

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional] Jonathan J. Nugent (704) 338-5095	
B. SEND ACKNOWLEDGMENT TO: (Name and Address) Jonathan J. Nugent, Esq. Kilpatrick Stockton LLP Hearst Tower, Suite 2500 214 North Tryon Street Charlotte, North Carolina 28202	

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME ROYAL OAKS, LLC				
OR 1b. INDIVIDUAL'S LAST NAME				
1c. MAILING ADDRESS 820 Shades Creek Parkway, Suite 2300		CITY Birmingham	STATE AL	POSTAL CODE 35209
1d. TAX ID #: SSN OR EIN		1e. TYPE OF ORGANIZATION limited liability company	1f. JURISDICTION OF ORGANIZATION Alabama	1g. ORGANIZATIONAL ID #, if any DLL 674-147 <input type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME				
OR 2b. INDIVIDUAL'S LAST NAME				
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
2d. TAX ID #: SSN OR EIN		2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME FEDERAL HOME LOAN MORTGAGE CORPORATION				
OR 3b. INDIVIDUAL'S LAST NAME				
3c. MAILING ADDRESS 8200 Jones Branch Drive		CITY McLean	STATE VA	POSTAL CODE 22102

4. This FINANCING STATEMENT covers the following collateral:

See Exhibit A and Exhibit B attached hereto.

5. ALTERNATIVE DESIGNATION [if applicable]:		<input type="checkbox"/> LESSEE/LESSOR	<input type="checkbox"/> CONSIGNEE/CONSIGNOR	<input type="checkbox"/> BAILEE/BAILOR	<input type="checkbox"/> SELLER/BUYER	<input type="checkbox"/> AG. LIEN	<input type="checkbox"/> NON-UCC FILING
6. <input checked="" type="checkbox"/> This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]		7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] [optional]		<input type="checkbox"/> All Debtors		<input type="checkbox"/> Debtor 1	<input type="checkbox"/> Debtor 2
8. OPTIONAL FILER REFERENCE DATA FHLMC Loan #002709260, 002712407, 002712415/Royal Oaks							

Shelby County (Alabama)

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

OR	9a. ORGANIZATION'S NAME ROYAL OAKS, LLC		
	9b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME, SUFFIX

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OR	11a. ORGANIZATION'S NAME				
	11b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
11c. MAILING ADDRESS			CITY	STATE	POSTAL CODE
11d. TAX ID #: SSN OR EIN		ADD'L INFO RE ORGANIZATION DEBTOR	11e. TYPE OF ORGANIZATION	11f. JURISDICTION OF ORGANIZATION	11g. ORGANIZATIONAL ID #, if any
					<input type="checkbox"/> NONE

OR	12a. ORGANIZATION'S NAME				
	12b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME		SUFFIX
	12c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

See Exhibit A attached hereto.

See Exhibit B attached hereto.

FHLMC Loan #002709260, 002712407, 002712415/Royal Oaks
Shelby County (Alabama)

☒ Filed in connection with a Public-Finance Transaction — effective 30 years

Financing Statement
Exhibit B
For Use in Bond Enhancements
(Revision Date 5-20-2003)

All of Debtor's present and future right, title and interest in and to all of the following:

- (1) All of the following which are used now or in the future in connection with the ownership, management or operation of the real property described in Exhibit A and/or the improvements on such real property (the "Property"): machinery, equipment, engines, boilers, incinerators, installed building materials; systems and equipment for the purpose of supplying or distributing heating, cooling, electricity, gas, water, air, or light; antennas, cable, wiring and conduits used in connection with radio, television, security, fire prevention, or fire detection or otherwise used to carry electronic signals; telephone systems and equipment; elevators and related machinery and equipment; fire detection, prevention and extinguishing systems and apparatus; security and access control systems and apparatus; plumbing systems; water heaters, ranges, stoves, microwave ovens, refrigerators, dishwashers, garbage disposers, washers, dryers and other appliances; light fixtures, awnings, storm windows and storm doors; pictures, screens, blinds, shades, curtains and curtain rods; mirrors; cabinets, paneling, rugs and floor and wall coverings; fences, trees and plants; swimming pools; and exercise equipment (any of the foregoing that are so attached to the Property as to constitute fixtures under applicable law are referred to below as the "Fixtures");
- (2) All furniture, furnishings, equipment, machinery, building materials, appliances, goods, supplies, tools, books, records (whether in written or electronic form), computer equipment (hardware and software) and other tangible personal property (other than Fixtures) which are used now or in the future in connection with the ownership, management or operation of the Property or are located on the Property, and any operating agreements relating to the Property, and any surveys, plans and specifications and contracts for architectural, engineering and construction services relating to the Property and all other intangible property and rights relating to the operation of, or used in connection with, the Property, including all governmental permits relating to any activities on the Property (the "Personalty");
- (3) All current and future rights, including air rights, development rights, zoning rights and other similar rights or interests, easements, tenements, rights-of-way, strips and gores of land, streets, alleys, roads, sewer rights, waters, watercourses, and appurtenances related

to or benefiting the Property, and all rights-of-way, streets, alleys and roads which may have been or may in the future be vacated;

- (4) All proceeds paid or to be paid by any insurer of the Property, the Fixtures, the Personalty or any other item listed in this Exhibit B;
- (5) All awards, payments and other compensation made or to be made by any municipal, state or federal authority with respect to the Property, the Fixtures, the Personalty or any other item listed in this Exhibit B, including any awards or settlements resulting from condemnation proceedings or the total or partial taking of the Property, the Fixtures, the Personalty or any other item listed in this Exhibit B under the power of eminent domain or otherwise and including any conveyance in lieu thereof;
- (6) All contracts, options and other agreements for the sale of the Property, the Fixtures, the Personalty or any other item listed in this Exhibit B entered into by Debtor now or in the future, including cash or securities deposited to secure performance by parties of their obligations;
- (7) All present and future leases, subleases, licenses, concessions or grants or other possessory interests now or hereafter in force, whether oral or written, covering or affecting the Property, or any portion of the Property (including proprietary leases or occupancy agreements if Debtor is a cooperative housing corporation), and all modifications, extensions or renewals (the "Leases");
- (8) All earnings, royalties, accounts receivable (including accounts receivable for all rents, revenues and other income of the Property, including parking fees, charges for food, health care and other services), issues and profits from the Property, or any other item listed in this Exhibit B, and all undisbursed proceeds of the loan secured by the security interests to which this financing statement relates and, if Debtor is a cooperative housing corporation, maintenance charges or assessments payable by shareholders or residents;
- (9) All refunds (other than real property tax refunds applicable to periods before the real property tax year in which the loan secured by the security interests to which this financing statement relates was made) or rebates of (a) water and sewer charges, (b) premiums for fire and other hazard insurance, rent loss insurance and any other insurance required by Secured Party, (c) taxes, assessments, vault rentals, and (d) other charges or expenses required by Secured Party to protect the Property, to prevent the imposition of liens on the Property, or otherwise to protect Secured Party's interests (collectively, the "Impositions") by any municipal, state or federal authority or insurance company;
- (10) All tenant security deposits that have not been forfeited by any tenant under any Lease;
- (11) All names under or by which the Property or any part of it may be operated or known, and all trademarks, trade names, and goodwill relating to any of the Property or any part of it;

- (12) All proceeds from the conversion, voluntary or involuntary, of any of the above into cash or liquidated claims, and the right to collect such proceeds;
- (13) All interest rate cap agreements, interest rate swap agreements and other interest rate hedging contracts and agreements (collectively, "Cap Agreements") obtained by Debtor (or obtained by Secured Party in the name of Debtor) pursuant to the "Loan Documents" (as defined in that certain Multifamily Mortgage, Assignment of Rents and Security Instrument in favor of Secured Party and encumbering the real property described in Exhibit A) or as a condition to Secured Party's making the loan that is the subject of such Loan Documents; together with:
- (i) any and all moneys (collectively, "Cap Payments") payable from time to time pursuant to any Cap Agreement by the interest rate cap provider or other counterparty to a Cap Agreement, or any guarantor of the obligations of any such cap provider or counterparty (a "Cap Provider");
 - (ii) all rights of the Debtor under any Cap Agreement, and all rights of the Debtor to all Cap Payments, including contract rights and general intangibles, now existing or hereafter arising;
 - (iii) all rights, liens and security interests or guarantees now existing or hereafter granted by a Cap Provider or any other person to secure or guaranty payment of any Cap Payment;
 - (iv) all documents, writings, books, files, records and other documents arising from or relating to any of the foregoing, whether now existing or hereafter created; and
 - (v) all cash and non-cash proceeds and products of any of the foregoing;
- (14) All funds and accounts (the "Indenture Funds and Accounts") maintained with SouthTrust Bank (the "Trustee"), as trustee, or its successors and assigns, pursuant to the Trust Indenture (the "Indenture"), dated as of September 1, 2004, between the Trustee and _____ (the "Issuer"), together with all moneys from time to time deposited in the Indenture Funds and Accounts and all certificates and instruments, if any, from time to time representing, evidencing or otherwise relating to any of the Indenture Funds and Accounts, all as described in the Indenture; all investments from time to time held by or in the Indenture Funds and Accounts and all certificates and instruments, if any, from time to time representing or evidencing such investments; all present and future securities, investment securities, notes, certificates of deposit, treasury obligations, negotiable instruments, general intangibles, cash, bank deposit accounts, checks and other instruments from time to time hereafter resulting from the investment and/or reinvestment of moneys in the Indenture Funds and Accounts pursuant to the Indenture; and all cash and non-cash proceeds and products of any of the foregoing, including, without limitation, interest, dividends, cash, instruments and other property from time to time

received, receivable or otherwise distributed or distributable in respect of or in exchange for any or all of the other collateral;

- (15) All bonds which are held under and pursuant to that certain Pledge, Security and Custody Agreement, dated as of _____ 1, 200__ between the Debtor and the Trustee, not in its individual capacity, but solely in its capacity as collateral agent for the Secured Party; all interest and other amounts payable on, and all rights with respect to, such bonds (including without limitation, all payments of principal and interest thereon); and all proceeds of any of the foregoing; and
- (16) Any funds, amounts, proceeds, or credits derived from the foreclosure of the Property by a holder of a mortgage encumbering the Property which exceeds the amount required to satisfy the obligations secured by any first lien mortgage.