

COVENANT DEED

RESOLUTION TRUST CORPORATION as RECEIVER FOR RESOURCE SAVINGS ASSOCIATION, c/o Jaynes, Rietmeier, Boyd & Terrell, P.C., 2501 Oaklawn Street, Suite 860, Dallas, Texas 75219 (hereinafter called "Grantor") for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration paid to Grantor by BARBARA HERZIG, of 23330 Doremus Drive, St. Clair Shores, Michigan 48080 (hereinafter, whether one or more, called "Grantee"), the receipt and sufficiency of which are hereby acknowledged, hereby GRANTS, SELLS, CONVEYS, ASSIGNS and DELIVERS to Grantee the real property situated in Washtenaw County, Michigan described in Exhibit "A" attached hereto and incorporated herein by reference, together with all improvements thereon and fixtures affixed thereto (said real property, improvements and fixtures are referred to herein as the "property" but do not include any items specifically conveyed hereunder without covenant or warranty), subject to general real estate taxes and assessments and special assessments on the property; zoning laws, regulations and ordinances of municipal and other governmental authorities, if any, affecting the Property; and all other matters of record affecting the property or which would be revealed by a survey or inspection of the property, including but not limited to the encumbrances described in Exhibit "B" attached hereto and incorporated herein by reference (all of the foregoing hereinafter called the "Permitted Encumbrances").

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging, unto Grantee, Grantee's successors and assigns forever, and Grantor does hereby bind itself and its successors and assigns to warrant and forever defend all and singular the Property unto Grantee, its successors and assigns against every person whomsoever lawfully claiming, or to claim the same, or any part thereof by, through or under Grantor, but not otherwise, subject, however, to the "Permitted Encumbrances").

For the same consideration, Grantor hereby GRANTS, SELLS, CONVEYS, ASSIGNS and DELIVERS to Grantee, without covenant or warranty express or implied, all right, title and interest, if any, of Grantor, as owner of the Property but not as owner of any other property, in and to (i) strips or gores, if any, between the Property and abutting properties (except to the extent, if any, that such strips or gores abut or provide access to other properties owned by Grantor), (ii) any land lying in or under the bed of any street, alley, road or right-of-way, opened or proposed, abutting or adjacent to the Property, (iii) any leases and rental agreements (whether written or oral) that grant a possessory interest in or that otherwise grant rights with regard to the use of all or any portion of the Property, (iv) any easements, rights of way, rights of ingress and egress or other interests in, on, or to, any land, highway, street, road or avenue, open or proposed, in, on, across from, in front of,

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abutting, adjoining or otherwise appurtenant to the Property, as well as all other rights, privileges and appurtenances owned by grantor and in any way related to the Property and other rights and interests of Grantor hereunder conveyed, but reserving and retaining unto Grantor, its successors and assigns the nonexclusive and coextensive right to the use and benefit of the same for the benefit of any other properties owned by Seller to which such rights are appurtenant, and (v) all oil, gas, hydrocarbons and minerals in, on, under or that may be produced from the Property.

BY THE ACCEPTANCE OF THIS DEED, GRANTEE ACKNOWLEDGES AND AGREES THAT GRANTOR EITHER ACQUIRED THE PROPERTY THROUGH FORECLOSURE OR DEED IN LIEU OF FORECLOSURE OR ADMINISTERS OR HAS ACQUIRED THE PROPERTY IN THE CAPACITY OF A RECEIVER OR A CONSERVATOR, AND CONSEQUENTLY, GRANTOR HAS LITTLE, IF ANY, KNOWLEDGE OF THE PHYSICAL OR ECONOMIC CHARACTERISTICS OF THE PROPERTY OR OTHER ITEMS CONVEYED HEREUNDER. ACCORDINGLY, EXCEPT AS OTHERWISE SPECIFICALLY STATED IN THIS CONVEYANCE, GRANTOR HEREBY SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY OR REPRESENTATION, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, OR CONCERNING (a) THE NATURE AND CONDITION OF THE PROPERTY OR OTHER ITEMS CONVEYED HEREUNDER, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, THE SUITABILITY THEREOF AND OF THE PROPERTY OR OTHER ITEMS CONVEYED HEREUNDER FOR ANY AND ALL ACTIVITIES AND USES WHICH GRANTEE MAY ELECT TO CONDUCT THEREON, THE EXISTENCE OF ANY ENVIRONMENTAL HAZARDS OR CONDITIONS THEREON (INCLUDING BUT NOT LIMITED TO THE PRESENCE OF ASBESTOS OR OTHER HAZARDOUS MATERIALS) OR COMPLIANCE WITH APPLICABLE ENVIRONMENTAL LAWS, RULES OR REGULATIONS; (b) EXCEPT FOR ANY WARRANTIES CONTAINED IN THIS DEED, THE NATURE AND EXTENT OF ANY RIGHT-OF-WAY, LEASE, POSSESSION, LIEN, ENCUMBRANCE, LICENSE, RESERVATION, CONDITION OR OTHERWISE; AND (c) THE COMPLIANCE OF THE PROPERTY OR OTHER ITEMS CONVEYED HEREUNDER OR ITS OPERATION WITH ANY LAWS, ORDINANCES OR REGULATIONS OF ANY GOVERNMENTAL ENTITY OR BODY. GRANTEE ACKNOWLEDGES THAT IT HAS INSPECTED THE PROPERTY OR OTHER ITEMS CONVEYED HEREUNDER AND THAT IT IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE SAME AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY OR ON BEHALF OF GRANTOR. GRANTEE FURTHER ACKNOWLEDGES THAT ANY INFORMATION PROVIDED WITH RESPECT TO THE PROPERTY OR OTHER ITEMS CONVEYED HEREUNDER WAS OBTAINED FROM A VARIETY OF SOURCES, AND GRANTOR (1) HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION; AND (2) DOES NOT MAKE ANY REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. THIS CONVEYANCE IS MADE ON AN "AS IS", "WHERE IS" AND "WITH ALL FAULTS" BASIS, AND GRANTEE EXPRESSLY ACKNOWLEDGES THAT, EXCEPT AS OTHERWISE SPECIFIED HEREIN, GRANTOR HAS MADE NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF CONDITION, TITLE (EXCEPT AS MAY BE SPECIFICALLY SET FORTH AND LIMITED IN THIS DEED), HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE PROPERTY, ANY OTHER

ITEM CONVEYED HEREUNDER OR ANY PORTION THEREOF, ALL SUCH REPRESENTATIONS AND WARRANTIES, AS WELL AS ANY IMPLIED WARRANTIES, BEING HEREBY EXPRESSLY DISCLAIMED. GRANTEE AGREES THAT GRANTOR SHALL NOT BE RESPONSIBLE OR LIABLE TO GRANTEE FOR ANY CONSTRUCTION DEFECTS, ERRORS, OMISSIONS, OR ON ACCOUNT OF ANY OTHER CONDITIONS AFFECTING THE PROPERTY AND OTHER ITEMS CONVEYED HEREUNDER, AS GRANTEE IS PURCHASING THE SAME AS-IS, WHERE-IS, AND WITH ALL FAULTS. GRANTEE OR ANYONE CLAIMING BY, THROUGH OR UNDER GRANTEE, HEREBY FULLY RELEASES GRANTOR, ITS EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES, ATTORNEYS AND AGENTS FROM ANY AND ALL CLAIMS THAT IT MAY NOW HAVE OR HEREAFTER ACQUIRE AGAINST RESOLUTION TRUST CORPORATION (IN ALL OF ITS CAPACITIES), THE GOVERNMENT OF THE UNITED STATES, THE FEDERAL DEPOSIT INSURANCE CORPORATION (IN ALL OF ITS CAPACITIES), GRANTOR, AND THEIR RESPECTIVE EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES, ATTORNEYS AND AGENTS FOR ANY COST, LOSS, LIABILITY, DAMAGE, EXPENSE, DEMAND, ACTION OR CAUSE OF ACTION ARISING FROM OR RELATED TO ANY CONSTRUCTION DEFECTS, ERRORS, OMISSIONS, OR OTHER CONDITIONS AFFECTING THE PROPERTY AND OTHER ITEMS CONVEYED HEREUNDER. GRANTEE FURTHER ACKNOWLEDGES AND AGREES THAT THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH OF ITS EXPRESSED TERMS AND PROVISIONS, INCLUDING, BUT NOT LIMITED TO, THOSE RELATING TO UNKNOWN AND UNSUSPECTED CLAIMS, DAMAGES AND CAUSES OF ACTION. THIS COVENANT RELEASING GRANTOR SHALL BE A COVENANT WITH THE PROPERTY AND SHALL BE BINDING UPON GRANTEE. GRANTOR HEREBY ASSIGNS WITHOUT RECOURSE OR REPRESENTATION OF ANY NATURE TO GRANTEE, EFFECTIVE UPON THE EXECUTION AND DELIVERY HEREOF, ANY AND ALL CLAIMS THAT GRANTOR MAY HAVE FOR ANY SUCH ERRORS, OMISSIONS OR DEFECTS IN THE PROPERTY AND OTHER ITEMS CONVEYED HEREUNDER. AS A MATERIAL COVENANT AND CONDITION OF THIS CONVEYANCE, GRANTEE AGREES THAT IN THE EVENT OF ANY SUCH CONSTRUCTION DEFECTS, ERRORS, OMISSIONS OR ON ACCOUNT OF ANY OTHER CONDITIONS AFFECTING THE PROPERTY, GRANTEE SHALL LOOK SOLELY TO GRANTOR'S PREDECESSORS OR TO SUCH CONTRACTORS AND CONSULTANTS AS MAY HAVE CONTRACTED FOR WORK IN CONNECTION WITH THE PROPERTY AND OTHER ITEMS CONVEYED HEREUNDER FOR ANY REDRESS OR RELIEF. UPON THE ASSIGNMENT BY GRANTOR OF ITS CLAIMS, GRANTEE RELEASES GRANTOR OF ALL RIGHTS, EXPRESS OR IMPLIED, GRANTEE MAY HAVE AGAINST GRANTOR ARISING OUT OF OR RESULTING FROM ANY ERRORS, OMISSIONS OR DEFECTS IN THE PROPERTY AND OTHER ITEMS CONVEYED HEREUNDER. GRANTEE FURTHER UNDERSTANDS THAT SOME OF GRANTOR'S PREDECESSORS IN INTEREST MAY BE OR BECOME INSOLVENT, BANKRUPT, JUDGMENT-PROOF OR OTHERWISE INCAPABLE OF RESPONDING IN DAMAGES, AND GRANTEE MAY HAVE NO REMEDY AGAINST SUCH PREDECESSORS, CONTRACTORS OR CONSULTANTS.

GRANTEE HEREBY AGREES TO INDEMNIFY, PROTECT, DEFEND, SAVE AND HOLD HARMLESS GRANTOR AND GRANTOR'S EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES, ATTORNEYS AND AGENTS FROM AND AGAINST ANY AND ALL DEBTS, DUTIES, OBLIGATIONS, LIABILITIES, SUITS, CLAIMS, DEMANDS, CAUSES OF ACTION, DAMAGES, LOSSES, COSTS AND

EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND EXPENSES AND COURT COSTS) IN ANY WAY RELATING TO, CONNECTED WITH OR ARISING OUT OF THE PROPERTY AND OTHER ITEMS CONVEYED HEREUNDER OR THE OWNERSHIP, LEASING, USE, OPERATION, MAINTENANCE AND MANAGEMENT THEREOF FROM AND AFTER THE DATE HEREOF, INCLUDING, WITHOUT LIMITATION, THE COST OF ANY REMOVAL OF HAZARDOUS SUBSTANCES OR CONTAMINANTS FROM THE PROPERTY AND OTHER ITEMS CONVEYED HEREUNDER.

GRANTEE HEREBY ASSUMES THE PAYMENT OF ALL AD VALOREM TAXES AND ASSESSMENTS AND ALL SPECIAL ASSESSMENTS OF WHATEVER KIND AND CHARACTER AFFECTING THE PROPERTY AND OTHER ITEMS CONVEYED HEREUNDER, INCLUDING BUT NOT LIMITED TO TAXES BECOMING DUE BECAUSE OF A CHANGE IN LAND USAGE OR OWNERSHIP, AND GRANTEE AGREES TO INDEMNIFY AND HOLD HARMLESS GRANTOR FROM ANY AND ALL CLAIMS AND LIABILITY FOR THE PAYMENT THEREOF.

This Covenant Deed is executed by Grantor and Grantee as of the dates set forth below to be effective as of the 31st day of August, 1992.

GRANTOR:

RESOLUTION TRUST CORPORATION AS RECEIVER FOR RESOURCE SAVINGS ASSOCIATION

WITNESSES:

Kim Samaha  
Kim Samaha  
Justin H. Crawford  
Justin H. Crawford

As By Jerry Ratcliffe  
Name JERRY RATCLIFFE  
Attorney-in-fact

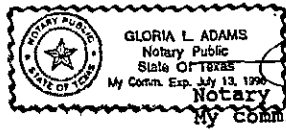
GRANTEE:

Terrance P. Conlin  
Terrance P. Conlin  
Janice L. Conlin  
Janice L. Conlin

Barbara Herzig  
Barbara Herzig

STATE OF TEXAS )  
COUNTY OF DALLAS ) ss.

The foregoing instrument was acknowledged before me this 17 day of AUGUST, 1992, by TERRY PATLITTE, Attorney-in-fact for Resolution Trust Corporation as Receiver for Resource Savings Association.



Gloria L. Adams  
Notary Public, Dallas County, Texas  
My Commission expires: July 13, 1996

STATE OF MICHIGAN )  
COUNTY OF WASHTENAW ) ss.

The foregoing instrument was acknowledged before me this 18th day of August, 1992, by Barbara Herzig.

Janice L. Coplin  
Notary Public, Washtenaw County, Michigan  
My commission expires: 10-08-94

After Recording Return To:  
Barbara Herzig  
23330 Doremus Drive  
St. Clair Shores, Michigan 48080

This instrument prepared by:  
Brown, McCarroll & Oaks Hartline  
1400 Franklin Plaza  
111 Congress Avenue  
Austin, Texas 78701

PROPERTY

Hilton Hotel  
Ann Arbor, Michigan

PARCEL A: Commencing at the E 1/4 corner of Section 8, T3S, R6E, City of Ann Arbor, Washtenaw County, Michigan; thence along the East line of said Section and the centerline of South State St., N. 1°39' W 1077.25 feet; thence S 87°25' W 60.0 feet for a Place of Beginning; thence S 1°39' E 165.16 feet; thence S 26°05' W 172.35 feet; thence S 70°21' W 174.70 feet; thence S 54°52'30" W 163.84 feet; thence S 39°24'10" W 198.53 feet; thence S 51°05'30" W 193.56 feet; thence N 36°28' W 422.42 feet; thence along the South line of a 66.0 foot wide private road right of way to the following courses: 102.80 feet in the arc of a circular curve concave to the NW, radius 892.43 feet, chord N 49°55' E 102.74 feet, and N 46°37' E 159.0 feet, and 588.50 feet in the arc of a circular curve concave to the SE, radius 826.43 feet, chord N 67°01' E 576.14 feet; thence N 87°25' E 157.83 feet to the Place of Beginning, being a part of the NE 1/4, Section 8, T3S, R6E, City of Ann Arbor, Washtenaw County, Michigan, EXCEPTING THEREFROM that portion thereof described as follows: Commencing at the NE corner of Section 8, T3S, R6E, City of Ann Arbor, Washtenaw County, Michigan; thence S 01°39'00" E 1551.95 feet along the E line of said Section and the centerline of State Road; thence along the centerline of an existing road in the following courses: S 87°25'00" W 233.41 feet and 612.00 feet along the arc of a 859.43 foot radius circular curve to the left through a central angle of 40°48'00" having a chord which bears S 67°01'00" W 599.15 feet, and S 46°37'00" W 159.00 feet, and 99.00 feet along the arc of a 859.43 foot radius circular curve to the right through a central angle of 06°36'00" having a chord which bears S 49°55'00" W 98.95 feet; thence S 36°47'00" E 33.00 feet; thence S 36°28'00" E 325.62 feet; thence N 56°45'30" E 144.27 feet to the Point of Beginning; thence N 33°14'30" W 66.16 feet; thence N 56°45'30" E 93.03 feet; thence N 33°14'30" W 17.30 feet; thence N 56°45'30" E 13.32 feet; thence S 33°14'30" E 17.30 feet; thence N 56°45'30" E 66.85 feet; thence S 33°14'30" E 0.50 feet; thence N 56°45'30" E 13.32 feet; thence S 33°14'30" E 1.60 feet; thence N 56°45'30" E 8.00 feet; thence S 33°14'30" E 11.44 feet; thence N 56°45'30" E 11.60 feet; thence S 33°14'30" E 10.27 feet; thence N 56°45'30" E 14.38 feet; thence S 33°14'30" E 42.35 feet; thence S 56°45'30" W 220.80 feet to the Point of Beginning, being a part of the NE 1/4 of Section 8, T3S, R6E, City of Ann Arbor, Washtenaw County, Michigan.

PARCEL B: Commencing at the NE corner of Section 8, T3S, R6E, City of Ann Arbor, Washtenaw County, Michigan; thence S 01°39'00" E 1551.95 feet along the East line of said Section and the centerline of State Road; thence along the centerline of an existing road in the following courses: S 87°25'00" W 233.41 feet and 612.00 feet along the arc of a 859.43 foot radius circular curve to the left

through a central angle of 40°48'00" having a chord which bears S 67°01'00" W 599.15 feet and S 46°37'00" W 159.00 feet, and 99.00 feet along the arc of a 859.43 foot radius circular curve to the right through a central angle of 06°36'00" having a chord which bears S 49°55'00" W 98.95 feet; thence S 36°47'00" E 33.00 feet; thence S 36°28'00" E 325.62 feet; thence N 56°45'30" E 144.27 feet to the Point of Beginning; thence N 33°14'30" W 66.16 feet; thence N 56°45'30" E 93.03 feet; thence N 33°14'30" W 17.30 feet; thence N 56°45'30" E 13.62 feet; thence S 33°14'30" E 17.30 feet; thence N 56°45'30" E 66.35 feet; thence S 33°14'30" E 0.50 feet; thence N 56°45'30" E 13.32 feet; thence S 33°14'30" E 1.60 feet; thence N 56°45'30" E 8.00 feet; thence S 33°14'30" E 11.44 feet; thence N 56°45'30" E 11.60 feet; thence S 33°14'30" E 10.27 feet; thence N 56°45'30" E 14.38 feet; thence S 33°14'30" E 42.35 feet; thence S 56°45'30" W 220.80 feet to the Point of Beginning, being a part of the NE 1/4 Section 8, T3S, R6E, City of Ann Arbor, Washtenaw County, Michigan.

PARCEL C: Lot 16, Briarwood Subdivision, as recorded in Liber 22 of Plats, pages 66 to 75, inclusive, Washtenaw County Records.

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PERMITTED ENCUMBRANCES

Hilton Hotel  
Ann Arbor, Michigan

1. Purchase Money Fixture Filing in favor of RTC Corporation, assigned to General Electric Credit Cororation, recorded in Liber 2194, Page 598, Washtenaw County Records.
2. Right-of-Way granted to the City of Ann Arbor for road, utility and other public purposes, as set forth in Liber 1433, Page 231, Washtenaw County Records.
3. Right-of-Way granted to The Detroit Edison Company for underground equipment, as set forth in Liber 1730, Page 853, Washtenaw County Records, as to Parcels A and B.
4. Easement granted to the State of Michigan for South State Street widening over the East 15 feet of the land, as recorded in Liber 1218, Page 197, Washtenaw County Records, and rights of the public in the use thereof, as to Parcel A.
5. Perpetual Easement in common with others for ingress and egress over private roads dedicated to the lot owners in "Briarwood Subdivision" as reserved in Liber 1390, Page 552, Washtenaw County Records, as to Parcel A.
6. Easements for public utilities within the vacated portions of Hilton Boulevard, now a private road within "Briarwood Subdivision," as reserved in Liber 1390, Pages 237 and 551, Washtenaw County Records, as to Parcel A.
7. Right-of-Way granted to The Detroit Edison Company for underground lines, as set forth in Liber 1730, Page 850, Washtenaw County Records, as to Parcel C.
8. Easement for public utilities over the rear 16 feet and front 25 feet of the land as shown on the recorded Plat, as to Parcel C.
9. Easement for 40-foot storm sewer as shown on the Plat, and as granted to the City of Ann Arbor in Liber 1525, Page 498, with Agreement for Continual Maintenance of said easement, as recorded in Liber 1664, Page 651, Washtenaw County Records, as to Parcel C.
10. Terms, conditions, covenants, agreements and easements contained in Briarwood Subdivison Escrow Agreement, recorded in Liber 1705, Page 951, Washtenaw County Records, as to Parcel C.
11. Terms, conditions, restrictions in Article 20 governing "Residual Property" recorded in Liber 1390, Pages 771 and 772,

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Washtenaw County Records, contained in Operating Agreement related to the development of "Briarwood," dated February 2, 1972 and recorded March 28, 1972 in Liber 1390, Page 729, Washtenaw County Records, as amended by the addition of "paragraph D" in Liber 1453, Pages 422 and 423, Washtenaw County Records, contained in Second Amendment to Operating Agreement recorded in Liber 1453, Page 420, Washtenaw County Records, and term, conditions and restrictions set forth in Declaration of Restrictions recorded in Liber 1903, Page 35, Washtenaw County Records, as to all residual property generally, as to Parcel C.

12. Covenants, terms and conditions contained in Covenant dated August 30, 1985 and recorded October 10, 1985 in Liber 2011, Page 74, Washtenaw County Records, as to Parcel C.
13. NOTE: The streets as shown on the recorded Plat are private, and are for the use of the lot owners and owners of record, as set forth on the recorded Plat on Page 71, Washtenaw County Records, as to Parcel C.
14. Subject to sanitary sewer lines, storm sewer lines, water main lines, overhead electric lines, laterals and appurtenances thereto, as shown on Washtenaw Engineering Co., Inc. survey revised August 27, 1990, Job No. 23126.
15. Any and all leases, recorded or unrecorded, with rights of tenants in possession.

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RECORDED  
WASHTENAW COUNTY MI  
Aug 25 10 00 AM '92  
PEGGY H. HAINES  
COUNTY CLERK/REGISTER

EXHIBIT "B" - Page 2 of 2

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