

11551002  
 1/7/2013 2:40:00 PM \$22.00  
 Book - 10095 Pg - 3871-3877  
 Gary W. Ott  
 Recorder, Salt Lake County, UT  
 COTTONWOOD TITLE  
 BY: eCASH, DEPUTY - EF 7 P.

**UCC FINANCING STATEMENT**

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]  
**Harrison C. Smith, Esq., (202) 293-8200**

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Harrison C. Smith, Esq.  
 Krooth and Altman LLP  
 1850 M Street, NW, Suite 400  
 Washington, DC 20036  
 P: (202) 293-8200

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  
**DISTRICT HEIGHTS VILLAGE PROPERTIES, LLC**

OR  
 1b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

1c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY  
**978 East Woodoak Lane Salt Lake City UT 84117 USA**

1d. SEE INSTRUCTIONS ADD'L INFO RE ORGANIZATION DEBTOR 1e. TYPE OF ORGANIZATION 1f. JURISDICTION OF ORGANIZATION 1g. ORGANIZATIONAL ID #, if any  
**limited liability company Utah 7901330-0160**  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. SEE INSTRUCTIONS ADD'L INFO RE ORGANIZATION DEBTOR 2e. TYPE OF ORGANIZATION 2f. JURISDICTION OF ORGANIZATION 2g. ORGANIZATIONAL ID #, if any  
 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  
**WELLS FARGO BANK, NATIONAL ASSOCIATION**

OR  
 3b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

3c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY  
**2010 Corporate Ridge, Suite 1000 McLean VA 22102 USA**

4. This FINANCING STATEMENT covers the following collateral:

See Exhibit "B" attached hereto and made a part hereof for a description of collateral.

5. ALTERNATIVE DESIGNATION (if applicable): LESSEE/LESSOR  CONSIGNEE/CONSIGNOR  BAILEE/BAILOR  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. 7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [if applicable] (ADDITIONAL FEE) [optional] All Debtors  Debtor 1  Debtor 2

8. OPTIONAL FILER REFERENCE DATA

Filed with Salt Lake County, UT

FILING OFFICE COPY — UCC FINANCING STATEMENT (FORM UCC1) (REV. 05/22/02)

CTA 53039-AF  
 TIN 27-20-127-008

# 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		
DISTRICT HEIGHTS VILLAGE PROPERTIES, LLC		
OR	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

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

12a. ORGANIZATION'S NAME				
SECRETARY OF HOUSING AND URBAN DEVELOPMENT				
OR	12b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
12c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
1670 BROADWAY, 24th FLOOR		DENVER	CO	80202
				COUNTRY
				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 for a description of real property.

"District Heights Village Apartments"  
FHA Project No. 105-35207

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**

**[DESCRIPTION OF THE LAND]**

Lot 1, RIVER HEIGHTS AT THE NORTH DISTRICT - AMENDED, Amending Lots 8, 9 and 10 of River Heights at the North District - a Multiple Use Subdivision, according to the official plat thereof as recorded in the office of the Salt Lake County Recorder.

**EXHIBIT "B"**  
**TO UCC-1 FINANCING STATEMENT**

**DEBTOR:**

**DISTRICT HEIGHTS VILLAGE PROPERTIES, LLC**, a Utah limited liability company

**SECURED PARTY:**

**WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association ("**Lender**")

**ADDITIONAL SECURITY PARTY:**

**THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT ("HUD"** and together with the Lender the "**Secured Parties**")

Lender is making a mortgage loan to Debtor in the original principal amount of \$32,865,300.00 (the "**Loan**"). The Loan is evidenced by a Multistate Note in favor of the Lender (the "**Note**"), and secured by a Multifamily Trust Deed, Assignment of Leases and Rents, and Security Agreement (the "**Security Instrument**") of even date with the Note in favor of Secured Party. The Loan is being insured by HUD.

Capitalized terms not otherwise defined herein shall have the following meanings:

**"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 Collateral Property, including the use, operation or improvement of the Collateral Property.

**"Impositions"** means (1) any water, sewer or other similar charges, (2) the premiums for fire and other hazard insurance, rent loss insurance and such other insurance as Lender may require, (3) 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, will become a lien, on the Land or the Improvements, (4) mortgage insurance premiums paid or to be paid to HUD, (5) ground rents, (6) any other amounts due under the Security Instrument that Debtor fails to pay, (7) Reserve for Replacement, Residual Receipts and all other escrows or accounts required by Lender or HUD whether or not held by Lender or HUD, and/or (8) amounts for other charges and expenses which Lender at any time reasonably deems necessary to protect the Collateral Property, to prevent the imposition of liens on the Collateral Property, or otherwise to protect Lender's interests, all as reasonably estimated from time to time by Lender.

**“Reserve for Replacement”** means an account required by HUD and held by Lender for defraying certain costs of replacing major structural elements and mechanical equipment of the Improvements or for any other purpose.

**“Residual Receipts”** means certain funds, the distribution and use of which is restricted by HUD, held by non-profit, public body and limited dividend Debtors under loans insured or held by HUD pursuant to Section 220, Section 221(d)(3) and 231 of the National Housing Act, as amended.

The Security Instrument grants to Lender, *inter alia*, a security interest covering the following types (or items) of property (the "**Mortgaged Property**"):

1. **Improvements.** The buildings, structures, improvements, and alterations now constructed or at any time in the future constructed or placed upon the land described in Exhibit “A” attached to this Financing Statement (the "**Land**"), including any future replacements and additions (the "**Improvements**");
2. **Fixtures.** All property or goods that are or becomes 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, 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; and exercise equipment (the "**Fixtures**");
3. **Personalty.** All equipment, inventory, general intangibles which are used 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, including: 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 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: Reserve for Replacement accounts, bank accounts, Residual Receipts accounts, and investments. (the "**Personalty**")

4. **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 (the "**Other Rights**");

5. **Insurance.** All insurance policies covering any part of the Collateral Property and all proceeds paid or to be paid by any insurer of any part of the Collateral Property, whether or not Borrower obtained the insurance pursuant to Lender's Secured Parties' requirements (the "**Insurance Proceeds**");

6. **Awards.** All awards, payments and other compensation made or to be made by any Governmental Authority with respect to the Land, the Improvements, the Fixtures, the Personalty or any other part of the Collateral 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 Collateral Property under the power of eminent domain or otherwise and including any conveyance in lieu thereof (the "**Awards**");

7. **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 Collateral Property entered into by Debtor now or in the future, including cash or securities deposited to secure performance by parties of their obligations (the "**Contracts**");

8. **Other Proceeds.** All proceeds (cash or non-cash), liquidated claims or other consideration from the conversion, voluntary or involuntary, of any of the Collateral Property into cash or liquidated claims, and the right to collect such proceeds, liquidated claims or other consideration (the "**Other Proceeds**");

9. **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 or access to any part of* the Collateral 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 Collateral Property, whether now due, past due, or to become due, Residual Receipts, and escrow accounts, however and whenever funded and wherever held (the "**Rents**");

10. **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 Collateral Property, or any portion of the Collateral Property (including but not limited to proprietary leases, non-residential leases or occupancy agreements if Borrower is a cooperative

---

housing corporation), and all modifications, extensions or renewals. (Ground leases that create a leasehold interest in the Land and where the Debtor's leasehold is security for the Loan are not included in this definition.) (the "**Leases**");

11. **Other.** All earnings, royalties, instruments, accounts, accounts receivable, supporting obligations, issues and profits from the any part of the Collateral Property, and all undisbursed proceeds of the Loan and, if Borrower is a cooperative housing corporation, maintenance charges or assessments payable by shareholders or residents;

12. **Imposition Deposits.** Deposits held by the Lender to pay Impositions (the "**Imposition Deposits**");

13. **Refunds or Rebates.** All refunds or rebates of Impositions by any Governmental Authority or insurance company (other than refunds applicable to periods before the real property tax year in which the Security Instrument is dated);

14. **Tenant Security Deposits.** All tenant security deposits which have not been forfeited by any tenant under any Lease;

15. **Names.** All names under or by which any of the above Collateral Property may be operated or known, and all trademarks, trade names, and goodwill relating to any of the Collateral Property; and

16. **Litigation.** All awards, payments, settlements or other compensation resulting from litigation involving the Collateral Property.