89585493

SECURED PARTY: CITICORP REAL ESTATE, INC.
DEBTOR: HUGH L. CARAWAY, JR.

$47.00

THIRD SECURITY AGREEMENT

WHEREAS, Citicorp Real Estate, Inc. ("Secured Party") has of even date herewith loaned to Ron Beneke, The Paul D. Hinch Family Partnership, Paul D. Hinch, and Hugh L. Caraway, Jr. the sum of Five Hundred Thousand and No/100 Dollars ($500,000.00) as evidenced by that one certain promissory note dated as of even date herewith, executed by such parties, payable to the order of Secured Party (the "Note") and that one certain Loan Agreement (Working Capital) dated as of even date herewith by and between such parties and Secured Party (the "Working Capital Loan Agreement"); and

WHEREAS, Shady Grove Plaza Limited Partnership, a Maryland limited partnership, is indebted to Secured Party, among other loans, pursuant to those certain Primary Security Documents, as described and defined in that one certain Amendment to Loan Documents (Shady Grove) dated as of even date herewith by and between Secured Party and Shady Grove Plaza Limited Partnership (the "Shady Grove Loan"), and Winchester Associates No. 1, Limited Partnership, a Missouri limited partnership, is indebted to Secured Party, among other loans, pursuant to those certain Primary Security Documents, as described and defined in that one certain Amendment to Loan Documents (Winchester) dated as of even date herewith by and between Secured Party and Winchester Associates No. 1, Limited Partnership (the "Winchester Loan"), and Fair Oaks Phase II, a Virginia limited partnership, is indebted to Secured Party pursuant to those certain Security Documents, as described and defined in that one certain Amendment to Loan Documents (Fair Oaks) dated as of even date herewith by and between Secured Party and Fair Oaks Phase II (the "Fair Oaks Loan"), and Kansas Industrial No. 1, L.P, a Kansas limited partnership, is indebted to Secured Party pursuant to those certain Security Documents, as described and defined in that one certain Amendment to Loan Documents (Lenexa) dated as of even date herewith by and between Secured Party and Kansas Industrial No. 1, L.P. (the "Lenexa Loan") (the Shady Grove Loan, the Winchester Loan, the Fair Oaks Loan, and the Lenexa Loan hereinafter collectively referred to as the "KC/DC Loans"); and

WHEREAS the undersigned Hugh L. Caraway, Jr. ("Debtor") has, with certain of Michael B. Windsor, Tom Murray, Ray F. Biery, Paul D. Hinch, The Paul D. Hinch Family Partnership, Ltd., and Ron Beneke, executed those four certain guaranties dated as of even date herewith (collectively, the "Guaranty") for the benefit of Secured Party, guaranteeing to Secured Party payment and performance of the indebtedness arising pursuant to the KC/DC Loans;

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure all present and future indebtedness to Secured Party pursuant to the Note and the Guaranty the undersigned Debtor hereby agrees with Secured Party as follows:

1. Upon the terms hereof, for value received, each Debtor, i.e., The Paul D. Hinch Family Partnership, Ltd., whose place of business (or chief executive office if more than one place of business) is in the County of Kerr, State of Texas, and whose mailing address is Junction Star Route, Box 55D, Ingram, Texas 78025, and Paul D. Hinch, whose place of business (or chief executive office if more than one place of business) is in the County of Tulsa, State of Oklahoma, and whose mailing address is 2431 E. 61st Street, Suite 800, Tulsa, Oklahoma 74136, hereby grants to Secured Party, whose mailing address is 1200 Smith Street, Suite 2000, Houston, Texas 77002, a security interest in

89585493

THIS DOCUMENT CONTAINS A PROHIBITION
ON TRANSFER OF REAL PROPERTY

PTN: 03-07-301-002
Southwest corner of Rand Rd + Frontage Rd.,
Arlington Heights

71-52-774W

all of the following (hereinafter collectively called the "Collateral"):

(a) except as otherwise set forth herein, all of the interest of Debtor (either or both, as applicable) in:

(i) (A) HBW-Fair Oaks Phase II, a Virginia limited partnership, pursuant to that certain Certificate and Agreement of Limited Partnership of HBW-Fair Oaks Phase II dated December 1, 1985, filed March 7, 1986, with the Circuit Court of Fairfax County, Virginia, which (B) is the sole general partner in Fair Oaks Phase II, a Virginia limited partnership, pursuant to that certain Certificate and Agreement of Limited Partnership of Fair Oaks Phase II dated December 1, 1985, filed March 7, 1986, with the Circuit Court of Fairfax County, Virginia, which (C) is the owner of that certain real property and any improvements constructed thereon, located in Fairfax County, Virginia, more fully described on Exhibit A-1 attached hereto under the heading "Fair Oaks";

(ii) (A) HBM-Kansas Industrial No. 1 Limited Partnership, a Kansas limited partnership, pursuant to that certain Certificate and Agreement of Limited Partnership of HBM-Kansas Industrial No. 1 Limited Partnership dated December 1, 1985, filed April 23, 1986, with the Secretary of State of Kansas, which (B) is the sole general partner in Kansas Industrial No. 1, L.P., a Kansas limited partnership, pursuant to that certain Certificate and Agreement of Limited Partnership of Kansas Industrial No. 1, L.P. dated December 1, 1985, filed April 23, 1986, with the Secretary of State of Kansas, which (C) is the owner of that certain real property and any improvements constructed thereon, located in Johnson County, Kansas, more fully described on Exhibit A-2 attached hereto under the heading "Lenexa";

(iii) (A) HMD-The Pointe Limited Partnership, an Illinois limited partnership, pursuant to that certain Certificate and Agreement of Limited Partnership of HMD-The Pointe Limited Partnership dated September 1, 1987, filed February 23, 1988, with the Secretary of State of Illinois, which (B) is the sole general partner in The Pointe Limited Partnership, an Illinois limited partnership, pursuant to that certain Certificate and Agreement of Limited Partnership of The Pointe Limited Partnership dated September 1, 1987, filed February 23, 1988, with the Secretary of State of Illinois, which (C) is the owner of that certain real property and any improvements constructed thereon, located in Cook County, Illinois, more fully described on Exhibit A-3 attached hereto under the heading "Pointe";

(iv) (A) HGC-The Apartments of Port Royale Limited Partnership, a Florida limited partnership, pursuant to that certain Certificate and Agreement of Limited Partnership of HGC-The Apartments of Port Royale Limited Partnership dated September 1, 1987, filed December 2, 1987, with the Florida Department of State, which (B) is the sole general partner in The Apartments of Port Royale Limited Partnership, a Florida limited partnership, pursuant to that certain Certificate and Agreement of Limited Partnership of The Apartments of Port Royale Limited Partnership dated September 1, 1987, filed December 2, 1987, with the Florida Department of State, which (C) is the owner of that certain real property and any improvements constructed

thereon, located in Broward County, Florida, more fully described on Exhibit A-4 attached hereto under the heading "Port Royale";

(v) (A) HBW-Shady Grove Plaza Limited Partnership, a Maryland limited partnership, pursuant to that certain Certificate and Agreement of Limited Partnership of HBW-Shady Grove Plaza Limited Partnership dated February 1, 1987, filed March 3, 1987, with the Maryland State Department of Assessments and Taxation, which (B) is the sole general partner in Shady Grove Plaza Limited Partnership, a Maryland limited partnership, pursuant to that certain Certificate and Agreement of Limited Partnership of Shady Grove Plaza Limited Partnership dated February 1, 1987, filed March 3, 1987, with the Maryland State Department of Assessments and Taxation, which (C) is the owner of that certain real property and any improvements constructed thereon, located in Montgomery County, Maryland, more fully described on Exhibit A-5 attached hereto under the heading "Shady Grove";

(vi) (A) HBM-Winchester Associates Limited Partnership, a Missouri limited partnership, pursuant to that certain Certificate and Agreement of Limited Partnership of HBM-Winchester Associates Limited Partnership dated February 1, 1987, filed March 2, 1987, with the Secretary of State of Missouri, which (B) is the sole general partner in Winchester Associates No. 1, Limited Partnership, a Missouri limited partnership, pursuant to that certain Certificate and Agreement of Limited Partnership of Winchester Associates No. 1, Limited Partnership dated February 1, 1987, filed April 28, 1987, with the Secretary of State of Missouri, which (C) is the owner of that certain real property and any improvements constructed thereon, located in Jackson County, Missouri, more fully described on Exhibit A-6 attached hereto under the heading "Winchester";

(vii) (A) HE-Brixworth-Atlanta, Ltd., a Georgia limited partnership, pursuant to that certain Amendment to and Restatement of Agreement and Certificate of Limited Partnership of HE-Brixworth-Atlanta, Ltd., to be continued as HE-Brixworth-Atlanta Limited Partnership, dated March 1, 1987, filed in Book 153, page 278-377, Clerk's Office, Superior Court, Cobb County, Georgia, as amended by First Amendment to Amended and Restated Agreement and Certificate of Limited Partnership of HE-Brixworth-Atlanta Limited Partnership dated as of February 16, 1988, filed in Book 167, Page 519-522 Clerk's Office, Superior Court, Cobb County, Georgia, which (B) is the sole general partner in Brixworth-Atlanta, Ltd., a Georgia limited partnership, pursuant to that certain Agreement and Certificate of Limited Partnership of Brixworth-Atlanta, Ltd., dated as of November 1, 1986, filed December 30, 1986, with the Clerk of Superior Court, Cobb County, Georgia, which (C) is the owner of all amounts which may be released (or otherwise distributed or payable) to the "Obligors" pursuant to that certain Agreement Respecting Letters of Credit dated as of September 30, 1987, by and among JMB Institutional Apartment Partnership-I, Brixworth-Atlanta, Ltd., and Property Company of America, Inc.; and

(viii) (A) HGC-Pelican Sound Limited Partnership, a Florida limited partnership, pursuant to that certain Agreement and Certificate of Limited Partnership of HGC-Pelican Sound Limited Partnership

dated as of August 1, 1987, filed on September 8, 1987, with the Secretary of State of Florida, which (B) is the sole general partner in Pelican Sound Limited Partnership, a Florida limited partnership, pursuant to that certain Agreement and Certificate of Limited Partnership of Pelican Sound Limited Partnership dated as of August 1, 1987, filed on September 8, 1987, with the Secretary of State of Florida, which (C) is the owner of that certain real property and any improvements constructed thereon, located in Pinellas County, Florida, more fully described on Exhibit A-7 attached hereto under the heading "Pelican Sound Apartments";

(ix) (A) Property Company No. 38 Limited Partnership, a Texas limited partnership, pursuant to that certain Certificate of Limited Partnership of The Paul D. Hinch Family Partnership, Ltd., dated as of January 1, 1986, filed with the Secretary of State of Texas on May 22, 1986, which (B) is the owner of that approximately 45 acre parcel of real property located in Harris County, Texas, more fully described on Exhibit A-8 attached hereto under the heading labelled "Westwood".

any or all of the partnerships described in Paragraph 1(a)(i)(A) through Paragraph 1(a)(ix)(A) being hereinafter referred to as the "Managing Partnerships", any or all of the partnerships described in Paragraph 1(a)(i)(B) through Paragraph 1(a)(ix)(B) being hereinafter referred to as the "Partnerships"; any or all of the partnership agreements described in Paragraph 1(a)(i)(A) through Paragraph 1(a)(ix)(A) being hereinafter referred to as the "Managing Partnership Agreements", any or all of the partnership agreements described in Paragraph 1(a)(i)(B) through Paragraph 1(a)(ix)(B) being hereinafter referred to as the "Partnership Agreements"; and any or all of Fair Oaks, Lenexa, Pointe, Port Royale, Shady Grove, Winchester, Brixworth-Atlanta Apartments, Pelican Sound Apartments, and Westwood being hereinafter referred to as the "Projects";

(b) all of the proceeds from the sale or other disposition of Debtor's interest pledged hereunder in such Managing Partnerships, or Partnerships;

(c) any present or future distribution or right to distribution to Debtor of profits, income, cash, property, and assets, or any other right, power, privilege, or interest of Debtor now or hereafter arising under or pursuant to the Managing Partnership Agreements or the Partnership Agreements with respect to Debtor's interests pledged hereunder; and

(d) the Account (hereinafter defined).

Nothing contained herein is intended, or shall be construed, as a grant by Debtor of a security interest in a Managing Partnership's interest in a Partnership.

2. This security agreement shall secure payment and performance of the Obligation. The term "Obligation," as used herein, means: (a) payment and performance by Debtor under the Note or the Working Capital Loan Agreement or any Guaranty; and (b) all indebtedness, liabilities, undertakings, covenants, and obligations to Secured Party under the agreements evidencing the KC/DC Loans or the Working Capital Loan Agreement (collectively, the "Loan Agreements") and any and all documents evidencing or securing the indebtedness evidenced by the Loan Agreements.

3. Debtor represents and warrants that (a) Debtor has all necessary authority to execute and deliver this security agreement; (b) the statements above concerning the location of Debtor's place of business (or chief executive office) and mailing address are true and correct; (c) except for a financing statement which may have been filed by Secured Party, no financing statement covering the Collateral, or any part thereof, has been filed with any filing officer, except those permitted pledges set forth on Exhibit A; (d) no financing statement covering the general partnership interest of any Managing Partnership in the Partnership in which it is general partner, the proceeds from the sale or other disposition of the Managing Partnership's interest in such Partnership or any present or future distribution or right to distribution to the Managing Partnership of profits, income, cash, property, and assets, or any other right, power, privilege, or interest of the Managing Partnership now or hereafter arising under or pursuant thereto has been filed with any filing officer, except for those permitted pledges set forth on Exhibit A; (e) no other security agreement covering the Collateral, or any part thereof, has been made and no security interest, other than the one herein created, has attached or been perfected in the Collateral, or in any part thereof, except those permitted pledges set forth on Exhibit A; (f) no security agreement covering the interest of any Managing Partnership in the Partnership in which it is general partner, the proceeds from the sale or other disposition of the Managing Partnership's interest in such Partnership, or any present or future distribution or right to distribution to the Managing Partnership of profits, income, cash, property of the Partnership now or hereafter arising under or pursuant to the Partnership Agreement of such Partnership, or any part thereof, has been made, and no security interest has attached or been perfected in the interest of any Managing Partnership in the Partnership in which it is general partner, the proceeds from the sale or other disposition of the Managing Partnership's interest in such Partnership, or any present or future distribution or right to distribution to the Managing Partnership of profits, income, cash, property, and assets, or any other right, power, privilege, or interest of the Managing Partnership now or hereafter arising under or pursuant to the Partnership Agreement of such Partnership, or any part thereof, except for those permitted pledges set forth on Exhibit A; (g) no dispute, right of setoff, counterclaim, or defense exists with respect to any part of the Collateral; (h) each Managing Partnership is a limited partnership duly organized and validly existing under the laws of the state in which the Project owned by the Partnership in which it is the sole general partner is located and has all requisite partnership power and all governmental certificates of authority, licenses, permits, qualifications, and documents to be a general partner in such Partnership and carry on its business in such state; Debtor has furnished to Secured Party true, correct and complete copies of each Managing Partnership Agreement and all amendments thereto, each Managing Partnership Agreement is in full force and effect and constitutes a binding obligation of the parties thereto, there have been no amendments or modifications to any Managing Partnership Agreement except as disclosed in writing to Secured Party prior to the date of this security agreement, and there has been no default in performance of any provision thereof in any respect; (i) each Partnership is a limited partnership duly organized and validly existing under the laws of the state in which the Project owned by it is located and has all requisite partnership power and all governmental certificates of authority, licenses, permits, qualifications, and documents to own and operate the Project owned by it and carry on its business in such state; Debtor has furnished to Secured Party true, correct, and complete copies of each Partnership Agreement and all amendments thereto, each Partnership Agreement is in full force and effect and constitutes a binding obligation of the parties thereto, there have been no amendments or modifications to any Partnership Agreement except as disclosed to Secured Party

in writing prior to the date of this security agreement, and there has been no default in performance of any provision thereof in any respect; (j) Debtor is the true and lawful legal and beneficial owner of the Collateral; (k) each Managing Partnership is the sole legal and beneficial owner of the general partnership interest in the applicable Partnership described in Paragraph 1(a) as being owned by it; and (l) each Partnership is the sole legal and beneficial owner of the Project.

4. Debtor covenants and agrees to: (a) from time to time promptly execute and deliver to Secured Party all such other assignments, certificates, supplemental writings, and financing statements, and do all other acts or things, as Secured Party may reasonably request in order more fully to evidence and perfect the security interests herein created; (b) promptly furnish Secured Party with any information or writings within the knowledge or possession of Debtor which Secured Party may reasonably request concerning the Collateral; (c) promptly notify Secured Party of any change in any fact or circumstance warranted or represented by Debtor to Secured Party in connection with the Collateral or the Obligation; (d) promptly after notice thereof to Debtor notify Secured Party of any claim, action, or proceeding affecting title to the Collateral, or any part thereof, or the security interests herein, and, at the request of Secured Party, appear in and defend, at Debtor's expense, any such action or proceeding; (e) promptly after being requested by Secured Party by written notice pay to Secured Party the amount of all costs and expenses, including reasonable attorneys' fees and other reasonable legal expenses incurred by Secured Party in enforcing the security interests, and all lawful fees for filing, recording, or releasing this security interest in any public office.

5. Debtor covenants and agrees that, without the prior written consent of Secured Party, Debtor will not: (a) sell, assign, or transfer any of Debtor's rights in the Collateral; provided, however, death of Debtor shall not be deemed a transfer so long as the successor owner(s) of the Collateral acknowledges, ratifies, and affirms this security agreement; (b) create any other security interest in, mortgage, or otherwise encumber, the Collateral, or any part thereof, or permit the same to become subject to any lien, attachment, execution, sequestration, other legal or equitable process, or any encumbrance of any kind or character, except the security interests herein created; (c) create or permit to be created any other security interest in, mortgage, or otherwise encumber, the general partnership interest of any Managing Partnership in the Partnership in which it is general partner, the proceeds from the sale or other disposition of the Managing Partnership's interest in such Partnership, or any present or future distribution or right to distribution to the Managing Partnership of profits, income, cash, property, and assets, or any other right, power, privilege, or interest of the Managing Partnership now or hereafter arising under or pursuant to the Partnership Agreement of such Partnership, or any part thereof or permit the same to become subject to any lien, attachment, execution, sequestration, other legal or equitable process, or any encumbrance of any kind or character; (d) create or permit to be created any other security interest in, mortgage, or otherwise encumber, any Project, or any part thereof, or permit the same to become subject to any lien, attachment, execution, sequestration, other legal or equitable process, or any encumbrance of any kind or character, except the permitted liens described on Exhibit A attached hereto; (e) terminate any Managing Partnership Agreement and/or permit any Managing Partnership Agreement to be terminated; (f) terminate any Partnership Agreement and/or permit any Partnership Agreement to be terminated; (g) amend or modify any Managing Partnership Agreement or permit any Managing Partnership Agreement to be amended or modified; (h) amend or modify any Partnership Agreement or permit any Partnership Agreement to be

amended or modified; (i) permit the voluntary resignation by Paul D. Hinch as a general partner in The Paul D. Hinch Family Partnership Ltd. or the voluntary dissolution of The Paul D. Hinch Family Partnership, Ltd.; or (j) compensate or make any payment to any partner in any Partnership with respect to services rendered to or distributions from such Partnership, which is an obligor under the CREI Loan Documents (hereinafter defined) or any Managing Partnership of any such Partnership or permit any capital withdrawals by any partner in any such Partnership or any such Managing Partnership, unless all debt service on the loan evidenced by the CREI Loan Documents and any other Obligation (as defined in the CREI Loan Documents) of such Partnership is being paid currently and there is no Default or Potential Default (as defined in the CREI Loan Documents) in existence.

6. Debtor covenants and agrees, and by execution of this security agreement does hereby instruct each Managing Partnership, and each Managing Partnership contemporaneously has agreed, to deposit all distributions to Debtor pursuant to each applicable Managing Partnership Agreement into that one certain joint signature checking account with Citibank, N.A. (the "Account"). Each Partnership contemporaneously has affirmed the obligation of each Managing Partnership to deposit all distributions to Debtor in the Account and agreed that all distributions to Managing Partnership shall be made to Managing Partnership in accordance with the applicable Partnership Agreement.

7. Should any covenant, duty, or agreement of Debtor fail to be performed in accordance with its terms hereunder, Secured Party may, but shall never be obligated to, perform or attempt to perform such covenant, duty, or agreement on behalf of Debtor, and any amount expended by Secured Party in such performance or attempted performance shall become a part of the Obligation, and, at the request of Secured Party, Debtor agrees to pay such amount promptly to Secured Party at Secured Party's office in Houston, Texas, together with interest thereon at the highest rate permitted by applicable law per annum from the date of such expenditure by Secured Party until paid.

8. Secured Party shall never be liable for its failure to use diligence to collect any amount payable in respect of the Collateral, but shall be liable only to account to Debtor for what it may actually collect or receive thereon.

9. The term "default," as used herein, means the occurrence of any of the following events: (a) the occurrence of an event of default under any of the Loan Agreements, or other failure of any borrower under any of the Loan Agreements to pay or perform the Obligation, or any part thereof, as it becomes payable or performable, or when accelerated pursuant to any power to accelerate; or (b) the failure of any borrower under any of the Loan Agreements punctually and properly to perform any covenant, agreement, or condition contained in any other security agreement, mortgage, deed of trust, assignment, or contract of any kind securing or assuring payment of the Obligation, or any part thereof; or (c) the failure of any Debtor punctually and properly to perform any covenant, condition contained herein or in the Note or any Guaranty.

10. Upon the occurrence of a default, in addition to any and all other rights and remedies which Secured Party may then have hereunder or under the Uniform Commercial Code of the State of Texas (hereinafter called the "Code"), or otherwise, Secured Party at its option may: (a) declare the entire unpaid balance of principal of, and all accrued interest on, the Obligation immediately due and payable, without notice, demand, or presentment, which are hereby waived; (b) reduce its claim to judgment, foreclose, or otherwise enforce its security interest

in all or any part of the Collateral by any available judicial procedure; (c) sell or otherwise dispose of, at the office of Secured Party, or elsewhere, as chosen by Secured Party, all or any part of the Collateral, and any such sale or other disposition may be as a unit or in parcels, by public or private proceedings, and by way of one or more contracts (it being agreed that the sale of any part of the Collateral shall not exhaust Secured Party's power of sale, but sales may be made from time to time until all of the Collateral has been sold or until the Obligation has been paid in full), and at any such sale it shall not be necessary to exhibit the Collateral; (d) at its discretion, retain the Collateral in satisfaction of the Obligation whenever the circumstances are such that Secured Party is entitled to do so under the Code or other applicable law; (e) buy the Collateral at any public sale; (f) buy the Collateral at any private sale if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations. Secured Party shall be entitled to apply the proceeds of any sale or other disposition of the Collateral in the following order: first, to the payment of all of its costs and expenses, including attorney's fees and other legal expenses, incurred in holding and preparing the Collateral, or any part thereof, for sale(s) or other disposition, in arranging for such sale(s) or other disposition, and in actually selling the same; and next, toward payment of the balance of the Obligation in such order and manner as Secured Party, in its discretion, may deem advisable. Secured Party shall account to Debtor for any surplus, but if the proceeds are not sufficient to pay the Obligation in full, Debtor shall remain liable for any deficiency; and (g) apply all amounts on deposit in the Account to payment of the Obligation.

11. Reasonable notification of the time and place of any public sale of the Collateral, or reasonable notification of the time after which any private sale or other intended disposition of the Collateral is to be made, shall be sent to Debtor and to any other person entitled under the Code to notice. It is agreed that notice sent or given not less than fifteen (15) calendar days prior to the taking of the action to which the notice relates is reasonable notification and notice for the purposes of this paragraph 11.

12. All rights and remedies of Secured Party hereunder are cumulative of each other and of every other right or remedy which Secured Party may otherwise have at law or in equity or under any other contract or other writing for the enforcement of the security interest herein or the collection of Debtor's Obligation, and the exercise of one or more rights or remedies shall not prejudice or impair the concurrent or subsequent exercise of other rights or remedies.

13. Should any part of the Obligation be payable in installments, the acceptance by Secured Party at any time and from time to time of part payment of the aggregate amount of all installments then matured shall not be deemed to be a waiver of the default then existing. No waiver by Secured Party of any default shall be deemed to be a waiver of any other subsequent default, nor shall any such waiver by Secured Party be deemed to be a continuing waiver. No delay or omission by Secured Party in exercising any right or power hereunder, or under any other writings executed by Borrower or Debtor as security for or in connection with the Obligation, shall impair any such right or power or be construed as a waiver thereof or any acquiescence therein, nor shall any single or partial exercise of any such right or power preclude other or further exercise thereof, or the exercise of any other right or power of Secured Party hereunder or under such other writings.

14. This security agreement shall be binding on Debtor and

Debtor's successors and assigns and shall inure to the benefit of Secured Party and its successors and assigns.

15. Secured Party shall have the right at any time to execute and file this security agreement as a financing statement, but the failure of Secured Party to do so shall not impair the validity or enforceability of this security agreement.

16. Because of the Securities Act of 1933, as amended, or any other laws or regulations, there may be legal restrictions or limitations affecting Secured Party in any attempts to dispose of certain portions of the Collateral in the enforcement of its rights and remedies hereunder. For these reasons Secured Party is hereby authorized by Debtor, but not obligated, in the event of any default hereunder giving rise to Secured Party's rights to sell or otherwise dispose of the Collateral, to sell all or any part of the Collateral at private sale, subject to investment letter or in any other manner which will not require the Collateral, or any part thereof, to be registered in accordance with the Securities Act of 1933, as amended, or the rules and regulations promulgated thereunder, or any other law or regulation, at the best price reasonably obtainable by Secured Party to any such private sale or other disposition in the manner mentioned above. Secured Party is also hereby authorized by Debtor, but not obligated, to take such actions, give such notices, obtain such consents, and do such other things as Secured Party may deem required or appropriate in the event of a sale or disposition of any of the Collateral. Debtor clearly understands that Secured Party may in its discretion approach a restricted number of potential purchasers and that a sale under such circumstances may yield a lower price for the Collateral, or any part or parts thereof, than would otherwise be obtainable if same were registered and sold in the open market.

17. Whenever any notice or demand is required hereunder, such notice or demand must be in writing. Any notice, demand, or document required to be delivered hereunder shall be deemed to have been given on the third (3rd) business day after it is deposited in the United States mail, certified or registered, return receipt requested, postage prepaid, addressed to the person or entity who is to receive it at the address which such person or entity has theretofore specified by written notice delivered in accordance herewith. Until changed in accordance herewith, Debtor and Secured Party hereby specify the addresses stated in Paragraph 1 hereof as their respective addresses for receiving notices, demands, payments, and documents. Any person or entity may change, at any time and from time to time, by written notice, the address which it had theretofore specified.

18. Nothing contained herein shall expressly or impliedly obligate Secured Party for any obligations contained in any Partnership Agreement or otherwise, of any Managing Partner to a Partnership, or for any obligations contained in any Managing Partnership Agreement or otherwise, of Debtor to any Managing Partnership, and the exercise of any remedies of Secured Party hereunder shall entitle Secured Party to the benefits of, and shall not obligate Secured Party for any obligations incident to, any agreements evidencing or creating the Collateral.

19. Debtor hereby ratifies and reaffirms the covenants, obligations, terms and provisions contained in the loan documents described on Exhibit B attached hereto and made a part hereof for all purposes (the "CREI Loan Documents") as to the party thereto in which Debtor is, directly or indirectly, a partner, and any obligations of Debtor as a guarantor thereof, and warrants, represents, stipulates, and agrees that the CREI Loan Documents represent the binding obligation of each borrower thereunder and Debtor and that, as of the date hereof, there exists no offset, claim, defense, or counterclaim of any nature whatsoever as to any of the terms, conditions, or provisions contained therein.

Notwithstanding such ratification and reconfirmation, Debtor has not, and does not, ratify or reconfirm (i) any representation that there has not been a material adverse change in the financial statements delivered in respect of any of Paul D. Hinch, Ron Beneke, or Hugh Caraway, as guarantor of the debt secured by the CREI Loan Documents; (ii) any representation that Lender has been informed of all "threatened" claims, suits, demands, etc., as opposed to claims, suit and demands as to which formal legal action against any of Paul D. Hinch, Ron Beneke, or Hugh Caraway, as guarantor of the debt secured by the CREI Loan Documents has been taken; or (iii) any guaranty of any portion of the indebtedness evidenced by the CREI Loan Documents from which the guarantors thereof have been released by Secured Party. Further, Debtor hereby releases and forever discharges Secured Party, Secured Party's agents, employees, independent contractors, successors, and assigns and Secured Party from all possible claims, demands, actions, causes of actions, costs, expenses and liabilities whatsoever, known or unknown, at law or in equity, originating in whole or in part, on or before the date of this security agreement ("Claims"), which he may now or hereafter have against Secured Party, Secured Party's agents, employees, independent contractors, successors, and assigns and Secured Party, if any, and irrespective of whether any such Claims arise out of contract, tort, violation of laws, or regulations or otherwise, which arise out of the CREI Loan Documents, or which arise out of any action, inaction, transaction, or occurrence involving or in any way related to the CREI Loan Documents, including, without implied limitation, any contracting for, charging, taking, reserving, collection or receiving interest on the indebtedness evidenced thereby, and agrees to indemnify and hold Secured Party, Secured Party's agents, employees, independent contractors, successors, and assigns and Secured Party harmless from any and all claims, losses, causes of action, costs and expenses of every kind or character in connection with the breach of the agreement of the undersigned contained in this Paragraph 19. Further, Debtor hereby agrees that neither he, nor any of his agents, employees, independent contractors, heirs, personal representatives, successors or assigns will bring, commence, institute, maintain or prosecute any action at law or proceeding in equity, or any legal proceeding whatsoever, or any other claim for damages or relief whatsoever, against Secured Party or any of the other parties to whom the provisions of this Paragraph 19 extend, which is based in whole or in part on any matter released hereunder, and additionally hereby jointly and severally agree that the provisions of this Paragraph 19 may be pleaded as a full and complete defense to, and may be used as a basis for an injunction against, any action, suit or other proceeding that may be instituted, prosecuted or attempted by him or any or all of their respective agents, employees, independent contractors, heirs, personal representatives, successors or assigns in breach of any of the provisions set forth in this Paragraph 19. Notwithstanding the foregoing, nothing contained in this Paragraph 19 shall be construed as an admission of liability on the part of Secured Party. The provisions of this Paragraph 19 shall inure to the benefit of Secured Party, its subsidiaries and affiliates, and their respective successors and assigns, servicing agents, directors, shareholders, trustees, officers, agents, servants, employees, and attorneys, past, and present, forever.

20. This security agreement is intended to be performed in the State of Texas and the laws of such state shall govern the rights and duties of the parties hereto.

21. A carbon, photographic, or other reproduction of this security agreement, or any financing statement relating to this security agreement, shall be sufficient as a financing statement (as defined in Chapter 9 of the Uniform Commercial Code). Debtor hereby agrees with Secured Party to execute and deliver to Debtor, in form and substance satisfactory to Debtor, such financing statements and such further assurances as Debtor may, from time to time, reasonably consider necessary to create, perfect, and preserve the security interests and/or assignments to Debtor herein granted, and Debtor may cause such financing statements and assurances to be recorded and filed, at such times and places as may be required or permitted by law to so create, perfect, and preserve such security interests and assignments. Debtor shall also have the right, at any time, to file this security agreement as a financing statement, but the failure of Debtor to do so shall not impair the validity and enforceability of this security agreement in any respect whatsoever.

EXECUTED by Debtor and Secured Party as of November 15, 1989.

Signed, sealed and delivered as to Hugh L. Caraway, Jr. in the presence of:

(Unofficial Witness)

(Notary Public)

My Commission Expires: 9/8/92

[Affix Notarial Seal]

DEBTOR:

Hugh L. Caraway, Jr.

Signed, sealed and delivered as to Thomas F. Walker in the presence of:

(Unofficial Witness)

(Notary Public)

My Commission Expires:

[Affix Notarial Seal]

SECURED PARTY:

CITICORP REAL ESTATE, INC., a Delaware corporation

By:
Name: Thomas F. Walker
Title: Vice President

Signed, sealed and delivered as to _____ in the presence of:

(Unofficial Witness)

(Notary Public)

My Commission Expires:

21. A carbon, photographic, or other reproduction of this security agreement, or any financing statement relating to this security agreement, shall be sufficient as a financing statement (as defined in Chapter 9 of the Uniform Commercial Code). Debtor hereby agrees with Secured Party to execute and deliver to Debtor, in form and substance satisfactory to Debtor, such financing statements and such further assurances as Debtor may, from time to time, reasonably consider necessary to create, perfect, and preserve the security interests and/or assignments to Debtor herein granted, and Debtor may cause such financing statements and assurances to be recorded and filed, at such times and places as may be required or permitted by law to so create, perfect, and preserve such security interests and assignments. Debtor shall also have the right, at any time, to file this security agreement as a financing statement, but the failure of Debtor to do so shall not impair the validity and enforceability of this security agreement in any respect whatsoever.

EXECUTED by Debtor and Secured Party as of November 15, 1989.

DEBTOR:

Signed, sealed and delivered as to Hugh L. Caraway, Jr. in the presence of:

_____
(Unofficial Witness)

_____
(Notary Public)

My Commission Expires:

_____
[Affix Notarial Seal]

_____
Hugh L. Caraway, Jr.

SECURED PARTY:

Signed, sealed and delivered as to Thomas F. Walker in the presence of:

_____
(Unofficial Witness)

_____
(Notary Public)

My Commission Expires: 3/27/91

_____
[Affix Notarial Seal]

NOTARY PUBLIC STATE OF ILLINOIS

CITICORP REAL ESTATE, INC., a Delaware corporation

By: _____
Name: Thomas F. Walker
Title: Vice President

Signed, sealed and delivered as to _____ in the presence of:

_____
(Unofficial Witness)

_____
(Notary Public)

My Commission Expires:

_____

89585493

THE STATE OF Oklahoma §
COUNTY OF Tulsa §

This instrument was acknowledged before me on November 30, 1989, by Hugh L. Caraway, Jr.

Sylvia G. Heath
Notary Public in and for the State of Oklahoma

My Commission Expires:
My Commission Expires, July 2nd, 1991

Name: Sylvia G. Heath

THE STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 1989, by Thomas F. Walker, a Vice President of Citicorp Real Estate, Inc., a Delaware corporation, on behalf of such corporation.

Notary Public in and for the State of _____

My Commission Expires:

_____

Name: _____

89585493

8 9 5 8 5 4 9 3

THE STATE OF _____ §
§
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 1989, by Hugh L. Caraway, Jr.

_____
Notary Public in and for the
State of _____

My Commission Expires:

_____

Name: _____

THE STATE OF Texas §
§
COUNTY OF Harris §

This instrument was acknowledged before me on November 30, 1989, by Thomas F. Walker, a Vice President of Citicorp Real Estate, Inc., a Delaware corporation, on behalf of such corporation.

_____
Notary Public in and for the
State of Texas

My Commission Expires

2/27/91

Name: Teresa Jarvis

NOTARY PUBLIC STATE OF TEXAS

89585493

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EXHIBIT A-1

1. PROJECT: FAIR OAKS, FAIRFAX COUNTY, VIRGINIA

2. PERMITTED PLEDGES:

(a) of Debtor's interest in the Managing Partnership:

(i) to Michael Windsor pursuant to Security Agreement dated as of March 22, 1989, by and between Debtor and Michael Windsor pledging of Debtor's partnership interest in HBW-Fair Oaks Phase II, a true, correct, and complete copy of which Debtor represents has been furnished to Secured Party;

(ii) to Secured Party pursuant to that one certain Primary Security Agreement dated as of March 22, 1989, by and between Secured Party and Debtor.

(iii) to Citibank, N.A. pursuant to that one certain Secondary Security Agreement dated as of March 22, 1989, by and between Citibank, N.A. and Debtor.

(iv) to Property Company of America, Inc., as agent for all the Property Company of America, Inc. affiliates in which Debtor participates as a partner, and to PCA Services, Inc., such pledges secure the various intra company obligations of Debtor to other Property Company of America, Inc. principals, but such pledges are hereby expressly subordinated to the pledge to Secured Party hereunder.

(b) of Managing Partnership's interest in the Partnership:

None

3. PERMITTED LIENS ON THE PROJECT:

Deed of Trust dated August 1, 1986, from Fair Oaks Phase II to David D. Redmond, Trustee, securing Citicorp Real Estate, Inc., in the original principal amount of $3,000,000.00, recorded among the Fairfax County, Virginia Land Records on August 5, 1986, in Deed Book 6450 at Page 1372; as modified by Modification to Promissory Note and Deed of Trust dated October 30, 1986, and recorded among the aforesaid Land Records on October 30, 1986, in Deed Book 6534 at Page 567, and as further modified and supplemented by Second Modification to and Restatement of Deed of Trust dated November 15, 1986, and recorded among the aforesaid Land Records on May 1, 1987, in Deed Book 6708 at Page 790, as amended by Amendment to Loan Documents (Fair Oaks) dated as of even date herewith.

Second Lien Deed of Trust (and Security Agreement) dated April 28, 1987, from Fair Oaks Phase II, a Virginia limited partnership, to David D. Redmond, Trustee, securing Citicorp Real Estate, Inc., in the original principal amount of $3,000,000.00, recorded among the Fairfax County, Virginia Land Records on May 1, 1987, in Deed Book 6708 at Page 825.

4. LEGAL DESCRIPTION

Parcel 3, containing 2.19808 acres, currently property of Fair Oaks Phase II, as the same appears duly dedicated, platted and recorded in Deed Book 6108, page 724, corrected in Deed Book 6322, page 1990, among the land records of Fairfax County, Virginia, further described as follows:

Beginning at an iron pipe set, at the northeasterly corner of the tract herein described said point being a corner to Clara Boldog and a point on the westerly variable width right-of-way line of Waples Mill Road;

Thence running with said westerly variable width right-of-way line of Waples Mill Road, 215.41 feet along the arc of a curve to the right, said curve having a radius of 2,085.00 feet, a central angle of 06°00'21" and a chord which bears S 24°16'10" W 215.31 feet to an iron pipe set;

Thence running with said westerly variable width right-of-way line of Waples Mill Road and with the same line extended with the northerly 70 feet right-of-way line of Random Mills Road and the following courses and distances:

96.19 feet along the arc of a curve to the right, said curve having a radius of 38.00 feet, a central angle of 91°51'09" and a chord which bears S 73°13'55" W 90.35 feet to an iron pipe set;

N 60°46'31" W [illegible].85 feet to an iron pipe set;

305.07 feet along the arc of a curve to the right, said curve having a radius of 915.00 feet, a central angle of 19°06'11" and a chord which bears N 51°13'25" W 303.66 feet

to an iron pipe set, said point being a corner to Fair Oaks Plaza Ltd.;

Thence departing said northerly 70 feet right-of-way line of Random Mills Road and running with said Fair Oaks Plaza Ltd. N 25°36'51" E 229.91 feet to an iron pipe set, said point being a corner to the aforementioned Clara Boldog;

Thence departing said Fair Oaks Plaza Ltd. and running with said Clara Boldog S 56°22'06" E 379.16 feet to the point of beginning and containing 2.19808 acres more or less.

Exhibit A-1

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EXHIBIT A-2

1. PROJECT: LENEXA, JOHNSON COUNTY, KANSAS

2. PERMITTED PLEDGES:

(a) of Debtor's interest in the Managing Partnership:

(i) to Secured Party pursuant to that one certain Primary Security Agreement dated as of March 22, 1989, by and between Secured Party and Debtor.

(ii) to Citibank, N.A. pursuant to that one certain Secondary Security Agreement dated as of March 22, 1989, by and between Citibank, N.A. and Debtor.

(iii) to Property Company of America, Inc., as agent for all the Property Company of America, Inc. affiliates in which Debtor participates as a partner, and to PCA Services, Inc., such pledges secure the various intra company obligations of Debtor to other Property Company of America, Inc. principals, but such pledges are hereby expressly subordinated to the pledge to Secured Party hereunder.

(b) of Managing Partnership's interest in the Partnership:

None

3. PERMITTED LIENS ON THE PROJECT:

(a) Mortgage and Security Agreement dated as of December 24, 1986, executed between Kansas Industrial No. 1, L.P., a Kansas limited partnership, and Citicorp Real Estate, Inc., a Delaware corporation, recorded under Clerk's File No. 1668312, Volume 2501, Page 762 of Recorder's Office, Johnson County, Kansas, as amended by Amendment to Loan Documents (Lenexa) dated as of even herewith.

(b) Mortgage and Security Agreement dated as of even date herewith between Kansas Industrial No. 1, L.P. and Citicorp Real Estate, Inc. securing an $800,000 promissory note dated of even date herewith.

4. LEGAL DESCRIPTION:

All that part of the Northwest 1/4 of Section 4, Township 13, Range 24, in the City of Lenexa, Johnson County, Kansas, more particularly described as follows: Commencing at the Northwest corner of the Northwest 1/4 of said Section 4; thence North 87 degrees 46 minutes 05 seconds East along the North line of the Northwest 1/4 of said Section 4, a distance of 490.43 feet; thence South 2 degrees 15 minutes 50 seconds East, a distance of 103.52 feet to a point on the Southerly right of way line of 95th Street, as now established, said point also being the true point of beginning of subject tract; thence Southeasterly along the Southerly right-of-way line of said 95th Street, said line being on a curve to the left, having a radius of 2904.79 feet, a central angle of 5 degrees 37 minutes 15 seconds and having a long chord bearing of South 88 degrees 56 minutes 03 seconds East, a distance of 284.96 feet; thence South 50 degrees 56 minutes 55 seconds East, a distance of 51.51 feet to a point on the Westerly right-of-way line of Alden, as now established; thence South 2 degrees 14 minutes 51 seconds East along the Westerly right-of-way line of said Alden, a distance of 546.11 feet; thence South 87 degrees 17 minutes West, a distance of

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322.91 feet; thence South 87 degrees 43 minutes 44 seconds West, a distance of 455.34 feet to a point 35 feet East of the West line of the Northwest 1/4 of said Section 4, said point also being on the Easterly right-of-way line of Lackman Road, as now established; thence North 2 degrees 16 minutes 16 seconds West along a line 35 feet East of and parallel to the West line of the Northwest 1/4 of said Section 4 and along the Easterly right-of-way line to said Lackman Road, a distance of 603.07 feet to a point on the Southerly right-of-way line of said 95th Street; thence North 87 degrees 43 minutes 44 seconds East along the southerly right-of-way line of said 95th Street, a distance of 15 feet; thence North 2 degrees 16 minutes 16 seconds West along the Southerly right-of-way line of said 95th Street a distance of 10.10 feet; thence North 38 degrees 06 minutes 55 seconds East along the Southerly right-of-way line of said 95th Street, a distance of 44.48 feet; thence Southeasterly along a curve to the right, having a radius of 4748.31 feet, a central angle of 2 degrees 42 minutes 22 seconds and whose long chord bearing is South 86 degrees 09 minutes 23 seconds East, a distance of 224.27 feet to a point of tangency; thence South 84 degrees 48 minutes 10 seconds East along the Southerly right-of-way line of said 95th Street, a distance of 123.14 feet to a point of curvature; thence Southeasterly, along the Southerly right-of-way line of said 95th Street, said line being on a curve to the left, having a radius of 2904.79 feet, a central angle of 1 degree 19 minutes 18 seconds and whose long chord bearing South 85 degrees 27 minutes 48 seconds East, a distance of 67.01 feet, to the true point of beginning of subject tract.

Exhibit A-2

89585493

EXHIBIT A-3

1. PROJECT: POINTE, COOK COUNTY, ILLINOIS

2. PERMITTED PLEDGES:

(a) of Debtor's interest in the Managing Partnership:

(i) to Secured Party pursuant to that one certain Primary Security Agreement dated as of March 22, 1989, by and between Secured Party and Debtor.

(ii) to Citibank, N.A. pursuant to that one certain Secondary Security Agreement dated as of March 22, 1989, by and between Citibank, N.A. and Debtor.

(iii) to Property Company of America, Inc., as agent for all the Property Company of America, Inc. affiliates in which Debtor participates as a partner, and to PCA Services, Inc., such pledges secure the various intra company obligations of Debtor to other Property Company of America, Inc. principals, but such pledges are hereby expressly subordinated to the pledge to Secured Party hereunder.

(iv) Lender acknowledges the existence of that one certain Special Allocation Agreement for HMD-The Pointe Limited Partnership dated as of March 22, 1989, by and among The Paul D. Hinch Family Partnership, Ltd., Charles H. Midkiff, Don Davis, Ron Beneke, Hugh L. Caraway, Jr., Oklahoma Property Company Limited Partnership, The Jane C. Beneke 1986 Estate Trust, and The Ron Beneke 1986 Estate Trust, for the limited purpose of acknowledging that distributions to Debtor covered by this Security Agreement are subject to the terms thereof, to the extent, and only to the extent, of the payment of an aggregate amount not to exceed the second lien indebtedness advanced by Secured Party to such Partnership to the "Non-Guarantor Partners" (as defined therein) in ratios the same as their respective percentage interests in such Partnership bear to each other.

(b) of Managing Partnership's interest in the Partnership:

None

3. PERMITTED LIENS ON THE PROJECT:

Mortgage and Security Agreement dated as of March 2, 1988, and recorded March 4, 1988, as document 88094146 made by LaSalle National Bank, as trustee under Trust Agreement dated September 28, 1987, and known as trust number 112688 to Citicorp Real Estate, Inc., a Delaware corporation, to secure a note for $22,520,800.00.

Second Mortgage and Security Agreement dated March 2, 1988, and recorded March 4, 1988, as document 88094148 made by LaSalle National Bank as trustee under Trust Agreement dated September 28, 1987, and known as trust number 112688 to General Electric Capital Corporation, a New York corporation, to secure the obligations contained therein.

4. LEGAL DESCRIPTION:

Parcel A:

Exhibit A-3

89585493

That part of lot 5 in George Kirchoff Estate subdivision of parts of sections 12 and 13, township 42 north, range 10 east of the third principal meridian, and sections 7 and 18, township 42 north, range 11 east of the third principal meridian, described as follows: commencing at a point in the west line of said section 7, 17.82 feet north of the southwest corner of said section 7 and the southwest corner of said lot 5, said point of commencing being the northeast corner of said section 13; thence north 89 degrees 50 minutes 54 seconds east along the easterly extension of the north line of said section 13, 65.65 feet to a point on the easterly line of land taken for road purposes by condemnation case no. 87L50249 in the Circuit Court of Cook County, Illinois, said point being the place of beginning; the following three courses are along the easterly line of land taken for road purposes by condemnation case no. 87L50249, aforesaid; thence north 00 degrees 00 minutes 00 seconds east, 241.96 feet; thence north 03 degrees 22 minutes 00 seconds east 340.03 feet; thence north 35 degrees 31 minutes 51 seconds east, 240.97 feet to the southerly line of Woods Drive (formerly Randhaven Lane) according to the plat of dedication recorded July 30, 1974 as document 22797785; thence southeasterly along said southerly line of Woods Drive, being a curved line convex northeasterly and having a radius of 247.00 feet, an arc distance of 84.72 feet (the chord of said arc bears south 56 degrees 28 minutes 29 seconds east 84.30 feet); thence south 25 degrees 35 minutes 01 seconds east along the southwesterly line of land taken for road purposes by condemnation case no. 87L50249, aforesaid, 91.00 feet; thence north 64 degrees 24 minutes 56 seconds east along the southeasterly line of land taken for road purposes by condemnation case no. 87L50249, aforesaid, 16.51 feet to the southwesterly line of Woods Drive, aforesaid; the following four courses are along the southwesterly, southerly and southeasterly line of Woods Drive, aforesaid; thence south 25 degrees 40 minutes 49 seconds east, 194.36 feet to a point of curvature in said line; thence southeasterly along a curved line convex southwesterly, having a radius of 290.00 feet and being tangent to said last described line at said last described point an arc distance of 146.78 feet to a point of compound curvature in said line (the chord of said arc bears south 40 degrees 10 minutes 49 seconds east, 145.22 feet); thence easterly along a curved line convex southerly, having a radius of 333.00 feet and being tangent to said last described curved line at said last described point, an arc distance of 464.96 feet to a point of tangency in said line (the chord of said arc bears north 85 degrees 19 minutes 11 seconds east, 428.10 feet); thence north 45 degrees 19 minutes 11 seconds east along a line tangent to said last described curved line at said last described point, 171.64 feet to an intersection with the southwesterly line of Rand Road as widened by instrument recorded December 10, 1940 as document 12592033; thence southeasterly along said southwesterly line of Rand Road as widened, being curved line convex southwesterly and having a radius of 9599.34 feet, an arc distance of 544.23 feet to a point of tangency in said southwesterly line (the chord of said arc bears south 46 degrees 19 minutes 42 seconds east, 544.16 feet); thence south 47 degrees 57 minutes 09 seconds east along said southwesterly line of Rand Road as widened, being a line tangent to said last described curved line at said last described point, 241.02 feet to an intersection with the south line of said lot 5; thence south 89 degrees 46 minutes 51 seconds west along the south line of said lot 5, being also the south line of the southwest ¼ of section 7, aforesaid, and being the north line of the Commonwealth Edison Company right of way, 365.89 feet to the northeast corner of lot 8 in the George Kirchoff Estate subdivision, aforesaid; thence continuing south 89 degrees 46 minutes 51 seconds west along the south line of said lot 5, being also the north line of said lot 8 and being the north line of the Commonwealth Edison Company right of way, 370.30 feet to an angle point in the north line of said Commonwealth Edison Company right of way; thence north 88 degrees

Exhibit A-3

51 minutes 14 seconds west along the north line of Commonwealth Edison Company right of way, 739.30 feet to a point on the easterly extension of the north line of said section 13, said point being 174.00 feet, as measured along the easterly extension of the north line of said section 13, east of the northeast corner of said section 13; thence south 89 degrees 50 minutes 54 seconds west along the last described line, being the north line of the Commonwealth Edison Company right of way, 108.35 feet to the point of beginning, in Cook County, Illinois.

PARCEL B:

The part of lot 5 in George Kirchoff Estate subdivision of parts of sections 12 and 13, township 42 north, range 10 east of the third principal meridian, and sections 7 and 18, township 42 north, range 11 east of the third principal meridian, described as follows: beginning at the intersection of the southwesterly line of Rand Road as widened by instrument recorded December 10, 1940 as document 12592033 with the northwesterly line of Woods Drive (formerly Randhaven Lane) according to the plat of dedication recorded July 30, 1974 as document 22797785; the following four courses are along the northwesterly, northerly and northwesterly line of said Woods Drive; thence south 45 degrees 19 minutes 11 seconds west, 171.84 feet to a point of curvature in said line; thence westerly along a curved line convex southerly, having a radius of 267.00 feet and being tangent to said last described line at said last described point, an arc distance of 372.80 feet to a point of compound curvature in said line (the chord of said arc bears south 85 degrees 19 minutes 11 seconds west, 343.25 feet); thence northwesterly along a curved line convex southwesterly, having a radius of 224.00 feet and being tangent to said last described curved line at said last described point, an arc distance of 113.38 feet to a point of tangency in said line (the chord of said arc bears north 40 degrees 10 minutes 49 seconds west, 112.17 feet); thence north 25 degrees 40 minutes 49 seconds west along a line tangent to said last described curved line at said last described point, 194.25 feet to the southeasterly line of land taken for road purposes by condemnation case no. 87L50249 in the Circuit Court of Cook County, Illinois; thence north 64 degrees 24 minutes 56 seconds east along said last described line 17.49 feet; the following two courses are along the northeasterly and southeasterly lines of the land taken for road purposes by condemnation case no. 87L50249 aforesaid; thence north 25 degrees 35 minutes 04 seconds west, 170.85 feet; thence north 66 degrees 08 minutes 30 seconds east, 318.47 feet to an intersection with the southwesterly line of Rand Road as widened by instrument recorded December 10, 1940 as document 12592033; thence south 43 degrees 54 minutes 03 seconds east along said southwesterly line of Rand Road as widened, 490.12 feet to a point of curvature in said line; thence southeasterly along said southwesterly line of Rand Road as widened, being a curved line convex southwesterly, having a radius of 9599.34 feet and being tangent to said last described line at said last described point, an arc distance of 68.58 feet to the point of beginning (the chord of said arc bears south 44 degrees 06 minutes 20 seconds east, 68.58 feet), in Cook County, Illinois.

Southwest corner of Rand Road and Frontage Road, Arlington Heights, Illinois.

Exhibit A-3

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EXHIBIT A-4

1. PROJECT: PORT ROYALE, BROWARD COUNTY, FLORIDA

2. PERMITTED PLEDGES:

(a) of Debtor's interest in the Managing Partnership:

(i) to Secured Party pursuant to that one certain Primary Security Agreement dated as of March 22, 1989, by and between Secured Party and Debtor.

(ii) to Citibank, N.A. pursuant to that one certain Secondary Security Agreement dated as of March 22, 1989, by and between Citibank, N.A. and Debtor.

(iii) to Property Company of America, Inc., as agent for all the Property Company of America, Inc. affiliates in which Debtor participates as a partner, and to PCA Services, Inc., such pledges secure the various intra company obligations of Debtor to other Property Company of America, Inc. principals, but such pledges are hereby expressly subordinated to the pledge to Secured Party hereunder.

(iv) Lender acknowledges the existence of that one certain Special Allocation Agreement for HGC-The Apartments of Port Royale Limited Partnership dated as of March 22, 1989, by and among The Paul D. Hinch Family Partnership, Ltd., DeLane Garner, Ron Beneke, Hugh L. Caraway, Jr., Oklahoma Property Company Limited Partnership, The Jane C. Beneke 1986 Estate Trust, The Ron Beneke 1986 Estate Trust, and Joe A. Crutcher, for the limited purpose of acknowledging that distributions to Debtor covered by this Security Agreement are subject to the terms thereof, to the extent, and only to the extent, of the payment of an aggregate amount not to exceed the second lien indebtedness advanced by Secured Party to such Partnership to the "Non-Guarantor Partners" (as defined therein) in ratios the same as their respective percentage interests in such Partnership bear to each other.

(b) of Managing Partnership's interest in the Partnership:

None

3. PERMITTED LIENS ON THE PROJECT:

First Mortgage and Security Agreement by and between The Apartments of Port Royale Limited Partnership, a Florida limited partnership, and Citicorp Real Estate, Inc., a Delaware corporation, dated December 11, 1987, and recorded in Book 15042, Page 295, of the Official Records of Broward County, Florida.

Second Mortgage and Security Agreement by and between The Apartments of Port Royale Limited Partnership, a Florida limited partnership and General Electric Capital Corporation, a New York corporation, dated December 11, 1987 and recorded December 16, 1987 in Official Records Book 15042 at Page 353.

4. LEGAL DESCRIPTION: 89 585493

PARCEL I: Lot 3, LESS the West 250 feet thereof, and All of Lots 4, 5, 6 and 7 of BAR HARBOUR, according to the Plat thereof, as recorded in Plat Book 79, at Page 16, of the Public Records of Broward County, Florida.

PARCEL II: A portion of Lot 10 of BAR HARBOUR, according to the Plat thereof, as recorded in Plat Book 79, at Page 16, of the Public Records of Broward County, Florida, described as follows:

COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 10; THENCE S 88° 21' 33" WEST ALONG THE SOUTH LINE OF SAID LOT 10, A DISTANCE OF 487.81 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE S 88° 21' 33" WEST, ALONG SAID SOUTH LINE, A DISTANCE OF 97.94 FEET; THENCE N 01° 38' 07" WEST, A DISTANCE OF 120.00 FEET; THENCE S 88° 21' 33" WEST, A DISTANCE OF 31.73 FEET TO THE WEST LINE OF SECTION 7, TOWNSHIP 49 SOUTH, RANGE 43 EAST, BROWARD COUNTY, FLORIDA, AND THE EAST LINE OF SECTION 12, TOWNSHIP 49 SOUTH, RANGE 42 EAST, BROWARD COUNTY, FLORIDA; THENCE CONTINUE S 88° 21' 33" WEST, A DISTANCE OF 16.79 FEET TO A POINT ON A CURVE ON THE NORTHWESTERLY LINE OF SAID LOT 10, SAID CURVE BEING CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 360.00 FEET AND TO SAID POINT A RADIAL LINE BEARS N 68° 37' 41" WEST; THENCE NORTHEASTERLY, ALONG SAID CURVE OF SAID NORTHWESTERLY LINE, THROUGH A CENTRAL ANGLE OF 28° 23' 08", A DISTANCE OF 178.34 FEET; THENCE N 20° 24' 33" EAST, NON-RADIAL TO SAID CURVE, DEPARTING SAID NORTHWESTERLY LINE, A DISTANCE OF 67.36 FEET; THENCE S 63° 33' 08" WEST, A DISTANCE OF 27.77 FEET; THENCE S 01° 38' 07" EAST, A DISTANCE OF 113.54 FEET TO THE POINT OF BEGINNING.

Exhibit A-4

89585493

EXHIBIT A-5

1. PROJECT: SHADY GROVE, MONTGOMERY COUNTY, MARYLAND

2. PERMITTED PLEDGES:

(a) of Debtor's interest in the Managing Partnership:

(i) to Secured Party pursuant to that one certain Primary Security Agreement dated as of March 22, 1989, by and between Secured Party and Debtor.

(ii) to Citibank, N.A. pursuant to that one certain Secondary Security Agreement dated as of March 22, 1989, by and between Citibank, N.A. and Debtor.

(iii) to Property Company of America, Inc., as agent for all the Property Company of America, Inc. affiliates in which Debtor participates as a partner, and to PCA Services, Inc., such pledges secure the various intra company obligations of Debtor to other Property Company of America, Inc. principals, but such pledges are hereby expressly subordinated to the pledge to Secured Party hereunder.

(iv) Lender acknowledges the existence of that one certain Third Amendment to Agreement and Certificate of Limited Partnership of Shady Grove Plaza Limited Partnership dated as of November 15, 1989 (the "Third Amendment"), for the limited purpose of acknowledging that distributions to HBW-Shady Grove Plaza Limited Partnership are subject to the terms thereof, to the extent, and only to the extent of the distribution stipulated therein, and of that one certain Special Allocation Agreement for HBW-Shady Grove Plaza Limited Partnership dated as of March 22, 1989, by and among The Paul D. Hinch Family Partnership, Ltd., Ray F. Biery, Michael B. Windsor, Ron Beneke, Hugh L. Caraway, Jr., Oklahoma Columbia Property Company Limited Partnership, The Jane C. Beneke 1986 Estate Trust, The Ron Beneke 1986 Estate Trust, Brett A. Biery, and Brenda A. Biery, for the limited purpose of acknowledging that distributions to Debtor covered by this Security Agreement are subject to the terms thereof, to the extent, and only to the extent, of the payment of an aggregate amount not to exceed the second lien indebtedness advanced by Secured Party to such Partnership to the "Non-Guarantor Partners" (as defined therein), reduced by the amount of the distribution to Pacorp, Inc., described in the Third Amendment, in ratios the same as their respective percentage interests in such Partnership bear to each other.

(b) of Managing Partnership's interest in the Partnership:

None

3. PERMITTED LIENS ON THE PROJECT:

Deed of Trust (and Security Agreement) dated as of April 1, 1987, from Shady Grove Plaza Limited Partnership, for the benefit of Secured Party, securing a promissory note of even date therewith in the original sum of $23,400,000.00, and documents executed to secure the same, as amended by

Amendment to Loan Documents (Shady Grove) dated as of even date herewith.

4. LEGAL DESCRIPTION:

Being all of Lot 14, Block "A", Washington National Pike Industrial Park, as recorded in Plat Book 142 as Plat No. 16343 among the Land Records of Montgomery County, Maryland, the same being owned by Red Gate Limited Partnership, a Maryland limited partnership, and being more particularly described as follows:

Beginning at an iron pipe found marking the southerly corner of Lot 14, Block "A", Washington National Pike Industrial Park and being the beginning of the sixth or North 73°35'36" West, 93.74 feet line of the conveyance from SPI Limited Partnership, a Maryland Limited Partnership to Red Gate Limited Partnership by deed recorded December 29, 1986 in Liber 7465 at Folio 277 among the aforesaid Land Records; thence running with the aforesaid sixth line, a line of Part of Lot 13, Block "A", Washington National Pike Industrial Park as recorded in Plat Book 101 as Plat No. 12336 and the northeasterly line of perpetual and nonexclusive right of way as acquired by Montgomery County in Liber 7015 at Folio 292.

1. North 73°35'34" West, 93.74 feet to an iron pipe found; thence continuing with the northeasterly line of said right of way and the northerly line of Part of Lot 13, Block "A", Washington National Pike Industrial Park;

2. North 73°35'36" West, 369.49 feet to an iron pipe found, at the easterly corner of the property acquired by Montgomery County, Maryland by an unrecorded deed dated December 17, 1986; thence with the northeasterly line of Montgomery County, Maryland;

3. North 73°35'36" West, 40.69 feet, to a point lying in Shady Grove Road; thence running with the southeasterly side of Shady Grove Road;

4. North 26°56'54" East, 755.39 feet to a point of intersection with the right of way for Interstate Route I-270; thence leaving said right of way of Shady Grove Road and running with the right of way for the I-270 ramp the following six (6) courses and distances;

5. South 54°27'30" East, 212.27 feet to an iron pipe found;

6. South 70°44'29" East, 244.33 feet to an iron pipe found;

7. South 54°53'27" East, 11.08 feet to an iron pipe found;

8. North 73°05'27" West, 23.42 feet to an iron pipe found;

9. South 25°39'42" West, 7.70 feet to an iron pipe found;

10. South 45°00'10" East, 43.59 feet to an iron pipe found being the northeasterly corner of the property herein described and the most northerly corner of the property of SPI Limited Partnership, a Maryland limited partnership, as acquired by them from Montgomery County, Maryland, a public corporation, by deed recorded December 29, 1986 in Liber 7465 at Folio 286; thence with a line of SPI Limited Partnership;

11. South 30°51'00" West, 212.84 feet to an iron pipe found being a corner created by a conveyance from SPI Limited Partnership, a Maryland limited partnership, to Red Gate Limited Partnership, a Maryland limited partnership, by deed recorded December 29, 1986 in Liber 7463 at Folio 277, said deed creates a new division line for Lot 13, Block "A", Washington National Pike Industrial Park, as recorded in Plat Book 101, as Plat No. 11336; thence with the aforementioned division line and the property herein described;

12. South 25°45'25" West, 432.18 feet to the point of beginning; containing 346,317 square feet or 7.9503 acres of land, more or less.

EXHIBIT A-6

1. PROJECT: WINCHESTER, JACKSON COUNTY, MISSOURI

2. PERMITTED PLEDGES:

(a) of Debtor's interest in the Managing Partnership:

(i) to Secured Party pursuant to that one certain Primary Security Agreement dated as of March 22, 1989, by and between Secured Party and Debtor.

(ii) to Citibank, N.A. pursuant to that one certain Secondary Security Agreement dated as of March 22, 1989, by and between Citibank, N.A. and Debtor.

(iii) to Property Company of America, Inc., as agent for all the Property Company of America, Inc. affiliates in which Debtor participates as a partner, and to PCA Services, Inc., such pledges secure the various intra company obligations of Debtor to other Property Company of America, Inc. principals, but such pledges are hereby expressly subordinated to the pledge to Secured Party hereunder.

(iv) Lender acknowledges the existence of that one certain Special Allocation Agreement for HBM-Winchester Apartments Limited Partnership dated as of March 22, 1989, by and among The Paul D. Hinch Family Partnership, Ltd., Ray F. Biery, Ted A. Murray, Hugh L. Caraway, Jr., Oklahoma Property Columbia Limited Partnership, The Jane C. Beneke 1986 Estate Trust, The Ron Beneke 1986 Estate Trust, Brett A. Biery, and Brenda A. Biery, for the limited purpose of acknowledging that distributions to Debtor covered by this Security Agreement are subject to the terms thereof, to the extent, and only to the extent, of the payment of an aggregate amount not to exceed the second lien indebtedness advanced by Secured Party to such Partnership to the "Non-Guarantor Partners" (as defined therein) in ratios the same as their respective percentage interests in such Partnership bear to each other.

(b) of Managing Partnership's interest in the Partnership:

None

3. PERMITTED LIENS ON THE PROJECT:

Deed of Trust (and Security Agreement) dated May 31, 1987, executed by Winchester Associates No. 1 Limited Partnership for the benefit of Secured Party, securing a promissory note dated of even date therewith in the original principal sum of $7,500,000.00, and documents executed to secure the same, as amended by Amendment to Loan Documents (Winchester) dated as of even date herewith.

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4. LEGAL DESCRIPTION:

PARCEL 1

TRACT 2, WINCHESTER OFFICE CENTER, a subdivision in Kansas City, Jackson County, Missouri.

PARCEL 2

Easements appurtenant to Parcel 1 for access purposes over and across the following described property in Kansas City, Jackson County, Missouri:

(a) All that part of Tract 2, WINCHESTER OFFICE CENTER, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof being a strip of land 40 feet wide, bounded on the East by the Easterly line of said Tract 2 and on the West by the Westerly line of said Tract 2 and lying within 20 feet Northerly or Northeasterly and within 20 feet Southerly or Southwesterly from the following described courses: Commencing at the Southeast corner of said Tract 2; thence North 2°22'06" East, along said Easterly line, 200.00 feet to an angle point therein; thence North 16°49'11" East, along said Easterly line, 82.00 feet to the point of beginning of the courses to be herein described; thence Northwesterly along a curve to the right having a radius of 170.00 feet, a central angle of 17°38'37" and an initial tangent bearing North 41°28'37" West, a distance of 52.31 feet; thence North 28°50'00" West, tangent to the last described curve, 28.15 feet; thence Northwesterly and Westerly along a curve to the left from the last described course as a tangent, having a radius of 103.00 feet and a central angle of 57°00'00" a distance of 164.13 feet; thence North 85°50'00" West, tangent to the last described curve, 67.43 feet to a point on the Easterly line of Winchester Avenue as now established, being also a point on the Westerly line of said Tract 2 which is 415.34 feet North of the Southeast corner thereof, measured along said Westerly line.

(b) All that part of Tract 2, WINCHESTER OFFICE CENTER, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof, being a strip of land 40 feet wide, bounded at each end by the Easterly line of said Tract 2, the center line of which is described as follows: Commencing at the Southeast corner of said Tract 2; thence North 2°22'06" East, along said Easterly line, 200.00 feet to an angle point therein; thence North 16°49'11" East, along said Easterly line 282.00 feet to the point of beginning of the center line to be herein described; thence Northwesterly, Westerly and Southwesterly along a curve to the right having a radius of 50.00 feet, a central angle of 148°22'26" and an initial tangent bearing North 41°18'11" West, a distance of 132.91 feet to a point on the Westerly line of 65th Court cul-de-sac, as now established, being also a point on the Easterly line of said Tract 2 which is 53.63 feet Northwesterly from the angle point in said Easterly line at the Southerly end of said cul-de-sac, measured along said Easterly line.

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Exhibit A-6

EXHIBIT A-7

1. PROJECT: PELICAN SOUND APARTMENTS, PINELLAS COUNTY, FLORIDA

2. PERMITTED PLEDGES:

(a) of Debtor's interest in the Managing Partnership:

(i) to Secured Party pursuant to that one certain Primary Security Agreement dated as of March 22, 1989, by and between Secured Party and Debtor.

(ii) to Citibank, N.A. pursuant to that one certain Secondary Security Agreement dated as of March 22, 1989, by and between Citibank, N.A. and Debtor.

(iii) to Property Company of America, Inc., as agent for all the Property Company of America, Inc. affiliates in which Debtor participates as a partner, and to PCA Services, Inc., such pledges secure the various intra company obligations of Debtor to other Property Company of America, Inc. principals, but such pledges are hereby expressly subordinated to the pledge to Secured Party hereunder.

(b) of Managing Partnership's interest in the Partnership:

None

3. PERMITTED LIENS ON THE PROJECT:

Pursuant to $15,150,000.00 construction loan by East River Savings Bank, as evidenced by that certain Building Loan Agreement dated as of September 30, 1987, by East River Savings Bank, as lender, to Pelican Sound Limited Partnership, as borrower, that certain Building Loan Mortgage Note dated as of September 30, 1987, in the stated principal amount of $15,150,000.00, that certain Building Loan Mortgage dated as of September 30, 1987, and that certain Assignment of Landlord's Interest in Rents and Leases.

4. LEGAL DESCRIPTION:

THAT PART OF THE SE 1/4 OF SECTION 18, AND THAT PART OF THE NE 1/4 OF SECTION 19, TOWNSHIP 30 SOUTH, RANGE 17 EAST, PINELLAS COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF SECTION 19, TOWNSHIP 30 SOUTH, RANGE 17 EAST, PINELLAS COUNTY, FLORIDA, WHICH POINT IS N. 89° 54' 50" W., 327.22 FEET FROM THE NORTHEAST CORNER OF SAID SECTION; THENCE S. 00° 09' 57" W., 372.67 FEET; THENCE N. 81° 08' 18" E., 218.93 FEET TO AN INTERSECTION WITH A LINE WHICH IS 111.00 FEET WEST OF AND PARALLEL WITH THE EAST BOUNDARY OF SAID SECTION; THENCE S. 00° 09' 57" W., ALONG SAID LINE 652.38 FEET TO AN INTERSECTION WITH THE SOUTH LINE OF THE NORTH 3/4 OF THE NORTH 1/2 OF THE NORTHEAST 1/4 OF SAID SECTION; THENCE N. 89° 55' 46" W., ALONG SAID LINE 1472.68 FEET; THENCE N. 00° 14' 59" E., 790.91 FEET TO AN INTERSECTION WITH THE SOUTH-RIGHT-OF-WAY LINE OF THE NEW ALIGNMENT OF SANDY BOULEVARD (S.R. 600, A VARYING WIDTH RIGHT-OF-WAY); THENCE ALONG SAID RIGHT-OF-WAY BY THE FOLLOWING SIX (6) COURSES:

1. N. 79° 47' 00" E., 258.08 FEET;

2. N. 71° 14' 32" E., 102.50 FEET;

3. N. 65° 57' 53" E., 293.84 FEET, TO A POINT ON A CURVE;

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4. ALONG THE ARC OF A CURVE TO THE RIGHT CONCAVE TO THE SOUTHEAST, RADIUS 2809.79 FEET, DELTA 3° 00' 03", ARC 147.16, CHORD 147.14, N. 70° 10' 36" E.;

5. THENCE LEAVING SAID CURVE N. 71° 40' 31" E., 299.68 FEET;

6. N. 72° 49' 16" E., 225.38 FEET;

THENCE LEAVING SAID RIGHT-OF-WAY S. 00° 31' 33" W., 210.37 FEET TO THE ABOVEMENTIONED POINT OF BEGINNING.

AND NOW KNOWN AS:

LOT 1, BLOCK 1, PELICAN SOUND, PLAT BOOK 98, PAGES 3 and 4, PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA.

EXHIBIT A-7

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EXHIBIT A-8

1. PROJECT: WESTWOOD, HARRIS COUNTY, TEXAS

2. PERMITTED PLEDGES:

to Secured Party pursuant to that one certain Primary Security Agreement dated as of March 22, 1989, by and between Secured Party and Debtor.

to Citibank, N.A. pursuant to that one certain Secondary Security Agreement dated as of March 22, 1989, by and between Citibank, N.A. and Debtor.

3. PERMITTED LIENS ON THE PROJECT:

Deed of Trust dated May 29, 1987, filed for record on June 4, 1987, under Harris County Clerk's File No. L156868, executed by Property Company No. 38, Limited Partnership to Mark Basham, Trustee, to secure the payment of one note of even date therewith in the principal sum of $12,000,000.00, payable to the order of MBank Dallas, National Association, and subject to all of the terms, conditions and stipulations contained therein, including but not limited to any other and future indebtedness also secured by this lien.

4. LEGAL DESCRIPTION:

Tract One:

METES AND BOUNDS DESCRIPTION OF 30.3956 ACRES (1,324,033 SQUARE FEET) OF LAND OUT OF THE W. J. NEAL SURVEY, A-607, HARRIS COUNTY, TEXAS.

BEGINNING: At a found State Department of Highways and Public Transportation monument at the intersection of the north line of a 120-foot Harris County Flood Control Drainage Easement as recorded in Film Code No. 151-30-1150, H.C.O.P.R.O.R.P. and the east line of Beltway 8, a varying right-of-way;

THENCE: N11 05' 20"E, along the easterly line of said Beltway 8, a distance of 608.99 feet to a point;

THENCE: N14 09' 37"E, continue along Beltway 8 right-of-way line, a distance of 200.26 feet to a found S.D.H.P.T. monument;

THENCE: N16 51' 01"E, along Beltway 8, a distance of 401.99 feet to a found S.D.H.P.T. monument, an angle point;

THENCE: N11 08' 32"E, along Beltway 8, a distance of 286.47 feet to a found S.D.H.P.T. monument, an angle point;

THENCE: N16 47' 54"E, a distance of 34.33 feet to a found S.D.H.P.T. monument, an angle point;

THENCE: N55 49' 35"E, 78.79 feet to a found S.D.H.P.T. monument, an angle point;

THENCE: S85 35' 58"E, 32.81 feet to a found S.D.H.P.T. monument, an angle point;

THENCE: S82 00' 37"E, 134.85 feet to a found S.D.H.P.T. monument, an angle point;

THENCE: N88 45' 03"E, 103.68 feet to a found S.D.H.P.T. monument, a point in a curve to the left having a radius of 1950.00 feet;

THENCE: In a southeasterly direction along said curve to the left having an arc length of 152.78 feet, subtending a central angle of 04 29' 21", having a chord length of 152.74 feet bearing S89 09' 34"E to a found 1/2-inch iron rod, the northeast corner of the herein described tract of land;

THENCE: S23 33' 15"E, a distance of 871.95 feet to a found 5/8-inch iron rod;

THENCE: N66 27' 57"E, 95.16 feet to a found 5/8-inch rod, an angle point;

THENCE: S23 34' 22"E, a distance of 339.39 feet to a found 5/8-inch iron rod in the north line of said 120-foot Harris County Flood Control Drainage Easement, the southeast corner of the herein described tract of land;

THENCE: S66 20' 54"W, along the north line of said easement a distance of 973.31 feet to a point, the beginning of a curve to the right whose radius is 755.51 feet, subtending a central angle of 26 39' 47", having an arc length of 351.58 feet, and a chord length of 348.42 feet bearing S79 58' 56"W, to a found 5/8-inch rod, the point of tangency of the curve;

THENCE: N86 41' 11"W, continue along the north line of said easement a distance of 172.81 feet to the place of **BEGINNING** and containing 30.3956 acres (1,324,033 square feet) of land.

Tract Two:

METES AND BOUNDS DESCRIPTION OF 14.3548 ACRES (625,293 SQUARE FEET) OF LAND BEING OUT OF THAT RESTRICTED RESERVE "A" OF WESTWOOD CENTER, SECTION FIVE, A SUBDIVISION RECORDED IN VOLUME 299, PAGE 141, HARRIS COUNTY MAP RECORDS, IN THE W. J. NEAL SURVEY, A-607, AND THE DAVID HANSON SURVEY, A-381, HARRIS COUNTY, TEXAS.

BEGINNING: At a found 5/8-inch rod in the north line of Beechnut Street, a right-of-way varying in width from 100 to 120 feet, said iron rod being the 10-foot setback corner of the west line of Parkwood Circle Drive, a 60-foot right-of-way, said iron rod also being the most southerly southeast corner of a said Reserve "A", said iron rod also being in a curve to the right;

THENCE: Along the north line of Beechnut Street in a southwesterly direction around a curve to the right whose radius is 1950.00 feet, subtending a central angle of 06 48' 07", an arc length of 231.49 feet, and having a chord length of 231.36 feet bearing S87 33' 33"W, to a found State Department of Highways and Public Transportation monument, the point of tangency;

THENCE: N81 37' 44"W, 97.53 feet to a found S.D.H.P.T. monument, an angle point;

THENCE: N84 39' 39"W, 117.73 feet to a found S.D.H.P.T. monument, and angle point;

THENCE: N76 30' 53"W, 37.05 feet to a found S.D.H.P.T. monument, an angle point;

THENCE: N34 38' 51"W, 71.91 feet to a found S.D.H.P.T. monument, an angle point;

THENCE: N07 10' 10"W, 36.40 feet to a found S.D.H.P.T. monument, an angle point;

THENCE: N08 40' 49"E, 190.03 feet to a found S.D.H.P.T. monument, an angle point;

THENCE: N01 43' 11"W, 466.92 feet to a found S.D.H.P.T. monument in the east line of Beltway 8, a varying right-of-way, said monument also being a point of tangency;

THENCE: N02 02' 20"W, continue along the east line of Beltway 8, 700.23 feet to a set 5/8-inch rod, the most westerly northwest corner of said Reserve "A", said iron rod also being the 10-foot setback corner of the south line of Parkwood Circle Drive;

THENCE: N43 06' 06"E, 14.11 feet to a set 5/8-inch iron rod in the south line of Parkwood Circle Drive;

THENCE: N88 14' 32"E, along the south line of Parkwood Circle Drive, a distance of 43.00 feet to a found 5/8-inch iron rod, the point of curvature of a curve to the right;

THENCE: Continue along the south line of Parkwood Circle Drive in a southeasterly direction around a curve to the right whose radius is 520.00 feet, subtending a central angle of 34 31' 18", an arc length of 313.31 feet, and having a chord length of 308.59 feet bearing S74 40' 15"E, to a found 5/8-inch iron rod, the point of compound curvature;

THENCE: Continue along the south line of Parkwood Circle Drive in a southeasterly direction around a curve to the right whose radius is 25.00 feet, subtending a central angle of 49 54' 27", an arc length of 21.78 feet, and having a chord length of 21.09 feet bearing S32 38' 18"E, to a found 5/8-inch iron rod, the point of tangency;

THENCE: S07 38' 02"E, along the west line of Parkwood Circle Drive, a distance of 385.26 feet to a found 5/8-inch iron rod, the most easterly southeast corner of said Reserve "A", said iron rod being the 10-foot setback corner of the north line of Beechnut Street;

THENCE: S35 13' 45"W, a distance of 15.77 feet to the place of **BEGINNING** and containing 14.3548 acres (625,293 square feet) of land.

Exhibit A-8

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EXHIBIT B

1. ANTIOCH PLAZA: Mortgage executed by Antioch Plaza Limited Partnership, a Kansas limited partnership, to Citicorp Real Estate, Inc., dated October 22, 1987, and recorded October 23, 1987, as Document No. 1749500 in Vol. 2688 at page 1, securing $8,600,000.00 and interest, as amended, and all documents executed in connection therewith or pursuant thereto.

2. THE ENCLAVE: Deed of Trust dated December 11, 1986, from The Enclave, Ltd., a Colorado limited partnership, to the Public Trustee of Arapahoe County for the use of Citicorp Real Estate, Inc., a Delaware corporation, to secure the sum of $7,375,000.00 recorded December 29, 1986, in Book 4999 at Page 79, as amended, and all documents executed in connection therewith or pursuant thereto.

3. ESTATES: Deed of Trust and Security Agreement dated March 30, 1988, between The Estates Limited Partnership and William T. Define, Trustee, for the benefit of Citicorp Real Estate, Inc., recorded among the Land Records of Baltimore County on April 7, 1988, in Liber 7831 at Page 074, and all documents executed in connection therewith or pursuant thereto.

4. FAIR OAKS: Deed of Trust dated August 1, 1986, from Fair Oaks Phase II to David D. Redmond, Trustee, securing Citicorp Real Estate, Inc., in the original principal amount of $3,000,000.00, recorded among the Fairfax County, Virginia Land Records on August 5, 1986, in Deed Book 6450 at Page 1372; as modified by Modification to Promissory Note and Deed of Trust dated as of October 1, 1986, and recorded among the aforesaid Land Records on October 30, 1986, in Deed Book 6534 at Page 567, and as further modified and supplemented by Second Modification to and Restatement of Deed of Trust dated November 15, 1986, and recorded among the aforesaid Land Records on May 1, 1987, in Deed Book 6708 at Page 790, Second Lien Deed of Trust (and Security Agreement) dated April 28, 1987, from Fair Oaks Phase II, a Virginia limited partnership, to David D. Redmond, Trustee, securing Citicorp Real Estate, Inc., in the original principal amount of $3,000,000.00, recorded among the Fairfax County, Virginia Land Records on May 1, 1987, in Deed Book 6708 at Page 825, and all documents executed in connection thereto or pursuant thereto, as amended by Amendment to Loan Documents (Fair Oaks) dated as of even date herewith.

5. LENEXA: Mortgage and Security Agreement dated as of December 24, 1986, executed between Kansas Industrial No. 1, L.P., a Kansas limited partnership, and Citicorp Real Estate, Inc., a Delaware corporation, recorded under Clerk's File No. 1668312, Volume 2501, Page 762 of Recorder's Office, Johnson County, Kansas, Second Mortgage and Security Agreement dated as of March 22, 1989, executed by Borrower, as mortgagor, to Lender, as mortgagee, recorded as Document no. 1862754 in Book 2971, Page 1, Real Property Records of Johnson County, Kansas, and all documents executed in connection therewith or pursuant thereto, as amended by Amendment to Loan Documents (Lenexa) dated as of even date herewith.

6. POINTE: Mortgage and Security Agreement dated as of March 2, 1988, and recorded March 4, 1988, as document 88094146 made by LaSalle National Bank, as trustee under Trust Agreement dated September 28, 1987, and known as trust number 112688 (the "Land Trust") to Citicorp Real Estate, Inc., a Delaware corporation, to secure a note for $22,520,800.00, The Pointe Third Lien Mortgage and Security

Agreement dated as of March 22, 1989, executed by the Land Trust and The Pointe Limited Partnership, an Illinois limited partnership, as mortgagor, to Citicorp Real Estate, Inc., as mortgagee, recorded as Document No. 89165087, in the Real Property Records of Cook County, Illinois, and all documents executed in connection therewith or pursuant thereto.

7. PORT ROYALE: First Mortgage and Security Agreement by and between The Apartments of Port Royale Limited Partnership, a Florida limited partnership, and Citicorp Real Estate, Inc., a Delaware corporation, dated December 11, 1987, and recorded in Book 15042, Page 295, of the Official Records of Broward County, Florida, Port Royale Third Mortgage and Security Agreement dated as of March 22, 1989, executed by The Apartments of Port Royale Limited Partnership, a Florida limited partnership, as mortgagor, to Citicorp Real Estate, Inc., as mortgagee, recorded in Official Records Book 16353, Page 690, of the Public Records of Broward County, Florida, and all documents executed in connection therewith or pursuant thereto.

8. SHADY GROVE: Deed of Trust (and Security Agreement) dated as of April 1, 1987, from Shady Grove Plaza Limited Partnership, for the benefit of Secured Party, securing a promissory note of even date therewith in the original sum of $23,400,000.00, recorded in Liber 7626, Folio 618 of the Land Records of Montgomery County, Maryland, Shady Grove Second Lien Deed of Trust (and Security Agreement) dated as of March 22, 1989, executed by Shady Grove Plaza Limited Partnership, a Maryland limited partnership, as grantor, for the benefit of Citicorp Real Estate, Inc., as grantee, recorded in Liber 8778, Folio 693, in the Land Records of Montgomery County, Maryland, and documents executed to secure the same, and all documents executed in connection therewith or pursuant thereto, as amended by Amendment to Loan Documents (Shady Grove) dated as of even date herewith.

9. TROLLEY SQUARE: Deed to Secure Debt (and Security Agreement) from Trolley Square Apartments I, an Illinois joint venture, to Citicorp Real Estate, Inc., a Delaware corporation, dated as of October 6, 1987, filed for record October 19, 1987, at 1:24 o'clock p.m., recorded in Deed Book 11126, Page 372, Fulton County, Georgia, Records, securing the original principal amount of $12,800,000.00, and all documents executed in connection therewith or pursuant thereto.

10. WELLINGTON: Mortgage and Security Agreement by PCA-Wellington Limited Partnership to and in favor of Citicorp Real Estate, Inc. dated February 12, 1988, and recorded February 12, 1988, in Official Records Book 3997, Page 2349, Public Records of Orange County, Florida, and all documents executed in connection therewith or pursuant thereto.

11. WINCHESTER: Deed of Trust (and Security Agreement) dated May 21, 1987, executed by Winchester Associates No. 1 Limited Partnership for the benefit of Citicorp Real Estate, Inc., securing a promissory note dated of even date therewith in the original principal sum of $7,500,000.00, recorded as Document No. K775694 in Book K1681, Page 220, Office of the Recorder of Deeds, Jackson County, Missouri, Winchester Second Lien Deed of Trust (and Security Agreement) dated as of March 22, 1989, executed by Winchester Associates No. 1, Limited Partnership, a Missouri limited partnership, as grantor, for the benefit of Citicorp Real Estate, Inc., as grantee, recorded as Document No. K87855 in Book K1903, Page 1811, Office of the Recorder of Deeds, Jackson County, Missouri, and documents executed to secure the same, and all documents executed in connection therewith or pursuant thereto, as amended by Amendment to Loan Documents (Winchester) dated as of even date herewith.

12. LETTERS OF CREDIT:

a. Stonebrook, Ltd., an Oklahoma limited partnership, executed that one certain Application and Agreement for Clean Irrevocable Letter of Credit (the "Stonebrook Application") for Irrevocable Letter of Credit No. NABG-892085F, dated January 14, 1987, issued by Citibank, N.A., in an amount of $498,226.38, for the benefit of Sooner Federal Savings and Loan Association, having an expiry date of January 16, 1989 (the "Stonebrook Credit"), which obligation under such Stonebrook Application was guaranteed by Paul D. Hinch, Ron Beneke, Hugh Caraway, and Delane Garner, pursuant to that one certain Guaranty of Payment, dated January 14, 1987, which Stonebrook Credit was paid by Citibank, N.A. on January 13, 1989, and has remained outstanding on a demand basis in accordance with the Stonebrook Application since that date.

b. Quail Run, Ltd., an Oklahoma limited partnership, executed that one certain Application and Agreement for Clean Irrevocable Letter of credit (the "Quail Run Application") for Irrevocable Letter of Credit No. NABG-892084F, dated January 14, 1987, issued by Citibank, N.A., in the amount of $274,273.62, for the benefit of Sooner Federal Savings and Loan Association, having an expiry date of January 16, 1989 (the "Quail Run Credit"), which obligation under such Quail Run Application was guaranteed by Paul D. Hinch, Ron Beneke, Hugh Caraway, and Delane Garner, pursuant to that one certain Guaranty of Payment dated January 13, 1987, which Quail Run Credit was paid by Citibank, N.A., on January 3, 1989, and has remained outstanding on a demand basis in accordance with the provisions of the Quail Run Application since such date.

c. Property Company of America, Inc. (therein designated as "Property Company of America"), a Texas corporation, executed that one certain Application and Agreement for Clean Irrevocable Letter of Credit (the "Dean Witter Application") for Irrevocable Letter of Credit No. NY-0714-30001407 dated December 31, 1987, issued by Citibank, N.A., in the amount of $185,000.00, for the benefit of Dean Witter Housing & Real Estate Finance Corporation, having an expiry date of December 30, 1988, as amended by that certain letter dated January 4, 1988, from Citibank, N.A. to Dean Witter Housing & Real Estate Finance Corporation, changing the named beneficiary to Dean Witter/Coldwell Banker Tax Exempt Mortgage Fund, L.P., and by that certain letter dated December 22, 1988, from Citibank, N.A. to Dean Witter/Coldwell Banker Tax Exempt Mortgage Fund, L.P. extending the expiry date to December 30, 1989, which obligation under such Dean Witter Application was guaranteed by Paul D. Hinch, Hugh L. Caraway, Jr., Ron Beneke, Delane Garner, and Joe Crutcher pursuant to that one certain Guaranty of Payment dated December 30, 1987.

Mail to & Prepared by:

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89585493