

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
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NATURE OF CONVEYANCE:	SECURITY INTEREST
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CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Affordable Residential Communities LP		02/18/2004	LIMITED PARTNERSHIP: DELAWARE

RECEIVING PARTY DATA	
Name:	Citicorp North America, Inc.
Street Address:	2 Penns Way
Internal Address:	Suite 200
City:	New Castle
State/Country:	DELAWARE
Postal Code:	19720
Entity Type:	CORPORATION: DELAWARE

PROPERTY NUMBERS Total: 6		
Property Type	Number	Word Mark
Registration Number:	2479632	A BETTER PLACE TO LIVE!
Registration Number:	2490677	A BETTER PLACE TO LIVE!
Registration Number:	2513733	ARC AFFORDABLE RESIDENTIAL COMMUNITIES
Registration Number:	2497980	ARC AFFORDABLE RESIDENTIAL COMMUNITIES A BETTER PLACE TO LIVE!
Registration Number:	2509493	ARC AFFORDABLE RESIDENTIAL COMMUNITIES A BETTER PLACE TO LIVE!
Registration Number:	2776259	

CORRESPONDENCE DATA	
Fax Number:	(646)848-4455
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	212-848-4455
Email:	jlik@shearman.com
Correspondent Name:	Chad M. Yohn
Address Line 1:	599 Lexington Avenue

CH \$165.00 2479632

Address Line 2: Shearman & Sterling LLP
Address Line 4: New York, NEW YORK 10022

ATTORNEY DOCKET NUMBER: 31900/89

NAME OF SUBMITTER: James H. Lik

Total Attachments: 6
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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT (as amended, amended and restated, supplemented or otherwise modified from time to time, the "*IP Security Agreement*") dated as of February 18, 2004, is made by the Person listed on the signature pages hereof ("*Grantor*") in favor of CITICORP NORTH AMERICA, INC., as collateral agent (the "*Collateral Agent*") for the Secured Parties (as defined in the Credit Agreement referred to below).

WHEREAS, Affordable Residential Communities LP, a Delaware limited partnership, as Borrower, the Grantor and certain other Loan Parties have entered into a Credit Agreement dated as of February 18, 2004 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "*Credit Agreement*"), with Citicorp North America, Inc., as Administrative Agent (in such capacity, the "*Administrative Agent*") and as Collateral Agent, and the Lender Parties party thereto. Terms defined in the Credit Agreement and not otherwise defined herein are used herein as defined in the Credit Agreement.

WHEREAS, as a condition precedent to the making of Advances and the issuance of Letters of Credit by the Lender Parties under the Credit Agreement and the entry into Secured Hedge Agreements by the Hedge Banks from time to time, the Grantor and certain other Loan Parties have executed and delivered that certain Security Agreement dated as of February 18, 2004 made by the Borrower and such other Grantors to the Collateral Agent (as amended, amended and restated, supplemented or otherwise modified from time to time, the "*Security Agreement*").

WHEREAS, under the terms of the Security Agreement, the Grantor has granted to the Collateral Agent, for the ratable benefit of the Secured Parties, a security interest in, among other property, certain intellectual property of the Grantor, and has agreed as a condition thereof to execute this IP Security Agreement for recording with the U.S. Patent and Trademark Office, the United States Copyright Office and any other governmental authorities.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees as follows:

SECTION 1. Grant of Security. The Grantor hereby grants to the Collateral Agent for the ratable benefit of the Secured Parties a security interest in all of the Grantor's right, title and interest in and to the following (the "*Collateral*"):

- (i) the patents and patent applications set forth in Schedule A hereto (the "*Patents*");
- (ii) the trademark and service mark registrations and applications set forth in Schedule B hereto (provided that no security interest shall be granted in United States intent-to-use trademark applications to the extent that, and solely during the period in which, the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark applications under applicable federal law), together with the goodwill symbolized thereby (the "*Trademarks*");
- (iii) all copyrights, whether registered or unregistered, now owned or hereafter acquired by the Grantor, including, without limitation, the copyright

registrations and applications and exclusive copyright licenses set forth in Schedule C hereto (the "*Copyrights*");

(iv) all reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the foregoing, all rights in the foregoing provided by international treaties or conventions, all rights corresponding thereto throughout the world and all other rights of any kind whatsoever of the Grantor accruing thereunder or pertaining thereto;

(v) any and all claims for damages and injunctive relief for past, present and future infringement, dilution, misappropriation, violation, misuse or breach with respect to any of the foregoing, with the right, but not the obligation, to sue for and collect, or otherwise recover, such damages; and

(vi) any and all proceeds of, collateral for, income, royalties and other payments now or hereafter due and payable with respect to, and supporting obligations relating to, any and all of the Collateral of or arising from any of the foregoing.

SECTION 2. Security for Obligations. The grant of a security interest in, the Collateral by the Grantor under this IP Security Agreement secures the payment of all Obligations of the Grantor now or hereafter existing under or in respect of the Loan Documents, whether direct or indirect, absolute or contingent, and whether for principal, reimbursement obligations, interest, premiums, penalties, fees, indemnifications, contract causes of action, costs, expenses or otherwise.

SECTION 3. Recordation. The Grantor authorizes and requests that the Register of Copyrights, the Commissioner for Patents and the Commissioner for Trademarks and any other applicable government officer record this IP Security Agreement.

SECTION 4. Execution in Counterparts. This IP Security Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

SECTION 5. Grants, Rights and Remedies. This IP Security Agreement has been entered into in conjunction with the provisions of the Security Agreement. The Grantor does hereby acknowledge and confirm that the grant of the security interest hereunder to, and the rights and remedies of, the Collateral Agent with respect to the Collateral are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated herein by reference as if fully set forth herein.

SECTION 6. Governing Law. This IP Security Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, the Grantor has caused this IP Security Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

AFFORDABLE RESIDENTIAL
COMMUNITIES LP

By: AFFORDABLE RESIDENTIAL
COMMUNITIES INC., its general partner

By


Name:

Title:

Address for Notices:

600 Grant Street, Suite 900

Denver, CO 80203

Attention: Scott L. Gesell

Facsimile: (303) 294-0085

E-mail: scottg@arc-hs.com

**Schedule A to the
Intellectual Property Security Agreement**

PATENTS

None.

**Schedule B to the
Intellectual Property Security Agreement**

TRADEMARKS

Juris- diction	Mark	Reg. No. (App. No.)	Record Owner	Status
United States	A BETTER PLACE TO LIVE!	2,479,632	Affordable Residential Communities LP (formerly known as Affordable Residential Communities IV, LP)	Registered
United States	A BETTER PLACE TO LIVE!	2,490,677	Affordable Residential Communities LP (formerly known as Affordable Residential Communities IV, LP)	Registered
United States	ARC AFFORDABLE RESIDENTIAL COMMUNITIES & DESIGN	2,513,733	Affordable Residential Communities LP (formerly known as Affordable Residential Communities IV, LP)	Registered
United States	ARC AFFORDABLE RESIDENTIAL COMMUNITIES A BETTER PLACE TO LIVE! & DESIGN	2,497,980	Affordable Residential Communities LP (formerly known as Affordable Residential Communities IV, LP)	Registered
United States	ARC AFFORDABLE RESIDENTIAL COMMUNITIES A BETTER PLACE TO LIVE! & DESIGN	2,509,493	Affordable Residential Communities LP (formerly known as Affordable Residential Communities IV, LP)	Registered
United States	MISCELLANEOUS DESIGN (FOUR HOUSES)	2,776,259	Affordable Residential Communities LP (formerly known as Affordable Residential Communities IV, LP)	Registered

**Schedule C to the
Intellectual Property Security Agreement**

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None.