

## UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional] Denna Sanders (205)251-9600	
B. SEND ACKNOWLEDGMENT TO: (Name and Address)  Edward J. Ashton, Esq. Walston, Wells, Anderson & Bains, LLP P.O. Box 830642 Birmingham, AL 35283  Stamp and Return	

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 Karsons International, Inc.						
OR	1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
1c. MAILING ADDRESS 357 Highway 204			CITY Calera,	STATE AL	POSTAL CODE 35040	COUNTRY USA
1d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION corporation	1f. JURISDICTION OF ORGANIZATION Alabama		1g. ORGANIZATIONAL ID #, if any <input checked="" 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 Texhost, LLC						
OR	3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
3c. MAILING ADDRESS 901 Northeast Loop 410, Suite 807			CITY San Antonio	STATE TX	POSTAL CODE 78209	COUNTRY USA

4. This FINANCING STATEMENT covers the following collateral:

See Schedule I attached hereto and made a part hereof for a description of the property covered hereby, some of which may be or may become fixtures on the Real Estate described on Exhibit A attached hereto, of which the Debtor is the record owner.

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

**SCHEDULE 1  
TO  
UCC-1 FINANCING STATEMENT**

**Debtor: Karsons International, Inc.  
Secured Party: Texhost, LLC**

- A. The real estate described on Exhibit A attached hereto and made a part hereof (the "Real Estate") and all improvements, structures, buildings and fixtures now or hereafter situated thereon (the "Improvements").
- B. All permits, easements, licenses, rights-of-way, contracts, appurtenances, privileges, immunities, tenements and hereditaments now or hereafter pertaining to or affecting the Real Estate or the Improvements.
- C. (i) All leases, written or oral, and all written and oral agreements for use or occupancy of hotel or motel rooms and any other portion of the Real Estate or the Improvements, any and all extensions and renewals of said leases and agreements and any and all further leases or agreements, now existing or hereafter made, including subleases thereunder, upon or covering the use or occupancy of all or any part of the Real Estate or the Improvements (all such leases, subleases, agreements and tenancies heretofore mentioned being hereinafter individually referred to as a "Lease", and collectively referred to as the "Leases");
- (ii) any and all guaranties of the lessee's and any sublessee's performance under any of the Leases;
- (iii) the immediate and continuing right to collect and receive all of the rents, income, accounts, receipts, revenues, issues and profits now due or which may become due or to which the Mortgagor may now or shall hereafter (including during the period of redemption, if any) become entitled or may demand or claim, arising or issuing from or out of the Leases or from or out of the Real Estate or any of the Improvements, or any part thereof, including, but not limited to, rents, accounts and other charges of any nature whatsoever for the use of motel or hotel rooms in the hotel or motel that constitutes part of the Improvements, minimum rents, additional rents, percentage rents, common area maintenance charges, parking charges, tax and insurance premium contributions, and liquidated damages following default, the premium payable by any lessee upon the exercise of any cancellation privilege provided for in any of the Leases, and all proceeds payable under any policy of insurance covering loss of rents resulting from untenantability caused by destruction or damage to the Real Estate or the Improvements, together with any and all rights and claims of any kind that the Mortgagor may have against any such lessee under the Leases or against any subtenants or occupants of the Real Estate or any of the Improvements, all such moneys, rights and claims in this paragraph described being hereinafter referred to as the "Rents"; provided, however, so long as no Event of Default has occurred, the Mortgagor shall have the right under a

license granted hereby to collect, receive and retain the Rents (but not prior to accrual thereof); and

(iv) any award, dividend or other payment made hereafter to the Mortgagor in any court procedure involving any of the lessees under the Leases in any bankruptcy, insolvency or reorganization proceedings in any state or federal court and any and all payments made by lessees in lieu of rent. The Mortgagor hereby appoints the Mortgagee as the Mortgagor's irrevocable attorney in fact to appear in any action and/or to collect any such award, dividend or other payment.

- D. All building materials, equipment, fixtures, tools, apparatus and fittings of every kind or character now owned or hereafter acquired by the Mortgagor for the purpose of, or used or useful in connection with, the Improvements, wherever the same may be located, including, without limitation, all lumber and lumber products, bricks, stones, building blocks, sand, cement, roofing materials, paint, doors, windows, hardware, nails, wires, wiring, engines, boilers, furnaces, tanks, motors, generators, switchboards, elevators, escalators, plumbing, plumbing fixtures, air-conditioning and heating equipment and appliances, electrical and gas equipment and appliances, stoves, refrigerators, dishwashers, hot water heaters, garbage disposers, trash compactors, other appliances, carpets, rugs, window treatments, lighting, fixtures, pipes, piping, decorative fixtures, and all other building materials, equipment and fixtures of every kind and character used or useful in connection with the Improvements.
- E. Any and all furniture, furnishings, appliances, electronics, equipment, machinery, supplies, and appliances owned by the Mortgagor, including without limitation sofas, beds, linens, towels, cleaning supplies and equipment, lamps, electrical and plumbing fixtures, tables, chairs, desks, televisions, radios, microwave and other kinds of ovens, refrigerators, mini-bars, telephones, telephone systems and apparatus, and luggage racks and carts.



- F. The FF&E Reserve (as defined in paragraph 8A, below), the Impound Account (as defined in paragraph 6, below) any and all licenses, license agreements (including without limitation the License Agreement, as defined herein) franchises, franchise agreements, and other intangibles of any nature whatsoever, and any and all other personal property of every kind and nature owned by the Mortgagor now or at any time hereafter located on the Real Estate or in the Improvements and any and all other real or personal property of every kind and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred to the Mortgagee, or in which the Mortgagee is granted a security interest, as and for additional security hereunder by the Mortgagor, or by anyone on behalf of, or with the written consent of, the Mortgagor.
- G. Each and every policy of hazard insurance now or hereafter in effect which insures the Property (but, in the case of blanket policies, only to the extent that such policy is applicable to the Property), or any part thereof (including without limitation the Personal Property and Improvements, or any part thereof), together with all right, title and interest of the Mortgagor in and to each and every such policy (but, in the case of blanket policies, only to the extent that such policy is applicable to the Property), including, but not limited to, all the Mortgagor's right, title and interest in and to any premiums paid on each such policy (but, in the case of blanket policies, only to the extent that such premiums are applicable to the Property), including all rights to return premiums.
- H. Any and all awards or payments, including all interest thereon, together with the right to receive the same, that may be made to the Mortgagor with respect to the Property as a result of (a) the exercise of the right of eminent domain, (b) the alteration of the grade or of any street or (c) any other injury to or decrease in value of the Property.

EXHIBIT A  
TO  
UCC-1 FINANCING STATEMENT

[ Legal Description of the Real Estate ]

**Lot 9, according to the Map of Malik Subdivision, as recorded in Map Book 20, page 146, in the Probate Office of Shelby County, Alabama**