

UCC-1 Form

FILER INFORMATION

Full name: MICHELLE MACKNIGHT

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SEND ACKNOWLEDGEMENT TO

Contact name: ROBERTS CARROLL FELDSTEIN & PEIRCE

Mailing Address: 10 WEYBOSSET ST., SUITE 800

City, State Zip Country: PROVIDENCE, RI 02903 USA

DEBTOR INFORMATION

Org. Name: SOUTH MAIN STREET APARTMENTS, LLC

Mailing Address: 109 HOPE FURNACE ROAD

City, State Zip Country: HOPE, RI 02831 USA

Org. Name: FRANCIS STREET APARTMENTS, LLC

Mailing Address: 109 HOPE FURNACE ROAD

City, State Zip Country: HOPE, RI 02831 USA

SECURED PARTY INFORMATION

Org. Name: BANKNEWPORT

Mailing Address: P.O. Box 450

City, State Zip Country: NEWPORT, RI 02840 USA

TRANSACTION TYPE: STANDARD

CUSTOMER REFERENCE: OUR FILE NO. 4107-327

COLLATERAL

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF

EXHIBIT A

Debtor: South Main Street Apartments, LLC
Francis Street Apartments, LLC
109 Hope Furnace Road
Hope, Rhode Island 02831

Secured Party: Bank Newport
P. O. Box 450
Newport, RI 02840

As collateral security for the payment and performance of all of the Obligations, the Debtor hereby grants, assigns, conveys, pledges and transfers to the Secured Party, a continuing security interest in the following assets and properties of the Debtor, any and all substitutions therefor and replacements thereof, and any and all additions and accessions thereto whether now owned or hereafter acquired or in which the Debtor may now have or hereafter acquire an interest (all of which are hereinafter collectively referred to as the "Collateral"):

PERSONAL PROPERTY AND FIXTURES: All goods, equipment, machinery, tools and other personal property and fixtures of every kind and description now or hereafter owned by the Debtor or in which the Debtor has an interest (but only to the extent of such interest) and situated or to be situated upon or used in connection with the Premises or in any of the improvements, together with any renewals, replacements or additions thereto or substitutions therefor, all proceeds and products thereof, and now or hereafter located at, or used in connection with the operation of the Premises or the improvements, including without limitation the following:

A. EQUIPMENT, ETC.: All of the Debtor's interest in and to all equipment, fixtures, inventory, goods, materials, supplies, furnishings, accounts, accounts receivable, contract rights, plans, specifications, permits, other rights, bank deposits, warranties, cash, and general intangibles whether now or hereafter existing for use on or in

connection with the Premises.

B. PROCEEDS FOR DAMAGE TO THE MORTGAGED PROPERTY: All proceeds (including, without limitation, insurance and condemnation proceeds), including interest thereon, paid for any damage done to the Premises (as hereinafter defined), or any part thereof, or for any portion thereof appropriated for any character of public or quasi-public use in accordance with the provisions, terms and conditions hereinafter set forth.

C. UTILITY DEPOSITS: All right, title and interest of the Debtor in and to all monetary deposits that the Debtor has been or will be required to give to any public or private utility with respect to utility services furnished or to be furnished to the Premises.

D. RECORDS: All of the records and books of account now or hereafter maintained by the Debtor in connection with the operation of the Premises.

E. NAME AND GOODWILL: The right, in event of foreclosure of the Premises hereunder, to take and use any name by which the Premises is then known or any variation of the words thereof, and the goodwill of the Debtor with respect thereto.

DEFINITIONS

"Code" shall mean the Uniform Commercial Code as the same may be in effect from time to time in the State of Rhode Island.

"Equipment" shall include "equipment" within the meaning of Section 9-102(a)(33) of the Code and, to the extent not otherwise included therein, all machinery, equipment, furniture, parts, tools and dies, of every kind and description, of the Debtor (including automotive equipment), now owned or hereafter acquired by the Debtor, and used or acquired for use in the business of the Debtor, together with all accessions thereto and all substitutions and replacements thereof and parts therefor; all cash or non-cash Proceeds; and including, without limitation, any Equipment.

"Fixtures" shall mean "fixtures" within the meaning of Section 9-102(a)(41) of the Code

and, to the extent not otherwise included therein, all goods which are so related to particular real estate that an interest in them arises under real estate law and all accessions thereto, replacements thereof and substitutions therefor, including, but not limited to, plumbing, heating and lighting apparatus, mantels, floor coverings, furniture, furnishings, draperies, screens, storm windows and doors, awnings, shrubbery, plants, boilers, tanks, machinery, stoves, gas and electric ranges, wall cabinets, appliances, furnaces, dynamos, motors, elevators and elevator machinery, radiators, blinds and all laundry, refrigerating, gas, electric, ventilating, air-refrigerating, air-conditioning, incinerating and sprinkling and other fire prevention or extinguishing equipment of whatsoever kind and nature and any replacements, accessions and additions thereto, Proceeds thereof and substitutions therefor.

"Obligations" means among other things, all indebtedness, obligations and liabilities of the Debtor to the Secured Party of every kind and description, direct or indirect, secured or unsecured, joint or several, absolute or contingent, due or to become due, whether for payment or performance, now existing or hereafter arising, regardless of how the same arise or by what instrument, agreement or book account they may be evidenced, or whether evidenced by any instrument, agreement or book account, including, without limitation, all loans (including any loan by renewal or extension), all indebtedness, all undertakings to take or refrain from taking any action, all indebtedness, liabilities or obligations owing from the Debtor to others which the Secured Party may have obtained by purchase, negotiation, discount, assignment or otherwise, and all interest, taxes, fees, charges, expenses and attorneys' fees chargeable to the Debtor or incurred by the Secured Party under the security agreement giving rise to this financing statement, or any other document or instrument delivered in connection therewith.

"Premises" shall mean the real estate of the Debtor located at 2-4 Francis Street and 283 South Main Street, Coventry, Rhode Island, which real estate is more particularly described on Exhibit B attached hereto and incorporated herein by reference.

"Proceeds" shall mean "proceeds" as defined in the Code and, to the extent not otherwise included therein, (a) any and all proceeds of any insurance, indemnity, warranty,

guaranty, or other agreement, instrument or undertaking similar to any of the foregoing, payable to the Debtor from time to time with respect to any of the Collateral, (b) any and all payments (in any form whatsoever) made or due and payable to the Debtor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral, (c) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral, and (d) any products or rents of any of the Collateral.

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EXHIBIT B

Parcel I:

That certain lot or parcel of land, with all the buildings and improvements thereon, situated on the northwesterly side of South Main Street, located in the Town of Coventry, County of Kent, State of Rhode Island, bunded and described as follows:

Beginning at a point in the northwesterly line of South Main Street at the southeasterly corner of land now or formerly of Horace L. Greene et ux, said point also being the southwesterly corner of the parcel herein described;

Thence running northwesterly, bounded southwesterly on said land now or formerly of Horace L. Greene et ux, one hundred ninety-four and 36/100 (194.36) feet, more or less, to land now or lately of James T. Sinnott et ux;

Thence turning an interior angle of 85°16'05" and running northeasterly, bounding northwesterly on said last named land, one hundred forty-one and 6/10 (141.6) feet to land now or formerly of Donat Dion;

Thence turning an interior angle of 95°18'55" and running in a southeasterly direction bounding northeasterly on said last named land one hundred seventy-eight and 52/100 (178.52) feet, more or less, to the northwesterly line of South Main Street;

Thence turning an interior angle of 91°24'45" and running southwesterly, bounding southeasterly on said South Main Street, one hundred fifty-three (153) feet, more or less, to the point and place of beginning. Said last described course forming an interior angle of 88°23'05" with the first herein described course.

Property address:
283 South Main Street
Coventry, Rhode Island

Parcel II:

That certain parcel of land, with buildings and improvements thereon, situated on the easterly side of Holden Street in the Town of Coventry, Rhode Island, designated as lot numbered one (1) on that plat entitled, "Amended Map of Land in Washington, R.I. Belonging to Henry M. Shippee Est. Ray C. Matteson, Engineer January, 1950", which plat is recorded in the Coventry land records, and is bounded and described as follows:

Beginning at a point in the northerly line of Francis Street, at the southwesterly corner of the land hereby described, thence running westerly bounding southerly on said Francis Street one hundred fifty-five and 77/100 (155.77) feet to a point in the easterly line of said Holden Street; thence running northerly at an interior angle of 89°19'35", bounding westerly on said Francis Street two hundred twenty-three and 35/100 (223.35) feet to a point; thence running easterly at an interior angle of 87°42', bounding northerly on land now or lately of Zilpha W. Foster seventy-nine (79) feet to a point; thence running in a generally easterly direction at an interior angle of 178°39'30" bounding northerly on land now or lately of Zilpha W. Foster seventy-seven and 12/100 (77.12) feet to a point; thence running southerly at an interior angle of 93°38'30", bounding easterly on land now or lately of Henry M. Shippee two hundred fourteen and 41/100 (214.41) feet to the point of beginning.

Property address:
2-4 Francis Street
Coventry, Rhode Island