35

PICK-UP

Address New Owner:	Send Tax Bills to:	Map-Parcel Numbers
c/o American Property Investors – Nashville, LLC 8910 University Center Lane Suite 500 San Diego, California 92122	same	095-00-0-116.00
This instrument prepared by: Boult, Cummings, Conners & Berry, PLC (PLA) P.O. Box 198062, Nashville, Tennessee 37219		

SPECIAL WARRANTY DEED

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are acknowledged, SUMNER VENTURES, INC., a Tennessee corporation ("Grantor"), has bargained and sold, and hereby transfers and conveys to AMERICAN PROPERTY INVESTORS – NASHVILLE, LLC, a Delaware limited liability company, a seventeen and 69/100 percent (17.69%) undivided interest, API – NASHVILLE, LLC, a Delaware limited liability company, a thirty-six and 69/100 percent (36.69%) undivided interest, JEV - NASHVILLE LLC, a Delaware limited liability company ("JEV"), a seventeen and 76/100 percent (17.76%) undivided interest, LYNWOOD755 – NASHVILLE, LLC, a Delaware limited liability company, a three and 37/100 percent (3.37%) undivided interest, MFT - NASHVILLE LLC, a Delaware limited liability company ("MFT"), a three and 49/100 percent (3.49%) undivided interest, and W.O.T.B. – NASHVILLE, LLC, a Delaware limited liability company ("W.O.T.B."), a twenty-one percent (21%) undivided interest, as tenants-in-common (collectively referred to herein as "Grantee"), Grantee's successors and assigns, in certain land in Davidson County, Tennessee, being more particularly described in Exhibit A attached hereto and incorporated herein by reference (the "Property"), together with all buildings, improvements,

STATE OF TENNESSEE
COUNTY OF DAVIDSON

The actual consideration or value, whichever is greater, for this transfer is $8,570,000.00.

Affiant

Subscribed and sworn to before me, this the 18TH day of June, 2004.

IVA J. PARKER NOTARY PUBLIC AT LARGE CHEATHAM COUNTY, TENN.

Notary Public
My Commission Expires: 1-26-05

958011 v4
039350-339 06/18/04

Davidson County DEEDWARR
Recvd: 06/22/04 13:45 6pgs
Fees:33.00 Taxes:31709.00

20040622-0073871

rights, easements, privileges and appurtenances thereon and thereto belonging or appertaining or held and enjoyed therewith, unto Grantee according to the tenancy herein set forth.

The seventeen and 76/100 percent (17.76%) interest in the Property is being conveyed by Grantor directly to JEV in connection with an exchange under Section 1031 of the Internal Revenue Code of 1986, as amended, pursuant to the unrecorded Exchange Agreement dated as of December 23, 2003 by and between JEV's sole member, JEV REVOCABLE TRUST u/t/a/d 4/19/96, and Ten Thirty One Exchange Corp., a New Mexico corporation.

The three and 49/100 percent (3.49%) interest in the Property is being conveyed by Grantor directly to MFT in connection with an exchange under Section 1031 of the Internal Revenue Code of 1986, as amended, pursuant to the unrecorded Exchange Agreement dated as of January 31, 2004 by and between said MFT's sole members, Jose M. Montaño and Elizabeth A. Montaño, and Ten Thirty One Exchange Corp., a New Mexico corporation.

The twenty-one percent (21%) interest in the Property is being conveyed by Grantor directly to W.O.T.B. in connection with an exchange under Section 1031 of the Internal Revenue Code of 1986, as amended, pursuant to the unrecorded Exchange Agreement dated as of March 11, 2004 by and between said W.O.T.B.'s sole member, Waimea On the Beach LLC, a Hawaii limited liability company, and T.G. Exchange, Inc., a Hawaii corporation.

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

This conveyance of the Property, and all covenants and warranties contained herein, are made expressly subject to all easements, covenants, reservations, restrictions, limitations, conditions and other matters of record, including, without limitation, those matters listed on Exhibit B attached hereto and incorporated herein by this reference.

Grantor covenants with Grantee that the Property is free from all encumbrances made or suffered by Grantor, except as may be set forth in the preceding paragraph.

Grantor further covenants to warrant and forever defend the title to the Property to Grantee, Grantee's successors and assigns, against the lawful claims of all persons claiming by, through or under Grantor, but not otherwise, except as set forth hereinbefore and except that no warranty is made as to the amount of acreage in the Property.

Except for the warranty of title set forth herein, Grantee agrees that the property transferred hereby is sold to and accepted by Grantee AS IS, WHERE IS, WITH ALL FAULTS, IF ANY, AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED (other than the representations and warranties specifically set forth in Section 6.1 of the Agreement (as hereinafter defined) which shall survive closing only for a limited period of time as set forth in the Agreement and other than the warranty of title set forth above). Further, by its acceptance of this Special Warranty Deed, Grantee, for itself and all successors in title to the property transferred hereby, accepts such property in its existing condition and irrevocably waives any and all claims against Grantor arising from the condition, fitness for any particular purpose, suitability, merchantability or habitability of the property

transferred hereby (including, without limitation, the presence of any petroleum hydrocarbons, asbestos, PCB emissions or hazardous waste or materials upon or within such property) (unless and to the extent that Grantor has breached any warranty or representation in Section 6.1 of the Agreement or in any of the Transfer Documents (as defined in the Agreement), in which event Grantee does not waive any claim against Grantor with respect to such breach).

This Special Warranty Deed is delivered pursuant to that certain Asset Purchase Agreement dated May 7, 2004, by and between Grantor and American Property Investments, LLC, a New Mexico limited liability company ("American Property"), whereby Grantor agreed to sell the property transferred hereby to American Property (such Asset Purchase Agreement is referred to herein as the "Purchase Agreement"), the Purchase Agreement having been amended pursuant to that certain First Amendment to Asset Purchase Agreement dated as of June 17, 2004 (the "First Amendment") between Grantor and American Property, the interest of American Property in the Purchase Agreement, as amended, with respect to the Property having been assigned to Grantee pursuant to that certain Assignment of Asset Purchase Agreement (the "Assignment") dated as of June 17, 2004 between American Property, Nashville Hotel Ventures, LLC, a Delaware limited liability company, American Property Investors – Nashville, LLC, a Delaware limited liability company, API – Nashville, LLC, a Delaware limited liability company, JEV Revocable Trust u/t/a/d 4/19/96, Lynwood755 – Nashville, LLC, a Delaware limited liability company, Joe M. Montaño and Elizabeth A. Montaño, and Waimea on the Beach LLC, a Hawaii limited liability company, (the Purchase Agreement, as amended by the First Amendment and as assigned by the Assignment, is referred to herein as the "Agreement").

This is improved property known as 412 Royal Parkway, Nashville, Davidson County, Tennessee.

Executed this 18th day of June, 2004.

SUMNER VENTURES, INC., a Tennessee corporation

By: Bob Marlowe
Bob Marlowe, Secretary and Treasurer

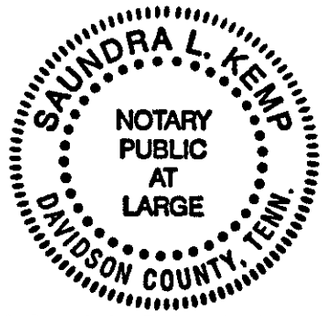
STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me, Saundra L. Kemp the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared Bob Marlowe, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged himself to be the Secretary and Treasurer of Sumner Ventures, Inc., the within named bargainor, a Tennessee corporation, and that he as such Secretary and Treasurer being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Secretary and Treasurer.

Witness my hand and seal, at office in Nashville, Tennessee, this the 18th day of June, 2004.

Saundra L Kemp
NOTARY PUBLIC

My Commission Expires: 01/26/08



My Commission Expires JAN. 26, 2008

EXHIBIT A

PROPERTY DESCRIPTION

Land in Davidson County, Tennessee, being Lot No. 1 as shown on the plat of Resubdivision of Weldon B. White, Jr., Trustee Subdivision of record in Book 7900, page 893, in the Register's Office for Davidson County, Tennessee, to which plat reference is made for a more complete and accurate description.

Being the same property conveyed to Sumner Ventures, Inc. by Successor Trustee's Deed recorded as Instrument No. 20030627-0089342 in said Register's Office.

EXHIBIT B

TITLE MATTERS

1. All matters shown or set forth on that certain subdivision plat recorded on December 30, 1986 in Book 6900, Page 175 of the Register's Office of Davidson County, Tennessee.

2. All matters shown or set forth on that certain subdivision plat recorded on February 10, 1995 in Book 7900, Page 893 of the Register's Office of Davidson County, Tennessee.

3. The terms, conditions and stipulations contained within that certain Restrictive Covenants dated March 4, 1969 and recorded on March 28, 1969 in Book 4321, Page 744 of the Register's Office of Davidson County, Tennessee.

4. The terms, conditions, stipulations and easements contained within that certain Special Warranty Deed dated November 10, 1994 and recorded on November 15, 1994 in Book 9520, Page 786 of the Register's Office of Davidson County, Tennessee.

5. The terms, conditions, stipulations and easements contained within that certain Slope Easement Agreement dated December 29, 1994 and recorded on January 5, 1995 in Book 9565, Page 230 of the Register's Office of Davidson County, Tennessee.

6. The terms, conditions, stipulations and easements contained within that certain Deed of Conveyance dated December 18, 1995 and recorded on March 25, 1996 in Book 9988, Page 942 of the Register's Office of Davidson County, Tennessee.

7. The terms, conditions, stipulations and easements contained within that certain Landscaping Contract dated May 8, 2000 and recorded on May 11, 2000 as Instrument 200005110047771 of the Register's Office of Davidson County, Tennessee.