1st

Prepared by and Return to:

Gibson, Dunn & Crutcher LLP
2029 Century Park East
Los Angeles, California 90067
Attention: Kamyar Shabani

Davidson County DEEDWARR
Recvd: 11/30/05 14:12 6 pgs
Fees:33.00 Taxes:30710.00
20051130-0144076

SPECIAL WARRANTY DEED

ADDRESS OF NEW OWNER:	SEND TAX BILLS TO:	TAX PARCEL NO.:
New Bavaria Associates, LLC 2701 E. Luzerne Street Philadelphia, Pennsylvania 19137 Attention: Steven A. Berger	New Bavaria Associates, LLC. 2701 E. Luzerne Street Philadelphia, Pennsylvania 19137 Attention: Steven A. Berger	148/155 & 148/160

FOR AND IN CONSIDERATION of the sum of Ten ($10.00) Dollars cash in hand paid by the hereinafter named Grantee, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the undersigned, **ALLIANCE LHMD LIMITED PARTNERSHIP**, a Delaware limited partnership ("Grantor") has bargained and sold, and by these presents does transfer and convey unto **NEW BAVARIA ASSOCIATES, LLC**, a Delaware limited liability company ("Grantee"), Grantee's successors and assigns, a certain tract or parcel of land in Davidson County, State of Tennessee, being more particularly described as follows, to wit:

SEE LEGAL DESCRIPTION ATTACHED HERETO
AND INCORPORATED HEREIN AS EXHIBIT "A"

Being the same property conveyed to Alliance LHMD Limited Partnership, a Delaware limited partnership, by Deed of Record in Book 11278, page 1, Register's Office for Davidson County, Tennessee.

This conveyance is subject to taxes for the year 2005 and subsequent years.

This is improved property commonly known as Bavaria Apartments.

STATE OF TENNESSEE}
COUNTY OF DAVIDSON}

I hereby swear or affirm that to the best of affiant's knowledge, information, and belief, the actual consideration for this transfer or value of the property transferred, whichever is greater, is $8,300,000, which amount is equal to or greater that the amount which the property transferred would command at a fair and voluntary sale.

Affiant (Grantee)

Subscribed and sworn to before me this the 23rd day of November, 2005.

BARBARA A. VOLPE COMMONWEALTH OF PENNSYLVANIA NOTARY PUBLIC

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Barbara A. Volpe, Notary Public
Philadelphia County
My Commission Expires June 18, 2009
Member, Pennsylvania Association of Notaries

Barbara A Volpe
Notary Public

My Commission Expires: 6-18-2009

TO HAVE AND TO HOLD the said tract or parcel of land with the appurtenances, estate, title, and interest thereto belonging to the said Grantee, Grantee's successors and assigns, forever.

And Grantor does covenant with the said Grantee that Grantor is lawfully seized and possessed of said land in fee simple; has a good right to convey it, and the same is free from all encumbrances made or suffered by Grantor, except as listed on Exhibit "B" (attached hereto and incorporated herein by reference) and representations and limitations as expressly provided for hereby.

And Grantor does further covenant and bind himself, his successors and assigns, to warrant and forever defend the title to the Property to the said Grantee, his successors and assigns against the lawful claims of all persons claiming by, through or under the Grantor, but not further or otherwise. Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

[SIGNATURE PAGE ATTACHED]

IN WITNESS WHEREOF, the Grantor has caused this Deed to be executed as of this 29 day of November 2005.

ALLIANCE LHMD LIMITED PARTNERSHIP,
a Delaware limited partnership

By: ALLIANCE LHMD GP, INC.,
an Illinois corporation,
its General Partner

By: _____
Name: David S. Broderick
Title: Authorized Signatory

STATE OF New York
COUNTY OF New York

Before me, the undersigned , a Notary Public within and for the State and County aforesaid, personally appeared David S. Broderick with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and upon oath acknowledged him self to be the Authorized Signatory of ALLIANCE LHMD GP, INC., the general partner of ALLIANCE LHMD LIMITED PARTNERSHIP, a Delaware general partnership, and that David S. Broderick as such Authorized Signatory of the general partner of ALLIANCE LHMD LIMITED PARTNERSHIP, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of ALLIANCE LHMD GP, INC., the general partner of ALLIANCE LHMD LIMITED PARTNERSHIP as Authorized Signatory of ALLIANCE LHMD GP, INC., the general partner of ALLIANCE LHMD LIMITED PARTNERSHIP.

Witness my hand and official seal at office at New York, New York on this the 8th day of November, 2005.

_____
Notary Public

Commission Expires: Sept. 12, 2009.

ANGELA MARIGLIANO
NOTARY PUBLIC, State of New York
No. 01MA6133217
Qualified in New York County
Commission Expires September 12, 2009

EXHIBIT "A"

LEGAL DESCRIPTION

[See Attached]

EXHIBIT "A"

Legal Description

Land in the Fifth Civil District Davidson County, Tennessee, described according to a survey made by Alley & Brown Consulting Engineers, dated December 3, 1968, as follows:

Beginning at an iron pin in the southwesterly margin of Apache Trail, as widened said iron pin being North 44 degrees 41' West from center line of Packard Drive along margin of Apache Trail extended, a distance of 50 feet; thence around a curve to the right, having a radius of 25 feet, southwestwardly 39.27 feet to an iron pin in the northwesterly margin of Packard Drive; thence with the margin of same, South 45 degrees 09' West, 58.33 feet to a point; thence along a curve to the right, having a radius of 388.81 feet, 111.97 feet to a point; thence continuing with the margin of same, South 61 degrees 39' West, 108.00feet to a point; thence with a curve to the left, having a radius of 1639.15 feet, 388.12 feet to a point; thence South 48 degrees 05' West, 121.00 feet to an iron pin; thence leaving Packard Drive, North 41 degrees 32' West, 355.00 feet to an iron pin; thence North 80 degrees 30' West, 99.00 feet to an iron pin; thence South 68 degrees 05' West, 166.00 feet to an iron pin; thence North 21 degrees 18' West, 266.00 feet to an iron pin in the southerly line of the Chris Anton property; thence South 88 degrees 54' East, 286.92 feet to an iron pin; thence North 31 degrees 01' East, 132.56 feet to an iron pin; thence North 8 degrees 13' East, 265.15 feet to a stake; thence North 6 degrees 13' East, 214.80 feet to an iron pin; thence North 40 degrees 24' East, 146.42 feet to an iron pin in the northerly margin of Apache Trail, as widened; thence with the margin of same, South 62 degrees 17' East, 101.56 feet to an iron pin in said margin; thence continuing South 44 degrees 51' East, 872.42 feet to the point of beginning, containing 14.688 acres, more or less.

Being the same property conveyed to Alliance Holdings Tennessee, L.L.C. by Deed of record in Book 11278, page 1, Register's Office for Davidson County, Tennessee. Alliance Holdings Tennessee, L.L.C. conveyed a portion of said property to Alliance LH Portfolio Limited Partnership by Deed of record in Book 11341, page 638, as corrected in Instrument No. 200207110083779, as corrected in Instrument No. 20050906-0106351, said Register's Office. Alliance LH Portfolio Limited Partnership is now known as Alliance LHMD Limited Partnership pursuant to Certificate of Merger recorded at Instrument No. 20050808-0093130, said Register's Office.

EXHIBIT "B"

PERMITTED EXCEPTIONS

1. Easements, or claims of easements, not shown by the public records.

2. Any discrepancies, conflicts, encroachments, servitudes, shortages in area and boundaries or other facts which a correct survey should show including the following encroachments on Survey No. 98-657 dated June 28, 2002 and prepared by Michael V. Holmes TN RLS #213 of H & H Land Surveying, Inc.:

   (a) Parking Area and Concrete Walls cross over property line in southwesterly portion;

   (b) Parking Area, Dumpster Pad, Sidewalk and Stairwell cross over the property line in southwesterly portion;

   (c) Concrete Dumpster Pad crosses over property line in westerly portion; and

   (d) Fence crosses over property line in easterly portion.

3. Taxes for the year 2005, a lien, which are not yet due and payable. Tax Parcel No. 148/155 & 148/160.

4. With respect to improvements completed after January 1 of any year (if any), supplemental assessment for taxes not yet due and payable in the year in which improvements are completed as defined by applicable law.

5. All matters shown on Plat recorded in Book 4460, page 93, as amended in Book 4615, page 937.

6. Leases of record in Book 5372, page 518 and in Book 5372, page 523.

7. Title to that portion of the property within the bounds of Apache Trail.