

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]
B. SEND ACKNOWLEDGMENT TO: (Name and Address)
Robin H. Harbin P. O. Box 55465 Birmingham, AL 35255

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 Huntley Hall Apartments, Ltd.						
OR	1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
1c. MAILING ADDRESS P. O. Box 6657			CITY Dothan	STATE AL	POSTAL CODE 36302	COUNTRY USA
1d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION limited partnership	1f. JURISDICTION OF ORGANIZATION Alabama	1g. ORGANIZATIONAL ID #, if any		<input checked="" 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		FIRST NAME	MIDDLE NAME	SUFFIX	
2c. MAILING ADDRESS			CITY	STATE	POSTAL CODE	COUNTRY
2d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	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 Highland Mortgage Company						
OR	3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
3c. MAILING ADDRESS P. O. Box 55465			CITY Birmingham	STATE AL	POSTAL CODE 35255	COUNTRY

4. This FINANCING STATEMENT covers the following collateral:

See Exhibit A and Exhibit B attached hereto and made a part hereof.

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

FILED IN LAND RECORDS OF SHELBY COUNTY, ALABAMA

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT

OR	9a. ORGANIZATION'S NAME		
	Huntley Hall Apartments, Ltd.		
	9b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME, SUFFIX

10. MISCELLANEOUS:

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one name (11a or 11b) - do not abbreviate or combine names

OR	11a. ORGANIZATION'S NAME			
	11b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
11c. MAILING ADDRESS		CITY	STATE	POSTAL CODE COUNTRY
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

12. ☐ ADDITIONAL SECURED PARTY'S or ☐ ASSIGNOR S/P'S NAME - insert only one name (12a or 12b)

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

13. This FINANCING STATEMENT covers ☐ timber to be cut or ☐ as-extracted collateral, or is filed as a ☒ fixture filing.

14. Description of real estate:

See Exhibit A attached hereto and made a part hereof.

15. Name and address of a RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

16. Additional collateral description:

17. Check only if applicable and check only one box.

Debtor is a ☐ Trust or ☐ Trustee acting with respect to property held in trust or ☐ Decedent's Estate

18. Check only if applicable and check only one box.

- ☐ Debtor is a TRANSMITTING UTILITY
☐ Filed in connection with a Manufactured-Home Transaction — effective 30 years
☐ Filed in connection with a Public-Finance Transaction — effective 30 years

EXHIBIT A

A parcel of land situated in the NW ¼ of the NW ¼ of Section 30, Township 20 South, Range 2 West, Shelby County, Alabama, and being more particularly described as follows:

Begin at the NW corner of said Section 30, said point being the Point of Beginning; thence South 89°26'05" East along North line of said ¼ - ¼ Section, a distance of 625.00 feet; thence South 00°26'48" West, a distance of 1,310.02 feet; thence North 89°22'20" West, a distance of 625.00 feet; thence North 00°26'48" East, a distance of 1,309.34 feet to the Point of Beginning.

LESS AND EXCEPT the following:

Commence at the NW corner of Section 30, Township 20 South, Range 2 West and thence S 89°26'05" E a distance of 586.51 feet to the Point of Beginning; thence S 89°26'05" E a distance of 38.49 feet; thence S 00°26'48" W a distance of 359.29 feet; thence with a curve turning to the right with an arc length of 364.74 feet, with a radius of 780.00 feet, with a chord bearing of N 05°40'02" W, with a chord length of 361.42 feet, which is the point of beginning.

TOGETHER WITH A non-exclusive easement for ingress, egress and utilities, at set forth in Easement, Joint Use and Maintenance Agreement recorded in Instrument 20040610000314520, more particularly described as follows:

A non-exclusive Proposed Easement for the purpose of ingress, Egress and Utilities. Commence at the NW corner of Section 30 Township 20 South, Range 2 West and thence S00°26'48"W a distance of 350.56 feet; thence S89°33'12"E a distance of 653.28 feet to the Point to Beginning of a 60 foot Ingress, Egress and Utility Easement lying 30 feet either side of the following described center line; thence with a curve turning to the right with an arc length of 676.99 feet, with a radius of 750.00 feet, with a chord bearing of N06°47'45"E, with a chord length of 654.24 feet, thence with a curve turning to the left with an arc length of 170.51 feet, with a radius of 300.00 feet, with a chord bearing of N16°22'20"E, with a chord length of 168.22 feet, thence N00°05'23"E a distance of 622.22 feet, thence with a curve turning to the left with an arc length of 233.14 feet, with a radius of 300.00 feet, with a chord bearing of N22°10'25"W, with a chord length of 227.32 feet, thence with a curve turning to the right with an arc length of 430.04 feet, with a radius of 300.00 feet, with a chord bearing of N03°22'18"W, with a chord length of 394.15 feet, thence N37°41'38"E a distance of 31.96 feet to the Point of Termination of said easement.

Less and except any property lying in the Shelby County Highway right-of-way as recorded in Instrument #200404080001834000.

continued...

ALSO, a permanent, perpetual and non-exclusive easement for utilities as set forth in Declaration of Utility Easement as recorded in Instrument * 20040610000314500, more particularly described as follows:

Commence at the NW corner of Section 30 Township 20 South, Range 2 West and thence S89°26'05"E a distance of 566.35 feet to the Point of Beginning; thence with a curve turning to the right with an arc length of 350.54 feet, with a radius of 800.00 feet, with a chord bearing of N20°06'07"E, with a chord length of 347.75 feet, thence with a curve turning to the left with an arc length of 142.09 feet, with a radius of 250.00 feet, with a chord bearing of N16°22'20"E, with a chord length of 140.19 feet, thence N00°05'23"E a distance of 622.22 feet, thence with a curve turning to the left with an arc length of 94.28 feet, with a radius of 250.00 feet, with a chord bearing of N22°10'25"W, with a chord length of 189.43 feet, thence with a curve turning to the right with an arc length of 486.54 feet, with a radius of 350.00 feet, with a chord bearing of N04°36'47"W, with a chord length of 448.30 feet, thence N60°03'21"W a distance of 243.63 feet, thence N13°16'13"E a distance of 41.76 feet; thence S60°03'21"E a distance of 258.00 feet; thence with a curve turning to the right with an arc length of 34.12 feet, with a radius of 20.00 feet, with a chord bearing of S11°10'51"E, with a chord length of 30.13 feet, thence S37°41'38"W a distance of 4.97 feet; thence with a curve turning to the left with an arc length of 473.04 feet, with a radius of 330.00 feet, with a chord bearing of S03°22'18"E, with a chord length of 433.57 feet, thence with a curve turning to the right with an arc length of 209.83 feet, with a radius of 270.00 feet, with a chord bearing of S22°10'25"E, with a chord length of 204.59 feet, thence S00°05'23"W a distance of 622.22 feet; thence with a curve turning to the right with an arc length of 53.46 feet, with a radius of 270.00 feet, with a chord bearing of S16°22'20"W, with a chord length of 151.40 feet, thence with a curve turning to the left with an arc length of 339.33 feet, with a radius of 780.00, with a chord bearing of S20°11'30"W, with a chord length of 336.66 feet, thence N89°26'05"W a distance of 20.15 feet which is the point of beginning.

Less and except any property lying in the Shelby County Highway right-of-way as recorded in Instrument #200404080001834000.

EXHIBIT "B" TO SECURITY AGREEMENT AND FINANCING STATEMENTS

This Exhibit "B" is attached to, incorporated by reference in, and forms a part of that certain Security Agreement and Financing Statements (collectively, the "Security Documents"), executed and delivered by the Debtor in connection with the financing of the Project (as hereinafter defined) in favor of Highland Mortgage Company (the "Secured Party").

This Exhibit "B" refers to the following collateral, which may be now or hereafter located on the premises of, relate to, or be used in connection with, the construction, financing repair, ownership, management, and operation of a certain apartment project known as HUD Project No. 062-35586 (the "Project"), located in Pelham, Shelby County, Alabama, and owned by Huntley Hall Apartments, Ltd., a limited partnership (the "Debtor"):

1. All income, rents, profits, receipts and charges from the Project.
2. All accounts, deposit accounts, instruments, chattel paper, investment property and supporting obligations, including without limitation, the following: Reserve Fund for Replacement, residual receipts, and special funds; ground rents, taxes, water rents, assessments and fire and other hazard insurance premiums; accounts receivable; operating revenue; initial operating escrow; and escrow for latent defects.
3. All insurance and condemnation proceeds; and all inventories.
4. All materials now owned or hereafter acquired by the Debtor and intended for the construction, reconstruction, alteration and repair of any building structure or improvement now or hereafter erected or placed on the property described in Exhibit "A" attached hereto (the 'Property') all of which materials shall be deemed, to be included within the Project immediately upon the delivery thereof to the Project.
5. All of the walks, fences, shrubbery, driveways, fixtures, machinery, apparatus, equipment, fittings, and other goods and other personal property of every kind and description whatsoever, now owned or hereafter acquired by the Debtor and attached to or contained in and used or usable in connection with any present or future operation of the Project, including by way of example rather than of limitation, all lighting, laundry, incinerating and power equipment; all engines, boilers, machines, motors, furnaces, compressors and transformers; all generating equipment; oil pumps, tanks, ducts, conduits, wire, switches, electrical equipment and fixtures, fans and switchboards; all telephone equipment; all piping, tubing, plumbing equipment and fixtures, all heating, refrigeration, air conditioning, cooling, ventilating, sprinkling, water, power and communications equipment, systems and apparatus, all water coolers and water heaters; all fire prevention, alarm and extinguishing systems and apparatus; all cleaning equipment; all lift, elevator and escalator equipment and apparatus; all partitions, shades, blinds, awnings, screens, screen doors, storm doors, exterior and interior signs, gas fixtures, stoves, ovens, refrigerators, garbage disposals, dishwashers, cabinets, mirrors, mantles, floor coverings, carpets, rugs, draperies and other furnishings and furniture installed or to be installed or used or usable in the operation of any part of the Project or facilities erected or to be erected in or upon the Property; and every renewal or replacement thereof or articles in substitution therefor, whether or not the same are now or hereafter attached to the Property in any manner; all except for any right, title or interest therein owned by any tenant (it being agreed that all personal property owned by the Debtor and placed by it on the Property shall, so far as permitted by law, be deemed to be affixed to the Property, appropriated to its use, and covered by each of the Security Documents to which this exhibit is attached).

6. All of the Debtor's right, title and interest in and to any and all judgments, awards of damages (including but not limited to severance and consequential damages), payments, proceeds, settlements or other compensation (collectively, the "Awards") heretofore or hereafter made, including interest thereon), and the right to receive the same, as a result of, in connection with, or in lieu of (i) any taking of the Property or any part thereof by the exercise of the power of condemnation or eminent domain, or police power, (ii) any change or alteration of the grade of any street, or (iii) any other injury or decrease in the value of the Property or any part thereof (including but not limited to destruction or decrease in value by fire or other casualty), all of which Awards, rights thereto and shares therein are hereby assigned to the Secured Party, who is hereby authorized to collect and receive the proceeds thereof and to give proper receipts and acquittances therefor and to apply, at its option, the net proceeds thereof, after deducting expenses of collection, as a credit upon any portion, as selected by the Secured Party, of the indebtedness secured by the Security Documents.

7. All of the Debtor's right, title and interest in and to any and all payments, proceeds, settlements or other compensation heretofore or hereinafter made, including any interest thereon, and the right to receive the same from any and all insurance policies covering the Property or any portion thereof, or any of the other property described herein.

8. The interest of the Debtor in and to all of the rents, royalties, issues, profit revenues income and other benefits of the Property, or arising from the use or enjoyment of all or any portion thereof, or from any lease or agreement pertaining thereto, and all right, title and interest of the Debtor in and to, and remedies under, all contract rights, accounts receivable and general intangibles arising out of or in connection with any and all leases and subleases of the Property, or any part thereof, and of the other property described herein, or any part thereof, both now in existence or hereafter entered into, together with all proceeds (cash and non-cash) thereof; and including, without limitation, all cash or securities deposited thereunder to secure performance by the lessees of their obligations thereunder.

9. All of the Debtor's rights, options, powers and privileges in and to (but not the Debtor's obligations and burdens; under) any construction contract, architectural and engineering agreements and management contract pertaining to the construction, development, repair, operation, ownership, equipping and management of the Property and all of the Debtor's right, title and interest in and to (but not the Debtor's obligations and burdens under) all architectural, engineering and similar plans, specifications, drawings, reports, surveys, plats, permits and the like, contracts for construction, development, repair, operation, management and maintenance of, or provision of services to, the Property or any of the other property described herein, and all sewer taps and allocations, agreements for utilities, bonds and the like, all relating to the Property .

10. All intangible personal property, accounts, licenses, permits, instruments, contract rights, chattel paper and general intangibles of the Debtor, including but not limited to cash; accounts receivable; bank accounts; certificates of deposit, securities; promissory notes; rents; rights (if any) to amounts held in escrow; insurance proceeds; condemnation rights; deposits; judgments, liens and causes of action; warranties and guarantees.

11. The interest of the Debtor in any cash escrow fund and in any and all funds, securities, instruments, documents and other property which are at any time paid to, deposited with, under the control of, or in the possession of the Secured Party, or any of its agents, branches, affiliates, correspondents or others acting on its behalf, which rights shall be in addition to any right of set-off or right of lien that the Secured Party may otherwise enjoy under applicable law, regardless of whether the same arose out of or relates in any way, whether directly or indirectly, to the Project located upon the Property.

12. The interest of the Debtor in and to any and all funds created to or established and held by the Trustee pursuant to any indenture of trust or similar instrument authorizing the issuance of bonds or notes for the purpose of fencing the Project located upon the Property.
13. All inventory, including raw materials, component, work-in-progress, finished merchandise and packing and shipping materials.
14. Any and all of the above which may become fixtures by virtue of attachment to Property.
15. The interest of the Debtor, as lessee in any and all of the above which may be leased by the Debtor from others.
16. All of the records and books of account now or hereafter maintained by or on behalf of the Debtor and/or its agents and employees in connection with the Project.
17. All names now or hereafter used in connection with the Project and the goodwill associated therewith.
18. Proceeds, products, returns, additions, accessions and substitutions of and to any and all of the above.
19. All of the operating licenses and approvals necessary for the operation of the apartment complex and surrounding facilities.
20. Any and all of the above arising or acquired by the Debtor or to which the Debtor may have a legal or beneficial interest in on the date hereof and at any time in the future.