(1)

Davidson County DEEDWARR
Recvd: 08/25/04 15:43 7pgs
Fees:38.00 Taxes:50690.00
20040825-0103105

Special Warranty Deed

FROM: Lakes Multi-Family, LLC, Grantor

TO: Lakes Partners, LLC, Grantee

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

Address New Owner (s) as follows:	Name and Address of the Person or Entity Responsible for the Payment of Real Property Taxes	Map-Parcel Numbers
3555 Bell Road Nashville, TN 37214	Same	109/12 and 109/8

STATE OF Tennessee)
COUNTY OF Davidson)

The actual consideration or value, whichever is greater, for this transfer is Thirteen Million Seven Hundred Thousand and No/100 Dollars ($13,700,000.00).

Affiant

SUBSCRIBED AND SWORN TO before me, this the 13th day of August, 2004.

RACHEL L. BRUCE
NOTARY PUBLIC AT LARGE
DAVIDSON COUNTY, TENN.

Notary Public

My Commission Expires: My Commission Expires SEPT. 22, 2007

FOR AND IN CONSIDERATION OF the sum of Thirteen Million Seven Hundred Thousand and No/100 Dollars ($13,700,000.00), the receipt and sufficiency of which are hereby acknowledged, Lakes Multi-Family, LLC, a Tennessee limited liability company (the "Grantor"), has bargained and sold, and by these presents does transfer and convey unto Lakes Partners, 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 improved property known as 100 Lincoya Bay Drive; Nashville, TN 37214 (Tract 1 on Exhibit A hereto) and 3555 Bell Road, Nashville, TN 37214 (Tract 2 on Exhibit A hereto).

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.

Witness my hand this _____ day of August, 2004.

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

By: _____
Frederic A. Scarola, 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, 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 LAKES MULTI-FAMILY, LLC by himself as Chief Manager.

Witness my hand and seal, at Office, this 13th day of August, 2004.

Rachel L Bruce
Notary Public

RACHEL L. BRUCE
NOTARY PUBLIC AT LARGE
DAVIDSON COUNTY, TENN.

My Commission Expires: _____

My Commission Expires SEPT. 22, 2007

EXHIBIT A TO SPECIAL WARRANTY DEED

PROPERTY DESCRIPTION

TRACT 1

LAND in Davidson County, Tennessee, being Lot No. 1, on the Final Plat of The Lakes Apartments, Lots 1 & 2, Lincoya Bay Drive, as shown on the plat of record in Instrument No. 20000918-0092189, in the Register's Office for Davidson County, Tennessee, more particularly described as follows:

All that certain tract, parcel or phase of land, lying and being in Nashville, Davidson County, Tennessee, known as the Lakes Apartments-Phase I, with all improvements thereon and appurtenances thereunto belonging, as shown on survey by Crawford Land Surveyors, PC, dated March 16, 2000, last revised March 27, 2000 and entitled ALTA/ACSM Land Title Survey of The Lakes Apartments Phase I Lincoya Bay Drive with said property being bounded and described in accordance with the survey as follows:

BEGINNING at an iron pin which is the northwest corner of Phase I; thence, S 81 degrees 17' 07" E, 400.00 feet to an iron pin; thence N 86 degrees 55' 42" E, 221.96 feet to an iron pin; thence, S 82 degrees 26' 33" E, 700.00 feet to an iron pin and being the northeast corner of Phase I; thence along the common property line with the U.S. Government (J. Percy Priest Reservoir), S 11 degrees 07' 00" W, 400.53 feet to an iron pin; thence S 16 degrees 54' 35" E, 329.83 feet to an iron pin and being the southeast corner of Phase I; thence, N 82 degrees 26' 33" W, 589.80 feet to a concrete monument; thence, N 82 degrees 58' 14" W, 847.68 feet to a concrete monument and being the southwest corner of Phase I, thence N 08 degrees 02' 58" E, 517.18 feet to a concrete monument; thence, N 08 degrees 46' 59" E, 157.82 feet to the point of beginning, containing 917,757 square feet or 21.07 acres, more or less.

TOGETHER with an easement for ingress and egress and for utilities across certain adjoining property, known as Phase II, as shown on the plat of record in Instrument No. 20000918-0092189, and as set forth in Easement Agreement, dated Nov. 30, 1983, and recorded December 1, 1983, in Deed Book 6185, page 216, as amended by Easement Agreement, dated March 23, 1988 and recorded March 24, 1988, in Deed Book 7498, page 726, R.O.D.C., TN, as amended by First Amendment to Easement Agreement, dated March 31, 2000 and recorded March 31, 2000 in Instrument No. 200003310032369, and as amended by Second Amendment to Easement Agreement, dated December 4, 2002 and recorded December 4, 2002 in Instrument No. 20021204-0149457.

Being a portion of the same property conveyed to Lakes Multi-Family, LLC, a Tennessee limited liability company, and Joyce Marie Jones Eidson and Charles W. Eidson in Instrument 200003310032366 Register's Office for Davidson County, Tennessee. Joyce Marie Jones Eidson and Charles W. Eidson having since conveyed their interest to Lakes-Multi Family, LLC, a Tennessee limited liability company, by Quitclaim Deed of record in Instrument No. 20010410-0035522.

TRACT 2

Land lying in the 13th Councilmanic District of Nashville, Davidson County, Tennessee, and having been the property of Lakes Multi-Family Land, L.L.C,, et al, of record at Instrument No. 20000419-0039119, and being Lot 1 on the Final Plat of Bay Club Apartments of record at Instrument No. 20010615-0063631 all at the Register's Office for Davidson County, Tennessee, and being bound on the south by the property of Michael Meeks, of record in Book 8616, page 753, on the west by the easterly right of way line of Bell Road, on the north by the southerly right-of-way line of Lincoya Bay Drive, and on the east by the westerly right-of-way line of Lincoya Bay Drive, and being more particularly described as follows:

Beginning at an iron pin found, said pin being the northwesterly corner of the Michael Meeks property;

Thence, with the easterly right-of-way of Bell Road, N 08 degrees 13 minutes 22 seconds E, 313.03 feet to an iron pin new, the beginning of a curve to the right;

Thence, with said curve, having a central angle of 89 degrees 55 minutes 26 seconds, radius of 25.00 feet, chord bearing and distance, N 53 degrees 11 minutes 05 seconds E, 35.33 feet, along an arc length of 39.24 feet to an iron pin new;

Thence with the southerly right-of-way line of Lincoya Bay Drive, S 81 degrees 51 minutes 12 seconds E, 483 feet to an iron pin found;

Thence with a curve to the right, said curve having a central angle of 90 degrees 15 minutes 34 seconds, radius of 25.00 feet, cord bearing and distance, S 36 degrees 43 minutes 26 seconds E, 35.44 feet, along an arc length of 39.38 feet to an iron pin found;

Thence with the easterly right-of-way line of Lincoya Bay Drive, S 08 degrees 24 minutes 21 seconds W, 313.35 feet to a steel post found.

Thence with said Michael Meeks property, N 81 degrees 47 minutes 58 seconds W, 532.04 feet to the point of beginning, and containing 179,878 square feet or 4.129 acres, more or less.

Being the same property conveyed to Lakes Multi-Family Land, LLC, a Tennessee limited liability company, in Instrument 200003310032368, re-recorded in Instrument No. 200004190039119, Register's Office for Davidson County, Tennessee. Lakes Multi-Family Land, LLC having since conveyed its interest to Lakes Multi-Family, LLC, a Tennessee limited liability company, of record in Instrument No. 20021220-0157689.

The above descriptions are the same as that contained in the prior deeds.

EXHIBIT B TO SPECIAL WARRANTY DEED

Encumbrances

1. Taxes for the year 2004, a lien that is not yet due and payable.

2. All matters shown on Plat recorded in Instrument No. 20000918-0092189, Register's Office for Davidson County, Tennessee (Tract 1).

3. All matters shown on Plat recorded in Instrument No. 20010615-0063631, said Register's Office (Tract 2).

4. Rights of tenants in possession as "Tenants Only" under unrecorded residential leases.

5. Maintenance obligations as contained in First Amendment to Easement Agreement of record in Instrument No. 20000331-0032369, as amended in Second Amendment to Easement Agreement of record in Instrument No. 20021204-0149457, said Register's Office.

6. (a) Deed of Trust given to Stuart Jones, as Trustee in Instrument No. 200003310032370, said Register's Office, securing Fannie Mae by virtue of assignment of record in Instrument No. 200003310032373, said Register's Office;
(b) Subordination Agreement of record in Instrument No. 20031209-0176516, said Register's Office;
(c) Fixture Filing of record in Instrument No. 200003310032371, said Register's Office, as assigned of record in Instrument No. 200003310032372, said Register's Office, and amended in Instrument No. 20010809-0085845, said Register's Office.

7. (a) Deed of Trust given to Devereaux Cannon as Trustee, in Instrument No. 20021220-0157729, said Register's Office, securing Fannie Mae by virtue of assignment of record in Instrument No. 20021220-0157732, said Register's Office;
(b) Fixture Filing of record in Instrument No. 20021220-0157730, said Register's Office.

8. (a) Deed of Trust given to Devereaux Cannon, as Trustee in Instrument No. 20021220-0157690, said Register's Office, securing Fannie Mae by virtue of assignment in Instrument No. 20021220-0157692, said Register's Office;
(b) Fixture Filing of record in Instrument No. 20021220-0157691, said Register's Office.

9. Terms and conditions of an unrecorded Lease as evidenced by a Memorandum of Lease of record in Instrument No. 20020214-0019446, said Register's Office.

10. All matters shown on the survey prepared by William C. Cockrill dated March 27, 2000 (Tract 1).

11. All matters shown on the survey prepared by Kevin A. Edmonson dated October 22, 2002 (Tract 2).