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THIS INSTRUMENT WAS PREPARED BY
AND UPON RECORDATION RETURN TO:

Robert S. Ladd
Haynes and Boone, LLP
One Houston Center
1221 McKinney, Suite 2100
Houston, Texas 77010
1002-256253 ALI - RTT

THIS MORTGAGE IS FILED AS AND SHALL CONSTITUTE A FIXTURE FILING IN
ACCORDANCE WITH THE PROVISIONS OF SECTION 7-9A-502(c) OF THE CODE
OF ALABAMA 1975

(Space above this line for recording purposes only.)

LSREF3/AH CHICAGO, LLC, a Delaware limited liability company,
and
LSREF3/AH CHICAGO TENANT, LLC, a Delaware limited liability company,
as Mortgagors

for the benefit of

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Collateral Agent, as Mortgagee

**MORTGAGE, ASSIGNMENT OF LEASES AND RENTS,
SECURITY AGREEMENT AND FIXTURE FILING**

| | |
|-----------|-----------------------------------------------|
| Dated: | As of November 30, 2018 |
| Location: | 4686 Highway 280 East Birmingham, AL 35242 |
| County: | Shelby |

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT, AND FIXTURE FILING (this "Security Instrument") is made as of this 30th day of November, 2018, by **LSREF3/AH CHICAGO, LLC**, a Delaware limited liability company, having an address at 7250 Dallas Parkway, Suite 400, Plano, TX 75024 ("PropCo") and **LSREF3/AH CHICAGO TENANT, LLC**, a Delaware limited liability company, having an address at 7250 Dallas Parkway, Suite 400, Plano, TX 75024 ("Master Lessee") (PropCo and Master Lessee, together with their respective permitted successors and assigns, individually or collectively (as the context requires) referred to herein as "Mortgagor"), as Mortgagor, for the benefit of **WILMINGTON TRUST, NATIONAL ASSOCIATION**, having an address to which notices may be mailed or delivered of 50 Sixth Street, Suite 1290, Minneapolis, MN 55402 Attn: Jeffery Rose, acting in its capacity as Collateral Agent ("Mortgagee") for the Lenders defined below.

RECITALS:

A. PropCo is the owner of the Land and the Improvements (defined below) and other portions of the Mortgaged Property (defined below). Master Lessee leases the Land and Improvements from PropCo pursuant to that certain Master Lease Agreement ("Operating Lease") dated as of November 12, 2014, and operates the Hotel (defined below) on the Land and Improvements, and owns portions of the Mortgaged Property. PropCo and Master Lessee collectively own all of the Mortgaged Property.

B. ARA USH Investment Holding, LLC, a Delaware limited liability company ("Company"), certain Lenders (defined in the Facility Agreement, defined below), and DBS Bank Ltd., in its capacity as facility agent ("Facility Agent") and certain other parties, entered into that certain Facility Agreement dated as of November 28, 2018 (hereinafter referred to, as it may from time to time be amended, supplemented, restated, substituted or replaced, as the "Facility Agreement").

C. Pursuant to that certain Accession Letter dated as of the date hereof executed by PropCo and Master Lessee, PropCo has become a party to the Facility Agreement as a Borrower (Company and PropCo are each, a "Borrower" and collectively, "Borrowers") and Master Lessee has become a party to the Facility Agreement as a Guarantor. Borrowers and Guarantor are each referred to herein as an "Obligor" and collectively, "Obligors".

D. Contemporaneous with the execution of this Security Instrument, Borrowers, Master Lessee, Facility Agent, and Mortgagee entered into that certain Collateral Agreement (hereinafter referred to, as it may from time to time be amended, supplemented, restated, substituted or replaced, as the "Collateral Agreement").

E. Under the terms of the Facility Agreement, Lenders have agreed to make certain term loans ("Loans") to Borrowers.

F. Pursuant to the terms of the Facility Agreement and the Collateral Agreement, Mortgagor has agreed to grant liens against the Properties as collateral for Finance Parties (as defined in the Facility Agreement) for the Secured Obligations (as such term is defined in *Section 2.3* below).

G. The Loans shall be in the aggregate maximum amount of Five Hundred Fifty One Million Dollars (\$551,000,000), and it is the intention of Mortgagor and Mortgagee that the Secured Obligations include and apply to all such amounts and that this Security Instrument secure the payment and performance of all such Secured Obligations.

H. All capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Facility Agreement. For purposes of this Security Instrument, the “Obligations” means the “Liabilities” as defined in the Facility Agreement.

I. This Security Instrument is given pursuant to the Facility Agreement and the Collateral Agreement (collectively referred to herein, as the “Loan Agreements”), and payment, fulfillment, and performance of the Obligations are secured hereby in accordance with the terms hereof.

Article 1 — GRANTS OF SECURITY

Section 1.1. PROPERTY MORTGAGED. Mortgagor, for good and valuable consideration, does hereby irrevocably mortgage, grant, bargain, sell, pledge, assign, warrant, transfer, convey and grant a security interest to Mortgagee and its successors and permitted assigns in and to the following property, rights, interests and estates, each to the extent now owned, or hereafter acquired by such Mortgagor (collectively, “Mortgaged Property”):

(a) Land. The real property described in Exhibit A attached hereto and made a part hereof (collectively, the “Land”);

(b) Additional Land. All additional lands, estates and development rights hereafter acquired by Mortgagor for use in connection with the Land and the development of the Land and all additional lands and estates therein which may, from time to time, by supplemental mortgage or otherwise be expressly made subject to the Lien of this Security Instrument;

(c) Improvements. The buildings, structures, fixtures, additions, alterations, appurtenances, enlargements, extensions, modifications, repairs, replacements and improvements now or hereafter erected or located on the Land (collectively, the “Improvements”);

(d) Easements. All easements, rights-of-way or use, rights, strips and gores of land, streets, ways, alleys, passages, sewer rights, water, water courses, water rights and powers, air rights and development rights, and all estates, rights, titles, interests, privileges, liberties, servitudes, tenements, hereditaments and appurtenances of any nature whatsoever, in any way now or hereafter belonging, relating or pertaining to the Land and the Improvements, and the reversions and remainders, and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Land, and all the estates, rights, titles, interests, rights of dower, rights of curtesy, property, possession, claim and demand whatsoever, both at law and in equity, of Mortgagor of, in and to the Land and the Improvements, and every part and parcel thereof, with the appurtenances thereto;

(e) Fixtures and Personal Property. All machinery, equipment, furniture, furnishings, appliances, goods, fixtures (including, but not limited to, all heating, air-conditioning, plumbing, lighting, communications and elevator fixtures, inventory and goods), inventory, articles of personal property and accessions thereof and renewals, replacements thereof and substitutions therefor (including, but not limited to, electric and electronic equipment, computer equipment, lighting and plumbing fixtures, fire prevention and extinguishing apparatus, cooling and air-conditioning systems, elevators, escalators, fittings, plants, apparatus, machinery, engines, motors, boilers, incinerators, conduits, compressors, to the extent assignable, and any and all software embedded in or used in connection with any of the foregoing), other customary equipment and other tangible property of every kind and nature whatsoever owned by Mortgagor, or in which Mortgagor has or shall have an interest (to the extent Mortgagor is not prohibited from granting a security interest therein), now or hereafter located upon the Land and the Improvements, or

appurtenant thereto, or used in connection with the present or future planning, development, use, operation and occupancy of the Land and the Improvements, and all building equipment, materials and supplies of any nature whatsoever owned by Mortgagor, or in which Mortgagor has or shall have an interest (to the extent Mortgagor is not prohibited from granting a security interest therein), now or hereafter located upon the Land and the Improvements for use or installation in or on the Land or the Improvements, or appurtenant thereto, or used in connection with the present or future planning, development, use, operation and occupancy of the Land and the Improvements (hereinafter collectively called the "Personal Property"), including the right, title and interest of Mortgagor in and to any of the Personal Property which may be subject to any security interests, as defined in the Uniform Commercial Code, as adopted and enacted by the state or states where any of the Mortgaged Property is located (the "Uniform Commercial Code"), or equipment leases superior in lien to the Lien of this Security Instrument and all proceeds and products of all of the above. Notwithstanding the foregoing, "Personal Property" shall not include any property which Hotel guests or tenants under the Leases are entitled to remove except to the extent that Mortgagor shall have any right or interest therein;

(f) Leases and Rents. All existing or future leases (including the Operating Lease), subleases, rental agreements and other agreements whether or not in writing for the use or occupancy of the Land and/or the Improvements, or any part thereof, heretofore or hereafter entered into and all extensions, renewals, amendments, replacements, and modifications thereto or thereof, and each existing or future guaranty of payment or performance thereunder, whether before or after the filing by or against Mortgagor of any petition for relief under Debtor Relief Laws (collectively, the "Leases") and all right, title and interest of Mortgagor, its successors and assigns therein and thereunder, including, without limitation, any guaranties of the lessees' obligations thereunder, cash or securities deposited or letters of credit delivered thereunder to secure the performance by the lessees of their obligations thereunder and all rents, additional rents, bonuses, revenues, issues, proceeds, and profits (including all rents, revenues, bonus money, royalties, rights, and benefits accruing to Mortgagor under all present and future oil, gas and mineral leases on any parts of the Land and the Improvements) from the Land and the Improvements, all income, rents, issues, profits, revenues, deposits, accounts and other benefits from operation of the Improvements on the Land and/or the Improvements, including, without limitation, all receivables, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of sale, Lease, sublease, license, concession or other grant of the right of the possession, use or occupancy of all or any portion of the Land or Improvements (or both), or personalty located thereon, or rendering of services by Mortgagor or any operator or manager of the Improvements or the commercial space located in the Improvements or acquired from others including, without limitation, from business interruption or other loss of income insurance relating to the use, enjoyment or occupancy of the Land or the Improvements (or both) whether paid or accruing before or after the filing by or against Mortgagor of any petition for relief under Debtor Relief Laws and all proceeds and other amounts paid or owing to Mortgagor under or pursuant to any and all contracts and bonds relating to the construction or renovation of the Property (collectively, the "Rents") and all proceeds from the sale or other disposition of the Leases and the right to receive and apply the Rents to the payment of the Secured Obligations;

(g) Hotel Revenues. All revenues, receipts, income, accounts receivable and other receivables and any other right of Mortgagor to payment or compensation for guest and meeting room rentals, spa and fitness club receipts, parking revenues, food and beverage operations or any other services rendered in connection with the ownership or operation of the Hotel, whether or not yet earned by performance, or evidenced by an instrument or chattel paper. As used herein, the term "Hotel" means the hotel and related facilities known as "Hyatt Place Hotel" operated on the Land and Improvements;

(h) Credit Card Rights. All rights to payment from any consumer credit/charge card organization or entity (such as or similar to the organizations or entities which sponsor and administer the American Express, Carte Blanche, Diner's Club, Visa, the Discover Card, and MasterCard cards) in connection with the operation of the Hotel;

(i) Insurance Proceeds. To the extent assignable and subject to Mortgagor's rights with respect to Restoration set forth in the Collateral Agreement, all insurance proceeds in respect of the Mortgaged Property under any insurance policies covering the Mortgaged Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Mortgaged Property (collectively, the "Insurance Proceeds"), subject to the terms of the Collateral Agreement;

(j) Condemnation Awards. Subject to Mortgagor's rights with respect to Restoration as set forth in the Collateral Agreement, all condemnation awards, including interest thereon, which may heretofore and hereafter be made with respect to the Mortgaged Property by reason of any taking or condemnation, whether from the exercise of the right of eminent domain (including, but not limited to, any transfer made in lieu of or in anticipation of the exercise of the right), or for a change of grade, or for any other injury to or decrease in the value of the Mortgaged Property (collectively, the "Awards");

(k) Tax Certiorari. All refunds, rebates or credits in connection with reduction in real estate taxes and assessments charged against the Mortgaged Property as a result of tax certiorari or any applications or proceedings for reduction;

(l) Agreements. To the extent assignable in accordance with their express terms, all agreements, contracts, certificates, instruments, franchises, permits, licenses, and other documents, now or hereafter entered into, and all rights therein and thereto, in each case respecting or pertaining to the use, occupation, design, construction, development, management or operation of the Land and any part thereof and any Improvements or any business or activity conducted on the Land and any part thereof (including, without limitation, all permits, licenses, variances and other rights and approvals issued by or obtained from any Governmental Authority or other Person in connection with the development of the Land or the construction or repair of the Improvements) and all right, title and interest of Mortgagor therein and thereunder, including, without limitation, the right, during the continuance of an Event of Default, to receive and collect any sums payable to Mortgagor thereunder;

(m) Intangibles. All trade names, trademarks, service marks, logos and copyrights, goodwill, books and records, advertising materials, telephone exchange numbers identified in such materials, and all other general intangibles and payment intangibles relating to or used in connection with the operation of the Land, the Improvements and the Personal Property;

(n) Mortgagor Accounts. All right, title and interest of Mortgagor, if any, arising from the operation of the Land and the Improvements in and to all payments for goods or property sold or leased or for services rendered, whether or not yet earned by performance, and whether or not evidenced by an instrument or chattel paper, (hereinafter referred to as "Accounts Receivable") including, without limiting the generality of the foregoing, (i) all accounts, contract rights, book debts, and notes arising from the operation of the Improvements on the Land or arising from the sale, lease or exchange of goods or other property and/or the performance of services, (ii) Mortgagor's rights in, to and under all purchase orders for goods, services or other property to be used in connection with the operation of the Improvements on the Land, (iii) Mortgagor's rights to any goods, services or other property to be used in connection with the operation of the

Improvements on the Land represented by any of the foregoing, (iv) monies due to or to become due to Mortgagor under all contracts for the sale, lease or exchange of Personal Property, and (v) all collateral security and guaranties of any kind given by any Person with respect to any of the foregoing. Accounts Receivable shall include those now existing or hereafter created, substitutions therefor, proceeds (whether cash or non-cash, movable or immovable, tangible or intangible) received upon the sale, exchange, transfer, collection or other disposition or substitution thereof and any and all of the foregoing and proceeds therefrom excluding, for the avoidance of doubt, the revenue and operating account of the Hotel operated by the Hotel Operator;

(o) Reserve Accounts. All reserves, escrows and deposit accounts required in relation to the Land and the Improvements under the Loan Agreements or the other Finance Documents and all cash, checks, drafts, certificates, securities, investment property, financial assets, instruments and other property held therein from time to time and all proceeds, products, distributions or dividends or substitutions thereon and thereof;

(p) Miscellaneous. All (i) plans and specifications (to the extent owned by Mortgagor) for the Improvements; (ii) Mortgagor's rights, but not liability for any breach by Mortgagor, under all insurance policies (or additional or supplemental coverage related thereto, including from an insurance provider meeting the requirements of the Finance Documents or from or through any state or federal government sponsored program or entity); (iii) deposits and deposit accounts arising from or related to any transactions related to the Land or the Improvements (including but not limited to Mortgagor's rights in deposits with respect to utility services to the Land or the Improvements), rebates or refunds of impact fees or other taxes, assessments or charges, money, accounts (including deposit accounts), instruments, documents, promissory notes and chattel paper (whether tangible or electronic) arising from or by virtue of any transactions related to the Land or the Improvements, and any account or deposit account from which Mortgagor may from time to time authorize Mortgagee to debit and/or credit payments due with respect to the Loans; (iv) permits, licenses, franchises, certificates, development rights, commitments and rights for utilities, and other rights and privileges, in each case, obtained in connection with the Land or the Improvements; (v) subject to the rights of others therein, as-extracted collateral produced from or allocated to the Land including, without limitation, oil, gas and other hydrocarbons and other minerals and all products processed or obtained therefrom, and the proceeds thereof; and (vi) engineering, title, and other related data concerning the Mortgaged Property which are in the possession of Mortgagor and in which Mortgagor can grant a security interest.

(q) Operating Lease. All of Master Lessee's rights, titles and interests in and to the Operating Lease.

(r) Swap Contracts. All of Mortgagor's rights under any Swap Contract (defined below). As used herein, the following terms shall have the following meanings:

"Swap Contract" means any agreement, whether or not in writing, relating to any Swap Transaction, including, unless the context otherwise clearly requires, any agreement or contract that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act and CFTC Regulation 1.3(xxx), any form of master agreement (the "Master Agreement") published by the International Swaps and Derivatives Association, Inc., and any other master agreement, entered into on or prior to the date of this Security Instrument or any time after the date of this Security Instrument, between Swap Counterparty and a Borrower (or its Affiliate), together with any related schedule and confirmation, as amended, supplemented, superseded or replaced from time to time.

“Swap Counterparty” means any Person in its capacity as a party to a Swap Contract that, at the time it enters into a Swap Contract not prohibited under Loan Agreements, is a Lender or an Affiliate of a Lender, in its capacity as a party to such Swap Contract (even if such Person ceases to be a Lender or such Person’s Affiliate ceased to be a Lender (unless the applicable Borrower’s obligations under such Swap Contract are not secured by a lien against the Mortgaged Property)); provided, in the case of a Swap Contract with a Person who is no longer a Lender (or Affiliate of a Lender), such Person shall be considered a Swap Counterparty only through the stated termination date (without extension or renewal) of such Swap Contract.

“Swap Transaction” means any transaction that is a rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap or option, bond option, note or bill option, interest rate option, forward foreign exchange transaction, cap transaction, spot or floor transaction, collar transaction, floor transaction, currency swap transaction, cross-currency rate swap transaction, swap option, currency option, credit swap or default transaction, T-lock, or any other similar transaction (including any option to enter into the foregoing) or any combination of the foregoing, entered into on or prior to the date of this Security Instrument or any time after the date of this Security Instrument between Swap Counterparty and a Borrower (or its Affiliate) so long as such transaction is entered into in connection with the Loans, and a writing, such as a Swap Contract, evidences the parties’ intent that such obligations shall be secured by this Security Instrument.

(s) Proceeds. All proceeds of any of the foregoing items set forth in *Sections 1.1(a) through 1.1(r)* including, without limitation, Net Proceeds (as defined in the Collateral Agreement), into cash or liquidation claims;

(t) Other Rights. Any and all other rights of Mortgagor in and to the items set forth in *Sections 1.1(a) through 1.1(s)* above.

Section 1.2. ASSIGNMENT OF RENTS. Mortgagor hereby absolutely and unconditionally assigns to Mortgagee, for the benefit of Finance Parties, all Rents and all of Mortgagor’s rights in and under all Leases. This assignment is an absolute assignment and not an assignment for additional security only. So long as no Event of Default has occurred and is continuing, Mortgagor shall have a license (which license shall terminate automatically and without notice upon the occurrence of an Event of Default) to collect, but not prior to accrual, the Rents under the Leases and, where applicable, subleases. Each month, provided no Event of Default has occurred and is continuing, Mortgagor may retain such Rents as were collected that month; *provided, however, that* all Rents collected by Mortgagor shall be applied to the ordinary and necessary expenses of owning and operating the Mortgaged Property or for any purpose not prohibited by the Loan Agreements. Upon the revocation of such license upon the occurrence of an Event of Default, and for so long as such Event of Default shall be continuing, all Rents shall, at the option of Mortgagee, be paid directly to Mortgagee and not through Mortgagor, all without the necessity of any further action by Mortgagee, including, without limitation, any action to obtain possession of the Land, Improvements or any other portion of the Mortgaged Property or any action for the appointment of a receiver. Mortgagor hereby authorizes and directs the tenants under the Leases to pay Rents to Mortgagee upon written demand by Mortgagee directing such parties to deliver all Rents directly to Mortgagee, without further consent of Mortgagor, without any obligation on the part of such tenants to determine whether an Event of Default has in fact occurred and regardless of whether Mortgagee has taken possession of any portion of the Mortgaged Property, and the tenants may rely upon any written statement delivered by Mortgagee to the tenants. Any such payments to Mortgagee shall constitute payments to Mortgagor under

the Leases, and Mortgagor hereby irrevocably appoints Mortgagee as its attorney-in-fact to do all things, during the continuance of an Event of Default, which Mortgagor might otherwise do with respect to the Mortgaged Property and the Leases thereon, including, without limitation, (a) collecting Rents with or without suit and applying the same, less expenses of collection, to any of the Secured Obligations or to expenses of operating and maintaining the Mortgaged Property (including reasonable reserves for anticipated expenses), at the option of Mortgagee, all in such manner as may be determined by Mortgagee, or at the option of Mortgagee, holding the same as security for the payment of the Secured Obligations, and (b) employing agents therefor and paying such agents reasonable compensation for their services. The waiving or curing of such Event of Default, unless other Events of Default also then exist, shall entitle Mortgagor to recover its aforesaid license to do any such things which Mortgagor might otherwise do with respect to the Mortgaged Property and the Leases thereon and to again collect such Rents. However, notwithstanding the provisions of this **Section 1.2**, no credit shall be given by Mortgagee for any sum or sums received from the Rents of the Mortgaged Property until the money collected is actually received by Mortgagee at its principal office, or at such other place as Mortgagee shall designate in writing, and no such credit shall be given for any uncollected Rents or other uncollected amounts or bills, nor shall such credit be given for any Rents derived from the Mortgaged Property after foreclosure or other transfer of the Mortgaged Property (or part thereof from which Rents are derived pursuant to this Security Instrument or by agreement) to Mortgagee or any other third party. Receipt of Rents by Mortgagee shall not be deemed to constitute a pro-tanto payment of the indebtedness evidenced by, or arising under, this Security Instrument, the Loan Agreements or any of the other Finance Documents, but shall be applied as provided above. The powers and rights granted in this **Section 1.2** shall be in addition to the other remedies herein provided for upon the occurrence of an Event of Default and may be exercised independently of or concurrently with any of said remedies. Nothing in the foregoing shall be construed to impose any obligation upon Mortgagee to exercise any power or right granted in this **Section 1.2** or to assume any liability under any lease of any part of the Mortgaged Property and no liability shall attach to Mortgagee for failure or inability to collect any Rents under any such Lease. Rents shall not be credited against the Secured Obligations except to the extent actually received by Mortgagee. The assignment contained in this **Section 1.2** shall become null and void upon the release of this Security Instrument. Mortgagee's acceptance of this assignment shall not be deemed to constitute Mortgagee as a "mortgagee in possession," nor obligate Mortgagee to appear in or defend any proceeding relating to any Lease or to the Mortgaged Property, or to take any action hereunder, expend any money, incur any expenses, or perform any obligation or liability under any Lease, or assume any obligation for any deposit delivered to Mortgagor by any tenant and not as such delivered to and accepted by Mortgagee. Mortgagee shall not be liable, for any injury or damage to person or property in or about the Mortgaged Property, or for Mortgagee's failure to collect or to exercise diligence in collecting Rents, but shall be accountable only for Rents that it shall actually receive. Neither the assignment of Leases and Rents nor enforcement of Mortgagee's rights regarding Leases and Rents (including collection of Rents) nor possession of the Mortgaged Property by Mortgagee nor Mortgagee's consent to or approval of any Lease (nor all of the same), shall render Mortgagee liable on any obligation under or with respect to any Lease or constitute affirmation of, or any subordination to, any Lease, occupancy, use or option. If Mortgagee seeks or obtains any judicial relief regarding Rents or Leases, the same shall in no way prevent the concurrent or, to the extent permitted by applicable law, subsequent employment of any other appropriate rights or remedies nor shall same constitute an election of judicial relief for any foreclosure or any other purpose. Mortgagee neither has nor assumes any obligations as lessor or landlord with respect to any Lease. The rights of Mortgagee under this **Section 1.2** shall be cumulative of all other rights of Mortgagee under the Loan Agreements, the Finance Documents, or otherwise.

Section 1.3. SECURITY AGREEMENT. This Security Instrument is both a real property mortgage and a "security agreement" within the meaning of the Uniform Commercial Code. The Mortgaged Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Mortgagor in the Mortgaged Property. By executing and delivering this Security Instrument,

Mortgagor hereby grants to Mortgagee, as security for the Secured Obligations (hereinafter defined), a security interest in the Personal Property to the full extent that the Personal Property may be subject to the Uniform Commercial Code. This Security Instrument shall also be effective as a financing statement covering as-extracted minerals or the like (including oil and gas) and accounts subject to Section 9.502 of the Uniform Commercial Code, as amended, and is to be filed for record in the real estate records of the county where the Mortgaged Property is situated. The mailing address of Mortgagor and the address of Mortgagee from which information concerning the security interest may be obtained are set forth above.

Section 1.4. FIXTURE FILING. Without in any manner limiting the generality of any of the other provisions of this Security Instrument: (a) some portions of the goods described or to which reference is made herein are or are to become fixtures on the Land described or to which reference is made herein or on Exhibit A attached to this Security Instrument; (b) this Security Instrument is to be filed of record in the real estate records as a financing statement and shall constitute a “fixture filing” for purposes of the Uniform Commercial Code; and (c) Mortgagor is the record owner of the real estate or interests in the real estate constituting the Mortgaged Property hereunder. Information concerning the security interest herein granted may be obtained at the addresses set forth on the first page hereof. The address of the Debtor (Mortgagor) is set forth on the first page hereof and the address of the Secured Party (Mortgagee) is set forth below. In that regard, the following information is provided:

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|-----------------------------------|----------------------------------------------------------------|
| <u>Name of Debtor:</u> | LSREF3/AH CHICAGO, LLC |
| <u>Type of Organization:</u> | limited liability company |
| <u>State:</u> | Delaware |
| <u>Debtor's FEIN:</u> | 38-3910359 |
| <u>Organizational ID Number:</u> | 5352641 |
| <u>Name of Additional Debtor:</u> | LSREF3/AH CHICAGO TENANT, LLC |
| <u>Type of Organization:</u> | limited liability company |
| <u>State:</u> | Delaware |
| <u>Additional Debtor's FEIN:</u> | 35-2512619 |
| <u>Organizational ID Number:</u> | 5575944 |
| <u>Name of Secured Party:</u> | WILMINGTON TRUST, NATIONAL ASSOCIATION, as Collateral Agent |
| <u>Address of Secured Party:</u> | 50 Sixth Street, Suite 1290 Minneapolis, MN 55402 |

Section 1.5. CONDITIONS TO GRANT. TO HAVE AND TO HOLD the above granted and described Mortgaged Property unto and to the use and benefit of Mortgagee and Finance Parties, as described herein, and their successors and assigns, forever, subject only to the Permitted Encumbrances (defined below); PROVIDED, HOWEVER, these presents are upon the express condition that, if Finance Parties shall be paid the Obligations (as such term is defined in **Section 2.1** below) at the time and in the manner provided in the Facility Agreement, and this Security Instrument, and if the Obligors, as applicable,

shall perform the Other Obligations as set forth in this Security Instrument and the other Finance Documents, these presents and the estate hereby granted shall cease, terminate and be void, and Mortgagee shall promptly execute and deliver to Mortgagor for recording at Mortgagor's expense among the appropriate public records a release of this Security Instrument in recordable form.

Section 1.6. GRANTS TO MORTGAGEE. This Security Instrument and the grants, assignments and transfers made to Mortgagee in this *Article 1* shall inure to Mortgagee solely in its capacity as Finance Parties' collateral agent under the Collateral Agreement.

Article 2 — DEBT AND OBLIGATIONS SECURED

Section 2.1. OBLIGATIONS. This Security Instrument and the grants, assignments and transfers made in *Article 1* are given for the purpose of securing payment of the Obligations, in accordance with the Facility Agreement, the Collateral Agreement and other Finance Documents.

Section 2.2. OTHER OBLIGATIONS. This Security Instrument and the grants, assignments and transfers made in *Article 1* of this Security Instrument are also given for the purpose of securing the performance of the following (collectively, the "Other Obligations"): (a) all other obligations of Mortgagor contained herein; (b) such future or additional indebtedness of any Obligor or Obligors to Mortgagee, Facility Agent or any Lender in each case, in connection with or pursuant to the Facility Agreement or other Finance Document, or such future or additional advances for construction, improvements, preservation, maintenance and operation of the Mortgaged Property and the security for payment of the Obligations as may be made by Mortgagee, Facility Agent or any Lender, in each case, in connection with or pursuant to the Facility Agreement or the other Finance Documents, whether such future advances are obligatory or are made at Mortgagee's, Facility Agent's or such Lender's option, to any Obligor or Obligors for any purpose, and (c) all indebtedness, liabilities, duties, covenants, promises and other obligations owed by any Obligor or Obligors to any Swap Counterparty under any Swap Contract, whether now existing or hereafter arising, and whether joint or several, direct or indirect, primary or secondary, fixed or contingent, liquidated or unliquidated, and the cost of collection of all such amounts.

Section 2.3. OBLIGATIONS AND OTHER OBLIGATIONS. Obligors' obligations for the payment of the Obligations and the Other Obligations shall be referred to collectively herein as the "Secured Obligations."

Section 2.4. PAYMENT OF SECURED OBLIGATIONS AND FINAL MATURITY DATE. Mortgagor will pay or, as applicable, perform the Secured Obligations at the time and in the manner provided in the Facility Agreement, this Security Instrument and the other Finance Documents or, if the Finance Documents do not specify a time for payment, within five (5) Business Days of written demand by Facility Agent.

Article 3 — PROPERTY COVENANTS

Mortgagor covenants and agrees that:

Section 3.1. INSURANCE. Mortgagor shall obtain and maintain, or cause to be obtained and maintained, in full force and effect at all times insurance with respect to Mortgagor and the Mortgaged Property as required pursuant to the Collateral Agreement.

Section 3.2. TAXES AND OTHER CHARGES. Mortgagor shall pay all real estate and personal property taxes, assessments, water rents or sewer rents (collectively, "Taxes"), ground rents, maintenance charges, impositions (other than Taxes), and any other charges, including, without limitation, vault charges

and license fees for the use of vaults, chutes and similar areas adjoining the Mortgaged Property (collectively, "Other Charges"), now or hereafter levied or assessed or imposed against the Mortgaged Property or any part thereof in accordance with the Collateral Agreement. After prior written notice to Mortgagee, Mortgagor, at its own expense, may contest by appropriate legal proceedings, promptly initiated and conducted in good faith and with due diligence, the amount or validity or application in whole or in part of any of the Taxes or Other Charges, provided that (i) no Event of Default has occurred and is continuing, (ii) Mortgagor is permitted to do so under the provisions of any other mortgage, deed of trust or deed to secure debt affecting the Mortgaged Property, (iii) such proceeding shall suspend the collection of the Taxes or Other Costs from Mortgagor and from the Mortgaged Property or Mortgagor shall have paid all of the Taxes or Other Costs under protest, (iv) such proceeding shall be permitted under and be conducted in accordance with the provisions of any other instrument to which Mortgagor is subject and shall not constitute a default thereunder, (v) neither the Mortgaged Property nor any part thereof or interest therein will be in danger of being sold in breach of the Facility Agreement, forfeited, terminated, canceled or lost, and (vi) Mortgagor shall have furnished the security as may be required in the proceeding, or as may be reasonably requested by Mortgagee, to insure the payment of any contested Taxes or Other Costs, together with all interest and penalties thereon.

Section 3.3. LEASES. Mortgagor shall not (and shall not permit any other applicable Person to) enter in any Leases for all or any portion of the Mortgaged Property unless in accordance with the provisions of the Collateral Agreement.

Section 3.4. WARRANTY OF TITLE. Mortgagor has good, indefeasible, and insurable title to the Mortgaged Property and has the right to mortgage, grant, bargain, sell, pledge, assign, warrant, transfer and convey the same. PropCo possesses an unencumbered fee simple absolute estate in the Land and the Improvements except for the Permitted Encumbrances (defined below). This Security Instrument, when properly recorded in the appropriate records, together with any Uniform Commercial Code financing statements required to be filed in connection therewith, will create (a) a valid, perfected first priority Lien on the Mortgaged Property, subject only to Permitted Encumbrances and (b) perfected security interests in and to, and perfected collateral assignments of, all of Mortgagor's right, title and interest in and to all personalty constituting a portion of the Mortgaged Property (including the Leases), all in accordance with the terms thereof, in each case subject only to any applicable Permitted Encumbrances. Subject to the Permitted Encumbrances, Mortgagor shall forever warrant, defend and preserve the title and the validity and priority of the Lien of this Security Instrument and shall forever warrant and defend the same to Mortgagee and Lenders against the claims of all Persons whomsoever. As used herein, the term "Permitted Encumbrances" shall mean, collectively, (i) the Lien and security interests created by, or permitted under, the Finance Documents, (ii) all Liens, encumbrances and other matters disclosed in Mortgagee's title insurance policy issued in connection with the Loans, (iii) Liens, if any, for Taxes imposed by any governmental authority not yet due or delinquent, (iv) Liens, if any, for property owner's association dues or assessments or hotel occupancy taxes or the equivalent, not yet due or delinquent, (v) rights of Hotel guests, as Hotel guests only, and rights of tenants under the Leases, as tenants only, (vi) any Lien or bill for labor or material which is not yet more than thirty (30) days past due or the charges for which are being contested in good faith and have been bonded over, (vii) Liens of a collecting bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection, (viii) Liens in favor of a banking institution arising as a matter of law encumbering deposits (including the right of setoff) that are customary in the banking industry, (ix) such other title and survey exceptions as Facility Agent has approved or may approve in writing in Facility Agent's reasonable discretion, and (x) the provisions of any equipment leases which are not prohibited by the Loan Agreements. Notwithstanding the above, Mortgagor may grant, without Mortgagee's consent, easements and other rights necessary or desirable for the operation and development of the Mortgaged Property on the condition that the granting of such easements and other rights shall not, individually or in the aggregate, interfere with the benefits intended to be provided by this Security Instrument, adversely affect the marketability of the Mortgaged Property, or impair the use or

operation of the Mortgaged Property, and any such easement or other right shall constitute a Permitted Encumbrance.

Section 3.5. ADDITIONS TO SECURITY. All right, title and interest of Mortgagor in and to all Improvements hereafter constructed or placed on the Mortgaged Property and in and to any Personal Property hereafter acquired shall, without any further mortgage, conveyance, assignment or other act by Mortgagor, become subject to the Lien of this Security Instrument as fully and completely, and with the same effect, as though now owned by Mortgagor and specifically described in the granting clauses hereof. Mortgagor agrees, however, to execute and deliver to Mortgagee such further documents as may be required by the terms of the Loan Agreements and the other Finance Documents.

Section 3.6. COLLATERAL AGREEMENT. Mortgagor has executed this Security Instrument to and for the benefit of Mortgagee (for the benefit of the Finance Parties) pursuant to the terms of the Collateral Agreement. The Collateral Agreement contains certain covenants, representations and warranties of Mortgagor with respect to the Mortgaged Property which are incorporated herein by reference.

Article 4 — FURTHER ASSURANCES

Section 4.1. AUTHORIZATION TO FILE FINANCING STATEMENTS; POWER OF ATTORNEY. Mortgagor hereby authorizes Mortgagee at any time and from time to time to file any initial financing statements, amendments thereto and continuation statements as authorized by applicable law, required by Mortgagee to establish or maintain the validity, perfection and priority of the security interests granted in this Security Instrument. The foregoing authorization includes Mortgagor's irrevocable authorization for Mortgagee at any time and from time to time to file any initial financing statements and amendments thereto that indicate the personal property comprising the Mortgaged Property (a) as "all assets" of Mortgagor or words of similar effect, regardless of whether any particular asset comprised in the personal property comprising the Mortgaged Property falls within the scope of the Uniform Commercial Code of the State or the jurisdiction where the initial financing statement or amendment is filed, or (b) as being of an equal or lesser scope or with greater detail. For purposes of such filings, Mortgagor agrees to furnish any information requested by Mortgagee promptly upon request by Mortgagee. Mortgagor also ratifies its authorization for Mortgagee to have filed any like initial financing statements, amendments thereto or continuation statements if filed prior to the date of this Security Instrument. Mortgagee shall provide Mortgagor with copies of any notices and/or instruments of filings executed and/or filed by Mortgagee in accordance with this **Section 4.1**. Mortgagor hereby irrevocably constitutes and appoints Mortgagee and any officer or agent of Mortgagee, with full power of substitution, as its true and lawful attorneys-in-fact with full irrevocable power and authority in the place and stead of Mortgagor or in Mortgagor's own name to execute in Mortgagor's name any such documents and to otherwise carry out the purposes of this **Section 4.1**, to the extent that Mortgagor's authorization above is not sufficient. Notwithstanding anything to the contrary in the immediately preceding sentence, Mortgagee shall not execute any documents as attorney in fact for Mortgagor unless (i) Mortgagor is required pursuant to the terms of this Security Instrument or any other Loan Agreement to execute and deliver the same and Mortgagor shall have failed or refused to execute the same within ten (10) Business Days after delivery of Mortgagee's written request to Mortgagor or (ii) an Event of Default has occurred and is continuing. To the extent permitted by law, Mortgagor hereby ratifies all acts said attorneys-in-fact shall lawfully do, have done in the past or cause to be done in the future by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable. Notwithstanding the grant of authority in this **Section 4.1**, Mortgagor shall make all filings as may be required to establish or maintain the validity, perfection and priority of the security interests granted in this Security Instrument.

Article 5 — DUE ON SALE/ENCUMBRANCE

Section 5.1. NO SALE/ENCUMBRANCE. Except in accordance with the express terms and conditions contained in the Loan Agreements or as permitted pursuant to this Security Instrument, Mortgagor shall not cause or permit a sale, conveyance, mortgage, grant, bargain, encumbrance, pledge, assignment, or grant of any options with respect to, or any other transfer or disposition (directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, and whether or not for consideration or of record) of a legal or beneficial interest in the Mortgaged Property or any part thereof.

Article 6 — [INTENTIONALLY OMITTED]

Article 7 — DEFAULT

Section 7.1. EVENT OF DEFAULT. The term “Event of Default” as used in this Security Instrument shall mean an “Event of Default,” as such term is defined in the Facility Agreement.

Article 8 — RIGHTS AND REMEDIES UPON DEFAULT

Section 8.1. REMEDIES. Upon the occurrence and during the continuance of any Event of Default, Mortgagor agrees that Mortgagee may (but shall not be obligated to) take such action, without notice or demand, as it deems advisable to protect and enforce its rights against Mortgagor, any other Obligor (as applicable) and in and to the Mortgaged Property, including, but not limited to, any one or more of the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as Mortgagee may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of Mortgagee:

- (a) declare the entire unpaid Secured Obligations to be immediately due and payable, and to terminate any Swap Contract;
- (b) institute proceedings, judicial or otherwise, for the complete foreclosure of this Security Instrument under any applicable provision of law, in which case the Mortgaged Property or any interest therein may be sold for cash or upon credit in one or more parcels or in several interests or portions and in any order or manner;
- (c) with or without entry, to the extent permitted and pursuant to the procedures provided by applicable law, institute proceedings for the partial foreclosure of this Security Instrument for the portion of the Secured Obligations then due and payable, subject to the continuing Lien and security interest of this Security Instrument for the balance of the Secured Obligations not then due, unimpaired and without loss of priority;
- (d) sell for cash or upon credit the Mortgaged Property or any part thereof and all estate, claim, demand, right, title and interest of Mortgagor therein and rights of redemption thereof, pursuant to power of sale or otherwise, at one or more sales, as an entirety or in parcels, at such time and place, upon such terms and after such notice thereof as may be required or permitted by law;
- (e) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained herein, in the Loan Agreements or in the other Finance Documents;

(f) recover judgment on the Secured Obligations either before, during or after any proceedings for the enforcement of this Security Instrument or the other Finance Documents;

(g) apply to a court of competent jurisdiction for the appointment of a receiver, trustee, liquidator or conservator of the Mortgaged Property, without notice and without regard for the adequacy of the security for the Secured Obligations and without regard for the solvency of Mortgagor or any other Obligor (as applicable) or any other Person liable for the payment of the Secured Obligations;

(h) the license granted to Mortgagor under *Section 1.2* hereof shall automatically be revoked (for so long as an Event of Default shall be continuing) and, to the extent permitted under applicable law, Mortgagee may enter into or upon the Mortgaged Property, either personally or by its agents, nominees or attorneys and dispossess Mortgagor and its agents and servants therefrom, without liability for trespass, damages or otherwise and exclude Mortgagor and its agents or servants wholly therefrom, and take possession of all books, records and accounts relating thereto and Mortgagor agrees to surrender possession of the Mortgaged Property and of such books, records and accounts to Mortgagee upon demand, and thereupon Mortgagee may (i) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Mortgaged Property and conduct the business thereat; (ii) complete any construction undertaken by Mortgagor on the Mortgaged Property in such manner and form as Mortgagee deems advisable; (iii) make alterations, additions, renewals, replacements and improvements to or on the Mortgaged Property; (iv) exercise all rights and powers of Mortgagor with respect to the Mortgaged Property, whether in the name of Mortgagor or otherwise, including, without limitation, the right to make, cancel, enforce or modify Leases, obtain and evict tenants, and demand, sue for, collect and receive all Rents of the Mortgaged Property and every part thereof; (v) require Mortgagor to vacate and surrender possession of the Mortgaged Property to Mortgagee or to such receiver and, in default thereof, Mortgagor may be evicted by summary proceedings or otherwise; and (vi) apply the receipts from the Mortgaged Property to the payment of the Secured Obligations in accordance with the terms of the Loan Agreements after deducting therefrom all expenses (including reasonable attorneys' fees) incurred in connection with the aforesaid operations and all amounts necessary to pay the Taxes, Other Charges, insurance and other expenses in connection with the Mortgaged Property;

(i) exercise any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including, without limiting the generality of the foregoing: (i) the right to take possession of the Personal Property or any part thereof, and to take such other measures as Mortgagee may deem necessary for the care, protection and preservation of the Personal Property, and (ii) request Mortgagor at its expense to assemble the Personal Property and make it available to Mortgagee at a convenient place acceptable to Mortgagee. Any notice of sale, disposition or other intended action by Mortgagee with respect to the Personal Property sent to Mortgagor in accordance with the provisions hereof at least ten (10) days prior to such action shall constitute commercially reasonable notice to Mortgagor;

(j) apply any sums then deposited or held in escrow or otherwise by or on behalf of Mortgagee in accordance with the terms of the Facility Agreement, this Security Instrument or any of the other Finance Documents in accordance with the terms of the Loan Agreements;

(k) apply the undisbursed balance of any deposit made by Mortgagor with Mortgagee in connection with the Restoration of the Mortgaged Property, together with interest thereon, to the payment of the Secured Obligations in accordance with the terms of the Loan Agreements; or

- (l) pursue such other remedies as Mortgagee may have under applicable law.

In the event of a sale, by foreclosure, power of sale (if applicable under the laws of the state in which the Mortgaged Property is located) or otherwise, of less than all of Mortgaged Property, this Security Instrument shall continue as a Lien and security interest on the remaining portion of the Mortgaged Property unimpaired and without loss of priority.

Section 8.2. APPLICATION OF PROCEEDS. The purchase money, proceeds and avails of any disposition of the Mortgaged Property, and or any part thereof, or any other sums collected by Mortgagee on behalf of Finance Parties pursuant to the Loan Agreements, this Security Instrument or the other Finance Documents, shall be applied by Mortgagee in accordance with the Collateral Agreement.

Section 8.3. RIGHT TO CURE DEFAULTS. Upon the occurrence and during the continuance of any Event of Default, Mortgagee may, but without any obligation to do so and without notice to or demand on Mortgagor and without releasing Mortgagor from any obligation hereunder, make any payment or do any act required of Mortgagor hereunder in such manner and to such extent as Mortgagee may deem necessary to protect the security hereof. Mortgagee is authorized to enter upon the Mortgaged Property for such purposes, or appear in, defend, or bring any action or proceeding to protect its interest in the Mortgaged Property or to foreclose this Security Instrument or collect the Secured Obligations, and the cost and expense thereof (including reasonable attorneys' fees to the extent permitted by applicable law), with interest as provided in this **Section 8.3**, shall constitute a portion of the Secured Obligations and shall be due and payable to Mortgagee promptly following receipt by Mortgagor of written demand, together with reasonable detail regarding such costs and expenses. All such costs and expenses actually incurred by Mortgagee or any Finance Party in remedying any Event of Default or such failed payment or act or in appearing in, defending, or bringing any such action or proceeding shall bear interest at any default rate specified in the Facility Agreement, if any (the "Default Rate"), for the period from the date of demand to the date of payment to Mortgagee or such Finance Party if not repaid within such time. All such costs and expenses incurred by Mortgagee or any Finance Party together with interest thereon calculated at the Default Rate shall be deemed to constitute a portion of the Secured Obligations and be secured by this Security Instrument and the other Finance Documents and shall be due and payable immediately upon receipt by Mortgagor of written demand by Mortgagee or such other Finance Party therefor.

Section 8.4. ACTIONS AND PROCEEDINGS. Mortgagee has the right (but not the obligation) to appear in and defend any action or proceeding brought with respect to the Mortgaged Property and to bring any action or proceeding, in the name and on behalf of Mortgagor, which Mortgagee, in its discretion (acting reasonably), decides could adversely affect (w) the ability of Mortgagor to pay any of its obligations to any Person as and when due, (x) the marketability of title to such Mortgaged Property, (y) the fair market value of such Mortgaged Property, or (z) the use, leasing, occupancy or operation of such Mortgaged Property.

Section 8.5. RECOVERY OF SUMS REQUIRED TO BE PAID. Mortgagee and the other Finance Parties shall have the right from time to time to take action to recover any sum or sums which constitute a part of the Secured Obligations as the same become due, without regard to whether or not the balance of the Secured Obligations shall be due, and without prejudice to the right of Mortgagee and the other Finance Parties thereafter to bring an action of foreclosure, or any other action, for a default or defaults by Mortgagor existing at the time such earlier action was commenced.

Section 8.6. OTHER RIGHTS, ETC.

- (a) The failure of the Finance Parties or Mortgagee to insist upon strict performance of any term hereof shall not be deemed to be a waiver of any term of this Security Instrument.

Mortgagor shall not be relieved of Mortgagor's obligations hereunder by reason of (i) the failure of the Finance Parties or Mortgagee to comply with any request of Grantor or any guarantor or indemnitor with respect to the Loans to take any action to foreclose this Security Instrument or otherwise enforce any of the provisions hereof or of the Loan Agreements, or the other Finance Documents, (ii) the release, regardless of consideration, of the whole or any part of the Mortgaged Property, or of any Person liable for the Secured Obligations or any portion thereof, or (iii) any agreement or stipulation by Mortgagee or the other Finance Parties extending the time of payment or otherwise modifying or supplementing the terms of the Facility Agreement, this Security Instrument or the other Finance Documents.

(b) It is agreed that the risk of loss or damage to the Mortgaged Property is on Mortgagor, and neither Mortgagee nor the other Finance Parties shall have any liability whatsoever for decline in the value of the Mortgaged Property, for failure to maintain the insurance policies required to be maintained pursuant to the Collateral Agreement, or for failure to determine whether insurance in force is adequate as to the amount of risks insured. Possession by Mortgagee shall not be deemed an election of judicial relief if any such possession is requested or obtained with respect to any Mortgaged Property or collateral not in Mortgagee's possession.

(c) Mortgagee or the other Finance Parties may resort for the payment of the Secured Obligations to any other security held by Mortgagee or the other Finance Parties in such order and manner as Mortgagee or the other Finance Parties, in their discretion, may elect. Mortgagee or the other Finance Parties may take action to recover the Secured Obligations, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of Mortgagee or the other Finance Parties thereafter to foreclose this Security Instrument. The rights of Mortgagee and the other Finance Parties under this Security Instrument shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of any Finance Party or Mortgagee shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision. None of the Finance Parties or Mortgagee shall be limited exclusively to the rights and remedies herein stated but shall be entitled to every right and remedy now or hereafter afforded at law or in equity.

(d) In the event of a foreclosure sale (which shall be effected only while an Event of Default is continuing) the Personal Property and the other portions of the Mortgaged Property may, at the option of Mortgagee, be sold as a whole.

Section 8.7. RIGHT TO RELEASE ANY PORTION OF THE PROPERTY. Mortgagee may release any portion of the Mortgaged Property for such consideration as Mortgagee may require without, as to the remainder of the Mortgaged Property, in any way impairing or affecting the Lien or priority of this Security Instrument, or improving the position of any subordinate lienholder with respect thereto, except to the extent that the obligations hereunder shall have been reduced by the actual monetary consideration, if any, received by Mortgagee or any Lender for such release, and may accept by assignment, pledge or otherwise any other property in place thereof as Mortgagee may require without being accountable for so doing to any other lienholder. This Security Instrument shall continue as a Lien and security interest in the remaining portion of the Mortgaged Property.

Section 8.8. RIGHT OF ENTRY. Upon reasonable notice to Mortgagor and subject to the rights of any tenants or other occupants then in occupancy of all or any part of the Mortgaged Property and its agents shall have the right to enter and inspect the Mortgaged Property in accordance with **Section 7.10** of the Collateral Agreement.

Article 9 — WAIVERS

Section 9.1. MARSHALLING AND OTHER MATTERS. Mortgagor hereby waives, to the extent permitted by law, the benefit of all Legal Requirements (as defined in the Collateral Agreement) now or hereafter in force regarding appraisal, valuation, stay, extension, reinstatement and redemption and all rights of marshalling in the event of any sale hereunder of the Mortgaged Property or any part thereof or any interest therein. Further, to the extent permitted by law, Mortgagor hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Security Instrument on behalf of Mortgagor, and on behalf of each and every Person acquiring any interest in or title to the Mortgaged Property subsequent to the date of this Security Instrument and on behalf of all Persons to the extent permitted by applicable laws.

Section 9.2. WAIVER OF NOTICE. Mortgagor shall not be entitled to any notices of any nature whatsoever from Mortgagee or any of the other Finance Parties except with respect to matters for which this Security Instrument, the Loan Agreements or any of the other Finance Documents specifically and expressly provides for the giving of notice by Mortgagee or any of the Finance Parties to Mortgagor and except with respect to matters for which Mortgagor is not permitted by applicable laws to waive its right to receive notice, and Mortgagor hereby expressly waives the right to receive any notice from Mortgagee or any of the Finance Parties with respect to any matter for which this Security Instrument, the Loan Agreements or any of the other Finance Documents does not specifically and expressly provide for the giving of notice by Mortgagee or any of the Finance Parties to Mortgagor.

Section 9.3. SOLE DISCRETION OF MORTGAGEE. Whenever pursuant to this Security Instrument, Mortgagee exercises any right given to it to approve or disapprove, or any arrangement or term is to be satisfactory to Mortgagee, the decision of Mortgagee to approve or disapprove or to decide whether arrangements or terms are satisfactory or not satisfactory shall (except as is otherwise specifically herein provided) be in the sole (but reasonable) discretion of Mortgagee and shall be final and conclusive.

Section 9.4. WAIVER OF TRIAL BY JURY. **TO THE EXTENT PERMITTED BY APPLICABLE LAW, MORTGAGOR AND MORTGAGEE EACH HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THE FINANCE DOCUMENTS, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY MORTGAGOR AND MORTGAGEE, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. EACH OF MORTGAGEE AND MORTGAGOR IS HEREBY AUTHORIZED TO FILE A COPY OF THIS SECTION 9.4 IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY MORTGAGOR AND MORTGAGEE.**

Section 9.5. WAIVER OF FORECLOSURE DEFENSE. To the extent permissible under applicable law, Mortgagor hereby waives any defense Mortgagor might assert or have by reason of Mortgagee's failure to make any tenant or lessee of the Mortgaged Property a party defendant in any foreclosure proceeding or action instituted by Mortgagee.

Article 10 — CROSS-COLLATERALIZATION

Section 10.1. CROSS-COLLATERALIZATION. Mortgagor acknowledges that the Secured Obligations are secured by this Security Instrument together with those certain other Mortgages given by

the Mortgagor to Mortgagee (whether one or more, collectively, the “Other Mortgages”) encumbering the real and personal property more particularly described in the Other Mortgages (such real and personal property, collectively, the “Other Properties”), all as more specifically set forth in the Loan Agreements. Upon the occurrence and during the continuance of an Event of Default, Mortgagee shall have the right to institute a proceeding or proceedings for the total or partial foreclosure of this Security Instrument and any or all of the Other Mortgages whether by court action, power of sale or otherwise, under any applicable provision of law, for all of the Secured Obligations and the Lien and the security interest created by the Other Mortgages shall continue in full force and effect without loss of priority as a Lien and security interest securing the payment of that portion of the Secured Obligations then due and payable but still outstanding. Mortgagor acknowledges and agrees that the Mortgaged Property and the Other Properties are located in one or more States and/or counties, and therefore Mortgagee shall be permitted to enforce payment of the Secured Obligations and the performance of any term, covenant or condition of the Loan Agreements, this Security Instrument, the Finance Documents or the Other Mortgages and exercise any and all rights and remedies under the Loan Agreements, this Security Instrument, the other Finance Documents or the Other Mortgages, or as provided by law or at equity, by one or more proceedings, whether contemporaneous, consecutive or both, to be determined by Mortgagee, in its sole discretion, in any one or more of the States or counties in which the Mortgaged Property or any of the Other Properties are located. Neither the acceptance of this Security Instrument, the other Finance Documents or the Other Mortgages nor the enforcement thereof in any one State or county, whether by court action, foreclosure, power of sale or otherwise, shall prejudice or in any way limit or preclude enforcement by court action, foreclosure, power of sale or otherwise, of the Loan Agreements, this Security Instrument, the other Finance Documents, or any Other Mortgages through one or more additional proceedings in that State or county or in any other State or county. Any and all sums received by Mortgagee or any of the Finance Parties under the Loan Agreements, this Security Instrument and the other Finance Documents shall be applied to the Secured Obligations in accordance with the Loan Agreements, without regard to any portion of the Loans allocated to any Mortgaged Property or any of the Other Properties or the appraised value of the Mortgaged Property or any of the Other Properties.

Article 11 — FAILURE TO ACT AND NOTICES

Section 11.1. FAILURE TO ACT. Notwithstanding anything to the contrary contained herein or in any of the other Finance Documents, the failure of Mortgagee to take any action hereunder or under any of the other Finance Documents shall not (a) be deemed to be a waiver of any term or condition of this Security Instrument or any of the other Finance Documents, (b) adversely affect any rights of Mortgagee or any Lender hereunder or under any of the other Finance Documents, or (c) relieve Mortgagor of any of Mortgagor’s obligations hereunder or under any of the other Finance Documents.

Section 11.2. NOTICES. Except as otherwise provided by applicable law, all notices or other written communications hereunder shall be delivered in accordance with the applicable terms and conditions of the Loan Agreements.

Article 12 — APPLICABLE LAW

Section 12.1. GOVERNING LAW. EXCEPT TO THE EXTENT THE UNIFORM COMMERCIAL CODE REQUIRES APPLICATION OF THE LAW OF ANOTHER JURISDICTION, THIS SECURITY INSTRUMENT SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED ACCORDING TO THE LAWS (WITHOUT GIVING EFFECT TO THE CONFLICT OF LAW PRINCIPLES THEREOF) OF THE STATE WHERE THE LAND IS LOCATED.

Section 12.2. PROVISIONS SUBJECT TO APPLICABLE LAW. All rights, powers and remedies provided in this Security Instrument may be exercised only to the extent that the exercise thereof does not violate any applicable provisions of law and are intended to be limited to the extent necessary so that they will not render this Security Instrument invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable law. If any term of this Security Instrument or any application thereof shall be invalid or unenforceable, the remainder of this Security Instrument and any other application of the term shall not be affected thereby.

Article 13 — DEFINITIONS

Section 13.1. GENERAL DEFINITIONS. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Security Instrument may be used interchangeably in singular or plural form and

(a) the word “Mortgagor” shall mean each Mortgagor and any subsequent owner or owners (or lessees, as applicable) of the Mortgaged Property or any part thereof or any interest therein;

(b) the word “Mortgagee” shall mean Mortgagee and any of Mortgagee’s successors and assigns;

(c) the word “Lenders” shall mean all or each of the Lenders and any of their or its respective successors and assigns;

(d) the word “Finance Parties” shall mean all or each of the Finance Parties and any of their or its respective successors and assigns;

(e) the words “Mortgaged Property” shall include any portion of the Mortgaged Property and any interest therein;

(f) the words “Other Properties” shall include any portion of the Other Properties and any interest therein; and

(g) the phrases “attorneys’ fees,” “legal fees,” and “counsel fees” shall include any and all attorneys’, paralegal and law clerk fees and disbursements, including, but not limited to, fees and disbursements at the pre-trial, trial and appellate levels incurred or paid by Mortgagee in protecting its interest in the Mortgaged Property, the Leases and the Rents and enforcing its rights hereunder.

Article 14 — MISCELLANEOUS PROVISIONS

Section 14.1. NO ORAL CHANGE. This Security Instrument, and any provisions hereof, may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Mortgagor or Mortgagee, but only by an agreement in writing signed by Mortgagor and Mortgagee in accordance with the Loan Agreements.

Section 14.2. SUCCESSORS AND ASSIGNS. This Security Instrument shall be binding upon and inure to the benefit of Mortgagor, Mortgagee and Finance Parties and their respective successors and assigns forever.

Section 14.3. INAPPLICABLE PROVISIONS. If any term, covenant or condition of the Loan Agreements, or this Security Instrument is held to be invalid, illegal or unenforceable in any respect, the Loan Agreements, and this Security Instrument shall be construed without such provision.

Section 14.4. HEADINGS, ETC. The headings and captions of various Sections of this Security Instrument are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

Section 14.5. NUMBER AND GENDER. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

Section 14.6. ENTIRE AGREEMENT. This Security Instrument, the Loan Agreements and the other Finance Documents contain the entire agreement of the parties hereto and thereto in respect of the transactions contemplated hereby and thereby, and all prior agreements among or between such parties, whether oral or written, are superseded by the terms of this Security Instrument, the Loan Agreements and the other Finance Documents.

Section 14.7. LIMITATION ON MORTGAGEE'S OR FINANCE PARTIES' RESPONSIBILITY. No provision of this Security Instrument shall operate to place any obligation or liability for the control, care, management or repair of the Mortgaged Property upon Mortgagee or any Finance Party, nor shall it operate to make Mortgagee or any Finance Party responsible or liable for any waste committed on the Mortgaged Property by the tenants or any other Person, or for any dangerous or defective condition of the Mortgaged Property, or for any negligence in the management, upkeep, repair or control of the Mortgaged Property resulting in loss or injury or death to any tenant, licensee, employee or stranger, except to the extent that any of the foregoing arise directly from the gross negligence, illegal acts, fraud or willful misconduct of Lenders or Mortgagee. Nothing herein contained shall be construed as constituting Mortgagee or any Finance Party a "mortgagee in possession."

Section 14.8. AGREEMENT OF THE PARTIES. EACH OF THE PARTIES HERETO SPECIFICALLY ACKNOWLEDGES AND AGREES (a) THAT IT HAS A DUTY TO READ THIS SECURITY INSTRUMENT AND THAT IT IS CHARGED WITH NOTICE AND KNOWLEDGE OF THE TERMS HEREOF, (b) THAT IT HAS IN FACT READ THIS SECURITY INSTRUMENT AND IS FULLY INFORMED AND HAS FULL NOTICE AND KNOWLEDGE OF THE TERMS, CONDITIONS AND EFFECTS OF THIS SECURITY INSTRUMENT, (c) THAT IT HAS BEEN REPRESENTED BY LEGAL COUNSEL OF ITS CHOICE THROUGHOUT THE NEGOTIATIONS PRECEDING ITS EXECUTION OF THIS SECURITY INSTRUMENT AND HAS RECEIVED THE ADVICE OF SUCH COUNSEL IN CONNECTION WITH ENTERING INTO THIS SECURITY INSTRUMENT, AND (d) THAT IT RECOGNIZES THAT CERTAIN OF THE TERMS OF THIS SECURITY INSTRUMENT PROVIDE FOR (i) CERTAIN WAIVERS AND FOR (ii) THE ASSUMPTION BY ONE PARTY OF, AND/OR RELEASE OF THE OTHER PARTY FROM, CERTAIN LIABILITIES THAT SUCH PARTY MIGHT OTHERWISE BE RESPONSIBLE FOR UNDER THE LAW. EACH PARTY HERETO FURTHER AGREES AND COVENANTS THAT IT WILL NOT CONTEST THE VALIDITY OR ENFORCEABILITY OF ANY SUCH PROVISIONS OF THIS SECURITY INSTRUMENT ON THE BASIS THAT THE PARTY HAD NO NOTICE OR KNOWLEDGE OF SUCH PROVISION OR THAT SUCH PROVISIONS ARE NOT "CONSPICUOUS."

Section 14.9. CONFLICT. In the event of any inconsistencies between the terms and conditions of this Security Instrument and the terms and conditions of the Collateral Agreement, the terms and conditions of the Collateral Agreement shall control and be binding.

Section 14.10. INCORPORATION OF REPRESENTATIONS, WARRANTIES AND COVENANTS. Each Mortgagor hereby acknowledges and agrees that all of the representations, warranties and covenants of Mortgagor set forth in the Loan Agreements are hereby incorporated herein by reference.

Section 14.11. CONCERNING THE MORTGAGEE. Mortgagee is acting as Mortgagee solely in its capacity as Collateral Agent under the Collateral Agreement, and in acting hereunder, Mortgagee shall be entitled to all of the rights, privileges, immunities and indemnities granted to it under the Collateral Agreement.

Article 15 — STATUS OF MORTGAGOR

Section 15.1. STATUS OF MORTGAGOR. Mortgagor's exact legal name is correctly set forth in the first paragraph of this Security Instrument and the signature block at the end of this Security Instrument. Mortgagor is an organization of the type specified in the first paragraph of this Security Instrument. Mortgagor is incorporated in or organized under the laws of the state specified in **Section 1.4** of this Security Instrument. Mortgagor's principal place of business and chief executive office, and the place where Mortgagor kept its principal books and records, including recorded data of any kind or nature, regardless of the medium or recording, including software, and writings, has been for the preceding four months (or, if less, the entire period of the existence of Mortgagor) the address shown on the first page of this Security Instrument. Mortgagor's organizational identification number, if any, assigned by the state of incorporation or organization is correctly set forth in **Section 1.4** of this Security Instrument. Mortgagor will not change or permit to be changed (a) Mortgagor's name, (b) the corporate, partnership or other organizational structure of Mortgagor, (c) Mortgagor's state of organization, or (d) Mortgagor's organizational number, in each case, without notifying Mortgagee of such change in writing at least fifteen (15) days prior to the effective date of such change and, in the case of a change in Mortgagor's structure, without first obtaining the prior written consent of Mortgagee. If Mortgagor does not now have an organizational identification number and later obtains one, Mortgagor promptly shall notify the Mortgagee of such organizational identification number.

Article 16 — STATE SPECIFIC PROVISIONS

Section 16.1. PRINCIPLES OF CONSTRUCTION. In the event of any inconsistencies between the terms and conditions of this **Article 16** and the terms and conditions of this Security Instrument, the terms and conditions of this **Article 16** shall control and be binding.

Section 16.2. POWER OF SALE. Mortgagor hereby vests Mortgagee with full power and authority, upon the happening of an Event of Default, at Mortgagee's option, to declare the entire Indebtedness to be immediately due and payable, and at Mortgagee's option, to take possession of the Mortgaged Property if and to the extent allowed by law, and to sell the Mortgaged Property at public outcry to the highest bidder for cash in front of the main entrance of the county courthouse in the county or counties, as may be required, where the Mortgaged Property is located, either in person or by auctioneer, after having first given notice of the time, place and terms of sale, together with a description of the property to be sold, by publication once a week for three (3) successive weeks prior to said sale in some newspaper published in said county or counties, as may be required, and, upon payment of the purchase money, Mortgagee or any person conducting the sale for Mortgagee is authorized to execute to the purchaser at said sale a deed to the Mortgaged Property so purchased. Mortgagee may bid at said sale and purchase the Mortgaged Property, or any part thereof, if the highest bidder therefor. At the foreclosure sale the Property may be offered for sale and sold as a whole without first offering it in any other manner or may be offered for sale and sold in any other manner as Mortgagee may elect. At any sale, including any sale pursuant to power of sale, any part or parcels or all of the Mortgaged Property, real, personal or mixed, may be offered for sale in whole or in part for one total price, the proceeds of any such sale to be accounted for in one

account without distinction between the items included therein or without assigning to them any proportion of such proceeds, the Mortgagor hereby waiving the application of any doctrine of marshaling or like proceeding. The purchaser at any such sale or sales shall be under no obligation to see to the proper application of the purchase money. If the Mortgagee, in the exercise of the power of sale herein given, elects to sell the Land in parts or parcels, sales thereof may be held from time to time, and the power of sale granted herein shall not be fully exercised until all of the Mortgaged Property not previously sold shall have been sold or all the Secured Obligations shall have been paid in full. The proceeds of any foreclosure sale pursuant to this paragraph shall be applied first, to the payment of the costs of said sale, including reasonable attorney's and auctioneer's fees; second, to the payment of the Secured Obligations, whether due or not, with the unpaid interest thereon to the date of sale, and any amount that may be due Mortgagee by virtue of any of the special liens or agreements herein contained; and, third, the balance, if any, to be paid over to Mortgagor, or as may otherwise be provided by law.

Section 16.3. MAXIMUM PRINCIPAL AMOUNT SECURED. Notwithstanding anything contained herein to the contrary, the maximum amount of principal indebtedness secured by this Security Instrument at the time of execution hereof or which under any contingency may become secured by this Security Instrument at any time hereafter is \$551,000,000, plus (a) taxes, charges or assessments which may be imposed by law upon the Mortgaged Property; (b) premiums on insurance policies covering the Property; and (c) expenses incurred in upholding the lien of this Security Instrument, including, but not limited to, (i) the expenses of any litigation to prosecute or defend the rights and lien created by this Security Instrument; (ii) any amount, cost or charges to which Mortgagee becomes subrogated upon payment, whether under recognized principles of law or equity or under express statutory authority and (iii) interest at the Default Rate (or regular interest rate).

[Remainder of page intentionally left blank. Signature page(s) to follow.]

IN WITNESS WHEREOF, this Security Instrument has been executed by the undersigned as of the day and year first above written.

PROPCO:

LSREF3/AH CHICAGO, LLC, a Delaware limited liability company

By: M Song
Name: Moses K. Song
Title: President

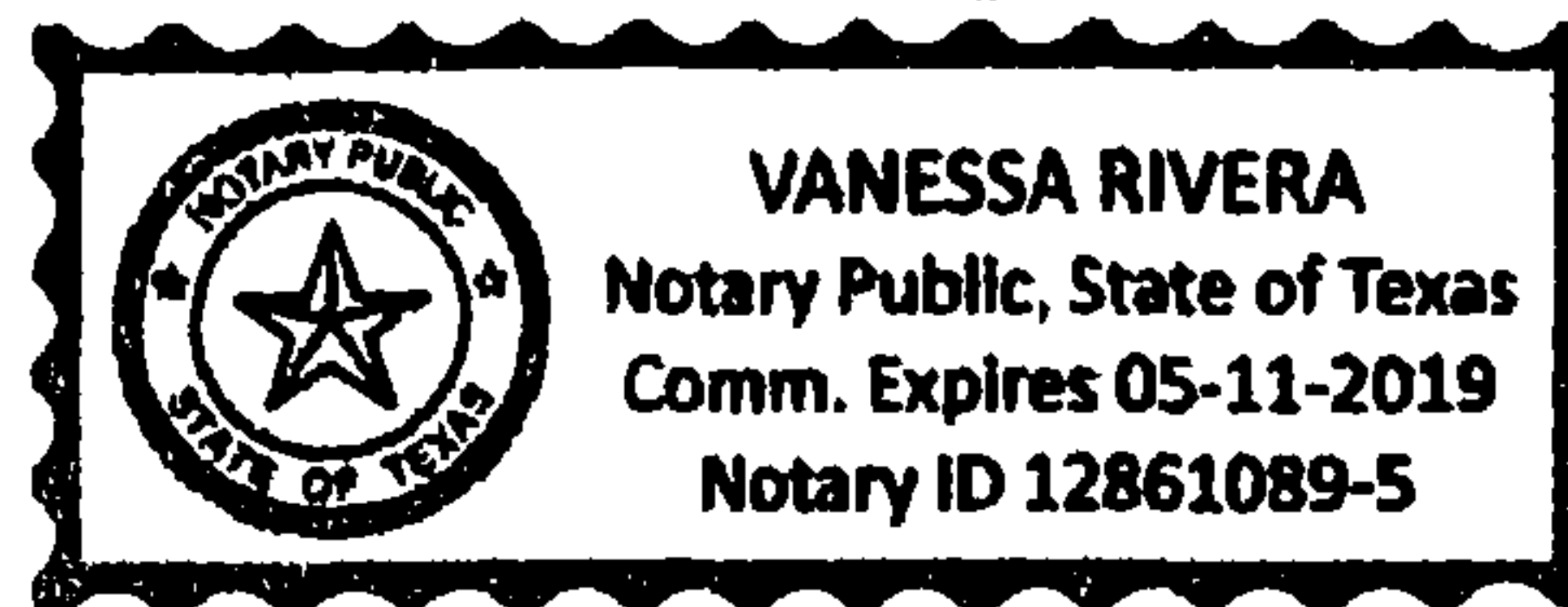
STATE OF TEXAS)
)
DALLAS COUNTY)

I, the undersigned authority, a Notary Public in and for said County, in said State, hereby certify that Moses K. Song, whose name as President of LSREF3/AH CHICAGO, LLC, a Delaware limited liability company, signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal this 27th day of November, 2018.


Vanessa Rivera

Notary Public
My Commission Expires: 5-11-2019
[SEAL]



MASTER LESSEE:

LSREF3/AH CHICAGO TENANT, LLC, a
Delaware limited liability company

By: 
Name: Moses K. Song
Title: President

STATE OF TEXAS)
)
DALLAS COUNTY)

I, the undersigned authority, a Notary Public in and for said County, in said State, hereby certify that Moses K. Song, whose name as President of LSREF3/AH CHICAGO TENANT, LLC, a Delaware limited liability company, signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal this 27th day of November, 2018.



Notary Public
My Commission Expires: 5-11-2019
[SEAL]

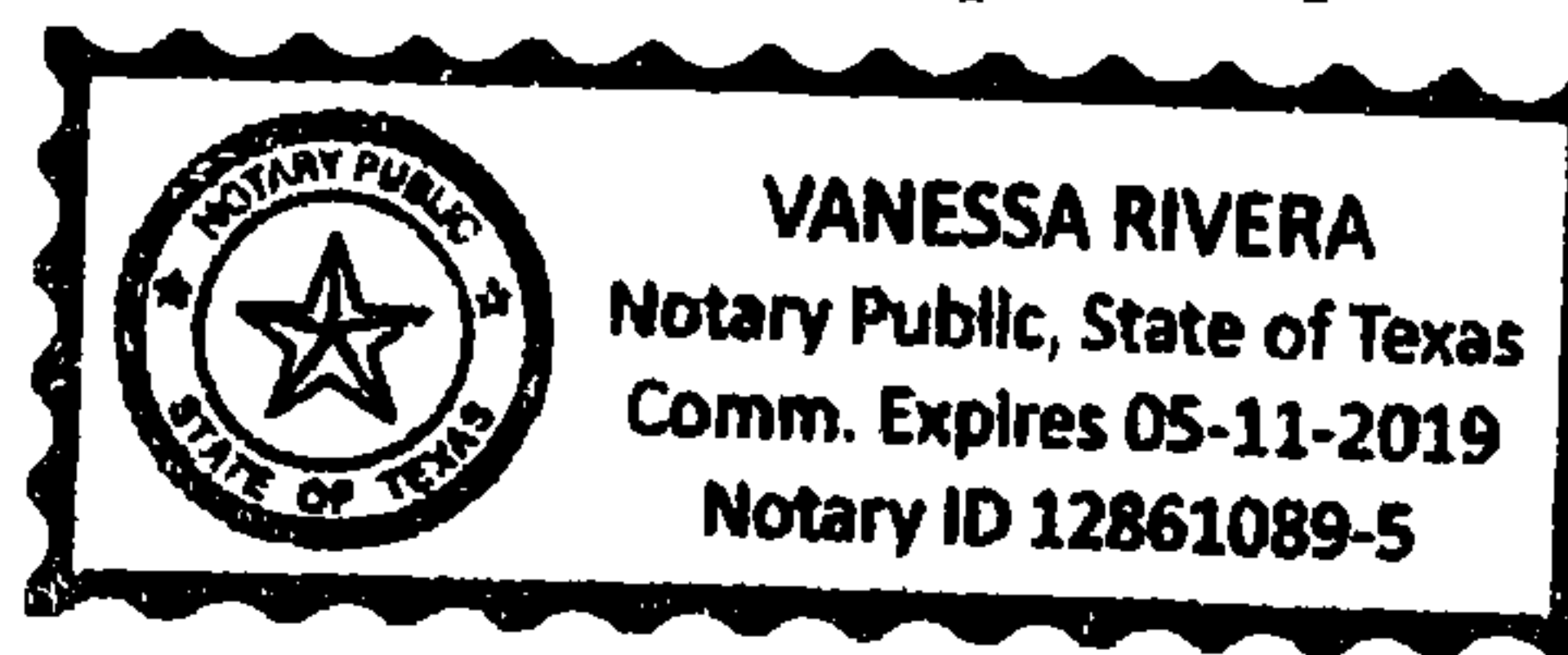


Exhibit A

PROPERTY DESCRIPTION

PARCEL I:

LOT 24B, ACCORDING TO THE MAP OF INVERNESS CENTER SITE 24B, AS RECORDED IN MAP BOOK 21, PAGE 61, IN THE OFFICE OF THE JUDGE OF PROBATE OF SHELBY COUNTY, ALABAMA.

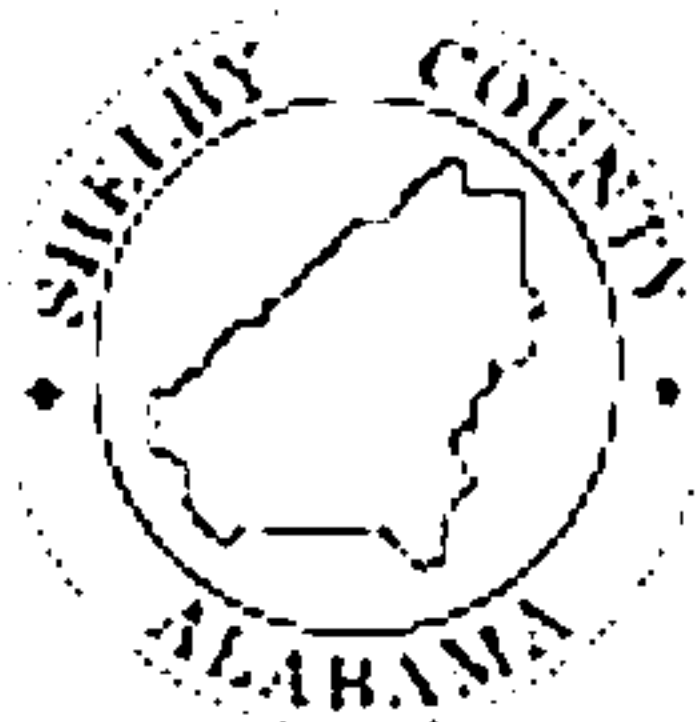
PARCEL II:

EASEMENT FOR THE BENEFIT OF PARCEL I FOR INGRESS AND EGRESS AS DESCRIBED IN EASEMENT AGREEMENT RECORDED AS INSTRUMENT NO. 1996-23103, IN SAID PROBATE OFFICE.

PARCEL III:

EASEMENT FOR THE BENEFIT OF PARCEL I FOR INGRESS AND EGRESS AS DESCRIBED IN MUTUAL EASEMENT AGREEMENT RECORDED AS INSTRUMENT NO. 1996-23105, IN SAID PROBATE OFFICE.

Property Address: 4686 Highway 280 East, Birmingham, Alabama 35242
Tax Parcel ID No(s): 02-7-36-0-001-029.015



Filed and Recorded
Official Public Records
Judge of Probate, Shelby County Alabama, County
Clerk
Shelby County, AL
12/04/2018 11:00:43 AM
\$10666.20 CHARITY
20181204000423710

Allie S. Bayl