

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Marna E. Bernstein, Esq.
Cullen and Dykman LLP
100 Quentin Roosevelt Boulevard
Garden City, New York 11530

L see attachments

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME
RYYZ, LLC

OR

1b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

1c. MAILING ADDRESS
1257 Ocean Parkway

CITY
Brooklyn

STATE
NY

POSTAL CODE
11230

COUNTRY
USA

1d. TAX ID #: SSN OR EIN

ADDL INFO RE ORGANIZATION DEBTOR

1e. TYPE OF ORGANIZATION
LLC

1f. JURISDICTION OF ORGANIZATION
New York

1g. ORGANIZATIONAL ID #, if any

NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

2c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

2d. TAX ID #: SSN OR EIN

ADDL INFO RE ORGANIZATION DEBTOR

2e. TYPE OF ORGANIZATION

2f. JURISDICTION OF ORGANIZATION

2g. ORGANIZATIONAL ID #, if any

NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR SP) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME
Fannie Mae

OR

3b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

3c. MAILING ADDRESS
c/o Arbor Commercial Mortgage, LLC
333 Earle Ovington Boulevard, Ste 900

CITY
Uniondale

STATE
NY

POSTAL CODE
11553

COUNTRY
USA

4. This FINANCING STATEMENT covers the following collateral:

Debtor's interest in all property located in or used or acquired in connection with the operation and maintenance of the real estate described in the attached Exhibit A, including the collateral described in Schedule A attached hereto and made a part hereof.

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

6. This FINANCING STATEMENT is to be filed (or recorded) in the REAL ESTATE RECORDS. Check to REQUEST SEARCH REPORT (s) on Debtor(s) (OPTIONAL FEE)

7. All Debtors Debtor 1 Debtor 2

8. OPTIONAL FILER REFERENCE DATA
File #0053-0330 Westbrook Apartments-Gary, Indiana Lake County

FILING OFFICE COPY -- NATIONAL UCC FINANCING STATEMENT (FORM UCC1) (REV. 07/29/98)

STEWART TITLE SERVICES
of Northwest Indiana
certifies this is a
true and exact copy

76000052-JY

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UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT

9a. ORGANIZATION'S NAME RYYZ, LLC		
9b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME, SUFFIX

10. MISCELLANEOUS:

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11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one name (11a or 11b) - do not abbreviate or combine names

11a. ORGANIZATION'S NAME			
OR			
11b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
11c. MAILING ADDRESS		CITY	STATE POSTAL CODE COUNTRY
11d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	11e. TYPE OF ORGANIZATION	11f. JURISDICTION OF ORGANIZATION 11g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE

12. ADDITIONAL SECURED PARTY'S or ASSIGNOR S/P'S NAME - insert only one name (12a or 12b)

12a. ORGANIZATION'S NAME Arbor Commercial Funding, LLC			
OR			
12b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
12c. MAILING ADDRESS 333 Earle Ovington Boulevard		CITY Uniondale	STATE POSTAL CODE COUNTRY NY 11553 USA

13. This FINANCING STATEMENT covers timber to be cut or as-extracted collateral, or is filed as a fixture filing.

14. Description of real estate:

Property Address:

2301 Waverly Drive
Tax Parcel 5
Gary, Indiana
County of Lake

Tax Key Number: 25-40-0030-0005

15. Name and address of a RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

16. Additional collateral description:

17. Check only if applicable and check only one box.

Debtor is a Trust or Trustee acting with respect to property held in trust or Decedent's Estate

18. Check only if applicable and check only one box.

Debtor is a TRANSMITTING UTILITY
 Filed in connection with a Manufacture-Home Transaction — effective 30 years
 Filed in connection with a Public-Finance Transaction — effective 30 years

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**EXHIBIT A
LEGAL DESCRIPTION**

Parcel 1:

The East 20.00 feet of Waverly Park Subdivision, said strip of land being known as Alley No. 30 West as dedicated to the City of Gary in the recorded Plat of Waverly Park Subdivision; also, the North 42.50 feet of Lot 8 and the South 7.50 feet of Lot 9, Block 8; and Lot 8, Block 7, Waverly Park Subdivision.

Parcel 2:

Parts of the Southwest Quarter of Section 5, Township 36 North, Range 8 West, of the Second Principal Meridian, more particularly described as follows:

Beginning at a point on the North right-of-way line of the New York Central Railroad and 745.06 feet East of the West line of said Southwest Quarter; thence North and parallel with the West line of said Southwest Quarter, a distance of 1993.45 feet to the Southerly line of the property owned by the New York Central Railroad; thence Southeasterly along the Southerly line of the property of the New York Central Railroad, a distance of 1317.50 feet; thence South and parallel with the West line of said Southwest Quarter, a distance of 1207.54 feet to the North right-of-way line of the New York Central Railroad; thence West along the North right-of-way line of said Railroad, a distance of 1046.86 feet to the place of beginning, in the City of Gary, Indiana.

Excepting from said parts those portions thereof conveyed to the Board of Park Commissioners of the Civil City of Gary, Indiana, by deed dated August 24, 1961, more particularly described as follows: Beginning at a point on the East line of a dedicated 20.00 foot wide alley on the East line of dedicated Waverly Park Subdivision, said point of beginning being 266.80 feet North of the centerline of dedicated 60.00 foot wide 6th Avenue and 745.00 feet East of the centerline of Chase Street, which is the West line of said Southwest Quarter; thence continuing Northerly on said East line of said 20.00 foot wide alley, a distance of 289.92 feet to the Southwesterly line of a 20.00 foot wide dedicated alley, the South line of which is 151.00 feet Southwesterly of and parallel to the centerline of the East bound main of the Pittsburgh, Fort Wayne and Chicago Railroad; thence Southeasterly on said Southwesterly line of the 20.00 foot wide dedicated alley, a distance of 467.78 feet to the North line of 20.00 foot traveled way which is not a dedicated alley; thence Westerly on the North line of said 20.00 foot wide traveled way, a distance of 372.00 feet to the point of beginning, also excepting therefrom the following described parcel: Beginning at the point of intersection of the South line of 50.00 foot wide 7th Place with the East line of 50.00 foot wide Waverly Drive, said point of intersection being 956.00 feet Easterly of the centerline of Chase Street, which is also the West line of said Southwest Quarter; thence Southerly on the East line of said Waverly Drive 125.00 feet to a point of curve; thence Southerly and Easterly on said curve of 225.00 feet radius, convex to the Southwest, 46.07 feet to the North line of a 20.00 foot wide dedicated alley; thence Northeasterly on said North line of 20.00 foot dedicated alley 115.26 feet; thence continuing Easterly on said North line of the 20.00 foot dedicated alley which deflects 09 degrees 12 minutes 40 seconds to the South from aforesaid 115.26 foot line, 265.57 feet to the Westerly line of said 20.00 foot dedicated alley; thence continuing Northeasterly on the West line of said 20.00 foot dedicated alley, which is a line that makes an interior angle of 114 degrees 19 minutes 47 seconds measured West thru

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North to Northeast with aforesaid 265.57 foot line, 136.54 feet; thence continuing North on said West line of the 20.00 foot dedicated alley, which is a line that makes an interior angle of 158 degrees 00 minutes 48 seconds measured Southwest thru West to North with aforesaid 136.54 foot line, 146.45 feet; thence Northwesterly on a straight line that makes an interior angle of 95 degrees 03 minutes 25 seconds measured South thru West to Northwest with aforesaid 146.45 foot line, 172.42 feet to the dedicated Southeasterly curved line of 7th Place, which is a curve of 200.00 foot radius, convex to the Southeast, 246.01 feet to a point of tangent; thence continuing Westerly on the South line of dedicated 7th Place, 69.00 feet to the point of beginning.

Also excepting therefrom, those parts conveyed to the City of Gary Municipal Corporation for public streets and alleys, assets forth in Quitclaim Deed recorded January 30, 1952 in Deed Record 907, page 403.

The above described land also being described by metes and bound description as follows:

METES & BOUNDS LEGAL DESCRIPTION FOR PARCEL 1:

Part of the Southwest Quarter of Section 5, Township 36 North, Range 8 West of the Second Principal Meridian, in Lake County, Indiana, described as: Beginning at a point on the North right-of-way line of the New York Central Railroad and 745.06 feet East of the West line of said Southwest Quarter; thence South 88 degrees 57 minutes 31 seconds West 20.00 feet; thence North 01 degrees 02 minutes 29 seconds West 591.32 feet thence South 88 degrees 57 minutes 31 seconds West 109.00 feet; thence North 01 degrees 02 minutes 29 seconds West 50.00 feet; thence North 88 degrees 57 minutes 31 seconds East 109.00 feet; thence North 0 degrees 02 minutes 29 seconds West 750.00 feet; thence South 88 degrees 57 minutes 31 seconds West 109.00 feet; thence North 01 degrees 02 minutes 29 seconds West 50.00 feet; thence North 88 degrees 57 minutes 31 seconds East 109.00 feet; thence North 01 degrees 02 minutes 2 seconds West 261.72 feet; thence North 8 degrees 34 minutes 07 seconds East 20.00 feet; thence South 01 degrees 02 minutes 29 seconds East 1703.53 feet to the point of beginning. Containing 1.04 Acres (45.128 square feet) of land, more or less.

METES & BOUNDS LEGAL DESCRIPTION FOR PARCEL 2

Part of the Southwest Quarter of Section 5, Township 36 North, Range 8 West of the Second Principal Meridian, in Lake County, Indiana, described as: Beginning at a point on the North right-of-way line of the New York Central Railroad and 745.06 feet East of the West line of said Southwest Quarter thence North 01 degrees 02 minutes 29 seconds West 1703.53 feet; thence North 87 degrees 34 minutes 07 seconds East 374.30 feet; thence South 54 degrees 08 minutes 41 seconds East 841.25 feet; thence South 01 degrees 02 minutes 29 seconds East 1207.54 feet; thence South 88 degrees 57 minutes 31 seconds West 1046.86 feet to the point of beginning.

EXCEPT: Beginning at the point of Intersection of the South line of 50.00 foot wide 7th Place with the East line of 50.00 foot wide Waverly Drive; thence South 00 degrees 29 minutes 51 seconds East 125.00 feet; thence Southerly 46.07 feet along a curve to the left, having a radius of 225.00 feet, and chord bearing South 06 degrees 21 minutes 48 seconds East 45.99 feet; thence North 74 degrees 04 minutes 15 seconds East 115.26 feet; thence North 89 degrees 15 minutes 38 seconds East 265.57 feet; thence North 24 degrees 01 minutes 13 seconds East 136.54 feet; thence North 00 degrees 55 minutes 20 seconds West 146.45 feet; thence South 88 degrees 11

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minutes 20 seconds East 182.74 feet; thence Southwesterly 246.01 feet along a curve to the right having a radius of 200.00 feet and chord bearing South 52 degrees 56 minutes 23 seconds West 230.79 feet; thence North 88 degrees 10 minutes 41 seconds East 69.00 feet to the point of beginning. Containing 35.11 Acres (1,529,392 square feet) of land, more or less.

METES & BOUNDS LEGAL DESCRIPTION FOR OVERALL PARCEL

Part of the Southwest Quarter of Section 5, Township 35 North, Range 8 West, of the Second Principal Meridian, in Lake County, Indiana described as: Beginning at a point on the North right-of-way line of the New York Central Railroad and 745.06 feet East of the West line of said Southwest Quarter; thence South 88 degrees 57 minutes 31 seconds West 20.00 feet; thence North 01 degrees 02 minutes 29 seconds West 591.32 feet thence; South 88 degrees 57 minutes 31 seconds West 109.00 feet; thence North 01 degrees 02 minutes 29 seconds West 50.00 feet; thence North 88 degrees 57 minutes 31 seconds East 109.00 feet; thence North 01 degrees 02 minutes 29 seconds West 750.00 feet; thence South 88 degrees 57 minutes 31 seconds West 109.00 feet; thence North 01 degrees 02 minutes 29 seconds West 50.00 feet; thence North 88 degrees 57 minutes 31 seconds East 109.00 feet; thence North 01 degrees 02 minutes 29 seconds West 261.72 feet; thence North 8 degrees 34 minutes 07 seconds East 394.30 feet; thence South 54 degrees 0 minutes 41 seconds East 841.25 feet; thence South 01 degrees 02 minutes 29 seconds East 1207.54 feet; thence South 88 degrees 57 minutes 31 seconds West 1046.86 feet to the point of beginning.

EXCEPT: Beginning at the point of intersection of the South line of 50.00 foot wide 7th Place with the East line of 50.00 foot wide Waverly Drive; thence South 00 degrees 29 minutes 51 seconds East 125.00 feet; thence Southerly 46.07 feet along a curve to the left, having a radius of 225.00 feet and chord bearing South 06 degrees 21 minutes 48 seconds East 45.99 feet; thence North 74 degrees 04 minutes 15 seconds East 115.26 feet; thence North 89 degrees 15 minutes 38 seconds East 265.57 feet; thence North 24 degrees 01 minutes 13 seconds East 136.54 feet; thence North 00 degrees 55 minutes 20 seconds West 146.45 feet thence South 88 degrees 11 minutes 20 seconds East 182.74 feet; thence Southwesterly 246.01 feet along a curve to the right having a radius of 200.00 feet and chord bearing South 52 degrees 56 minutes 23 seconds West 230.79 feet; thence North 88 degrees 10 minutes 41 seconds 69.00 feet to the point of beginning.

Containing 36.15 Acres (1,574,694 square feet) of land, more or less.

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SCHEDULE A

DEBTOR: RYYZ, LLC

SECURED PARTY: ARBOR COMMERCIAL FUNDING, LLC

This financing statement covers the following types (or items) of property (the "Collateral Property"):

1. **Improvements.** The buildings, structures, improvements, and alterations now constructed or at any time in the future constructed or placed upon the land described in Exhibit A attached hereto (the "Land"), including any future replacements and additions (the "Improvements");
2. **Fixtures.** All property which is so attached to the Land or the Improvements as to constitute a fixture under applicable law, including: machinery, equipment, engines, boilers, incinerators, installed building materials; systems and equipment for the purpose of supplying or distributing heating, cooling, electricity, gas, water, air, or light; antennas, cable, wiring and conduits used in connection with radio, television, security, fire prevention, or fire detection or otherwise used to carry electronic signals; telephone systems and equipment; elevators and related machinery and equipment; fire detection, prevention and extinguishing systems and apparatus; security and access control systems and apparatus; plumbing systems; water heaters, ranges, stoves, microwave ovens, refrigerators, dishwashers, garbage disposals, washers, dryers and other appliances; light fixtures, awnings, storm windows and storm doors; pictures, screens, blinds, shades, curtains and curtain rods; mirrors; cabinets, paneling, rugs and floor and wall coverings; fences, trees and plants; swimming pools; and exercise equipment (the "Fixtures");
3. **Personalty.** All equipment, inventory, general intangibles which are used now or in the future in connection with the ownership, management or operation of the Land or the Improvements or are located on the Land or in the Improvements, including furniture, furnishings, machinery, building materials, appliances, goods, supplies, tools, books, records (whether in written or electronic form), computer equipment (hardware and software) and other tangible personal property (other than Fixtures) which are used now or in the future in connection with the ownership, management or operation of the Land or the Improvements or are located on the Land or in the Improvements, and any operating agreements relating to the Land or the Improvements, and any surveys, plans and specifications and contracts for architectural, engineering and construction services relating to the Land or the Improvements and all other intangible property and rights relating to the operation of, or used in connection with, the Land or the Improvements, including all governmental permits relating to any activities on the Land (the "Personalty");
4. **Other Rights.** All current and future rights, including air rights, development rights, zoning rights and other similar rights or interests, easements, tenements, rights-of-way, strips and gores of land, streets, alleys, roads, sewer rights, waters, watercourses, and appurtenances related to or

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benefiting the Land or the Improvements, or both, and all rights-of-way, streets, alleys and roads which may have been or may in the future be vacated (the "Other Rights");

5. **Insurance Proceeds.** All proceeds paid or to be paid by any insurer of the Land, the Improvements, the Fixtures, the Personalty or any other part of the Collateral Property, whether or not Borrower obtained the insurance pursuant to Lender's requirement (the "Insurance Proceeds");

6. **Awards.** All awards, payments and other compensation made or to be made by any municipal, state or federal authority with respect to the Land, the Improvements, the Fixtures, the Personalty or any other part of the Collateral Property, including any awards or settlements resulting from condemnation proceedings or the total or partial taking of the Land, the Improvements, the Fixtures, the Personalty or any other part of the Collateral Property under the power of eminent domain or otherwise and including any conveyance in lieu thereof (the "Awards");

7. **Contracts.** All contracts, options and other agreements for the sale of the Land, the Improvements, the Fixtures, the Personalty or any other part of the Collateral Property entered into by Borrower now or in the future, including cash or securities deposited to secure performance by parties of their obligations (the "Contracts");

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

9. **Rents.** All rents (whether from residential or non-residential space), revenues and other income of the Land or the Improvements, including subsidy payments received from any sources (including, but not limited to payments under any Housing Assistance Payments Contract), including parking fees, laundry and vending machine income and fees and charges for food, health care and other services provided at the Collateral Property, whether now due, past due, or to become due, and deposits forfeited by tenants (the "Rents");

10. **Leases.** All present and future leases, subleases, licenses, concessions or grants or other possessory interests now or hereafter in force, whether oral or written, covering or affecting the Collateral Property, or any portion of the Collateral Property (including proprietary leases or occupancy agreements if Borrower is a cooperative housing corporation), and all modifications, extensions or renewals (the "Leases");

11. **Other.** All earnings, royalties, accounts receivable, issues and profits from the Land, the Improvements or any other part of the Collateral Property, and all undisbursed proceeds of the loan secured by this Instrument and, if Borrower is a cooperative housing corporation, maintenance charges or assessments payable by shareholders or residents;

12. **Imposition Deposits.** Deposits held by the Lender to pay when due (1) any water and sewer charges which, if not paid, may result in a lien on all or any part of the Collateral Property, (2) the premiums for fire and other hazard insurance, rent loss insurance and such other insurance as Lender may require, (3) taxes, assessments, vault rentals and other charges, if any, general, special or otherwise, including all assessments for schools, public betterments and general or local Schedule A to UCC

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improvements, which are levied, assessed or imposed by any public authority or quasi-public authority, and which, if not paid, will become a lien, on the Land or the Improvements, and (4) amounts for other charges and expenses which Lender at any time reasonably deems necessary to protect the Collateral Property, to prevent the imposition of liens on the Collateral Property, or otherwise to protect Lender's interests, all as reasonably estimated from time to time by Lender (the "Imposition Deposits");

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

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

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

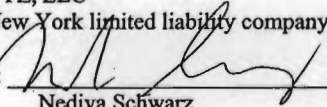
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RYYZ, LLC
a New York limited liability company

By: 
Nediva Schwarz
Member