

Uniform Commercial Code—FINANCING STATEMENT—Form UCC-1

REORDER FROM
Registré, Inc.
 314 PIERCE ST.
 P.O. BOX 218
 ANOKA, MN 55303
 (612) 421-1111

IMPORTANT - Read instructions on back before filling out form.

This FINANCING STATEMENT is presented to a Filing Officer for filing pursuant to the Uniform Commercial Code

No. of Additional
 Sheets Presented

3 ☐ The Debtor(s) is/are transmitting utility

4. For Filing Officer's Use: Time, No. Filing Office

1 Debtor(s) (Last Name First) and Address(es):

Paragon Assisted Living, LLC
 2606 Linger Lane
 Birmingham, AL 35226

2 Secured Party(ies) Name(s) and Address(es):

Heartland Capital Corporation
 1114 W. Clinch Avenue
 Knoxville, TN 37916

5 This Financing Statement covers the following types (or items) of property:

See Schedule A attached hereto and made a part hereof.

6 Assignee(s) of Secured Party and Address(es)

☐ Products of the Collateral are also covered.

8. Describe Real Estate Here:

☐ This statement is to be indexed in the Real Estate Records

See Schedule B attached hereto and made a part hereof

9 Name of a Record Owner

7. ☐ The described goods are growing or to be grown on:
☐ The described goods are or are to be divided into:
☐ The timber to be cut or mineral or the like including oil and gas is on:
 * Describe Real Estate in Item 8

No. & Street	Town or City	County	Section	Block	Lot
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10. This statement is filed without the Debtor's signature to perfect a security interest in Collateral. Check appropriate box:

- ☐ which is proceeds of the original Collateral described above in which a security interest was perfected;
- ☐ acquired after a change of name, identity or corporate structure of the Debtor;
- ☐ as to which the filing has lapsed; or
- ☐ already subject to a security interest in another jurisdiction

11. If appropriate in this filing, the terms Debtor(s) and Secured Party(ies) shall respectively mean:
☐ Consignee(s) and Consignor(s); or
☐ Lessor(s) and Lessee(s)

Paragon Assisted Living, LLC

Garland L. Smith

Signature(s) of Debtor(s)

8.

Signature(s) of Secured Party(ies)
 (Required only if item 10 is checked)

20-05-85-07/01

STANDARD FORM -- FORM UCC-1 -- Approved by The Secretary of the State of Delaware

Filing Officer Copy - Not to be used

ATTACHMENT TO UCC-1 FINANCING STATEMENT

ADDITIONAL SECURED PARTY

U.S. Department of Housing and Urban Development ("Secretary")
Alabama State Office
Beacon Ridge Tower
600 Beacon Parkway W., Suite 300
Birmingham, AL 35209-3144

The Debtor and the Secured Party hereby agree that the Secretary shall be an additional secured party under this UCC-1 together with the Secured Party, as their interests may appear, provided, however, that nothing in the Uniform Commercial Code Financing Statement shall require the execution, now or at any future time, of any amendment, extension, or other document by the Secretary.

SCHEDULE "A"

All of the goods, equipment, furnishings, fixtures, furniture, chattels and articles of personal property, including without limitation all building material and supplies, furnaces, boilers, oil burners, refrigeration, air conditioning and sprinkler systems, awnings, screens, window shades, motors, dynamos, incinerators, plants and shrubbery and all other equipment, machinery, appliances, fittings and fixtures, whether personal property, inventory or fixtures, whether now owned or hereafter from time to time acquired by Debtor, together with all substitutions, replacements, additions, attachments, accessories, accretions, their component parts thereto, or thereof, all other items of like property, and all accounts and contract rights (other than the proceeds of any future sale of interests in Debtor by means of a Public Offering or other syndication and additional capital contribution obligations of Debtor's partners);

All intangible property and rights relating to the property or the operation thereof, or used in connection therewith, all contract rights, or other agreements relating to services in connection with the use, operation, occupancy, or maintenance of the building or buildings at the premises, accounts receivable, instruments, actions and rights in action, rents, issues, income and cash collateral;

All rights to insurance proceeds and condemnation awards, arising from the premises, and personal property, and all rights of Debtor as to the business operations on the premises;

All of the leases, rental agreements, rents, income and profits, including without limitation, all security and other deposits, licenses, permits, obligations owing to Debtor or lessor, including rent paid more than one month in advance, liquidated damages and deposits now existing or hereafter arising under any leases, subleases, or other agreements or arrangements pertaining to or affecting the premises, or the operations thereon, or the personal property, and all of the right, title and interest of the Debtor therein;

Any and all assisted living licenses, permits and/or certificates of need which may be required to own and operate the project;

All proceeds, replacements, additions, substitutions, renewals and accessions of any of the foregoing, covering or relating to any or all thereof, whether now in existence or hereafter arising and relating to, situated or located on, or used or usable in connection with the operation of the multifamily housing project known as Lakeview Estates, Birmingham, AL, FHA Project No. 062-43063 securing the Mortgage (identified by legal description as set forth in Schedule B).

SCHEDULE "B"

A part of the Southwest quarter of the Northwest quarter of Section 15, Township 19 South, Range 2 West, and the Southeast quarter of the Northeast quarter of Section 16, Township 19 South, Range 2 West, Shelby County, Alabama and being more particularly described as follows:

Begin at the Northeast corner of the Southeast quarter of the Northeast quarter of Section 16, Township 19 South, Range 2 West, Shelby County, Alabama; thence turn an angle of $45^{\circ}33'20''$ right from the section line Southerly and thence run Southwesterly 444.44 feet; thence turn $96^{\circ}38'08''$ left and run Southeasterly for 328.74 feet; thence turn $65^{\circ}51'05''$ right and run Southwesterly for 219.96 feet; thence turn $42^{\circ}35'40''$ left and run Southeasterly for 155.17 feet to a point on the North right of way line of Valleydale Road; thence turn $90^{\circ}22'40''$ left and run Northeasterly along said North right of way line for 68.56 feet; thence turn $61^{\circ}57'43''$ left and run Northerly for 136.07 feet; thence turn $22^{\circ}20'09''$ right and run Northeasterly for 116.03 feet; thence turn $39^{\circ}37'34''$ right and run Northeasterly for 348.13 feet; thence turn $73^{\circ}40'47''$ right and run Southeasterly for 136.64 feet; thence turn $16^{\circ}00'42''$ right and run Southeasterly for 64.16 feet to a point on the North right of way line of Valleydale Road; thence turn an angle of $89^{\circ}57'21''$ left and run Northeasterly along said North right of way line for 59.00 feet; thence turn an angle of $106^{\circ}03'20''$ left and run Northwesterly for 775.48 feet to the point of beginning.

Inst # 1999-28766

07/08/1999-28766
01:26 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
004 WMS 18.00