

STATE MS.-DESOTO CO.  
FILED

JUN 6 4 52 PM '02

## UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional] Kathleen Wildhaber (314) 994-4444
B. SEND ACKNOWLEDGMENT TO: (Name and Address)  Kathleen Wildhaber The DESCO Group, Inc. 8040 Forsyth Boulevard St. Louis, Missouri 63105

BK 1514 PG 659  
W.E. DAVIS CH. CLK.

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 SM Properties Memphis, L.L.C.						
OR	1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
1c. MAILING ADDRESS 8040 Forsyth Boulevard			CITY St. Louis	STATE MO	POSTAL CODE 63105	COUNTRY USA
1d. TAX ID #:	SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION LLC	1f. JURISDICTION OF ORGANIZATION Missouri	1g. ORGANIZATIONAL ID #, if any MOLC0064374	<input type="checkbox"/> 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	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any	<input type="checkbox"/> NONE

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

3a. ORGANIZATION'S NAME Commerce Bank, as agent for Lenders (as defined in the Loan Agreement; see Schedule I)						
OR	3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
3c. MAILING ADDRESS 8000 Forsyth Boulevard			CITY St. Louis	STATE MO	POSTAL CODE 63105	COUNTRY USA

## 4. This FINANCING STATEMENT covers the following collateral:

See Schedule I, attached hereto.

5. ALTERNATIVE DESIGNATION (if applicable):	<input type="checkbox"/> LESSEE/LESSOR	<input type="checkbox"/> CONSIGNEE/CONSIGNOR	<input type="checkbox"/> BAILEE/BAILOR	<input type="checkbox"/> SELLER/BUYER	<input type="checkbox"/> AG. LIEN	<input type="checkbox"/> NON-UCC FILING
6. <input checked="" type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum	7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (OPTIONAL FEE)		<input type="checkbox"/> All Debtors	<input type="checkbox"/> Debtor 1	<input type="checkbox"/> Debtor 2	
8. OPTIONAL FILER REFERENCE DATA						

**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			
SM Properties Memphis, L.L.C.			
OR	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
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				
OR	12b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
12c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
12c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
				COUNTRY

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

14. Description of real estate:

See Exhibit A in attached Schedule I.

16. Additional collateral description:

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

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 Estate18. Check only if applicable and check only one box. Debtor is a TRANSMITTING UTILITY Filed in connection with a Manufactured-Home Transaction — effective 30 years Filed in connection with a Public-Finance Transaction — effective 30 years

## SCHEDULE I

## UCC-1 FINANCING STATEMENT

DEBTOR: **SM PROPERTIES MEMPHIS, L.L.C.**SECURED PARTY: **COMMERCE BANK, N.A., AS AGENT  
FOR LENDERS** (as described below)

under that certain Loan Agreement dated September 27, 2000, by and among Desco Financial, L.L.C., as borrower; Commerce Bank, N.A., Union Planters Bank, N.A. and Wells Fargo Bank, National Association, collectively, as the Lenders; and Commerce Bank, N.A., as administrative agent and collateral agent for the Lenders ("**Agent**"), as such Loan Agreement may be amended, restated or supplemented from time to time.

This Financing Statement covers all of the Debtor's right, title and interest in and to the following described assets, properties and items, whether now owned or hereafter acquired (said assets, properties and items, being hereinafter called the "**Mortgaged Property**"):

1. The land which is more particularly described on Exhibit A, attached to this Financing Statement (the "**Land**") or any portion of the Land and all air space above the surface of the Land, with the tenements, hereditaments, appurtenances, privileges, easements, franchises, rights, appendages and immunities thereunto belonging or appertaining; and

2. All right, title and interest of Debtor in and to all existing and future development agreements, operating agreements, reciprocal easement agreements and other agreements affecting the ownership and/or operation of the Mortgaged Property (the "**Shopping Center Agreements**") to the extent such Shopping Center Agreements benefit or affect the Mortgaged Property; and

3. All right, title and interest of Debtor in and to all buildings, improvements and fixtures, and all other property constituting real property or real estate under the laws of Missouri, now located, or hereafter erected, upon the Land (the "**Improvements**"), including Debtor's interest in the property constituting real property or real estate described in Exhibit A, and all right, title and interest of Debtor, now owned or hereafter acquired, in and to (a) any and all strips and gores of land adjacent to or used in connection with the Land, (b) all land upon which any such buildings or improvements may now or hereafter encroach, (c) the land within the streets, roads and alleys adjoining all such real property, and (d) all and singular the tenements, hereditaments, appurtenances, privileges, easements, franchises, rights, appendages, and immunities whatsoever belonging to or in any wise appertaining to all such real property; and

4. Any and all fixtures, appliances, machinery and equipment of any nature whatsoever, and other articles of property (real, personal or mixed) at any time now or hereafter owned by Debtor and installed in, attached to or situated in or upon the Land or other real estate described above or the Improvements, or used or intended to be used in connection with the Land or such

Debtor: SM Properties Memphis, L.L.C.

other real estate or in the operation of the Improvements or in the operation of Debtor's business thereon, whether or not the said property is or shall be affixed thereto, including (a) all building materials, fixtures, machinery and equipment, (b) all furniture, furnishings, carpeting, refrigerators, air conditioners, heating units, ranges, stoves, ovens, disposals, dishwashers and other appliances, (c) all heating, lighting, refrigeration, plumbing, electrical, ventilating, incinerating, water heating, cooking, telephonic communications, data processing, security, air conditioning and energy management equipment, and (d) any and all subsequently acquired fixtures, appliances, machinery, equipment and personal property by renewal, replacement, substitution, addition or otherwise; but excluding from all of the foregoing any furniture, trade fixtures, equipment, appliances or other property owned by tenants of Debtor or otherwise not owned by Debtor; and

5. Any and all accounts, accounts receivable, contract rights, chattel paper, instruments, general intangibles and other obligations of any kind, now or hereafter existing, arising out of or in connection with the Mortgaged Property, Land or Improvements, including without limitation all plans and specifications for the Improvements; and

6. Any and all water and water rights, ditches and ditch rights, reservoirs and reservoir rights, stock or interests in water, irrigation or ditch companies, royalties, minerals, oil and gas rights, and lease or leasehold interests owned by Debtor, now or hereafter used or useful in connection with, appurtenant to or related to the Land or other Mortgaged Property or any part thereof; and

7. All leases of the Land or other Mortgaged Property or any part thereof, whether now existing or hereafter entered into (collectively, the "Leases"), and all right, title and interest of Debtor thereunder, including cash and securities deposited under such Leases, and any and all guaranties of such Leases; and

8. All licenses, permits (including building permits), authorizations or approvals of any type or nature whatsoever, now owned or held or hereafter acquired, which relate to the use, development or occupancy of the Land or other Mortgaged Property or any part thereof and all agreements in connection therewith, including, but not limited to, contractor's agreements and architect's agreements; and

9. All insurance proceeds and condemnation awards relating to the Land, Improvements or other Mortgaged Property or any part thereof, and all funds, moneys, certificates of deposit, instruments, letters of credit and deposits of Debtor held by, deposited with, or paid or payable to Secured Party; and

10. All rents from, all issues, uses, profits, proceeds and products of, all replacements and substitutions for, and other rights and interests now or hereafter belonging to, any of the foregoing; and

11. All other estates, easements, franchises, interests, licenses, rights, titles, powers or privileges of every kind and character which Debtor now has or may hereafter acquire in and to the property and interests described above, including: (a) all present or future estates, easements, franchises, interests, leaseholds, licenses, rights, titles, powers and privileges of Debtor in and to

all easements, air rights and other rights-of-way in connection with the property and interests described above or any part thereof or as a means of ingress to, or egress from, the Land or the Improvements or any part thereof, (b) all present or future estates, easements, franchises, interests, leaseholds, licenses, rights, titles, powers, and privileges of Debtor in and to the Land or the Improvements or any part thereof, (c) all present or future estates, easements, franchises, interests, leaseholds, licenses, rights, titles, powers, and privileges, if any, of Debtor, either at law or in equity, in possession or in expectancy, in and to the real property or air space, as the case may be, lying in, under, or over the streets, highways, roads, alleys, sidewalks, skywalks, tunnels, or avenues, open or proposed, in front of, above, over, under, through, or adjoining, the Land, and in and to any strips or gores of real property adjoining the Land, and (d) all present or future estates, easements, franchises, interests, leaseholds, licenses, development rights or credits, air rights, solar rights, water, water rights (whether riparian, appropriative, time, or otherwise, and whether or not appurtenant), water, irrigation or ditch stock interests, rights, titles, powers, and privileges appurtenant, or incident to, the Land or the Improvements; and

12. Any and all proceeds of any and all of the foregoing (including proceeds that constitute property of the types described above).

EXHIBIT A

(Legal Description)

LEGAL DESCRIPTION

Parcel I:

Lot 2, Property Commerce Subdivision in Section 28, Township 1 South, Range 8 West, Desoto County, Mississippi, according to the plat thereof recorded in Plat Book 67, Page 14, in the Office of the Chancery Clerk of Desoto County, Mississippi.

Parcel II:

Easements and appurtenant rights in favor of Insured created by Declaration of Restrictions and Easements recorded in Book 355, Page 179, in the Office of the Chancery Clerk of Desoto County, Mississippi.