of the public with ingress and egress to that portion of the property contained within the boundaries of a cemetery located on the eastern boundary of the property on Mills Road as shown on above referenced plat.

9. Easements granted to First Suburban Water Utility District of Davidson County, Tennessee (Cumberland Utility District) of record in Book 10971, page 619, Book 10971, page 622, as corrected in Book 11283, page 913, and as retained in Book 11480, page 862, Register's Office for Davidson County, Tennessee.

10. Bell South Telecommunications easement of record as Instrument No. 200010130101893, Register's Office for said County.

11. Memorandum of Lease by and between Priest Lake Limited Partnership and Web Service Company, Inc., dated October 30, 2000, recorded as Instrument No. 200102090013050, Register's Office for Davidson County, Tennessee.

12. Obligations contained within the Easement of record as Instrument No. 200003140026104, Register's Office for Davidson County, Tennessee.

13. Lack of access to controlled access highway (I-40).