

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [Optional] Terri R. Abare 513-723-4001
B. SEND ACKNOWLEDGMENT TO: [Name and Address] Cynthia Chapman Vorys, Sater, Seymour and Pease LLP 301 E. 4th Street, Suite 3500 Cincinnati, Ohio 45202

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 QR WALNUT HILL APARTMENTS, L.P.				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 558 SMITHFIELD AVENUE		CITY PAWTUCKET	STATE RI	POSTAL CODE 02860
1d. TAX ID #: SSN OR EIN NOT REQUIRED IN RHODE ISLAND		1e. TYPE OF ORGANIZATION limited partnership	1f. JURISDICTION OF ORGANIZATION Rhode Island	1g. ORGANIZATIONAL ID #, if any 119151 <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				
2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
2d. TAX ID #: SSN OR EIN NOT REQUIRED IN RHODE ISLAND		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 QR M&T REALTY CAPITAL CORPORATION				
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS 25 S. CHARLES STREET		CITY BALTIMORE	STATE MD	POSTAL CODE 21201
				COUNTRY USA

4. This FINANCING STATEMENT covers the following collateral:

See Exhibit A attached hereto for a description of the real estate to which certain of the collateral relates. See Exhibit B attached hereto for a description of the collateral.

Certain of the goods described in Exhibit B are, or are to become, fixtures on the real estate described in Exhibit A, and this financing statement is to be filed for record in the real estate records.

Either Secured Party, acting alone, is authorized to file continuation statements with respect to this financing statement.

5. ALTERNATIVE DESIGNATION (if applicable): LESSEE/LESSOR CONSIGNEE/CONSIGNOR BAILEE/BAILOB SELLER/BUYER AG. LIEN NON-UCC FILING

6. This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable)

7. TO REQUEST A SEARCH REPORT, FILE A UCC11

8. OPTIONAL FILER REFERENCE DATA:

SECRETARY OF STATE

WALNUT HILL APARTMENTS, FHA PROJECT NO.: 016-35122



UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT		
9a. ORGANIZATION'S NAME WALNUT HILL APARTMENTS, L.P.		
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 name (11a or 11b) - do not abbreviate or combine names

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 NOT REQUIRED IN RHODE ISLAND	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 or ASSIGNOR S/P'S Name - insert only one name (12a or 12b)

12a. ORGANIZATION'S NAME U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT C/O PROVIDENCE FIELD OFFICE			
12b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
12c. MAILING ADDRESS 121 SOUTH MAIN STREET, SUITE 300		CITY PROVIDENCE	STATE POSTAL CODE COUNTRY RI 02903 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 for a description of the real estate to which certain of the collateral relates.

Project Name: Walnut Hill Apartments
FHA Project No. 016-35122

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
 Filed in connection with a Public-Finance Transaction

NAME OF FIRST DEBTOR (1A OR 1B) ON RELATED FINANCING STATEMENT

ORGANIZATION'S NAME WALNUT HILL APARTMENTS, L.P.			
INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

NAME OF FIRST SECURED PARTY (3A OR 3B) ON RELATED FINANCING STATEMENT

ORGANIZATION'S NAME M&T REALTY CAPITAL CORPORATION		
INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME, SUFFIX

EXHIBIT A TO UCC FINANCING STATEMENT

PARCEL I:

That certain parcel or tract of land with all buildings and improvements thereon situated on the easterly side of Walnut Hill Road and the southerly side of Diamond Hill Road in the City of Woonsocket, County of Providence, State of Rhode Island and is bounded and described as follows:

Beginning at the intersection of the southerly highway line of Diamond Hill Road and the easterly street line of Walnut Hill Road, said corner being the northwesterly corner of the parcel herein described;

Thence running easterly along the southerly highway line of Diamond Hill Road for a distance of 785.34 feet to a corner and property now or formerly belonging to the City of Woonsocket;

Thence turning an interior angle of 94° 47' 00" and running southerly bounding easterly by said City of Woonsocket property for a distance of 240.00 feet to a corner and property now or formerly belonging to Jose M. and Debra H. Rivera;

Thence turning an interior angle of 110° 09' 30" and running southwesterly bounding southeasterly in part by said Rivera property and in part by property now or formerly belonging to Claudette G. Bourk-Monroe for a distance of 215.44 feet to a corner and property now or formerly belonging to James R. and Jacqueline B. Gagne;

Thence turning an interior angle of 155° 03' 30" and running westerly bounding southerly by said Gagne property for a distance of 75.84 feet to property now or formerly belonging to Fernando E. and Maria M. Macedo;

Thence turning an interior angle of 152° 10' 00" and running northwesterly bounding southwesterly by said Macedo property for a distance of 166.11 feet to an angle and property now or formerly belonging to John C. and Roberta A. Walsh;

Thence turning an interior angle of $184^{\circ} 51' 40''$ and running northwesterly bounding southwesterly by said Walsh property for a distance of 134.41 feet to a corner and property now or formerly belonging to Roger J. and Claudette M. Fortier;

Thence turning an interior angle of $202^{\circ} 58' 20''$ and running westerly bounding southerly in part by said Fortier property in part by property now or formerly belonging to Khamphone and Somphone Chanthanvysouk and in part by property now or formerly belonging to Thomas J. and Winfred J. Pryhoda for a distance of 283.52 feet to a corner in the easterly street line of Walnut Hill Road;

Thence turning an interior angle of $90^{\circ} 00' 00''$ and running northerly along the easterly street line of Walnut Hill Road for a distance of 180.00 feet to a point of curvature;

Thence running northeasterly curving to the right along the arc of a circle having a radius of 20.00 feet, a central angle of $90^{\circ} 00' 00''$, for an arc distance of 31.41 feet to the point and place of beginning.

PARCEL II:

That certain parcel or tract of land with all buildings and improvements thereon situated on the westerly side of Walnut Hill Road and the southerly side of Diamond Hill Road in the City of Woonsocket, County of Providence, State of Rhode Island and is bounded and described as follows:

Beginning at a point in the southerly street line of Diamond Hill Road, said point being the northwesterly corner of the parcel herein described, said point being the northeasterly corner of property now or formerly belonging to Wal-mart Stores East, L.P.;

Thence running easterly along the southerly highway line of Diamond Hill Road for a distance of 730.00 feet to a point of curvature at westerly street line of Walnut Hill Road;

Thence running southeasterly along the westerly street line of Walnut Hill Road curving to the right along the arc of a circle having a radius of 20.00 feet, a central angle of $90^{\circ} 00' 00''$, for an arc distance of 31.41 feet to a point of tangency;

Thence running southerly along the westerly street line of Walnut Hill Road for a distance of 180.00 feet to a corner and property now or formerly belonging to Christopher J. and Dorothy B. Vallieres;

Thence turning an interior angle of $90^{\circ} 00' 00''$ and running westerly bounding southerly in part by said Vallieres property, in part by property now or formerly belonging to Donald M. & Magdalene Scott, in part by property now or formerly belonging to Eric A. and Paula L. Brissette, in part by property now or formerly belonging to Pierre R. and Karen I. Boucher, in part by property now or formerly belonging to Michael E. Bonollo, in part by property now or formerly belonging to Paul E. & Camille A. Tourcotte and in part by property now or formerly belonging to Wal-mart Stores East, L.P.;

Thence turning an interior angle of $94^{\circ} 22' 50''$ and running northerly bounding westerly by said Wal-mart Stores property for a distance of 200.59 feet to the point and place of beginning.

The last described line forming an interior angle of $85^{\circ} 37' 10''$ with the first described line.

NAME OF FIRST DEBTOR (1A OR 1B) ON RELATED FINANCING STATEMENT

ORGANIZATION'S NAME WALNUT HILL APARTMENTS, L.P.			
INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

NAME OF FIRST SECURED PARTY (3A OR 3B) ON RELATED FINANCING STATEMENT

ORGANIZATION'S NAME M&T REALTY CAPITAL CORPORATION		
INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME, SUFFIX

EXHIBIT B TO UCC FINANCING STATEMENT

All of the Debtor's present and future right, title, and interest in and to all of the following described property and interests in property (whether now owned or existing or hereafter acquired, arising or created), to the fullest extent such property and interests in property may, under applicable law, be subject to a security interest under the Uniform Commercial Code (collectively, the "UCC Collateral"):

- a. **The Collateral Property.** All of the "Collateral Property," which is defined as the Mortgaged Property (as defined below) except the Land (as defined below); and
- b. **Products and Proceeds.** All products and cash proceeds and non-cash proceeds of any of the Collateral Property.

As used herein, the "Mortgaged Property" means all of the following:

1. **Land.** The land and/or estate in realty described in Exhibit A to this UCC Financing Statement (the "Land");
2. **Improvements.** The buildings, structures, and alterations now constructed or at any time in the future constructed or placed upon the Land, including any future replacements and additions (the "Improvements");
3. **Fixtures.** All property or goods that are or become so related or attached to the Land or the Improvements that an interest arises in them under real property law, whether acquired now or in the future, excluding all tenant owned goods and property, and including but not limited to: 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, computers, 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 disposals, 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; playground and exercise equipment, and classroom furnishings and equipment (the "Fixtures");

4. **Personalty.** All equipment, inventory, and general intangibles (the "Personalty"). The definition of "Personalty" includes furniture, furnishings, machinery, building materials, appliances, goods, supplies, tools, books, records (whether in written or electronic form), computer equipment (hardware and software) and other tangible or electronically stored personal property (other than Fixtures) that are owned, leased or used by Debtor now or in the future in connection with the ownership, management or operation of the Land or the Improvements or are located on the Land or in the Improvements, and any operating agreements relating to the Land or the Improvements, and any surveys, plans and specifications and contracts for architectural, engineering, and construction services relating to the Land or the Improvements, choses in action and all other intangible property and rights relating to the operation of, or used in connection with, the Land or the Improvements, including all certifications, approvals and governmental permits relating to any activities on the Land. Generally, intangibles shall also include all cash and cash escrow funds, such as but not limited to: replacement reserve funds, bank accounts, residual receipts funds, and investments;
5. **Other Rights.** 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 Land or the Improvements, or both, and all rights-of-way, streets, alleys, and roads which may have been or may in the future be vacated;
6. **Insurance Policies and Proceeds.** All insurance policies covering the Mortgaged Property, and all proceeds paid or to be paid by any insurer of the Land, the Improvements, the Fixtures, the Personalty, or any other part of the Mortgaged Property, whether or not Debtor obtained such insurance policies pursuant to Secured Party's requirement;
7. **Awards.** All awards, payments and other compensation made or to be made by any Governmental Authority (as defined below) with respect to the Land, the Improvements, the Fixtures, the Personalty or any other part of the Mortgaged Property, including any awards or settlements resulting from condemnation proceedings or the total or partial taking of the Land, the Improvements, the Fixtures, the Personalty or any other part of the Mortgaged Property under the power of eminent domain or otherwise and including any conveyance in lieu thereof. As used herein, "Governmental Authority" means any board, commission, department or body of any municipal, county, state, tribal or federal governmental unit, including any U.S. territorial government, and any public or quasi-public authority, or any subdivision of any of them, that has or acquires jurisdiction over the Mortgaged Property, including the use, operation or improvement of the Mortgaged Property;

8. **Contracts.** All contracts, options, and other agreements for the sale of the Land, the Improvements, the Fixtures, the Personalty, or any other part of the Mortgaged Property entered into by Debtor now or in the future, including cash or securities deposited to secure performance by parties of their obligations;
9. **Other Proceeds.** All proceeds (cash or non-cash), liquidated claims, or other consideration from the conversion, voluntary or involuntary, of any of the Mortgaged Property, and the right to collect such proceeds, liquidated claims, or other consideration;
10. **Rents.** All rents (whether from residential or non-residential space), revenues, issues, profits, (including carrying charges, maintenance fees, and other cooperative revenues, and fees received from leasing space on the Mortgaged Property), and other income of the Land or the Improvements, gross receipts, receivables, parking fees, laundry and vending machine income, and fees and charges for food and other services provided at the Mortgaged Property, whether now due, past due, or to become due, Residual Receipts, and escrow accounts, however and whenever funded and wherever held;
11. **Leases.** 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 Mortgaged Property, or any portion of the Mortgaged Property (including but not limited to proprietary leases, non-residential leases, or occupancy agreements if Debtor is a cooperative housing corporation), and all modifications, extensions, or renewals ("Leases");
12. **Other.** All earnings, royalties, instruments, accounts, accounts receivable, supporting obligations, issues and profits from the Land, the Improvements, or any other part of the Mortgaged Property, and all undisbursed loan proceeds; and, if Debtor is a cooperative housing corporation, maintenance charges or assessments payable by shareholders or residents;
13. **Imposition Deposits.** All deposits made with Secured Party by Debtor for payments of the following (collectively, "Impositions"): mortgage insurance premiums (or monthly service charges in lieu thereof), ground rents, premiums on policies of fire and other property insurance, water rates, Taxes (as defined below), and municipal/government utility charges and special assessments; all other required escrows and deposits, including any replacement reserves; and deposits as may be required by any Collateral Agreement (as defined below). As used herein, "Taxes" means all taxes, assessments, vault rentals, and other charges, if any, general, special, or otherwise, including all assessments for schools, public betterments, and general or local improvements, which are levied, assessed or imposed by any public authority or quasi-public authority, and which, if not paid, could become a lien on the Land or the Improvements; and "Collateral Agreement" means any separate agreement between Debtor and Secured Party for the purpose of establishing replacement reserves for the Mortgaged Property, establishing an account to assure the completion of repairs or Improvements specified in that agreement, or any other agreement or agreements

between Debtor and Secured Party which provide for the establishment of any other fund, reserve, or account, including but not limited to those reserves and escrows required by the United States Department of Housing and Urban Development;

14. **Refunds or Rebates.** All refunds or rebates of Impositions by any Governmental Authority or insurance company;
15. **Tenant Security Deposits.** All forfeited tenant security deposits under any Lease;
16. **Names.** All names under or by which any of the above Mortgaged Property may be operated or known, and all trademarks, trade names, and goodwill relating to any of the Mortgaged Property;
17. **Collateral Agreement Deposits and/or Escrows.** All deposits and/or escrows held by or on behalf of Secured Party under Collateral Agreements; and
18. **Litigation Proceeds.** All awards, payments, settlements, or other compensation resulting from litigation involving the Mortgaged Property.