Box 28A

040 8270

Davidson County DEEDWARR
Recvd: 12/04/02 14:43 6pgs
Fees:33.00 Taxes:3700.00

20021204-0149456

SPECIAL WARRANTY DEED

FROM: Lakes Multi-Family Land, LLC, a Tennessee limited liability company, Grantor

This instrument was prepared by:
Lea W. Stouffer
6507 Brownlee Dr.
Nashville, TN 37205

TO: 70 South Associates, LLC, a Tennessee limited liability company, Grantee

Address New Owner (s) as follows:	Name and Address of the Person or Entity Responsible for the Payment of Real Property Taxes	Map-Parcel Number
700 Craighead Street Suite 305 Nashville, Tennessee 37204	Same	109-223

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

The actual consideration or value, whichever is greater, for this transfer is One Million and No/100 Dollars ($1,000,000.00).

Affiant

SUBSCRIBED AND SWORN TO before me, this the 4th day of December, 2002.

Notary Public

VIESLEY D. TURNER NOTARY PUBLIC AT LARGE STATE OF TENNESSEE

My Commission Expires: 3/29/03

FOR AND IN CONSIDERATION OF the sum of One Million and No/100 Dollars ($1,000,000.00), the receipt and sufficiency of which are hereby acknowledged, Lakes Multi-Family Land, LLC, a Tennessee limited liability company (the "Grantor"),

has bargained and sold, and by these presents does transfer and convey unto 70 South Associates, LLC, a Tennessee limited liability company (the "Grantee"), its successors and assigns a certain tract or parcel of land in Davidson County, State of Tennessee, more particularly described on Exhibit A attached hereto and incorporated herein by this reference together with all improvements, buildings and structures located thereon (the "Property").

The Property is unimproved property.

This conveyance is expressly made subject to those matters more specifically set forth on Exhibit B attached hereto and incorporated herein by this reference.

TO HAVE AND TO HOLD the Property with the appurtenances, estate, title and interest thereto belonging to the Grantee, its successors and assigns forever.

And Grantor does covenant and bind Grantor, its successors and assigns to warrant and forever defend the title to the Property to the Grantee, its successors and assigns against the lawful claims of all persons whomsoever claiming by, through or under Grantor, but not further or otherwise, except as to those matters set forth on Exhibit B, to which this conveyance is expressly made subject.

Until the tenth (10th) anniversary of the recording of this Special Warranty Deed, the Property may not be used as, or improved by, multi-family residential rental apartment units (the "Restriction"). The Restriction shall run with the Property and shall be binding upon Grantee and its successors, transferees and assigns. Notwithstanding the foregoing, the Restriction shall not restrict or prohibit the development and use of the Property as, or its improvement by, residential condominium/townhome units (each a "Unit" and collectively the "Units") so long as the

Units are condominiums/townhomes that are at least seventy percent (70%) owner occupied. In the event Grantee or its successors, transferees or assigns violates the Restriction, Grantor and/or its principals shall have all the rights available at law or equity to enforce compliance with the Restriction. The Restriction may be canceled prior to its expiration by an instrument so stating executed by Grantor and recorded in the Register's Office for Davidson County, Tennessee.

Witness our hands this 4th day of December, 2002.

GRANTOR:

LAKES MULTI-FAMILY LAND, LLC, a Tennessee limited liability company

By: _____
Frederic A. Scarola,
Chief Manager

GRANTEE:

70 SOUTH ASSOCIATES, LLC, a Tennessee limited liability company

By: _____ C.M.
William R. Hostettler,
Chief Manager

STATE OF Tennessee)
COUNTY OF Davidson)

Before me, Rachel L. Bruce, a Notary Public of said County and State, personally appeared Frederic A. Scarola, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be Chief Manager (or other officer authorized to execute the instrument) of LAKES MULTI-FAMILY LAND, LLC, the within named bargainor, a limited liability company, and that he as such Chief Manager executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as Chief Manager.

Witness my hand and seal, at Office, this 4th day of December, 2002.

Rachel L Bruce
Notary Public

RACHEL L. BRUCE NOTARY PUBLIC AT LARGE DAVIDSON COUNTY

My Commission Expires: 10/25/03

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me, Wesley D. Turner, a Notary Public of said County and State, personally appeared William R. Hostettler, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknqwledged himself to be Chief Manager (or other officer authorized to execute the instrument) of 70 SOUTH ASSOCIATES, LLC, the within named bargainor, a limited liability company, and that he as such Chief Manager executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as Chief Manager.

Witness my hand and seal, at Office, this 4th day of December, 2002.

Wesley D. Turner
Notary Public

WESLEY D. TURNER NOTARY PUBLIC AT LARGE STATE OF TENNESSEE

My Commission Expires: 3/29/03

EXHIBIT A

PROPERTY DESCRIPTION

Lot 2 as shown on the Final Plat of The Lakes Apartments, Lot 1 & Lot 2, Lincoya Bay Drive, Thirteenth Councilmanic District, Second Civil District, Nashville, Davidson County, Tennessee, recorded as Instrument No. 20000918-0092189, Register's Office for Davidson County, Tennessee.

Being the same property conveyed to Lakes Multi-Family Land, LLC by deed from Lakes Multi-Family, LLC, of record as Instrument No. 20010817-0089261, Register's Office for Davidson County, Tennessee.

The above description is the same as that contained in the prior deed.

EXHIBIT B

Encumbrances

1. Matters shown on the Plan of record as Instrument No. 20000918-0092189, Register's Office for Davidson County, Tennessee.

2. Taxes for the year 2003 (not yet due and payable) and thereafter.

3. Easements of record in Book 5406, page 470, Book 6185, page 216, Book 7121, page 169, Book 7498, page 726 and as Instrument No. 200003310032369, Register's Office for Davidson County, Tennessee.

4. All matters shown on the survey by R. Scot Cherry of Cherry Land Surveying, RLS No. 1512 dated September 23, 2002, revised October 17, 2002.