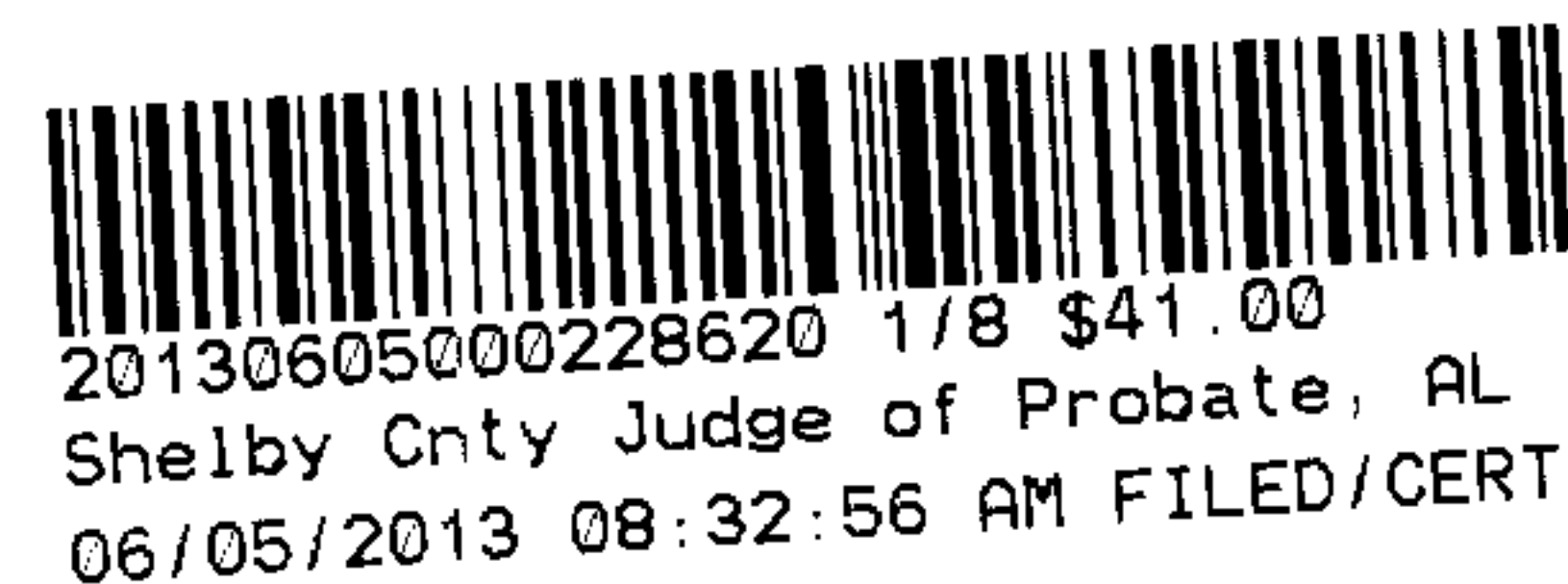


UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME AND PHONE OF CONTACT AT FILER [optional]
B. SEND ACKNOWLEDGEMENT TO: (Name and Address)
Brian J. Iwashyna, Esquire Troutman Sanders LLP Post Office Box 1122 Richmond, Virginia 23218



THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME – insert only <u>one</u> debtor name (1a or 1b) – do not abbreviate or combine names				
OR	1a. ORGANIZATION'S NAME BROOK HIGHLAND PLACE, LLC			
	1b. INDIVIDUAL'S LAST NAME			
1c. MAILING ADDRESS c/o Cottonwood Residential, Inc., 6350 S 3000 E, Suite 3510		CITY Salt Lake City	STATE UT	POSTAL CODE 84121
1d. <u>SEE INSTRUCTIONS</u>		ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION limited liability company	1f. JURISDICTION OF ORGANIZATION Delaware
				1g. ORGANIZATIONAL ID#, if any 5235555 <input type="checkbox"/> NONE
2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME – insert only <u>one</u> debtor name (2a or 2b) – do not abbreviate or combine names				
OR	2a. ORGANIZATION'S NAME			
	2b. INDIVIDUAL'S LAST NAME			
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
				COUNTRY
2d. <u>SEE INSTRUCTIONS</u>		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 <u>one</u> secured party name (3a or 3b)				
OR	3a. ORGANIZATION'S NAME FEDERAL HOME LOAN MORTGAGE CORPORATION			
	3b. INDIVIDUAL'S LAST NAME			
3c. MAILING ADDRESS 8200 Jones Branch Drive		CITY McLean	STATE VA	POSTAL CODE 22102
				COUNTRY USA

4. This FINANCING STATEMENT covers the following collateral:

Debtor's interest in all property located on or used or acquired in connection with the operation and maintenance of the real estate described in the attached Exhibit A, including, without limitation, the collateral described on Exhibit B attached hereto and made a part hereof.

Freddie Mac Loan No. 708179673

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	

Brook Highland Place Apartments (Local)

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		
	BROOK HIGHLAND PLACE, LLC		
	9b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME, SUFFIX

10. MISCELLANEOUS

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11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME – insert only one debtor 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. <u>SEE INSTRUCTIONS</u>	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 (12 or 12b)


OR	12a. ORGANIZATION'S NAME					
	PRUDENTIAL AFFORDABLE MORTGAGE COMPANY, LLC					
	12b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
12c. MAILING ADDRESS			CITY	STATE	POSTAL CODE	COUNTRY
4350 N. Fairfax Drive, Suite 700			Arlington	VA	22203	USA

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 RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

16. Additional collateral Description


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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
LEGAL DESCRIPTION**

PARCEL I:

Part of the North $\frac{1}{2}$ of Section 31, Township 18 South, Range 1 West; Shelby County, Alabama, being more particularly described as follows:

From the Northwest corner of Lot 12, Jessica Ingram Property, as recorded in the Office of the Judge of Probate, Shelby County, Alabama, in Map Book 3, page 54, run in a Southerly direction along the West lot line of said Lot 12 for a distance of 30.26 feet to an existing old iron rebar being the point of beginning; thence turn an angle to the left of $89^{\circ}23'50''$ and run in an Easterly direction for a distance of 1236.08 feet to an existing old iron rebar and being on the West right of way line of Shelby County Road No. 495; thence turn an angle to the right of $85^{\circ}6'17''$ and run in a Southerly direction along the West right of way line of said Shelby County Road No. 495 for a distance of 626.46 feet to an existing old iron rebar; thence turn an angle to the right of $94^{\circ}15'23''$ and run in a Westerly direction for a distance of 1373.90 feet, more or less, to an existing old iron pin being on the East right of way line of Brook Highland Drive; and also being on a curve, said curve being concave in a Westerly direction and having a central angle of $17^{\circ}50'56''$ and a radius of 621.12 feet; thence turn an angle to the right ($99^{\circ}36'27''$ to the chord of said curve) and run in a Northerly direction along the East right of way line of said Brook Highland Drive and along the arc of said curve for a distance of 193.49 feet to the point of ending of said curve; thence continue in a Northerly direction along the East right of way line of said Brook Highland Drive and along a line tangent to the end of said curve for a distance of 324.02 feet to the point of beginning of a new curve, said newest curve being concave in a Westerly direction and having a central angle of $3^{\circ}9'36''$ and a radius of 1169.80 feet; thence turn an angle to the left and run along the arc of said curve and along the East right of way line of said Brook Highland Drive for a distance of 64.52 feet to an existing iron pin; thence turn an angle to the right ($54^{\circ}07'17''$ from the chord of the last mentioned curve) and run in a Northeasterly direction for a distance of 70.27 feet, more or less, to an existing iron pin being the point of beginning; being situated in Shelby County, Alabama.



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PARCEL II:

LOT I:

Description of a parcel of land situated in the Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 31, Township 18 South, Range 1 West, Shelby County, Alabama, and being more particularly described as follows:

From the Southwest corner of said $\frac{1}{4}$ $\frac{1}{4}$ section, run thence in a Northerly direction along the West line of said $\frac{1}{4}$ $\frac{1}{4}$ section for a distance of 882.30 feet; thence turn an angle to the

right of 91°17'06" and run in an Easterly direction for a distance of 198.02 feet to the point of beginning of the parcel herein described; thence continue in an Easterly direction along the same course as before for a distance of 1001.66 feet; thence turn an angle to the right of 90° and run in a Southerly direction for a distance of 307.97 feet to the beginning of a curve to the right, said curve to the right having a radius of 545.12 feet, and a central angle of 62°38'49" and being concave to the Northwest; thence run along the arc of said curve in a Southerly to Southwesterly direction for a distance of 596.03 feet to the end of said curve; thence run in a Southwesterly direction tangent to said curve for a distance of 166.48 feet thence turn an angle to the right of 26°18'34" and run in a Westerly direction for a distance of 347.77 feet; thence turn an angle to the right of 63°41'26" and in a Northwesterly direction for a distance of 136.63 feet to the beginning of a curve to the right, said curve to the right having a radius of 1682.21 feet and a central angle of 17°35'45" and being concave to the Northeast; thence run in a Northwesterly direction along the arc of said curve for a distance of 516.62 feet to end of said curve and the beginning of a second curve to the right, said second curve to the right having a radius of 537.13 feet and a central angle of 20° and being concave to the East; thence run in a Northwesterly and Northerly direction along the arc of said curve for a distance of 187.49 feet to the end of said curve; thence run in a Northerly direction tangent to said curve for a distance of 80.52 feet to the point of beginning; being situated in Shelby County, Alabama.

LOT II:

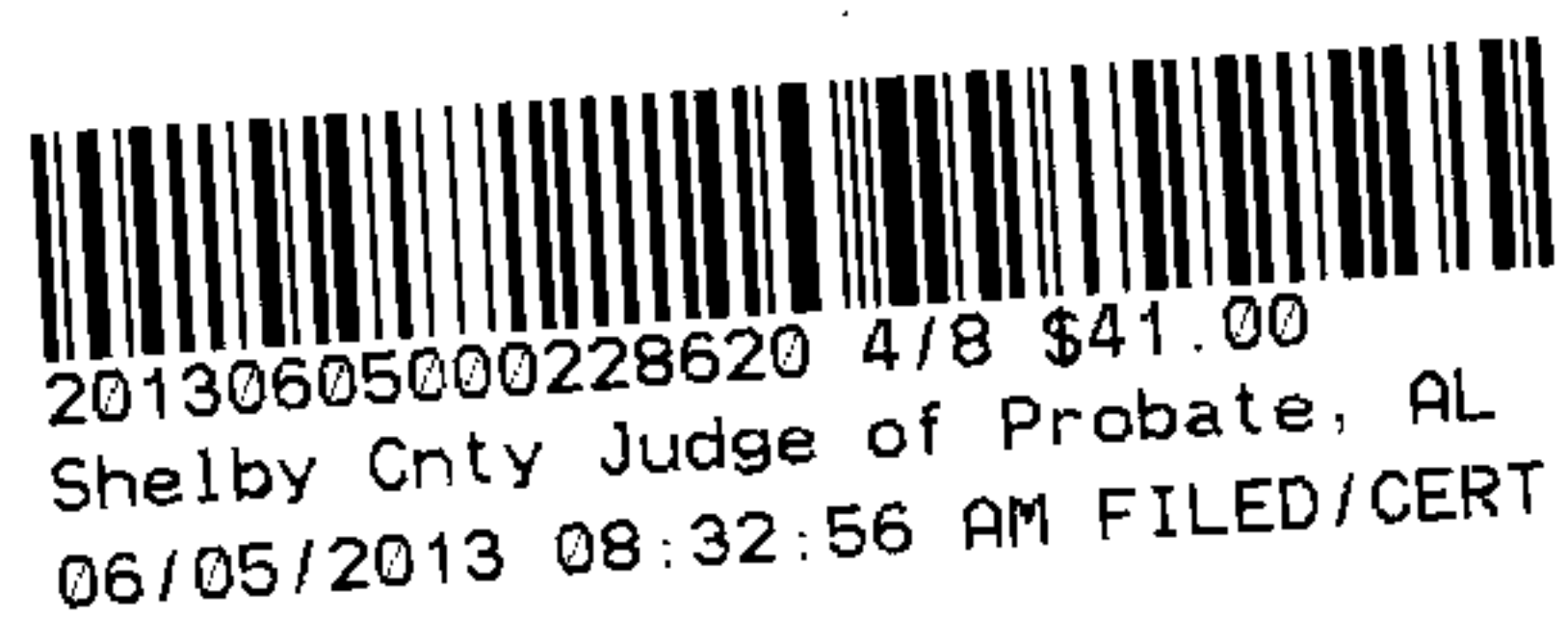
Description of a parcel of land situated in the West ½ of Section 31, Township 18 South, Range 1 West, Shelby County, Alabama; and being more particularly described as follows:

From the Northwest corner of the Northeast ¼ of the Southwest ¼ of said section run thence in an Easterly direction along the North line of said ¼ ¼ section for a distance of 389.72 feet to the point of beginning of the parcel herein described; thence continue in an Easterly direction along the North line of said ¼ ¼ section for a distance of 347.77 feet; thence turn an angle to the right of 153°41'26" and run in a Southwesterly direction for a distance of 286.75 feet to the beginning of a curve to the right, said curve to the right having a radius of 25 feet, a central angle of 90° and being concave Northward; thence run in a Westerly to Northwesterly direction along the arc of said curve for a distance of 39.27 feet to the end of said curve; thence run in a Northwesterly direction tangent to said curve for a distance of 129.14 feet to the point of beginning; being situated in Shelby County, Alabama.

THE ABOVE DESCRIBED PROPERTY is also known as Lot 1, THE MEADOWS RESIDENTIAL SECTOR ONE, as recorded in the Office of the Judge of Probate of Shelby County, Alabama, in Map Book 9, page 142.

Lot III:

Together with all beneficial rights granted to Daniel Meadows Partnership pursuant to that certain storm sewer easement recorded in Real Record 43, page 608, over and across the following property, described as follows:



The following is a description of a 20-foot wide storm sewer easement being 10 feet on either side of centerline, said centerline being more particularly described as follows:

Part of the Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 31, Township 18 South, Range 1 West, Shelby County, Alabama, being more particularly described as follows:

From the Northwest corner of said Southeast $\frac{1}{4}$ of Northwest $\frac{1}{4}$ run in a Southerly direction along the West line of said $\frac{1}{4}$ $\frac{1}{4}$ section for a distance of 453.75 feet; thence turn an angle to the left of $88^{\circ}42'54''$ and run in an Easterly direction for a distance of 436 feet, more or less, to the point of beginning of said centerline; thence turn an angle to the left of $142^{\circ}30'$ and run in a Northwesterly direction for a distance of 62 feet, more or less, to the point of beginning.

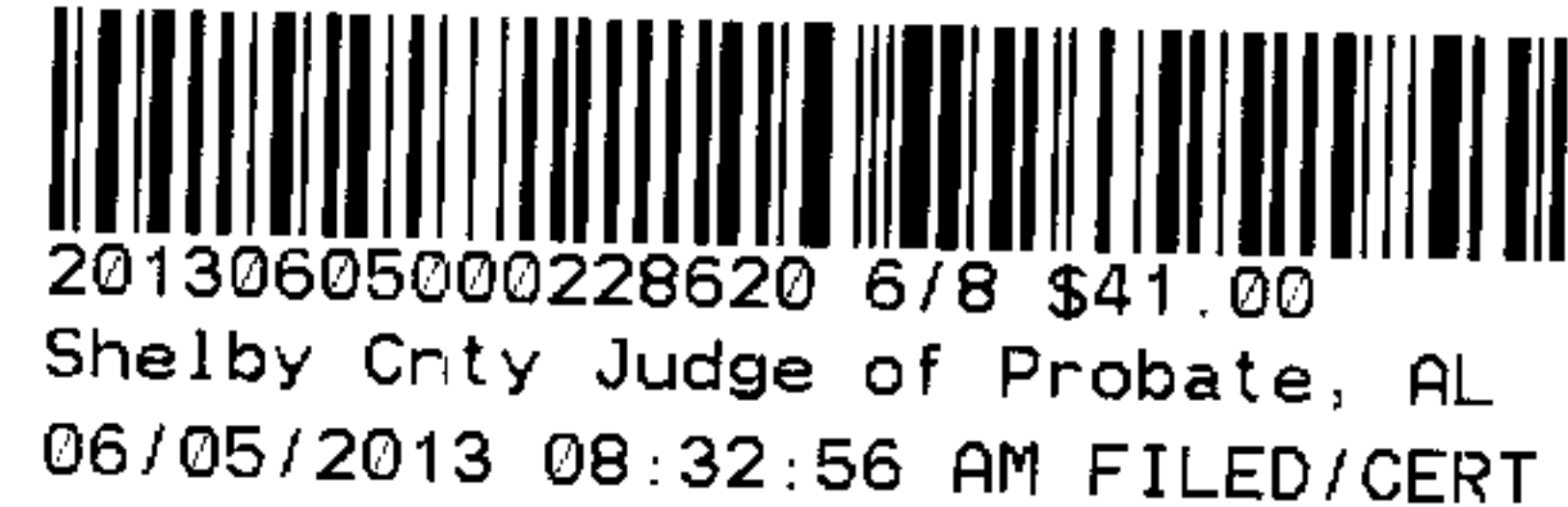
All being situated in Shelby County, Alabama.



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**FINANCING STATEMENT
EXHIBIT B
(CME AND PORTFOLIO)**

(Revised 9-1-2011)



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

- (1) All property owned by Debtor which is so attached to the real property described in Exhibit A and/or the improvements on such real property (collectively, "**Property**") as to constitute a fixture under applicable law, including: 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 (collectively, "**Fixtures**").
- (2) All of the following (collectively, "**Personalty**"):
 - (i) Accounts (including deposit accounts) of Debtor related to the Property.
 - (ii) Equipment and inventory owned by Debtor, 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, including furniture, furnishings, machinery, building materials, goods, supplies, tools, books, records (whether in written or electronic form), and computer equipment (hardware and software).
 - (iii) Other tangible personal property owned by Debtor which is used now or in the future in connection with the ownership, management or operation of the Property or is located on the Property, including ranges, stoves, microwave ovens, refrigerators, dishwashers, garbage disposers, washers, dryers and other appliances (other than Fixtures).
 - (iv) Operating agreements relating to the Property.
 - (v) Surveys, plans and specifications and contracts for architectural, engineering and construction services relating to the Property
 - (vi) Other intangible property, general intangibles 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 and including subsidy or similar payments received from any sources, including a governmental authority.
 - (vii) Any rights of Debtor in or under any letters of credit.
- (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 part of the Property, whether or not Debtor obtained the insurance pursuant to Secured Party's requirement.
- (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 part of the Property, 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 part of the Property 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 part of the Property entered into by Debtor now or in the future, including cash or securities deposited to secure performance by parties of their obligations.
- (7) All rents (whether from residential or non-residential space), revenues and other income of the Property, parking fees, laundry and vending machine income and fees and charges for food, health care and other services provided at the Property, whether now due, past due, or to become due, and deposits forfeited by tenants, and, if Debtor is a cooperative housing corporation or association, maintenance fees, charges or assessments payable by shareholders or residents under proprietary leases or occupancy agreements, whether now due, past due, or to become due ("**Rents**").
- (8) 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 ("**Leases**").
- (9) All earnings, royalties, accounts receivable, issues and profits from any part of the Property, and all undisbursed proceeds of the loan ("**Loan**") to which this financing statement relates.
- (10) All amounts deposited by the Debtor in connection with the Loan for (a) hazard insurance premiums or other insurance premiums required by Secured Party, (b) taxes or payments in lieu of taxes, (c) water and sewer charges that could become a lien on the Property, (d) ground rents, and (e) assessments or other charges that could become a lien on the Property (collectively, "**Imposition Deposits**").
- (11) All refunds or rebates of Imposition Deposits by any municipal, state or federal authority or insurance company (other than refunds applicable to periods before the real property tax year in which this financing statement is recorded).
- (12) All tenant security deposits which have not been forfeited by any tenant under any Lease and any bond or other security in lieu of such deposits.
- (13) 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 (subject to the terms of the Multifamily Loan and Security Agreement (the "**Loan Agreement**").

- (14) All interest rate cap agreements, interest rate swap agreements and other interest rate hedging contracts and agreements, if any (collectively, "**Cap Agreements**"), obtained by Debtor (or obtained by Secured Party in the name of Debtor) pursuant to the Loan Documents (as defined in the Loan Agreement) or as a condition to Secured Party's making the loan that is the subject of such Loan Documents, together with all of the following:
- (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 ("**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.
 - (v) All cash and non-cash proceeds and products of any of the foregoing.
- (15) 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.
- (16) RESERVED
- (17) All other assets of Debtor, whether now owned or hereafter acquired.

